

IMPORTANT NOTICE

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The materials relating to the offering of securities to which the attached offering circular relates do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law.

The attached offering circular has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of Olam International Limited (the “Company”) and Olam Treasury Pte. Ltd. (“Olam Treasury”) (each an “Issuer” and together, the “Issuers”), DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Standard Chartered Bank and Standard Chartered Bank (Singapore) Limited (the “Arrangers”), Australia and New Zealand Banking Group Limited (together with the Arrangers, the “Dealers”), their affiliates, directors, officers, employees, representatives, agents and each person who controls them and their respective affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version. **A hard copy version will be provided to you upon request.**

THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES. THIS OFFERING IS MADE SOLELY IN OFFSHORE TRANSACTIONS PURSUANT TO REGULATION S UNDER THE SECURITIES ACT.

Nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of Olam International Limited, Olam Treasury Pte Ltd or the Arrangers or the Dealers to subscribe for or purchase any of the securities described in the attached offering circular, and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Arrangers, the Dealers or any affiliate of theirs is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by them or such affiliate on behalf of Olam International Limited or Olam Treasury Pte Ltd in such jurisdiction.

The Pricing Supplement in respect of any Notes may include a legend entitled “MiFID II Product Governance” which will outline the target market in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person offering, selling or recommending the Notes (a “distributor”) should take into consideration such target market; however, a distributor subject to Directive 2014/65/EU (as amended, “MiFID II”) is for undertaking its own target market assessment in respect of the Notes and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “MiFID Product Governance Rules”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS: The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”) or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the “Insurance Mediation Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the “Prospectus Directive”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

You are reminded that you have accessed the attached offering circular on the basis that you are a person into whose possession the attached offering circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the attached offering circular, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you are not allowed to purchase any of the securities described in the attached offering circular.

Actions that You May Not Take: If you receive this document by e-mail, you should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected.

YOU ARE NOT AUTHORISED TO AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED OFFERING CIRCULAR, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH OFFERING CIRCULAR IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED OFFERING CIRCULAR IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

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OLAM INTERNATIONAL LIMITED

(incorporated in the Republic of Singapore with limited liability)
(Company registration number: 199504676H)

OLAM TREASURY PTE LTD

(incorporated in the Republic of Singapore with limited liability)
(Company registration number: 201708046R)

U.S.\$5,000,000,000

Euro Medium Term Note Programme

On 6 July 2012, Olam International Limited established a Euro Medium Term Note Programme with an original programme limit of U.S.\$2,000,000,000 and prepared an offering circular dated 6 July 2012. This offering circular replaces the offering circulars dated 6 July 2012, 14 July 2014, 21 August 2015 and 23 November 2016 relating to the Euro Medium Term Note Programme of Olam International Limited.

Under the Euro Medium Term Note Programme described in this Offering Circular (the "**Programme**"), each of Olam International Limited (the "**Company**") and Olam Treasury Pte. Ltd. ("**Olam Treasury**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue euro medium term notes (the "**Notes**"). Each Series (as defined in "*Summary of the Program*") of Notes shall be issued only by either (i) the Company (in its capacity as issuer, an "**Issuer**") (the "**Direct Issuance Notes**"); or (ii) Olam Treasury (in its capacity as issuer, an "**Issuer**", and together with the Company in its capacity as guarantor, the "**Issuers**"). Notes issued by Olam Treasury shall be unconditionally and irrevocably guaranteed by the Company (in its capacity as guarantor, the "**Guarantor**") (the "**Guaranteed Notes**" and, together with the Direct Issuance Notes, the "**Notes**").

The Notes may rank as senior obligations of the Issuers or subordinated obligations of the Issuers. The aggregate principal amount of Notes outstanding will not at any time exceed U.S.\$5,000,000,000 (or the equivalent in other currencies), subject to increases as described herein.

Where used in this Offering Circular unless otherwise stated, "**Notes**" includes perpetual securities ("**Perpetual Securities**") that may be issued from time to time under the Programme. Defined terms used in this Offering Circular shall have the meanings given to such terms in "*Definitions*" and "*Summary of the Programme*".

The Notes may be issued by the Company or Olam Treasury on a continuing basis to one or more of the dealers appointed under the Programme from time to time (each a "**Dealer**" and together the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the "**relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed for by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

An investment in Notes issued under the Programme involves certain risks. For a discussion of some of these risks see "*Risk Factors*".

Application has been made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to deal in and the quotation of any Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the Official List of the SGX-ST. In addition, at the relevant time of issue of the Notes which are agreed at or prior to the time of issue to be listed on the Official List of the SGX-ST, a separate application will be made to the SGX-ST for the permission to deal in and quotation of such Notes on the Official List of the SGX-ST. Such permission will be granted when the Notes have been admitted to the Official List of the SGX-ST. There is no assurance that the application to the SGX-ST for permission to deal in and quotation of the Notes of any Series (as defined herein) will be approved. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Offering Circular. The approval in-principle from, and admission to the Official List of, the SGX-ST is not to be taken as an indication of the merits of the Company, Olam Treasury, their subsidiaries (the Company and its subsidiaries taken as a whole, the "**Group**"), its associated companies, the Programme and/or the Notes. Unlisted Notes may also be issued pursuant to the Programme and Notes may also be listed on stock exchanges other than the SGX-ST. The relevant Pricing Supplement (as defined herein) in respect of any Series will specify whether or not such Notes will be listed, and if so, which exchange(s) the Notes will be listed.

The Notes of each Series to be issued in bearer form ("**Bearer Notes**") will be sold in an "offshore transaction" within the meaning of Regulation S ("**Regulation S**") under the United States Securities Act of 1933, as amended (the "**Securities Act**") and will initially be represented on issue by a temporary global note in bearer form (each a "**temporary Global Note**") or a permanent global note in bearer form (each a "**permanent Global Note**" and, together with the temporary Global Notes, the "**Global Notes**"). Interests in temporary Global Notes generally will be exchangeable for interests, in whole or in part, in permanent Global Notes, or if so stated in the relevant Pricing Supplement, definitive Notes ("**Definitive Notes**"), after the date falling 40 days after the later of the commencement of the offering and the relevant issue date of such Tranche of Notes, upon certification as to non-U.S. beneficial ownership. Interests in permanent Global Notes will be exchangeable for Definitive Notes in whole or in part as described under "*Summary of Provisions Relating to the Notes and the Perpetual Securities while in Global Form*".

Notes in registered form ("**Registered Notes**") will be represented by registered certificates (each a "**Certificate**"), one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. The Notes of each Series to be issued in registered form and which are sold in an "offshore transaction" within the meaning of Regulation S will initially be represented by a permanent global certificate (each a "**Global Certificate**") without interest coupons. The Global Notes and Global Certificates may be deposited on the relevant issue date (a) in the case of a Series intended to be cleared through Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream**"), with a common depository on behalf of Euroclear and Clearstream or, in the case of a Series of Notes intended to be cleared through the Central Money Markets Unit Service, operated by the Hong Kong Monetary Authority (the "**CMU**"), with a sub-custodian for the CMU or, in the case of a Series of Notes intended to be cleared through The Central Depository (Pte) Limited ("**CDP**"), with, and/or registered in the name of, CDP and (b) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream and/or the CMU and/or CDP or delivered outside a clearing system, as agreed between the Issuer and the relevant Dealer. The provisions governing the exchange of interests in Global Notes for other Global Notes and Global Notes and Global Certificates for Definitive Notes are described in "*Summary of Provisions Relating to the Notes and the Perpetual Securities while in Global Form*".

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Notes may include Bearer Notes that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold, or, in the case of Bearer Notes, delivered within the United States. Registered Notes are subject to certain restrictions on transfer, see "*Subscription and Sale*".

The Company or Olam Treasury and the Guarantor (in respect of each Tranche of Guaranteed Notes) may agree with any Dealer, The Bank of New York Mellon, London Branch (in its capacity as trustee, the "**Trustee**"), and the Issuing and Paying Agent (as set out herein), the CMU Lodging and Paying Agent (as set out herein) or the CDP Paying Agent (as set out herein), as the case may be, that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes other than Perpetual Securities or the Terms and Conditions of the Perpetual Securities (as applicable) herein.

Unless otherwise stated in a relevant Pricing Supplement, Tranches of Notes to be issued under the Programme will be unrated.

Arrangers

DBS BANK LTD.

HSBC

STANDARD CHARTERED BANK

Dealers

ANZ

DBS BANK LTD.

HSBC

STANDARD CHARTERED BANK

The Company and Olam Treasury, having made all reasonable enquiries, confirms that this Offering Circular contains or incorporates by reference all information relating to the Company, Olam Treasury and the Group which is material in the context of the issuance and offering of Notes.

Each Tranche of Notes will be issued on the terms set out herein under “*Terms and Conditions of the Notes other than the Perpetual Securities*” (in relation to Notes other than Perpetual Securities) or “*Terms and Conditions of the Perpetual Securities*” (in relation to Perpetual Securities) as amended and/or supplemented by a document specific to such Tranche called a pricing supplement (a “**Pricing Supplement**”). This Offering Circular must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes, must be read and construed together with the relevant Pricing Supplement.

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated by reference in this Offering Circular (see “*Documents Incorporated by Reference*”). This Offering Circular shall be read and construed on the basis that such documents are incorporated in, and form part of, this Offering Circular.

No person is or has been authorised by the Company and Olam Treasury to give any information or to make any representation other than those contained in this Offering Circular and the relevant Pricing Supplement in connection with any issue or sale of Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Company, Olam Treasury, the Arrangers, any Dealers, the Trustee or any Agent (as defined in this Offering Circular).

Neither this Offering Circular nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation of the Company, Olam Treasury or the Group or (ii) should be considered as a recommendation by the Company, Olam Treasury, the Arrangers, any of the Dealers, the Trustee or the Agents that any recipient of this Offering Circular or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each potential purchaser of Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Company, Olam Treasury and the Group. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigation as it deems necessary.

Neither the delivery of this Offering Circular nor any sale of Notes made in connection herewith shall, under any circumstances, create any implication that there has been no change in the Company’s, Olam Treasury’s or the Group’s affairs since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the Company’s, Olam Treasury’s or the Group’s financial position since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Circular and the offering or sale of the Notes in certain jurisdictions may be restricted by law. The Company, Olam Treasury, the Arrangers, the Dealers, the Trustee and the Agents do not represent that this Offering Circular may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Company, Olam Treasury, the Arrangers, the Dealers, the Trustee or the Agents which would permit a public offering of any Notes or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published, in any

jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Circular comes are required by the Company, Olam Treasury, the Arrangers and the Dealers to inform themselves about and to observe any such restriction. In particular, there are restrictions on the distribution of this Offering Circular and the offer or sale of Notes in the United States, the European Economic Area, the United Kingdom, Hong Kong, Singapore, Japan and the PRC (see “*Subscription and Sale*”). If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Arrangers, the Dealers or any affiliate of theirs is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by them or such affiliate on behalf of the relevant Issuer in such jurisdiction.

The Notes have not been and will not be registered under the Securities Act and the Notes include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States. For a description of certain restrictions on offers and sales of Notes and on distribution of this Offering Circular, see “*Subscription and Sale*”. The Notes are being offered and sold outside the United States in reliance on Regulation S. For a description of these and certain further restrictions on offers, sales and transfers of Notes and distribution of this Offering Circular, see “*Subscription and Sale*”.

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF ANY OFFERING OF NOTES OR THE ACCURACY OR THE ADEQUACY OF THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

This Offering Circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Notes to be issued from time to time by the relevant Issuer pursuant to the Programme may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or (in the case of such corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA or (in the case of such trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;

- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Neither this Offering Circular nor any Pricing Supplement constitutes an offer of, or an invitation by or on behalf of the Company, Olam Treasury, the Arrangers, the Dealers, the Trustee or the Agents to subscribe for, or purchase, any Notes.

To the fullest extent permitted by law, none of the Arrangers, the Dealers, the Trustee or the Agents accepts any responsibility for the contents of this Offering Circular or for any other statement, made or purported to be made by the Arrangers, any Dealer, the Trustee or any Agent or on their behalf in connection with the Company, Olam Treasury or the issue and offering of any Notes or for any acts or omissions of the Company, Olam Treasury or any other person (other than the relevant Dealer) in connection with the issue and offering of the Notes. Each of the Arrangers, the Dealers, the Trustee and the Agents accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Offering Circular or any such statement. None of the Arrangers, any Dealer, the Trustee or any Agent undertakes to review the Company's or Olam Treasury's financial condition or affairs during the life of the arrangements contemplated by this Offering Circular nor to advise any investor of any information coming to the attention of any of them.

This Offering Circular does not describe all of the risks and investment considerations (including those relating to each investor's particular circumstances) of an investment in Notes of a particular issue. Each potential purchaser of Notes should refer to and consider carefully the relevant Pricing Supplement for each particular issue of Notes, which may describe additional risks and investment considerations associated with such Notes. The risks and investment considerations identified in this Offering Circular and the relevant Pricing Supplement are provided as general information only. Investors should consult their own financial, tax, accounting and legal advisers as to the risks and investment considerations arising from an investment in an issue of Notes and should possess the appropriate resources to analyse such investment and the suitability of such investment in their particular circumstances.

In making an investment decision, investors must rely on their own examination of the Company, Olam Treasury and the Group and the terms of the Notes being offered, including the merits and risks involved. None of the Company, Olam Treasury, the Arrangers, any Dealer, the Trustee or any Agent makes any representation to any investor regarding the legality of its investment under any applicable laws. Investors should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

Notes issued under the Programme may be denominated in Renminbi. Renminbi is currently not freely convertible and conversion of CNY through banks in Hong Kong is subject to certain restrictions. Investors should be reminded of the conversion risk with CNY products. In addition, there is a liquidity risk associated with CNY products, particularly if such investments do not have an active secondary market and their prices have large bid/offer spreads. CNY products are denominated and settled in CNY deliverable in Hong Kong, which represents a market which is different from that of CNY deliverable in the PRC.

Stabilisation

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the stabilising manager(s) (the "**Stabilising Manager(s)**") (or persons acting on behalf of any Stabilising Manager(s)) in the relevant Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail for a limited period after the

Issue Date of the relevant Tranche. However, there is no obligation on any Stabilising Manager to do this. Such stabilising, if commenced, may be discontinued at any time, and must be brought to an end after a limited period. Such stabilising shall be in compliance with all applicable laws, regulations and rules.

Rounding of Amounts

Figures in this Offering Circular have been subject to rounding adjustments. Accordingly, figures shown for the same item of information may vary and figures which are totals may not be an arithmetic aggregate of their components.

Forward-Looking Statements

This Offering Circular includes forward-looking statements regarding, amongst other things, the Company's, Olam Treasury's and the Group's business, results of operations, financial conditions, cash flow, future expansion plans and business strategy. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "anticipates", "believes", "estimates", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Offering Circular and include statements regarding the Company's, Olam Treasury's or the Group's intentions, beliefs or current expectations concerning, among other things, the Company's, Olam Treasury's or the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which the Company, Olam Treasury or the Group operates.

By their nature, forward-looking statements are subject to numerous assumptions, risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The Company and Olam Treasury caution investors that forward-looking statements are not guarantees of future performance and that their actual results of operations, financial condition and liquidity, and the development of the industries in which they operate, may differ materially from those made in or suggested by the forward-looking statements contained in this Offering Circular. In addition, even if the Company's or Olam Treasury's results of operations, financial condition and liquidity and the development of the industries in which the Company, Olam Treasury or the Group operates are consistent with the forward-looking statements contained in this Offering Circular, those results or developments may not be indicative of results or developments in subsequent periods.

The cautionary statements set forth above should be considered in connection with any subsequent written or oral forward-looking statements that the Company, Olam Treasury or persons acting on its behalf may issue. The Company and Olam Treasury do not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this Offering Circular.

The following list includes some, but not necessarily all, of the factors that may cause actual results to differ from those anticipated or predicted:

- conditions of and changes in the social, economic and political condition and regulatory environment in the countries/territories that the Group operates in and/or where the Group's customers and suppliers are located;
- changes in the competitive conditions in the Group's industry and the Group's ability to compete under those conditions;
- changes in the future capital needs of the Group and the availability of financing and capital to fund those needs;
- changes in commodity prices;

- risk of not being able to implement the new strategies outlined by the Group;
- risk of being unable to realise the anticipated growth opportunities;
- changes in the availability and effectiveness of futures contracts or other derivative instruments and hedging instruments, and the risks associated with such instruments;
- changes in currency exchange rates;
- changes in short-term and long-term interest rates; and
- changes in customer preferences and needs.

Investors should read the factors described in the “*Risk Factors*” section of this Offering Circular to better understand the risks and uncertainties inherent in the Company’s and Olam Treasury’s business and underlying any forward-looking statements.

Any forward-looking statements that the Company and Olam Treasury make in this Offering Circular speak only as at the date of this Offering Circular, and the Company and Olam Treasury undertake no obligation to update such statements. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, and should only be viewed as historical data.

Documents Incorporated by Reference

This Offering Circular should be read and construed in conjunction with (i) each relevant Pricing Supplement, (ii) the most recently published audited consolidated annual financial statements and any interim financial statements (whether audited or unaudited) published subsequently to such annual financial statements of the Company from time to time (if any), in each case with the report of the auditors in connection therewith (if any), and (iii) all amendments and supplements from time to time to this Offering Circular, each of which shall be deemed to be incorporated by reference in, and to form part of, this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents. Copies of all such documents which are so deemed to be incorporated by reference in, and to form part of, this Offering Circular will be available free of charge during usual business hours on any weekday (Saturdays and public holidays excepted) from the specified offices of the Issuing and Paying Agent set out at the end of this Offering Circular.

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DEFINITIONS

The following definitions have, where appropriate, been used in this Offering Circular:

“A\$”	The lawful currency of Australia
“€”, “Euro” or “euro”	The lawful currency of member states of the European Union that adopt the single currency introduced in accordance with the Treaty establishing the European Community, as amended from time to time
“£” or “Sterling”	The lawful currency of the United Kingdom
“Agency Agreement”	The amended and restated agency agreement dated 16 March 2018 between the Issuers, The Bank of New York Mellon, London Branch, as trustee, The Bank of New York Mellon, London Branch as issuing and paying agent, paying agent and transfer agent in respect of Registered Notes other than CMU Notes and CDP Notes, The Bank of New York Mellon, Hong Kong Branch as the CMU lodging and paying agent and, in respect of CMU Notes that are Registered Notes, the registrar and transfer agent, The Bank of New York Mellon, Singapore Branch as the CDP paying agent and, in respect of CDP Notes that are Registered Notes, the registrar and transfer agent, The Bank of New York Mellon, SA/NV, Luxembourg Branch as registrar in respect of Registered Notes other than CMU Notes and CDP Notes and the other agents named in it relating to the Programme
“Agents”	The issuing and paying agent, the paying agents, the CMU lodging and paying agent, the CDP paying agent, the calculation agent (where appointed pursuant to the Agency Agreement or otherwise), the registrars and the transfer agents or any of them and such other agents as may be appointed from time to time under the Agency Agreement
“Board”	Board of directors of the Company
“CDP”	The Central Depository (Pte) Limited
“CMU”	Central Moneymarkets Unit Service, operated by the HKMA
“CNY” or “RMB” or “Renminbi”	The lawful currency of the PRC
“Dealer Agreement”	The amended and restated dealer agreement relating to the Programme dated 16 March 2018 between the Issuers, Australia and New Zealand Banking Group Limited, DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Standard Chartered Bank and Standard Chartered Bank (Singapore) Limited and any other dealers named therein
“Destination Markets”	Markets and countries in which the Group sells its food ingredients and/or agricultural products
“Directors”	Directors of the Company

“Fair Trade Practice”	The principles and guidelines prescribed by fair trade organisations to promote equitable trading relationships between consumers and economically disadvantaged producers
“FY”	Financial year ended or ending 31 December
“Government”	The Government of the Republic of Singapore
“HK\$” or “Hong Kong Dollars”	The lawful currency of Hong Kong
“HKMA”	Hong Kong Monetary Authority
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“INR”	The lawful currency of India
“Issuing and Paying Agent”	The issuing and paying agent, save that references to the Issuing and Paying Agent, with respect to (i) CMU Notes, shall be deemed to be the references to the CMU Lodging and Paying Agent and (ii) CDP Notes, shall be deemed to be references to the CDP Paying Agent, and (unless the context requires otherwise) all such references shall be construed accordingly
“ITA”	Income Tax Act, Chapter 134 of Singapore
“KC Group”	Kewalram Chanrai Group
“Latest Practicable Date”	2 March 2018
“MAS”	The Monetary Authority of Singapore
“N.Z.\$”	The lawful currency of New Zealand
“Paying Agents”	The issuing and paying agent, the CMU lodging and paying agent, the CDP paying agent and such other paying agents as may be appointed from time to time under the Agency Agreement
“PRC”	The People’s Republic of China, excluding the Hong Kong Special Administrative Region and the Macau Special Administrative Region
“S\$” or “Singapore Dollars”	The lawful currency of Singapore
“Securities and Futures Ordinance”	The Securities and Futures Ordinance (Cap. 571) of Hong Kong
“SFA”	The Securities and Futures Act, Chapter 289 of Singapore
“SFRS”	Singapore Financial Reporting Standards
“Singapore”	The Republic of Singapore
“Shares”	Fully-paid ordinary shares of the Company
“Subsidiary”	Has the meaning ascribed to it in Section 5 of the Companies Act, Chapter 50 of Singapore

“Temasek Holdings”	Temasek Holdings (Private) Limited
“Trust Deed”	The amended and restated trust deed dated 16 March between the Issuers and The Bank of New York Mellon, London Branch as trustee relating to the Programme
“Turkish Lira”	The lawful currency of Turkey
“UK”	United Kingdom
“United States” or “U.S.”	United States of America
“U.S.\$” or “U.S. Dollars”	The lawful currency of the United States of America

SUMMARY OF THE GROUP

Overview

The Group is a leading agri-business operating from seed to shelf in 70 countries (“**Destination Markets**”), supplying food and industrial raw materials across 18 product platforms for over 22,000 customers worldwide.

The Company was established in 1989 as a division of the KC Group to operate its agri-business and was duly incorporated under the laws of Singapore in July 1995. Since the establishment of the business, the Company has evolved from a single-country, single-product trader to a multi-country, multi-product integrated global agribusiness. The expansion of the Group has been possible as a result of pursuing growth strategies by exploiting adjacent opportunities, which it defines as developing opportunities in agricultural products and food ingredients that share customers, costs, capabilities and distribution channels with its existing operations.

The Group’s portfolio comprises 18 product platforms Edible Nuts, Spices & Vegetable Ingredients, Cocoa, Coffee, Dairy, Grains & Animal Feed, Edible Oils, Rice, Sugar & Sweeteners, Packaged Foods, Cotton, Wood Products, Rubber, Fertiliser, Ag Logistics & Infrastructure, Risk Management Solutions, Market-Making, Volatility Trading & Asset Management and Trade & Structured Finance. The Group is engaged in the farming, sourcing, processing, storage, transportation, shipping, distribution, trading and marketing of these agricultural products and food ingredients to customers in the Destination Markets. The Group manages the risks present at each stage of the value chain through its risk management system. The Group’s profitability is driven by contributions from upstream farming and plantations, supply chain trading volumes handled, midstream processing and manufacturing and the downstream packaged foods business.

As at the Latest Practicable Date, the Company’s issued and paid-up share capital was S\$3,812,922,224.14 comprising 3,271,018,657 Shares (including Treasury Shares). The Shares are listed on the Mainboard of the SGX-ST.

The Company is a subsidiary of Temasek Holdings (Private) Limited (“**Temasek Holdings**”). As at the Latest Practicable Date, Temasek Holdings and its subsidiaries and associated companies owned approximately 53.82 per cent. of the Company. Temasek Holdings is wholly-owned by Singapore’s Minister for Finance (Incorporated).

The Company is also in a strategic partnership with Mitsubishi Corporation (“**Mitsubishi**”), whereby as at the Latest Practicable Date, Mitsubishi owned approximately 17.49 per cent. of the Company. Mitsubishi has two members on the Board of the Company, as well as some members on the Company’s global management team.

In 2015, the fiscal year of the Group was changed from 30 June to 31 December to align with the Group consolidation and reporting requirements of the majority shareholder, Temasek Holdings. As a result, the Company’s 2015 fiscal year, which began on 1 July 2014 ended on 31 December 2015, covered an 18-month period. Subsequently, the Company followed a January to December fiscal year.

In the audited results for FY 2015 (restated) and 2016, the Group had, on a consolidated basis, revenue of approximately S\$28.2 billion and S\$20.6 billion respectively and net profit of approximately S\$51.9 million and S\$339.1 million respectively. As at 31 December 2015 (restated) and 2016, the total assets of the Group (combining non-current and current assets) on a consolidated basis amounted to approximately S\$20.9 billion (restated) and S\$23.5 billion respectively. For the twelve months ended 31 December 2017, the Group had, on a consolidated basis, revenue of approximately S\$26.3 billion and net profit of approximately S\$551.6 million. As at 31 December 2017, the total assets of the Group (combining non-current and current assets) on a consolidated basis amounted to approximately S\$22.3 billion.

History and Development

Since the Company's establishment in 1989 and throughout its evolution from a single-country, single-product trader in 1989 to a multi-national, multi-product integrated global agri-business, it has expanded into adjacent products, geographic markets, customers and value chain segments through organic and inorganic growth.

The Group's history and development can be categorised into five phases:

Formative Years: 1989 to 1992

The foundations of the Company's business are intrinsically linked to the KC Group, which has over 150 years of trading history. The Company's business was first established in 1989 as a division to start the KC Group's agribusiness enterprise and to generate foreign exchange.

From 1990 to 1995, the KC Group's agri-business was headquartered in London and operated under the name of Chanrai International Limited. The business began with the export of cashews and then expanded into exports of cotton, cocoa and sheanuts from Nigeria. This allowed the development of the Group's origination capabilities and expertise in sourcing, processing and marketing of agricultural products. During this phase, the Group's business was a single-country, multiple-product operation.

Business Model Development: 1993 to 1995

Between 1993 and 1995, the business grew from a single-country operation into multiple origins ("**Origins**" or "**Origin Countries**", being producing countries from which the Group procures its food ingredients and/or agricultural products), first within West Africa (including Benin, Togo, Ghana, Côte d'Ivoire, Burkina Faso, Senegal, Guinea Bissau, Cameroon and the Gabonese Republic (the "**RoG**")), followed by East Africa (Tanzania, Kenya, Uganda, Mozambique and Madagascar) and then India. This move into multiple Origins coincided with the deregulation of the agricultural commodity markets.

Global Expansion: 1995 to 2001

The Company was incorporated in Singapore on 4 July 1995 under the Companies Act as a public limited company. Subsequently, in 1996, the Company relocated its entire operations from London to Singapore at the invitation of the Singapore Trade Development Board (now known as International Enterprise Singapore).

Upon relocation to Singapore, the KC Group's agri-business was reorganised to be wholly-owned by the Company.

During this phase, the Group applied its business model to capitalise on growth opportunities present in its various businesses. Singapore became the corporate headquarters and the key marketing and trading centre for all its operations. To focus further on quality customer service, marketing offices were opened in Poland, the Netherlands, France, the UK, Italy and the U.S. The Group also established sourcing and marketing operations in Indonesia, Vietnam, Thailand, China, Papua New Guinea, Middle East, Central Asia and Brazil.

Raising Capital for Future Growth: 2002 to 2005

By 2002, the Group had expanded to nine products and 30 countries with total revenues of approximately U.S.\$1.6 billion and profits after-tax of approximately U.S.\$25 million for FY 2002. At this stage, the Group approached various established institutional investors, including Russell AIF Singapore Investments Limited (managed by AIF Capital Limited), Seletar Investments Pte Ltd ("**Seletar**"), a wholly-owned subsidiary of Temasek Holdings and International Finance Corporation (a member of the World Bank Group) to raise funds for future growth.

Over this period, the Group consolidated its global leadership positions in most of its products and expanded into new products such as peanuts, beans, dairy products and packaged foods.

On 31 January 2005, the Company launched its initial public offering (“**IPO**”) of 375 million ordinary Shares at S\$0.62 per Share. Measured against the market capitalisation of companies then listed on the Mainboard of the SGX-ST, the Company ranked among the 50 largest listed companies with a market capitalisation of S\$929 million at the invitation price. The Company’s placement tranche of 345 million Shares (from its 375 million Shares) attracted strong interest from local and global institutional investors as well as leading institutional fund managers. The Company completed the IPO of its Shares, and was admitted to the Official List of the SGX-ST on 11 February 2005.

Building a Global Leader: 2006 to Present

In FY 2006, the Group developed and communicated a merger and acquisition (“**M&A**”) framework to investors, so that going forward, acquisitions would form an integral part of the Group’s growth strategy alongside organic growth. The M&A strategy focused on building product and value chain adjacencies and bolt-on acquisitions in key geographic areas where the Group planned to accelerate or ramp up growth, for example, in markets like China, Brazil, India and the U.S.

In FY 2009, the Group announced a six-year corporate strategic plan (the “**2009 Strategic Plan**”) to improve significantly the margin profile of the business by FY 2015, by focusing on the following key elements: (i) selectively integrating upstream into plantations, (ii) selectively integrating midstream into value-added processing initiatives, (iii) investing in its core supply chain and value-added services business and (iv) leveraging its latent assets and capabilities to enter into new adjacent business opportunities. Under the 2009 Strategic Plan, the Group had targeted to attain S\$454 million net profit after tax (“**NPAT**” or “**PAT**”) by FY 2015. In addition, 48 growth initiatives across 20 businesses were prioritised for implementation in the first three-year cycle from FY 2010 to FY 2012. In FY 2010 and FY 2011, the first two years of the 2009 Strategic Plan, the Group committed investments worth U.S.\$1.94 billion towards 44 of the growth initiatives and executed 39 of the planned growth initiatives.

The Company reviewed its performance and in August 2011, it announced that it had reset its previous target of attaining S\$454 million NPAT by FY 2015 under the 2009 Strategic Plan, and that the Group’s target was to attain U.S.\$1 billion NPAT by FY 2016 without any further equity dilution planned.

The Company reviewed its performance and strategy in 2013 and announced the outcome of its annual strategy review and the Strategic Plan in April 2013 for FY 2014 to FY 2016 (the “**FY 2014-2016 Strategic Plan**”). The review established that while the Group is in a strong position to leverage positive global trends in the agri-commodity sector, it would benefit from re-balancing its growth objectives with an increased focus on accelerating the generation of positive free cash flow. Four key priorities, namely (i) accelerating free cash flow generation, (ii) reducing gearing, (iii) reducing complexity and (iv) promoting a better understanding of the Group, and six specific pathways, namely (i) reshaping portfolio and reducing complexity, (ii) recalibrating pace of investments, (iii) optimising balance sheet, (iv) pursuing opportunities for unlocking intrinsic value, (v) improving operating efficiencies and (vi) enhancing stakeholder communication, were identified to achieve these priorities as part of the FY 2014 – 2016 Strategic Plan.

In the annual report for FY 2015, the Company announced two three-year strategic plans — the first cycle from 2016 to 2018 and the second from 2019 to 2021 (the “**2016 – 2021 Strategic Plan**”) — as part of its annual strategy review. The review established that there had been no significant shifts in the agri-sector in the previous three years and that to drive growth, the industry has employed five growth vectors: (i) new products, (ii) new value chain steps, (iii) M&A, (iv) new geographies and (v) market share gain. The Company has therefore adopted six key criteria to focus its portfolio and inform its investment choices and capital allocation decisions between its businesses: (i) to address areas where performance is inconsistent or not meeting expectations, (ii) to scale up and strengthen leadership positions, (iii) to be selective and more focused on investments with higher potential returns, (iv) to streamline its portfolio and

release cash from divestments, (v) to improve investment balance between its businesses and (vi) to assess and manage its risks. To enact the FY 2016 – 2021 Strategic Plan, the Company has prioritised its portfolio into five ‘clusters’ to assess these criteria:

- Cluster 1 — Edible Nuts, Cocoa, Grains, Coffee, Cotton and Spices & Vegetable Ingredients (SVI);
- Cluster 2 — Packaged Foods business (PFB), Edible Oils, Rubber, Dairy and Commodity Financial Services (CFS);
- Cluster 3 — Rice, Wood Products and Sugar;
- Cluster 4 — Fertilisers and Gabon Special Economic Zone; and
- Cluster 5 — Africa as a separate vertical.

Please refer to the Section on “*Strategies*” for further details.

In 2015, the Company entered into a strategic partnership with Mitsubishi Corporation (“**Mitsubishi**”). In connection with this partnership, the Company raised additional equity capital by issuing an aggregate of 332.73 million new Shares through a private placement to Mitsubishi at an issue price of S\$2.75 per new Share, as well as a separate secondary acquisition of shares from the KC Group. The issue raised gross proceeds of approximately S\$915.0 million, with the new Shares representing approximately 12.0 per cent. of the enlarged issued and paid up share capital (excluding treasury shares) of the Company, giving Mitsubishi a combined equity stake of approximately 20 per cent. in the Company. At the time of the issuance of the new Shares, Temasek Holdings remained the majority shareholder of the Company with a controlling 51.4 per cent. stake. Additionally, Mitsubishi was given the right to appoint up to two members to the Board of the Company, as well as adding some members to the Company’s global management team. The strategic rationale behind the issuance was to progress the formation of a proposed joint venture for distribution of the Company’s products in the Japanese market, as well as developing future strategic collaboration opportunities with Mitsubishi.

SUMMARY OF THE PROGRAMME

The following overview does not purport to be complete and is qualified in its entirety by the remainder of this Offering Circular. Words and expressions defined in the Terms and Conditions of the Notes other than Perpetual Securities or the Terms and Conditions of the Perpetual Securities (as applicable) below or elsewhere in this Offering Circular have the same meanings in this overview.

Issuers	Olam International Limited and Olam Treasury Pte Ltd.
Guarantor (in respect of the Guaranteed Notes)	Olam International Limited.
Description	Euro Medium Term Note Programme.
Guarantee	The Guarantor will, in respect of a Tranche of Guaranteed Notes, unconditionally and irrevocably guarantee (the “ Guarantee ”) the due payment of all sums expressed to be payable by Treasury Center under the Indenture and the Guaranteed Notes.
Size	Up to U.S.\$5,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate principal amount of Notes outstanding at any time. The Company and Olam Treasury may increase the aggregate principal amount of the Programme in accordance with the terms of the Dealer Agreement.
Arrangers	DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Standard Chartered Bank and Standard Chartered Bank (Singapore) Limited.
Dealers	Australia and New Zealand Banking Group Limited, DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Standard Chartered Bank and Standard Chartered Bank (Singapore) Limited.
	The Company and Olam Treasury may from time to time appoint dealers either in respect of one or more Tranches or in respect of the whole Programme or terminate the appointment of any dealer under the Programme. References in this Offering Circular to “ Permanent Dealers ” are to the persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to “ Dealers ” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches (and whose appointment has not been terminated).
Trustee	The Bank of New York Mellon, London Branch.
Issuing and Paying Agent	The Bank of New York Mellon, London Branch.
Registrar in respect of Registered Notes other than CMU Notes and CDP Notes.	The Bank of New York Mellon SA/NV, Luxembourg Branch.
Registrar and Transfer Agent in respect of CMU Notes.	The Bank of New York Mellon, Hong Kong Branch.

Registrar and Transfer Agent in respect of CDP Notes	The Bank of New York Mellon, Singapore Branch.
Transfer Agent in respect of Registered Notes other than CMU Notes and CDP Notes.	The Bank of New York Mellon, London Branch.
CMU Lodging and Paying Agent	The Bank of New York Mellon, Hong Kong Branch.
CDP Paying Agent.	The Bank of New York Mellon, Singapore Branch.
Listing and Admission to Trading	<p>Application has been made to the SGX-ST for permission to deal in and the quotation for any Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the Official List of the SGX-ST. In addition, at the relevant time of issue of the Notes which are agreed at or prior to the time of issue to be listed on the Official List of the SGX-ST, a separate application will be made to the SGX-ST for the permission to deal in and quotation of such Notes on the Official List of the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. There is no assurance that the application to the Official List of the SGX-ST will be approved. The approval in-principle from, and admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, Olam Treasury, the Guarantor, the Group, any of their associated companies, the Programme and/or such Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. If the application to the SGX-ST to list a particular series of Notes is approved, such Notes listed on the SGX-ST will be traded on the SGX-ST in a board lot size of at least S\$200,000 (or its equivalent in other currencies).</p> <p>The Notes may also be listed on such other or further stock exchange(s) as may be agreed between the Company, Olam Treasury and the relevant Dealer(s) in relation to each Series of Notes. The Pricing Supplement relating to each Series of Notes will state whether or not the Notes of such Series will be initially listed on any stock exchange(s) and, if so, on which stock exchange(s) the Notes are to be initially listed. Unlisted Series of Notes may also be issued pursuant to the Programme.</p>
Selling Restrictions	<p>The United States of America, the Public Offer Selling Restriction under Directive 2003/71/EC of the European Parliament and of the Council (the “Prospectus Directive”) (in respect of Notes having a Specified Denomination of less than 100,000, as the case may be, or its equivalent in any other currency as at the date of issue of the Notes), the United Kingdom, Hong Kong, Singapore, Japan and the PRC. See “<i>Subscription and Sale</i>”.</p> <p>For the purposes of Regulation S, Category 1 selling restrictions shall apply unless otherwise indicated in the relevant Pricing Supplement.</p>

Risk Factors Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of each of the Issuers or (if applicable) the Guarantor to fulfil its obligations under the Notes are discussed in “*Risk Factors*” below.

Credit Rating Unless otherwise stated in a relevant Pricing Supplement, Tranches of Notes to be issued under the Programme will be unrated.

Summary of Terms relating to Notes other than the Perpetual Securities

Method of Issue The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “**Series**”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest and their issue price), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “**Tranche**”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and principal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the relevant Pricing Supplement.

Issue Price Notes may be issued on a fully-paid or a partly-paid basis and at their principal amount or at a discount or premium to their principal amount.

Form of Notes The Notes may be issued in bearer form only (“**Bearer Notes**”) or in registered form only (“**Registered Notes**”). Each Tranche of Bearer Notes will be represented on issue by a temporary Global Note if (i) Definitive Notes are to be made available to Noteholders (as defined in the “*Terms and Conditions of the Notes other than the Perpetual Securities*”) following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with U.S. Treas. Reg. §163-5(c)(2)(i)(D) (the “**D Rules**”), otherwise such Tranche will be represented by a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of, or in the name of nominees or a common nominee for, one or more clearing systems are referred to as “**Global Certificates**”.

Registered Notes sold in an “offshore transaction” within the meaning of Regulation S will initially be represented by a Global Certificate.

Clearing Systems Euroclear, Clearstream, the CMU and CDP and, in relation to any Tranche, such other clearing system as may be agreed between (in respect of each Tranche of Direct Issuance Notes) the Company or (in respect of each Tranche of Guaranteed Notes) Olam Treasury, the Guarantor, the Trustee and the relevant Dealer(s) and, as applicable, the Registrar.

Initial Delivery of Notes	On or before the issue date for each Tranche, the Global Note representing Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream or deposited with CDP or deposited with a sub-custodian for the CMU or any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by (in respect of each Tranche of Direct Issuance Notes) the Company or (in respect of each Tranche of Guaranteed Notes) Olam Treasury, the Guarantor, the Trustee, the Issuing and Paying Agent, the Registrar (if applicable) and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee for, such clearing systems.
Currencies.	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between (in respect of each Tranche of Direct Issuance Notes) the Company or (in respect of each Tranche of Guaranteed Notes) Olam Treasury, the Guarantor, the Issuing and Paying Agent and the relevant Dealers(s). Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies as may be agreed between (in respect of each Tranche of Direct Issuance Notes) the Company or (in respect of each Tranche of Guaranteed Notes) Olam Treasury, the Guarantor and the relevant Dealer(s).
Cross Default	See “ <i>Terms and Conditions of the Notes other than the Perpetual Securities — Events of Default</i> ”.
Maturities	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued with any maturity as may be agreed between (in respect of each Tranche of Direct Issuance Notes) the Company or (in respect of each Tranche of Guaranteed Notes) Olam Treasury, the Guarantor and the relevant Dealer(s).
Specified Denomination.	Notes will be in such denominations as may be specified in the relevant Pricing Supplement save that (i) in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area (the “ EEA ”) or offered to the public in an EEA State in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum specified denomination shall be 100,000 (or its equivalent in any other currency as at the date of the issue of the Notes) and (ii) unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Company, Olam Treasury or the Guarantor in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 (“ FSMA ”) will have a minimum denomination of £100,000 (or its equivalent in other currencies).

Fixed Rate Notes	In respect of Fixed Rate Notes, fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Pricing Supplement.
Floating Rate Notes	<p>Floating Rate Notes will bear interest determined separately for each Series as follows:</p> <ul style="list-style-type: none"> (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency (as defined in “<i>Terms and Conditions of the Notes other than the Perpetual Securities</i>”) governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.; or (ii) by reference to LIBOR, EURIBOR, HIBOR, SOR or SIBOR (or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin. <p>Interest periods will be specified in the relevant Pricing Supplement.</p>
Zero Coupon Notes	Zero Coupon Notes may be issued at their principal amount or at a discount to it and will not bear interest.
Dual Currency Notes	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the relevant Pricing Supplement.
Interest Periods and Interest Rates	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.
Redemption of Notes	<p>The relevant Pricing Supplement will specify the basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes (including Notes denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Company, Olam Treasury and the Guarantor in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).</p> <p>The Pricing Supplement issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.</p>

Other Notes	Terms applicable to Notes such as high interest Notes, low interest Notes, step-up Notes, step-down Notes, reverse dual currency Notes, optional dual currency Notes, partly paid Notes and any other type of Note that the Company, Olam Treasury, the Guarantor, the Trustee, the Issuing and Paying Agent and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Pricing Supplement and any relevant supplemental Offering Circular.
Optional Redemption of Notes . .	The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Company or Olam Treasury (either in whole or in part) and/or at the option of the holders, and if so the terms applicable to such redemption.
Status of Notes	The Notes and the Receipts and the Coupons relating to them will constitute direct, unconditional, unsubordinated and (subject to Condition 4 of the Terms and Conditions of the Notes other than Perpetual Securities) unsecured obligations of the Company or Olam Treasury and shall at all times rank <i>pari passu</i> and without any preference among themselves as described in “ <i>Terms and Conditions of the Notes other than the Perpetual Securities — Status</i> ”.
Negative Pledge in relation to Notes	See “ <i>Terms and Conditions of the Notes other than the Perpetual Securities — Negative Pledge</i> ”.
Early Redemption for Taxation . .	Notes will be redeemable at the option of the Company or Olam Treasury prior to maturity for tax reasons. See “ <i>Terms and Conditions of the Notes other than the Perpetual Securities — Redemption, Purchase and Options</i> ”.
Withholding Tax	All payments of principal and interest by or on behalf of (in respect of each Tranche of Direct Issuance Notes) the Company, (in respect of each Tranche of Guaranteed Notes) Olam Treasury or the Guarantor in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, (in respect of each Tranche of Direct Issuance Notes) the Company, (in respect of each Tranche of Guaranteed Notes) shall pay such additional amounts as will result in receipt by the Noteholders, Receiptholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, subject to certain conditions as set out in the relevant Terms and Conditions. See “ <i>Terms and Conditions of the Notes other than the Perpetual Securities — Taxation</i> ” below.

Governing Law The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law or the Notes will be governed by, and shall be construed in accordance with, Singapore law, as specified in the applicable Pricing Supplement.

Redenomination,

Renominalisation and/or

Consolidation Notes denominated in a currency of a country that subsequently participates in the third stage of European Economic and Monetary Union may be subject to redenomination, renominalisation and/or consolidation with other Notes then denominated in Euro. The provisions applicable to any such redenomination, renominalisation and/or consolidation will be as specified in the relevant Pricing Supplement.

Summary of Terms relating to Perpetual Securities

Method of Issue The Perpetual Securities will be issued on a syndicated or non-syndicated basis. The Perpetual Securities will be issued in series (each a “**Series**”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first scheduled date of distribution and issue price), the Perpetual Securities of each Series being intended to be interchangeable with all other Perpetual Securities of that Series. Each Series may be issued in tranches (each a “**Tranche**”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first scheduled date of distribution and principal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the relevant Pricing Supplement.

Issue Price Perpetual Securities may be issued on a fully-paid or a partly-paid basis and at their principal amount or at a discount or premium to their principal amount.

Form of Notes The Perpetual Securities may be issued in bearer form only (“**Bearer Notes**”) or in registered form only (“**Registered Notes**”). Each Tranche of Bearer Notes will be represented on issue by a temporary Global Note if (i) Definitive Notes are to be made available to Noteholders (as defined in the “*Terms and Conditions of the Perpetual Securities*”) following the expiry of 40 days after their issue date or (ii) such Perpetual Securities have an initial maturity of more than one year and are being issued in compliance with U.S. Treas. Reg. §163-5(c)(2)(i)(D) (the “**D Rules**”), otherwise such Tranche will be represented by a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of, or in the name of nominees or a common nominee for, one or more clearing systems are referred to as “**Global Certificates**”.

Registered Notes sold in an “offshore transaction” within the meaning of Regulation S will initially be represented by a Global Certificate.

Clearing Systems. Euroclear, Clearstream, the CMU and CDP and, in relation to any Tranche, such other clearing system as may be agreed between (in respect of each Tranche of Direct Issuance Notes) the Company, (in respect of each Tranche of Guaranteed Notes) Olam Treasury, the Guarantor, the Trustee and the relevant Dealer(s) and as applicable the Registrar.

Initial Delivery of

Perpetual Securities On or before the issue date for each Tranche, the Global Note representing Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream or deposited with CDP or deposited with a sub-custodian for the CMU or any other clearing system or may be delivered outside any clearing system **provided that** the method of such delivery has been agreed in advance by (in respect of each Tranche of Direct Issuance Notes) the Company, (in respect of each Tranche of Guaranteed Notes) Olam Treasury, the Guarantor, the Trustee, the Issuing and Paying Agent, the Registrar (if applicable) and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee for, such clearing systems.

Currencies. Subject to compliance with all relevant laws, regulations and directives, Perpetual Securities may be issued in any currency agreed between the (in respect of each Tranche of Direct Issuance Notes) the Company, (in respect of each Tranche of Guaranteed Notes), Olam Treasury, the Guarantor, the Issuing and Paying Agent and the relevant Dealers(s). Payments in respect of Perpetual Securities may, subject to such compliance, be made in and/or linked to, any currency or currencies as may be agreed between (in respect of each Tranche of Direct Issuance Notes) the Company or (in respect of each Tranche of Guaranteed Notes) Olam Treasury and the Guarantor, and the relevant Dealer(s).

No Fixed Maturity The Perpetual Securities are perpetual securities in respect of which there is no fixed redemption date and (in respect of each Tranche Direct Issuance Notes) the Company or (in respect of each Tranche of Guaranteed Notes) Olam Treasury shall only have the right to redeem or purchase them in accordance with the provisions of the terms and conditions of such Perpetual Securities.

Specified Denomination.	Perpetual Securities will be in such denominations as may be specified in the relevant Pricing Supplement save that (i) in the case of any Perpetual Securities which are to be admitted to trading on a regulated market within the EEA or offered to the public in an EEA State in circumstances which require the publication of a prospectus under the Prospectus Directive, the minimum specified denomination shall be 100,000 (or its equivalent in any other currency as at the date of the issue of the Perpetual Securities) and (ii) unless otherwise permitted by then current laws and regulations, Perpetual Securities (including Perpetual Securities denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Company, Olam Treasury or the Guarantor in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA will have a minimum denomination of £100,000 (or its equivalent in other currencies).
Fixed Rate Notes.	In respect of Fixed Rate Notes, subject to Condition 4(h) of the Terms and Conditions of the Perpetual Securities, distributions will be payable in arrear on the date or dates in each year specified in the relevant Pricing Supplement.
Floating Rate Notes.	<p>In respect of Floating Rate Notes, distributions will be determined separately for each Series as follows:</p> <ul style="list-style-type: none"> (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.; or (ii) by reference to LIBOR, EURIBOR, HIBOR, SOR or SIBOR (or such other benchmark as may be specified in the relevant Pricing Supplement) as adjusted for any applicable margin. <p>Distribution periods will be specified in the relevant Pricing Supplement.</p>
Dual Currency Notes.	Payments in respect of Dual Currency Notes (whether in respect of principal or distributions) will be made in such currencies, and based on such rates of exchange, as may be specified in the relevant Pricing Supplement.
Distributions in respect of Perpetual Securities	Each Perpetual Security will confer a right to receive distributions at fixed or floating rates, subject to Condition 4(h) of the Terms and Conditions of the Perpetual Securities.

**Optional Deferral of
Distributions in respect of
Perpetual Securities**

The relevant Pricing Supplement will specify whether the Company or Olam Treasury may, at its sole discretion, elect to defer (in whole and not in part) any distribution which is otherwise scheduled to be paid on a Distribution Payment Date (as defined in the “*Terms and Conditions of the Perpetual Securities*”) to the next Distribution Payment Date by giving a Deferral Election Notice (as defined in the “*Terms and Conditions of the Perpetual Securities*”) to the Noteholders and the Trustee and the Issuing and Paying Agent, the CMU Lodging and Paying Agent or the CDP Paying Agent, as the case may be, not more than 15 nor less than 5 Business Days (as defined in the “*Terms and Conditions of the Perpetual Securities*”) (or such other notice period as may be specified in the applicable Pricing Supplement) prior to a scheduled Distribution Payment Date unless, during the Look-Back Period (as specified in the relevant Pricing Supplement) prior to such scheduled Distribution Payment Date, a Compulsory Distribution Payment Event has occurred.

A Compulsory Distribution Payment Event occurs when the Company or Olam Treasury has at its discretion (a) declared or paid any dividends or distributions on any of the Company’s Junior Obligations or Olam Treasury’s Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the Company’s Parity Obligations or Olam Treasury’s Parity Obligations, or made any other payment (including payments under any guarantee obligations) on any of the Company’s Junior Obligations or any of Olam Treasury’s Junior Obligations, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the Company’s Parity Obligations or Olam Treasury’s Parity Obligations, and/or (b) repurchased, redeemed or otherwise acquired any of the Company’s Junior Obligations or Olam Treasury’s Junior Obligations, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) the Company’s Parity Obligations or Olam Treasury’s Parity Obligations (in each case other than (i) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Group or (ii) as a result of the exchange or conversion of the Company’s Parity Obligations or Olam Treasury’s Parity Obligations for their Junior Obligations), and/or as otherwise specified in the applicable Pricing Supplement.

For the avoidance of doubt, a Compulsory Distribution Payment Event shall not occur, and accordingly, nothing in Condition 4(h) of the Terms and Conditions of the Perpetual Securities shall restrict the Company or Olam Treasury from electing to defer any distribution, merely as a result of any dividends, distributions or payments or other actions made by the Company or Olam Treasury in respect of obligations which are not the Company’s Junior Obligations or Olam Treasury’s Junior Obligations or which are not the Company’s Parity Obligations or Olam Treasury’s Parity Obligations.

The Company and Olam Treasury shall have no obligation to pay any distribution (including any Arrears of Distribution and any Additional Distribution Amount (both as defined in the “*Terms and Conditions of the Perpetual Securities*”), if applicable) on any Distribution Payment Date if it validly elects not to do so in accordance with Condition 4(h)(i) of the Terms and Conditions of the Perpetual Securities. Any failure to pay any distribution by the Company or Olam Treasury, if it validly elects not to do so in accordance with Condition 4(h)(i) of the Terms and Conditions of the Perpetual Securities shall not constitute a default of the Company or Olam Treasury in respect of the Perpetual Securities.

The Company or Olam Treasury may, at its sole discretion, elect to (in the circumstances set out in Condition 4(h)(i) of the Terms and Conditions of the Perpetual Securities) further defer any Arrears of Distribution by complying with the foregoing notice requirement applicable to any deferral of an accrued distribution. The Company and Olam Treasury are not subject to any limit as to the number of times distributions and Arrears of Distribution can or shall be deferred pursuant to Condition 4(h) of the Terms and Conditions of the Perpetual Securities except that Condition 4(h)(v) of the Terms and Conditions of the Perpetual Securities shall be complied with until all outstanding Arrears of Distribution have been paid in full.

**Restrictions in the case of
a Deferral in respect of
Perpetual Securities**

The relevant Pricing Supplement will specify whether, if on any Distribution Payment Date, payment of all distribution payments scheduled to be made on such date is not made in full by reason of Condition 4(h) of the Terms and Conditions of the Perpetual Securities, the Company and Olam Treasury shall not and shall procure that none of their Subsidiaries shall:

- (a) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on;
 - (1) if the Perpetual Security is a Senior Perpetual Security any of the Company’s Junior Obligations or Olam Treasury’s Junior Obligations; or
 - (2) if the Perpetual Security is a Subordinated Perpetual Security, any of the Company’s Junior Obligations or Olam Treasury’s Junior Obligations (except on a *pro-rata* basis) any of the Company’s Parity Obligations or Olam Treasury’s Parity Obligations; or
- (b) redeem, reduce, cancel, buy-back or acquire for any consideration;
 - (1) if the Perpetual Security is a Senior Perpetual Security, any of the Company’s Junior Obligations or the Treasury’s Junior Obligations; or

- (2) if the Perpetual Security is a Subordinated Perpetual Security, any of the Company's Junior Obligations or Olam Treasury's Junior Obligations or (except on a *pro rata* basis) any of the Company's Parity Obligations or Olam Treasury's Parity Obligations,

in each case, other than (i) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Group, (ii) as a result of the exchange or conversion of Parity Obligations for Junior Obligations, (iii) if the Company or Olam Treasury has made payment in whole (and not in part only) of all outstanding Arrears of Distributions (if applicable) and any Additional Distribution, Amounts (if applicable), or (iv) when so permitted by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders and/or otherwise specified in the applicable Pricing Supplement. For the avoidance of doubt, the restrictions in Condition 4(h)(v) of the Terms and Conditions of the Perpetual Securities shall only apply to the Company's or Olam Treasury's Subsidiaries to the extent that such dividends, distributions or payments are made in respect of the Company's Junior Obligations or Olam Treasury's Junior Obligations or, in the case of Subordinated Perpetual Securities (except on a *pro rata* basis) the Company's Parity Obligations or Olam Treasury's Parity Obligations and nothing in Condition 4(h)(v) of the Terms and Conditions of the Perpetual Securities shall restrict the Company, Olam Treasury or any of their Subsidiaries from making payment on its guarantees in respect of obligations which are not the Company's Junior Obligations or Olam Treasury's Junior Obligations or, in the case of Subordinated Perpetual Securities, (except on a *pro rata* basis) the Company's Parity Obligations or Olam Treasury's Parity Obligations.

Other Perpetual Securities Terms applicable to Perpetual Securities such as high interest Perpetual Securities, low interest Perpetual Securities, step-up Perpetual Securities, step-down Perpetual Securities, reverse dual currency Perpetual Securities, optional dual currency Perpetual Securities, partly paid Perpetual Securities and any other type of Perpetual Security that the Company or Olam Treasury, the Trustee, the Issuing and Paying Agent and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Pricing Supplement and any relevant supplemental Offering Circular.

Redemption for Accounting

Reasons The relevant Pricing Supplement will specify whether the Perpetual Securities will be subject to redemption for accounting reasons. If so specified thereon, the Perpetual Securities may be redeemed at the option of the Company or Olam Treasury in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as specified in the applicable Pricing Supplement) if, as a result of any changes or amendments to SFRS or any other accounting standards that may replace SFRS for the purposes of the consolidated financial statements of the Company) or other internationally generally accepted accounting standards that the Company has adopted for the purposes of the preparation of its audited consolidated financial statements as amended from time to time, (the "**Relevant Accounting Standards**"), the Perpetual Securities may no longer be recorded as "equity" in the audited consolidated financial statements of the Company prepared in accordance with the Relevant Accounting Standards.

Redemption for Tax

Deductibility Reasons The Perpetual Securities may, subject to certain conditions being satisfied, be redeemed at the option of the Company or Olam Treasury in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' irrevocable notice to the Noteholders, the Trustee, the Issuing and Paying Agent, the CMU Lodging and Paying Agent or the CDP Paying Agent, as the case may be, and the Registrar, at their Early Redemption Amount if the Company or Olam Treasury satisfies the Trustee immediately before giving such notice that, as a result of:

- (i) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date;
- (ii) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date; or
- (iii) any applicable official interpretation or pronouncement which is issued or announced on or after the Issue Date that provides for a position with respect to such laws or regulations that differs from the position advised by the Company's or Olam Treasury's tax advisers on or before the Issue Date,

payments by the Company or Olam Treasury would no longer, or within 90 days of the date of the opinion referred to in Condition 5(d) of the Terms and Conditions of the Perpetual Securities would not be fully deductible by the Company or Olam Treasury for Singapore income tax purposes. For the purposes of determining whether any payments by the Company or Olam Treasury would be fully deductible by the Company or Olam Treasury for Singapore income tax purposes under Condition 5(d) of the Terms and Conditions of the Perpetual Securities, interest restriction under the total asset method shall be disregarded. See “*Terms and Conditions of the Perpetual Securities — Redemption and Purchase — Redemption for tax deductibility reasons*”.

Redemption at the Option of the Issuers.

The relevant Pricing Supplement will specify whether the Perpetual Securities will be subject to redemption at the option of the Company or Olam Treasury. If so specified thereon, the Company or Olam Treasury may, on giving not less than 30 nor more than 60 days’ irrevocable notice to the Noteholders (or such other notice period as may be specified in the relevant Pricing Supplement), redeem the Perpetual Securities, in whole or in part, on any Optional Redemption Date (as specified in the relevant Pricing Supplement). Any such redemption of Perpetual Securities shall be at their Early Redemption Amount.

Redemption in the case of Minimal Outstanding Amount. . .

The relevant Pricing Supplement will specify whether the Perpetual Securities will be subject to redemption in the case of a minimal outstanding amount. If so specified thereon, the Company or Olam Treasury may, at any time, on giving not less than 30 nor more than 60 days’ irrevocable notice to the Noteholders (or such other notice period as may be specified in the relevant Pricing Supplement) redeem the Perpetual Securities, in whole, but not in part, at their Early Redemption Amount if, immediately before giving such notice, the aggregate principal amount of the Perpetual Securities outstanding is less than 10 per cent. of the aggregate principal amount of that Series of Perpetual Securities originally issued.

Redemption for Taxation Reasons.

Perpetual Securities will be redeemable at the option of the Company or Olam Treasury prior to maturity for tax reasons. See “*Terms and Conditions of the Perpetual Securities — Redemption and Purchase — Redemption for Taxation Reasons*”.

Status of Senior Perpetual Securities

The Senior Perpetual Securities and the Coupons relating to them will constitute direct, unconditional, unsubordinated and unsecured obligations of the Company or Olam Treasury, as described in “*Terms and Conditions of the Perpetual Securities — Status of Senior Perpetual Securities and Status of, and Ranking of Claims in relation to, Subordinated Perpetual Securities*”.

Status of Subordinated Perpetual Securities

The Subordinated Perpetual Securities and the Coupons relating to them will constitute direct, unconditional, unsecured and subordinated obligations of the Company or Olam Treasury as described in “*Terms and Conditions of the Perpetual Securities — Status of Senior Perpetual Securities and Status of, and Ranking of Claims in relation to, Subordinated Perpetual Securities*”.

Subordination of Subordinated Perpetual Securities

Subject to the insolvency laws of Singapore and other applicable laws, in the event of the Winding-Up (as defined in the “*Terms and Conditions of the Perpetual Securities*”) of the Company or Olam Treasury, the Subordinated Holder Claims (as defined in the “*Terms and Conditions of the Perpetual Securities*”) will rank in such Winding-Up;

- (i) expressly subordinated and subject to the rights and claims of all Senior Creditors (as defined in the “*Terms and Conditions of the Perpetual Securities*”) of the Company or Olam Treasury;
- (ii) *pari passu* with each other and with the rights and claims of any Parity Creditors or holders of Parity Obligations; and
- (iii) in priority to the rights and claims of holders of Junior Obligations.

Set-off in relation to Subordinated Perpetual Securities

Subject to applicable law, no Noteholder may exercise, claim or plead any right of set-off, counterclaim, compensation, deduction, withholding or retention in respect of any amount owed to it by the Company or Olam Treasury in respect of, or arising from, or under or in connection with the Subordinated Perpetual Securities, and each Noteholder shall, by virtue of his holding of any Subordinated Perpetual Security, be deemed to have waived all such rights of set-off, counterclaim, compensation, deduction, withholding or retention against the Company or Olam Treasury. Without prejudice to the preceding sentence, if any of the amounts owing to any Noteholder by the Company or Olam Treasury in respect of, or arising from or under or in connection with the Subordinated Perpetual Securities is discharged by set-off, such Noteholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Company or Olam Treasury (or, in the event of its Winding-Up or judicial management, the liquidator or, as appropriate, judicial manager of the Company or Olam Treasury) and, until such time as payment is made, shall hold such amount in trust for the Company or Olam Treasury (or the liquidator or, as appropriate, judicial manager of the) and accordingly any such discharge shall be deemed not to have taken place.

**Limited right to institute
proceedings in relation to**

Perpetual Securities The right to institute Winding-Up proceedings is limited to circumstances where payment under the Perpetual Securities has become due. In the case of any distribution (including Arrears of Distribution or Additional Distribution Amounts, if applicable), such distribution will not be due if (in respect of each Tranche of Direct Issuance Notes) the Company or (in respect of each Tranche of Guaranteed Notes) Olam Treasury has elected to defer that distribution in accordance with Condition 4(h) of the Terms and Conditions of the Perpetual Securities.

**Proceedings for Winding-Up
in relation to Perpetual**

Securities If (i) an order is made or an effective resolution is passed for the Winding-Up of the Company, Olam Treasury or the Guarantor, and such order or resolution is subsisting and has not been discharged, stayed, dismissed, rescinded, revoked or superceded, as the case may be, or (ii) (in respect of each Tranche of Direct Issuance Notes) the Company or (in respect of each Tranche of Guaranteed Notes) Olam Treasury or the Guarantor fail to pay the principal of or any distribution (including Arrears of Distribution and Additional Distribution Amounts, if applicable) on the Perpetual Securities (save, for the avoidance of doubt, for distributions (including Arrears of Distribution and Additional Distribution Amounts, if applicable) which have been deferred in accordance with Condition 4(h) of the Terms and Conditions of the Perpetual Securities) and such failure continues for a period of 10 days or more after the date on which such payment is due, (in respect of each Tranche of Direct Issuance Notes) the Company or (in respect of each Tranche of Guaranteed Notes) Olam Treasury and the Guarantor shall be deemed to be in default under the Trust Deed and the Perpetual Securities and the Trustee may, subject to the provisions of Condition 9(d) of the Terms and Conditions of the Perpetual Securities, institute proceedings for the Winding-Up of the Company, Olam Treasury or the Guarantor and/or prove in the Winding-Up of the Company, Olam Treasury or the Guarantor and/or claim in the liquidation of the Company, Olam Treasury or the Guarantor for such payment, as provided in the Trust Deed.

Withholding Tax	All payments of principal and distributions (including any Arrears of Distribution and any Additional Distribution Amount, if applicable) by or on behalf of (in respect of each Tranche of Direct Issuance Notes) the Company or (in respect of each Tranche of Guaranteed Notes) Olam Treasury in respect of the Perpetual Securities and the Coupons shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, (in respect of each Tranche of Direct Issuance Notes) the Company or (in respect of each Tranche of Guaranteed Notes) Olam Treasury shall pay such additional amounts as will result in receipt by the Noteholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, subject to certain conditions as set out in the relevant Terms and Conditions. See “ <i>Terms and Conditions of the Perpetual Securities — Taxation</i> ” below.
Governing Law	The Perpetual Securities and any non-contractual obligations arising out of or in connection with the Perpetual Securities will be governed by, and shall be construed in accordance with, English law or the Notes will be governed by, and shall be construed in accordance with, Singapore law, as specified in the applicable Pricing Supplement, except that, in relation to Subordinated Perpetual Securities only, the subordination provisions set out in Condition 3(b) of the Terms and Conditions of the Perpetual Securities applicable (in respect of each Tranche of Direct Issuance Notes) to the Company or (in respect of each Tranche of Guaranteed Notes) Olam Treasury and the Guarantor shall be governed by, and construed in accordance with, Singapore law.
Redenomination, Renominalisation and/or Consolidation	Perpetual Securities denominated in a currency of a country that subsequently participates in the third stage of European Economic and Monetary Union may be subject to redenomination, renominalisation and/or consolidation with other Perpetual Securities then denominated in euros. The provisions applicable to any such redenomination, renominalisation and/or consolidation will be as specified in the relevant Pricing Supplement.

SUMMARY FINANCIAL INFORMATION

The following tables set forth selected financial information of the Group (i) as at and for FY 2015 (restated) and FY 2016, and (ii) as at and for the twelve months period ended 31 December 2017. This selected financial information should be read in conjunction with the Group's audited consolidated financial statements including notes thereto for FY 2015 (restated) and FY 2016, and the unaudited consolidated financial statements including notes thereto for the twelve months ended 31 December 2017. The Group's audited consolidated financial statements including notes thereto for FY 2016 and the unaudited consolidated financial statements including notes thereto for the twelve months ended 31 December 2017 are included elsewhere in this Offering Circular. The information in the Group's audited consolidated financial statements including notes thereto for FY 2016, and the unaudited consolidated financial statements including notes thereto for the twelve months ended 31 December 2017, has been reproduced from the audited financial statements of the Group for FY 2016 and the announcement of the unaudited consolidated financial statements of the Group for the twelve months ended 31 December 2017 respectively. They have not been specifically prepared for inclusion in this Offering Circular.

The consolidated financial statements for the twelve months ended 31 December 2017 have not been audited or subject to any review by the auditors of the Group. There can be no assurance that if such financial statements had been audited or reviewed that there would be no change in the financial statements and that such changes would not be material. Consequently, such statements should not be relied upon by potential purchasers to provide the same quality of information associated with information that has been subject to an audit or a full review. Potential purchasers must exercise caution when using such data to evaluate the Group's financial condition, results of operations and results. See "Risk Factors — The Group's interim financial statements have not been audited or reviewed".

The Group has changed its fiscal year-end from 30 June to 31 December in each fiscal year with effect from 1 July 2014. With this change, the Group's fiscal year 2015, which began on 1 July 2014, ended on 31 December 2015. Since that date, the Group has followed a conventional twelve month fiscal year from January to December. See "Business — Recent Developments — Change to fiscal year end."

Consolidated Profit and Loss Accounts

	Group		
	Twelve Months Ended	Financial Year Ended	
	Unaudited	Audited	
	31 December 2017	31 December 2016	31 December 2015 (restated)
		S\$'000	
Sale of goods and services	26,272,529	20,587,032	28,230,586
Other income	207,531	47,265	142,237
Cost of goods sold	(23,757,685)	(18,363,777)	(25,045,117)
Net (loss)/gain from changes in fair value of biological assets	(15,250)	14,141	(101,980)
Depreciation and amortisation.	(380,680)	(353,481)	(387,058)
Other expenses	(1,297,602)	(1,103,939)	(1,877,463)
Finance income	65,597	30,248	49,992
Finance costs	(531,178)	(446,248)	(835,733)
Share of results from jointly controlled entities and associates	67,631	22,160	2,285
Profit before taxation.	630,893	433,401	177,749
Income tax expense.	(79,248)	(94,314)	(125,808)
Profit for the financial period	551,645	339,087	51,941
Attributable to:			
Owners of the Company	580,743	351,312	54,193
Non-controlling interests	(29,098)	(12,225)	(2,252)
	551,645	339,087	51,941
Earnings per share attributable to owners of the Company (cents)			
Basic.	18.62	11.54	1.17
Diluted	17.92	11.14	1.12

Consolidated Balance Sheet

	Group		
	As At	As At	
	Unaudited	Audited	
	31 December 2017	31 December 2016	31 December 2015 (restated)
		S\$'000	
Non-current assets			
Property, plant and equipment	5,625,837	5,367,039	4,721,980
Intangible assets	1,207,283	1,313,608	1,114,339
Biological assets	471,656	450,564	336,146
Deferred tax assets	95,871	95,735	62,219
Investments in jointly controlled entities and associates	1,070,940	889,838	898,895
Long-term investments	257,519	148,492	269,207
Other non-current assets	25,852	30,400	30,966
	8,754,958	8,295,676	7,433,752
Current assets			
Trade receivables	1,901,925	1,656,457	1,495,246
Margin accounts with brokers	399,680	164,958	189,724
Inventories	6,044,681	7,414,311	6,691,668
Advance payments to suppliers	743,516	880,602	714,972
Cash and short-term deposits	1,986,351	2,144,051	2,143,172
Derivative financial instruments	1,619,249	1,926,151	783,864
Other current assets	848,187	986,678	1,402,495
	13,543,589	15,173,208	13,421,141
Current liabilities			
Trade payables and accruals	(2,184,352)	(2,201,494)	(1,753,711)
Borrowings	(4,660,209)	(5,983,035)	(5,512,179)
Provision for taxation	(162,977)	(84,949)	(82,030)
Derivative financial instruments	(851,947)	(987,942)	(540,094)
Other current liabilities	(473,313)	(383,731)	(444,705)
	(8,332,798)	(9,641,151)	(8,332,719)
Net current assets	5,210,791	5,532,057	5,088,422
Non-current liabilities			
Deferred tax liabilities	(416,991)	(505,876)	(420,782)
Borrowings	(6,927,729)	(7,687,553)	(6,781,736)
	(7,344,720)	(8,193,429)	(7,202,518)
Net assets	6,621,029	5,634,304	5,319,656
Equity attributable to owners of the Company			
Share capital	3,674,206	3,087,894	3,082,499
Treasury shares	(187,276)	(190,465)	(96,081)
Capital Securities	1,045,773	930,416	237,525
Reserves	1,910,878	1,570,498	1,855,140
	6,443,581	5,398,343	5,079,083
Non-controlling interests	177,448	235,961	240,573
Total equity	6,621,029	5,634,304	5,319,656

RISK FACTORS

Before making an investment decision, investors should carefully consider all of the information set out in this Offering Circular, including the risk factors set forth below. Any of the risks described below could materially and adversely affect each of the Company's or Olam Treasury's ability to satisfy its obligations, including those under the Notes and have a material adverse effect on each of the Company's, Olam Treasury's or the Group's business, operations and prospects. In that event, the market price of the Notes could decline, and investors may lose all or part of their investments in the Notes. The risks and uncertainties described below are not the only risks and uncertainties each of the Company, Olam Treasury and the Group faces. In addition to the risks described below, there may be other risks and uncertainties not currently known to the Company, Olam Treasury or the Group or that the Company, Olam Treasury or the Group currently deem to be immaterial which may in the future become material risks. The risks discussed below also include forward-looking statements and the Company's, Olam Treasury's and the Group's actual results may differ substantially from those discussed in these forward-looking statements. Sub-headings are for convenience only and risk factors that appear under a particular sub-heading may also apply to one or more other sub-headings.

RISKS RELATING TO THE GROUP'S BUSINESS

The volume of products that the Group trades is affected by supply and demand conditions which may be beyond the Group's control

The Group's profitability is primarily driven by the volume of products transacted as the Group's profit margins at each stage of the Group's supply chain services are relatively fixed. Under volatile or uncertain market conditions, or when there is depressed demand or oversupply, the volume of physical goods being traded or to be traded may be reduced for long periods. As such, the Group may not be able to sell the Group's products or be forced to sell them at reduced prices which will result in the Group's profit margins being further reduced. The inability to sell the Group's products will prolong the Group's exposure to price risks. It may also cause severe cash flow problems, especially when the tenures for sale and purchase of the Group's products as agreed with the Group's bankers are exceeded. This may lead to banks recalling or refusing to extend the loans of the Group. As a result, the business, results of operations and financial position of the Group may be adversely affected.

Weather conditions have historically caused volatility in the agricultural commodity industry and consequently, in the Group's operating results, by causing crop failures or significantly reduced harvests. This can adversely affect the supply and pricing of the agricultural commodities that the Group sells and uses in its business and negatively affect the creditworthiness of its customers and suppliers. The availability and price of agricultural commodities are also subject to other unpredictable factors, such as plantings, government farm programmes and policies, demand from the biofuels industry, price volatility as a result of increased participation by non-commercial market participants in commodity markets and changes in global demand resulting from population growth and changes in standards of living. In addition, shortage and undersupply of agricultural commodities due to factors such as plant disease or conversely, excess crops due to exceptionally good weather conditions may lead to price fluctuations. These factors may cause volatility in the agricultural commodity industry and, consequently, in the Group's operating results.

The Group's financial statements for the year ended 31 December 2017 have not been audited or reviewed

In accordance with the Group's past practice, the Group announced its financial statements as of and for the period ended 31 December 2017 (the "**December Financial Statements**") on 27 February 2018. The Group's most recent audited financial statements were prepared as of and for the twelve month period ended 31 December 2016. The December Financial Statements which have been included in this Offering Circular have neither been audited nor subjected to any review by the auditors. There can be no assurance that if such financial statements had been audited or reviewed that there would be no change in the financial statements and that such changes would not be material. The December Financial Statements have been included in this Offering Circular for reference only and should not be relied upon by investors for making their investment decision. As of the date of this Offering Circular the Group's audited

consolidated financial statements for FY 2016 are the Group's latest audited financial statements, and investors should be aware that there are no audited financial statements relating to the Group since that date.

The Group's financial statements may not be directly comparable due to a change in fiscal year end

On 8 January 2015, the Group announced a fiscal year-end change from 30 June to 31 December in each fiscal year, which first took effect from 1 July 2014. The Group's previous fiscal years consisted of a twelve month period ending on 30 June of that year, and an eighteen month period which began on 1 July 2014 and ended on 31 December 2015. Thereafter, the Group followed a conventional twelve month fiscal year from January to December, which first took effect from 1 January 2016 to 31 December 2016. See "Business — Recent Developments — Change to fiscal year end". As a result, investors should be aware that the Group's financial information for FY 2016 will not be directly comparable with prior fiscal years including trends across the two different periods.

The Group is vulnerable to industry cyclicality

The lead time required to build a processing plant can make it difficult to time capacity additions with market demand for the Group's products. When additional processing capacity becomes operational, a temporary imbalance between the supply and demand for processing capacity might exist, which, until the supply/demand balance is restored, negatively impacts processing margins. The Group's processing margins will continue to fluctuate following industry cycles, which could negatively impact the Group's business, results of operations and financial position.

The Group may not be able to effectively hedge the Group's risk of price fluctuations for some of the products that the Group trades

The prices of all the products that the Group trades fluctuate. For some products, such as cashews, sesame, peanuts, rice, wood products and dairy products, there are no futures markets and as such, there are no derivative instruments available for the Group to hedge the risks of adverse price fluctuations. Under such circumstances, the Group is fully exposed to price risks until the Group has sold the products that the Group has purchased or has bought products that the Group has contracted to sell. If the price of products the Group sells is lower than the price at which the Group procured them, the Group's business, results of operations and financial position may be adversely affected.

The use of futures contracts or other derivative instruments may not fully hedge the risks of price fluctuations

For products such as cotton, sugar, coffee and cocoa which have established futures markets, the Group uses derivative instruments to hedge the risks of adverse price fluctuations. However, the use of such derivative instruments as hedges may not be fully effective under certain circumstances such as:

- where the prices of the physical products and the corresponding futures prices do not move in the same direction and/or by the same magnitude for periods of time which could be prolonged due to, for instance, speculative activity in the futures market;
- where the product the Group trades does not correspond exactly to the futures market in terms of grade, type, market and quantity; and/or
- where the Group's hedges have to be rolled forward due to the Group's continued possession of the Group's physical products beyond the period of the initial hedge, thereby exposing the Group to price differences between the contract periods.

If any of the above risks should materialise, the Group's business, results of operations and financial position may be adversely affected.

Margin calls on futures contracts or other derivative instruments

The Group uses derivative instruments such as commodity futures, forward currency contracts and interest rate contracts to hedge its risks associated with commodity price, foreign currency and interest rate

fluctuations. Excessive movements in commodity prices, foreign currency exchange rates or interest rates could result in margin calls being made on the Group by the relevant futures exchange or calls for posting of additional cash or non-cash collateral being made on the Group by its other derivatives counterparties. Such margin calls in turn result in sudden cash flow requirements which the Group may not be able to meet. In the event that the Group fails to meet any margin calls, the relevant futures exchange or other derivatives counterparty could terminate the outstanding derivatives position, which could result in losses being suffered by the Group.

Government policies and regulations affecting the agricultural sector and related industries could adversely affect the Group's operations and profitability

Agricultural production and trade flows are significantly affected by government policies and regulations. Governmental policies affecting the agricultural industry (such as taxes, tariffs, duties, subsidies and import and export restrictions on agricultural commodities and commodity products) can influence industry profitability, the planting of certain crops versus other uses of agricultural resources, the location and size of crop production, whether unprocessed or processed commodity products are traded and the volume and types of imports and exports. In addition, international trade disputes can adversely affect agricultural commodity trade flows by limiting or disrupting trade between countries or regions. In the past, rising commodity prices and concerns about food security have prompted governments in several countries to introduce export bans on key agricultural commodities and commodity products. There is no assurance that such export bans may not become more prevalent whether across countries or products. Future government policies may adversely affect the supply of, demand for and prices of the Group's products, restrict the Group's ability to do business in the Group's existing and target markets and could cause the Group's financial results to suffer.

The Group faces competition in the Group's various product and geographic markets

The Group faces competition in its various product and geographic markets. The Group's competitors range from global trade houses to local distributors and buying agents. Please refer to the section entitled "The Company and the Group — Competition" beginning on page 175 of this Offering Circular. The Group also faces additional competition from the Group's existing customers, who are becoming more involved in sourcing to satisfy their own needs. In some of the developing economies where the Group operates, government controls on trade are gradually being released and trade is being opened up to new participants. As such, there are potential threats of new competitors entering the markets in which the Group operates. Increased competition may reduce the growth in customer base, reduce the profit margin and the market share that the Group currently enjoys, and result in higher selling and marketing expenses. There can be no assurance that other competitors will not surpass the Group's performance in the future. In the event that the Group fails to sustain its competitive advantages, the Group's business, results of operations and financial position may be materially and adversely affected.

In most of the countries in which the Group operates, the Group's operations are also subject to various licensing requirements. Complete deregulation or de-licensing of the countries from which the Group procures its products may lead to increased competition. This may have an adverse effect on the Group's business operations in these countries. As a result, the Group's business, results of operations and financial position may be adversely affected.

The Group is often unable to obtain accurate third-party data to corroborate the Group's market position

To meet the demands of the Group's customers in developed countries, the Group sources agricultural products and food ingredients from the point of collection from a supplier in numerous developing countries. As such, the Group is exposed to inefficient markets where the Group relies on its own employees to overcome the lack of political, legal and financial infrastructure to obtain accurate, reliable and available data. The Group may not always be able to verify all aspects of how and where the agricultural products that the Group sources are produced and under what conditions they are so produced. In addition, the Group may also not be able to verify the overall presence of other market participants. Given the fragmented nature of the markets for the Group's products, the Group is therefore often unable to obtain accurate third-party market data to corroborate the Group's perceived market positions.

The Group's business is dependent on its processing facilities and the Group is subject to the risks affecting operations at such facilities

The Group currently operates processing facilities in various countries. These facilities are subject to operating risks, such as industrial accidents, which could cause personal injury or loss of human life, the breakdown or failure of equipment, power supplies or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, natural disasters and the need to comply with new directives of relevant government authorities. The Group needs to carry out planned shutdowns of its various plants for routine maintenance, statutory inspections and testing and may need, from time to time, to shut down its various plants for capacity expansions and equipment upgrades.

In addition, due to the nature of its business and despite compliance with requisite safety requirements and standards, the Group's production process is still subject to operating risks, including discharges or releases of hazardous substances, exposure to particulates and the operation of mobile equipment and manufacturing machinery. These operating risks may cause personal injury or loss of human life and could result in the imposition of civil and criminal penalties. The occurrence of any of these events could have a material adverse effect on the productivity and profitability of a particular processing facility and on the Group's business, results of operations and financial position.

Although the Group takes precautions to minimise the risk of any significant operational problems at its production facilities, there can be no assurance that its business, results of operations and financial position would not be adversely affected by disruptions caused by operational problems at the Group's processing facilities.

The Group operates in many developing countries and the Group is subject to risks relating to conducting business in such countries

The Group has significant operations in emerging markets such as Africa and other developing countries. For example, in January 2016, the Company announced that it has acquired the wheat milling and pasta manufacturing assets of the BUA Group in Nigeria — please refer to “*The Company and the Group — Major growth and capital raising milestones*” for further details. The Group believes that the Group has a significant customer and supplier base in these developing countries. In conducting the Group's business, the Group is subject to political, economic, legal, operational and other risks arising from operating in these countries. These risks may include, amongst others:

- civil unrest, military conflict, terrorism, change in political climate and general security concerns;
- default by government bodies who may be the only authorised trading counterparties in certain regulated markets;
- relatively less developed legal systems and business practices which may give rise to difficulties in enforcement of agreements entered into with counterparties;
- changes in duties payable and taxation rates;
- imposition of restrictions on currency conversion or the transfer of funds;
- fluctuation in the currency values;
- limitations and/or bans on imports and exports;
- expropriation or nationalisation of private enterprises or confiscation of private property or assets;
- reversal or change of laws, regulations or policies;
- relatively less developed business and communication infrastructure which may hamper the Group's efficiency and internal controls; and
- reinstatement of commodity boards or state monopolies for any of the Group's products.

Should any of the aforementioned risks materialise and if they either exceed the coverage of, or are not covered by, the Group's insurance policies, the Group's business, results of operations and financial position may be adversely affected. While such events did not have a material impact on the Group's operations in the past three financial years, there is no guarantee that they will not have a material effect on the Group's operations in the future.

The Group may not be able to successfully implement the 2016 – 2018 and 2019 – 2021 Strategic Plans

In April 2013, the Company announced the outcome of its annual strategy review and the Strategic Plan for FY 2014 to FY 2016. The review established that the Group would benefit from re-balancing its growth objectives with an increased focus on accelerating the generation of positive free cash flow. Four key priorities, namely (i) accelerating free cash flow generation, (ii) reducing gearing, (iii) reducing complexity and (iv) promoting a better understanding of the Group, and six specific pathways, namely (i) reshaping portfolio and reducing complexity, (ii) recalibrating pace of investments, (iii) optimising balance sheet, (iv) pursuing opportunities for unlocking intrinsic value, (v) improving operating efficiencies and (vi) enhancing stakeholder communication, were identified to achieve these priorities were identified as part of the FY 2014 – 2016 Strategic Plan.

In the annual report for FY 2015, the Company explained its two three-year strategic plans — the first cycle from 2016 to 2018 and the second from 2019 to 2021 (the FY 2014 – 2016 Strategic Plan and 2016 – 2021 Strategic Plan, together the “**Strategic Plans**”) as part of its annual strategy review. The same was explained in a presentation made at the 21st Annual General Meeting which was posted on the SGX-NET on 25 April 2016. The review established that there have been no significant shifts in the agri-sector in the previous three years, and that to drive growth, the industry has employed five growth vectors: (i) new products, (ii) new value chain steps, (iii) M&A, (iv) new geographies and (v) market share gain. The Company has therefore adopted six key criteria to focus its portfolio, and inform its investment choices and capital allocation decisions between its businesses: (i) to address areas where performance is inconsistent or not meeting expectations, (ii) to scale up and strengthen leadership positions, (iii) to be selective and more focused on investments with higher potential returns, (iv) to streamline its portfolio and release cash from divestments, (v) to improve investment balance between its businesses and (vi) to assess and manage its risks.

The continuing execution of the Strategic Plans may involve continuing investment in infrastructure and resources. The Group's expansion and the new strategic plans may not be successful. The Group's initiatives may not result in the increases in volumes or margins or the generation of positive free cash flow that the Group has planned. The execution of the plan may entail the sale of strategic stakes and/or assets that could impact future profitability of the Company. The Group may not be able to replicate its past record of success in expanding into new geographical markets and/or products. The Group may also not be able to generate a return on its initial investments in new geographical markets and products. Under such circumstances, the Group's business, results of operations and financial position may be adversely affected.

The Group may face uncertainties associated with its expansion plans and its participation in the commodities financial services business

From FY 2008 and in tandem with its growth strategy, the Group undertook certain expansion initiatives through the acquisition of various companies and the establishment of joint ventures. The Group's expansion initiatives involve numerous risks, including but not limited to, the financial costs of investment in machinery and equipment, construction of new facilities and working capital requirements. The success of the Group's acquisition and investment strategy depends on a number of factors, including:

- the Group's ability to identify suitable opportunities for investment or acquisition;
- whether the Group is able to reach an acquisition or investment agreement on terms that are satisfactory;
- the extent to which the Group is able to exercise control over the acquired company or business;
- the economic, business or other strategic objectives and goals of the acquired company or business compared to those of the Group; and
- the Group's ability to successfully integrate the acquired company or business with the Group.

In addition, there is no assurance that these initiatives undertaken will result in sales being commensurate with the investment costs. If the Group is unable to do so or cannot manage its costs, its business, results of operations and financial position will be adversely and materially affected as the Group will not be able to recover the costs of its investment.

In addition, since FY 2009 the Group has been participating in the commodity financial services business in which the Group undertakes (a) market making and volatility arbitrage trading of commodities; (b) the provision of risk management solutions; and (c) fund management. These activities may involve the Company taking proprietary views of the market. The performance of this business may therefore be subject to the volatility of the commodity markets. Although the Company believes that these businesses will leverage its understanding of commodity and derivative markets and risk management skills, the Company currently has limited experience in operating and managing commodity financial services businesses. The operation and management of the commodity financial services business may require trained personnel and there can be no assurance that the Company will be able to attract or retain personnel required to operate and manage such businesses.

Further, the proof of concept and model for the commodity financial services businesses may involve significant management time, which may reduce the time available to the management for its current business. Financial services may require monitoring and compliance with laws, rules and regulations thereby increasing the risk of non-compliance by the Group. The Group may also not be able to generate a return on its initial investments which may adversely affect its financial position. Further, failure to successfully operate and manage the commodities financial services business may result in a loss of reputation of the Group which may adversely affect its business, results of operations and financial position.

The Group may fail to manage any of its acquisitions

The Group continuously evaluates merger and acquisition opportunities and may decide to undertake mergers or acquisitions in the future, if suitable opportunities arise. These may require significant investments which may not result in favourable returns. Acquisitions involve risks, including:

- unforeseen contingent risks or latent liabilities relating to these businesses that may only become apparent after the merger or acquisition is finalised;
- potential difficulties in the integration and management of the operations and systems;
- potential difficulties in the retention of select personnel;
- potential difficulties in the co-ordination of sales and marketing efforts; and
- diversion of the Group's management's attention from other ongoing business concerns.

If the Group is unable to integrate the operations of an acquired business successfully or manage such future acquisitions profitably, the Group's growth plans may not be met and the Group's revenue and profitability may decline.

The Group may be adversely affected by the actions of the Group's counterparties

The counterparty risks that the Group may face include, among others, the following:

Contractual risks

The Group faces the risk that its counterparties, such as customers, suppliers and service providers, may fail to honour their contractual obligations to the Group. This may result in the Group not being able to net off the Group's positions and hence reduce the effectiveness of the Group's hedges. Non-execution of contracts by counterparties may lead to the Group in turn not being able to honour the Group's contractual obligations to third-parties. This may subject the Group to, among others, legal claims and penalties. The Group may also be subject to legal claims and penalties if the products which the Group has contracted to sell to its customers suffer losses in weight or quality during shipment and transportation by third-parties. See "*Risk Factors — The value of the Group's physical products may deteriorate across various stages of its supply chain*". As a result, the Group's business, results of operations and financial position may be adversely affected.

Credit risks

The Group's counterparties may default on credit which the Group may grant to them. Credit default may arise due to the failure of the Group's internal credit exposure monitoring system or mechanism, improper judgment or incomplete information on the trading risks of the Group's counterparties. In the countries from which the Group procures its products, the Group may make advances to farmers, agents, co-operatives and other suppliers. These advances may not be recoverable in the event of volatile price movements, disruptions or a sudden end to the crop season. The Group may also make advances to established suppliers or sell on credit to established customers, where it is commercially advantageous to do so. In all these situations, counterparty default on advances will adversely affect the Group's financial performance. Where loans are secured with collateral, the Group may not be able to recover the full value of the loan by liquidating the collateral. As a result, the Group's business, results of operations and financial position may be adversely affected.

The Group's operations are highly dependent on debt financing

The Group is highly dependent on debt financing in the form of highly leveraged short-term debt to fund the Group's working capital requirements. The Group may not be able to grow the Group's volumes if the Group is unable to obtain additional debt financing. This may have an adverse effect on the Group's profitability.

Since most of the Group's loans have a limited term, the Group needs sufficient liquidity to meet its loan repayment obligations. Adverse market conditions which hamper the liquidation of stocks or delay the recovery of credit may affect the Group's loan repayment schedules and this may in turn result in the banks withdrawing or requiring early repayment of the facilities granted to the Group. This poses liquidity risk for the Group even though the Group may be profitable. As the Group may also obtain loans of longer terms, the Group may be exposed to the risk of interest rate fluctuations. These may adversely affect the Group's business, results of operations and financial position. Please refer to the section "*Capitalisation and Indebtedness*" on page 97 of this Offering Circular.

The Group is exposed to interest rate risk

Some of the Group's existing debt and the Group's borrowings in future may carry floating interest rates, and consequently, the interest cost to the Group for such debt will be subject to fluctuations in interest rates. In addition, the Group is and may in future be subject to market disruption clauses contained in its loan agreements with banks. Such clauses will generally provide that to the extent that the banks may face difficulties in raising funds in the interbank market or are paying materially more for interbank deposits than the displayed screen rates, they may pass on the higher cost of funds to the borrower, notwithstanding the margins agreed. Where appropriate, the Group seeks to minimise its interest rate risk exposure by entering into interest rate swap contracts to swap floating interest rates for fixed interest rates over the duration of certain of its borrowings. However, the Group's hedging policy may not adequately cover its exposure to interest rate fluctuations and this may result in a large interest expense and an adverse effect on the Group's business, results of operations and financial position.

The Group may experience limited availability of funds

The Group may require additional financing to fund working capital requirements, to support the future growth of its business and/or to refinance existing debt obligations. There can be no assurance that additional financing, either on a short-term or a long-term basis, will be made available or, if available, that such financing will be obtained on terms favourable to the Group or that any additional financing will not be dilutive to its shareholders.

Factors that could affect the Group's ability to procure financing include the cyclicality of the agricultural products and food ingredients market and market disruption risks which could adversely affect the liquidity, interest rates and the availability of funding sources. In addition, consolidation in the banking industry in any market in which the Group procures financing may also reduce the availability of credit as the merged banks seek to reduce their combined exposure to one company or sector.

In recent years, credit markets worldwide have experienced significant volatility, including a reduction in liquidity levels, increasing costs for credit protection and a general decline in lending activity between financial institutions and in commercial lending markets worldwide. These developments may result in the Group incurring increasing financing costs associated with the Group's significant levels of debt. Furthermore, there can be no assurance that the Group will be able to raise financing on favourable terms or at all, which could have a material adverse effect on the Group. Moreover, the Group's future credit facilities may contain covenants that limit its operating and financing activities and require the creation of security interests over its assets. The Group's ability to meet its payment obligations and to fund planned capital expenditures will depend on the success of the Group's business strategy and the Group's ability to generate sufficient revenues to satisfy its obligations, which are subject to many uncertainties and contingencies beyond the Group's control.

The Group is exposed to foreign exchange rate risk

In general, the Group's purchases are transacted in the local currencies of the respective countries from which the Group procures its products, and the Group's sales are transacted mainly in U.S. dollars, Sterling and Euros. This is with the exception of the Group's food staples and packaged foods business, where purchases are transacted in U.S. dollars and sales are transacted in the local currencies of the markets and countries in which the Group sells its products. Where possible and as a matter of policy, the Group uses forward contracts to hedge the Group's foreign currency exchange exposures arising from purchase and sale of products in currencies other than U.S. dollars. Where such instruments are not available, the Group will also attempt to create natural hedges by matching the value of sales and purchases to and from the same geographic market. Should the Group be unable to hedge the Group's currency exposures, the Group's business, results of operations and financial position may be adversely affected.

The Group's profitability may be affected by changes in tax regimes and certain special tax incentives

The Group's operations in various countries are subject to different tax regimes. Changes to or introduction of tax laws, changes in the interpretation or application of tax laws and revocation or amendment of tax treaties or tax incentives may adversely affect the Group's profitability.

For instance, as a recipient of the Global Trader Programme status awarded by International Enterprise Singapore, the Group is, among other things, entitled to a concessionary corporate tax rate of 5 per cent. which is subject to certain conditions. This concession was renewed in FY 2013 for a period of five years and is due to expire on 30 June 2018. Should this concessionary tax rate be revised, revoked or not be renewed upon expiry, the Group will be subject to the normal corporate tax rate, which as at the date of this Offering Circular is 17 per cent., which may affect the Group's business, results of operations and financial position.

In addition, some of the specific projects undertaken by the Group enjoy certain tax exemptions for limited periods. If any of these tax exemptions are revised, revoked or not renewed upon expiry, the profitability of the relevant projects may be materially adversely affected, which may affect the Group's business, results of operations and financial position.

The Group is subject to volatility in shipping and logistics costs

Shipping, logistics, commission and claims expenses accounted for 10.0 per cent. and 13.0 per cent. of the Group's turnover for FY 2015 (restated) and FY 2016 respectively. As most of the Group's shipments are made using third-party land and sea transport providers, the Group is subject to fluctuations in the prices of shipping and logistics costs, which may in turn have an impact on the Group's results of operations. Shipping and logistics costs for commodities are usually market-driven and are highly cyclical. Shipping rates fluctuate in response to the level of demand for vessels and the availability of vessels to satisfy that demand. The level of demand is influenced by many factors, including general economic conditions, global trading volumes and port usage. Shipping rates are the most variable element of expense in relation to a particular shipment and are relevant to the Group's results to the extent that they will affect the pricing and profit margin of the services provided by the Group.

Changes in shipping rates affect the shipping industry as a whole and the Group normally mitigates the effect by passing on a proportion of such changes to its customers. However, it may not always be possible for the Group to immediately offset a contract of affreightment with a corresponding charter party or sufficiently hedge against all changes in shipping costs. During certain periods, depending on market conditions, prevailing rates may be subject to change and should rates increase, the business, results of operations and financial position of the Group may be adversely affected even if such rates increases have a positive effect on the profitability and financial results of the chartering division of the Group. In addition, other factors such as port congestion, increases in fuel costs and piracy could materially adversely affect the ability of the Group to carry on its operations in a timely or cost-effective manner.

The value of the Group's physical products may deteriorate across various stages of its supply chain

The value of the products the Group delivers may differ from the Group's assessment for the following principal reasons:

Quality deterioration

The Group's products are subject to quality deterioration during storage and transit. Each of the Group's products has different physical characteristics and requires different kinds of storage, handling and transportation. For example, some products are sensitive to the external environment and their quality may deteriorate considerably during storage. The realisable value of the Group's products falls with quality deterioration through bad or inadequate quality management.

Weight loss

Weight loss constitutes a major operational risk. All the Group's products tend to lose some weight or volume due to natural causes. Pilferage and theft also contribute to weight loss during storage or transit. The Company's financial performance will be adversely affected if there are weight or volume losses to products which are not otherwise assumed and factored into the pricing of such products.

Variation in yield

Some of the Group's products undergo processing operations, which affect their input and/or output ratio and their value. Such processing output is estimated at the time of buying the various products. Actual output may, however, deviate from the estimate.

Should any of the above occur, the Group's business, results of operations and financial position may be adversely affected.

The Group's insurances may not adequately cover all potential losses

The Group's insurance policies cover various risks, including but not limited to, fire, theft, civil disturbance, riots, inland transit and marine risks. The Group's insurance policies may not adequately compensate for any and every type of loss that the Group may incur. Any such loss not otherwise compensated may adversely affect the Group's business, results of operations and financial position.

The Group is subject to regulation by various regulatory bodies

The Group is subject to the rules of various trade associations and regulatory bodies, which regulate the terms and conditions of trade in some of the Group's products. Such associations include the Commodity Futures Trading Commission, the International Cotton Association (formerly known as the Liverpool Cotton Association), the European Coffee Contract, the Federation of Cocoa Commerce Limited and the Combined Edible Nuts Association. While membership in such associations is not material to the business of the Group, these associations help to facilitate dispute resolution through a recognised forum and allow trade participants to regulate, promote and develop best practices as an industry. If the Group is found to be in breach of any rules or regulations of such trade associations or regulatory bodies, the Group may be subject to fines, penalties or other sanctions. This may have an adverse impact on the Group's business, results of operations and financial position.

The Group is dependent on the Group's internal systems for the Group's operations

The Group's operations rely on its ability to process a substantial number of complex transactions involving different markets, countries and currencies. Consequently, the Group is dependent on the Group's risk management systems, operational systems, other data processing systems and the Group's financial accounting systems. If any of these systems do not operate properly or are disabled, the Group

may suffer disruption to the Group's business operations, financial loss and/or damage to the Group's reputation. In addition, the Group's systems may not detect illegal, unauthorised or fraudulent activities by the Group's employees. The Group's present systems may not be able to cope with the Group's growth and expansion. As a result, the Group's business, results of operations and financial position may be adversely affected.

The Group is dependent on key personnel for the Group's operations and profitability

One of the key reasons for the Group's growth and success has been the Group's ability to retain a talented and motivated team of senior professional managers. The Group's continued success will depend on the Group's ability to retain key management staff and train new employees. If members of the Group's senior management team are unable or unwilling to continue in their present positions, the Group's business may be adversely affected. Moreover, the process of hiring employees with the required combination of skills and attributes may be time-consuming and competitive. The Group may not be able to attract additional qualified persons for overseas postings in developing economies. This will further constrain the Group's growth in those places. As a result, the Group's business, results of operations and financial position may be adversely affected.

The Group includes a holding company structure

The Company is a holding company and a large proportion of the Group's business is attributable to the Company. In order to satisfy its payment obligations, the Company may rely on dividends and other payments received from its subsidiaries and associated companies. Both the timing and ability of certain subsidiaries and associated companies to pay dividends is limited by applicable laws and may be limited by conditions contained in some of their agreements.

The Group enters into interested person transactions

The Group may from time to time enter into, and has ongoing contractual arrangements with interested persons. Such transactions are entered into on normal commercial terms and in accordance with the laws and regulations of the regulatory authorities in the jurisdiction to which the parties to such transactions are subject. Transactions with interested persons may give rise to conflicts of interest, which could lead to transactions being entered into and decisions made which are based on factors other than commercial factors. The Company reports all transactions with interested persons to its Audit and Compliance Committee.

A change in the accounting standards may have a material non-cash impact on the future financial statements of the Company

With effect from 1 January 2016, SFRS 16 and SFRS 41 have been amended and now require biological assets that meet the definition of a bearer plant to be accounted for as property, plant and equipment in accordance with SFRS 16.

Due to the change, the Group's bearer plants (which include palm oil, rubber, coffee and almond trees) after initial recognition will be measured under SFRS 16 at accumulated cost (before maturity) and at cost less accumulated depreciation (after maturity) where costs is deemed to be based on the fair value at the beginning of the earliest period presented, which is 1 July 2014.

The bearer plants will be subject to annual depreciation over their remaining economic useful lives. However, produce which grows on bearer plants will remain in the scope of SFRS 41 and will continue to be measured at fair value less costs to sell.

As a result of these amendments, the Group's balance sheets as at 1 July 2014, 31 March 2015, 30 June 2015, 30 September 2015 and 31 December 2015 as well as the profit and loss statements for FY 2015 and the quarters ended 31 March 2015, 30 June 2015 and 30 September 2015 were restated in the respective quarterly announcements and filings to the SGX-ST. Cash flow statements for the quarters ended 31 March 2015, 30 June 2015, 30 September 2015 and 31 December 2015 were also been restated.

The Group has elected to adopt SFRS 109 early with effect from 1 January 2016. The adoption of SFRS 109 provides better alignment between the underlying business operations and its financial and accounting impact. The new standard better reflects the risk management activities of the Company by matching the business impact with the financial and accounting impact of its hedging activities. In addition, the standard introduces a new basis of classification for financial assets that takes into account the business model and cash flow characteristics of those assets.

There are no material financial effects arising from the early adoption of SFRS 109, except for the classification of quoted equity shares (PureCircle Limited). For this asset, the Company has adopted the option of recording fair value changes through Other Comprehensive Income.

Investors should be aware that such a change in accounting treatment of agricultural assets may have a material non-cash impact on both the historical and future financial statements of the Company, which may in turn materially and adversely affect the results of operations and the financial condition of the Company.

The Company's holding company and substantial shareholders may change

There is no assurance that the Company's holding company, Temasek Holdings, or substantial shareholders will not sell all or part of their stake in the Company. There is no guarantee that any change in controlling ownership arising from such sale (if any) will not adversely affect the performance of the Group.

Temasek Holdings could significantly influence the outcome of corporate actions in a manner which may conflict with the Group's interests and the interests of shareholders

As at the Latest Practicable Date, Temasek Holdings and its subsidiaries and associated companies owned approximately 53.82 per cent. of the Company's issued share capital.

Temasek Holdings would be able to significantly influence most matters requiring approval by the Company's shareholders, including matters relating to a potential change in control of the Company. No assurance can be given that the Temasek Holdings' objectives will not conflict with the Company's business goals and activities. Temasek Holdings may also be able to deter or delay a future takeover or change in control of the Company.

The outbreak of an infectious disease or any other serious public health concerns in Asia, Africa and elsewhere could adversely impact the Group's business, results of operations and financial position

In 2003, there was an outbreak of Severe Acute Respiratory Syndrome ("SARS") in Hong Kong, China and other places. The SARS outbreak had a significant adverse impact on the economies of the affected countries. The spread of Influenza A H1N1 in 2009 also affected many areas of the world and there were reported cases of New Delhi Metallo-beta-lactamase-1 (NDM-1) in many countries and regions. More recently, there have also been reported cases of avian influenza (bird flu) in several countries including Hong Kong, China and Indonesia.

The period between March 2014 and March 2016 saw the largest outbreak of the Ebola virus epidemic in West Africa. The outbreak had a significant adverse impact on the economies and businesses of the affected countries. This disease typically occurs in outbreaks in tropical regions of sub-Saharan Africa where the Company has significant business interests. In April 2015, the outbreak of the Zika virus began in Brazil, which then spread to other countries in South America, Central America, North America, and the Caribbean. The Zika virus reached Singapore and Malaysia in August 2016.

There can be no assurance that there will not be another significant global outbreak of a severe communicable disease such as Ebola, SARS, avian influenza or the Zika virus. If such an outbreak were to occur, it may have a material adverse impact on the Group's business, results of operations and financial position.

The occurrence of any acts of God, war and terrorist attacks and any adverse political developments may adversely and materially affect the business, results of operations and financial position of the Group

Acts of God, such as natural disasters, are beyond the control of the Group. These may materially and adversely affect the economy, infrastructure and livelihood of the local population. The Group's business, results of operations and financial position may be adversely affected should such acts of God occur.

Further, there is no assurance that any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, will not directly or indirectly, have an adverse effect on the Group's business, results of operations and financial position.

A certain portion of the Group's development projects and assets is located in countries which have suffered and continue to suffer from political instability and a certain proportion of its revenue is derived from its operations in these countries. Accordingly, the Group's business, results of operations and financial position are subject to political developments in these countries.

Increases in oil and food prices and general worldwide inflationary pressure could have an impact on the Group

Any future increases in oil and food prices globally may negatively affect the economic growth and stability of certain countries which the Group operates in, and as a result, may reduce the ability of consumers to purchase the Group's products. The economic and political conditions in these countries make it difficult to predict whether oil and food will continue to be available at prices that will not negatively affect economic growth and stability. There can be no assurance that future increases in oil and food prices in countries where the Group operates will not lead to political, social and economic instability, which in turn could have a material adverse effect on the Group's businesses, results of operations and financial position.

The Group may inadvertently deliver genetically modified organisms to those customers that request GMO-free products

The use of genetically modified organisms ("GMOs") in food and in animal feed has been met with varying degrees of acceptance in the different markets in which the Group operates. The United States and Argentina, for example, have approved the use of GMOs in food products and animal feed, and GMO and non-GMO grain is produced and frequently commingled during the grain origination process. However, adverse publicity about genetically modified food has led to governmental regulation that limits or prevents sales of GMO products in some of the markets in which the Group sells its products, including the European Union and its constituent nations. It is possible that new restrictions on GMO products will be imposed in major markets for the Group's products or that the Group's customers will decide to purchase lower levels of GMO products or not to buy GMO products.

In general, the Group does not test its agricultural commodities inventory for the presence of GMOs. It is possible that the Group may inadvertently deliver products that contain GMOs to those customers that request GMO-free products. As a result, the Group could lose customers and may incur liability. If the Group's current testing and segregation procedures are not effective, the Group may incur significant expenses related to upgrading its procedures and facilities. Recent events have also illustrated how GMO products that have not received regulatory approval may enter the food chain. If the Group encounters incidents of this type, they can be costly and time-consuming to rectify, may damage the Group's reputation and may subject the Group to litigation. If regulators in the countries that restrict or prohibit

the sale of GMO products or customers who request GMO-free products do not have confidence in the Group's products, the Group could lose customers and could be prohibited from selling its products in those countries.

Environmental regulations impose additional costs and may affect the results of the Group's operations

Costs and liabilities related to the compliance with applicable environmental laws and regulations are an inherent part of the Group's business. Particularly in respect of the Group's processing activities, the Group is subject to various national, provincial and municipal environmental laws and regulations concerning issues such as damage caused by air emissions, noise emissions, waste-water discharges, solid and hazardous waste handling and disposal, and the investigation and remediation of contamination. These laws can impose liability for non-compliance with the regulations or clean-up liability on generation of hazardous waste and other substances that are disposed of either on or off-site, regardless of fault or the legality of the disposal activities. Other laws may require the Group to investigate and remedy contamination at its properties or where it conducts its operations, including contamination that was caused in whole or in part by previous owners of its properties. Moreover, these laws and regulations are increasingly becoming more stringent and may in future create substantial environmental legislation and regulatory requirements. It is possible that such compliance may prove restrictive and/or costly.

In addition to the clean-up liability, the Group may become subject to monetary fines and penalties for violation of applicable laws, regulations or administrative orders. This may also result in closure or temporary suspension or adverse restrictions on its operations. The Group may also, in future, become involved in proceedings with various regulatory authorities that may require it to pay fines, comply with more rigorous standards or other requirements or incur capital and operating expenses for environmental compliance. In addition, third parties may sue the Group for damages and costs resulting from environmental contamination emanating from its properties and/or production facilities. Although there has been no claim that the Group's properties and production facilities are not in compliance in all material respects with all applicable environmental laws, unidentified environmental liabilities could arise which could have an adverse effect on the Group's business, results of operations and financial position.

The Group may not be able to maintain or obtain statutory and regulatory licences, permits and approvals required for its business

The Group requires certain statutory and regulatory licences, permits and approvals, which may be subject to certain conditions. While the Group has been able to maintain or obtain such licences, permits and approvals as and when required, there can be no assurance that the relevant authorities will issue any such licences, permits or approvals in a timely manner, at all or on terms that are acceptable to the Group

The Group prepares periodical financial information in Singapore pursuant to applicable Singaporean regulatory rules. Investors should be cautious and not place any reliance on the financial information other than that disclosed in this Offering Circular

According to applicable Singaporean regulations, the Group prepares its consolidated management accounts on a quarterly basis. The quarterly consolidated management accounts are the Group's management accounts which have not been audited or reviewed by independent auditors. As such, any such financial information that might be published in Singapore should not be referred to or relied upon by potential purchasers to provide the same quality of information associated with any audited or reviewed information. The Group is not responsible to holders of the Notes for the unaudited and unreviewed financial information that may be published in the future from time to time in Singapore and therefore investors should not place any reliance on any such financial information. Such financial information is not an indicator or representation of the Group's full year performance.

RISKS RELATING TO THE NOTES ISSUED UNDER THE PROGRAMME

The Notes may not be a suitable investment for all investors

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal, interest or distribution is payable in one or more currencies, or where the currency for principal, interest or distribution payments is different from the potential investor's currency;
- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes may be complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to the purchaser's overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowings and (3) other restrictions apply to its purchase of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Modification, waivers and substitution

The Terms and Conditions of the Notes other than the Perpetual Securities and the Terms and Conditions of the Perpetual Securities contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes other than the Perpetual Securities and the Terms and Conditions of the Perpetual Securities also provide that the Trustee may, without the consent of Noteholders or Couponholders, agree to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of law or as required by Euroclear and/or Clearstream and/or the CMU and/or the CDP, (ii) the substitution of a third party as principal debtor under the Notes in place of the Company, in the circumstances

described in Condition 11 of the Terms and Conditions of the Notes other than the Perpetual Securities and Condition 10 of the Terms and Conditions of the Perpetual Securities and (iii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders.

A change in the governing law of the Notes may adversely affect Noteholders

The Terms and Conditions of the Notes other than the Perpetual Securities and the Terms and Conditions of the Perpetual Securities are governed by either English law or Singapore law, as specified in the applicable Pricing Supplement. No assurance can be given as to the impact of any possible judicial decision or change to English law or Singapore law, as applicable, or administrative practice after the date of issue of the relevant Notes.

Performance of contractual obligations

The ability of an Issuer to make payments in respect of the Notes may depend upon the due performance by the other parties to the transaction documents of the obligations thereunder including the performance by the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, a Transfer Agent, the relevant Registrar, and/or the Calculation Agent of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the relevant Issuer of its obligations to make payments in respect of the Notes, the relevant Issuer may not, in such circumstances, be able to fulfil its obligations to the Noteholders, the Receiptholders and the Couponholders.

Noteholders are exposed to financial risk

Interest or distribution payments and principal repayment for debts occur, if the terms so provide, at specified periods regardless of the performance of the relevant Issuer, (where applicable) the Guarantor and/or the Group. The relevant Issuer or (where applicable) the Guarantor may be unable to make interest or distribution payments or, where applicable, principal repayments under a Series of Notes should it suffer a serious decline in net operating cash flows, where applicable.

The Notes may be represented by Global Notes or Global Certificates and holders of a beneficial interest in a Global Note must rely on the procedures of the relevant Clearing System(s)

Notes issued under the Programme may be represented by one or more Global Notes or Global Certificates. Such Global Notes and Global Certificates will be deposited with a common depositary for Euroclear and Clearstream or lodged with the CMU or CDP (each of Euroclear, Clearstream, the CMU and CDP, a “**Clearing System**”). Except in certain limited circumstances described in the relevant Global Note or Global Certificate, investors will not be entitled to receive Definitive Notes. The relevant Clearing System(s) will maintain records of their direct account holders in relation to the Global Notes and Global Certificates. While the Notes are represented by one or more Global Notes or Global Certificates, investors will be able to trade their beneficial interests only through the Clearing Systems.

While the Notes are represented by one or more Global Notes or Global Certificates, the relevant Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the common depositary for Euroclear and Clearstream or to the CMU or to CDP, as the case may be, for distribution to their account holders. A holder of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of the relevant Clearing System(s) to receive payments under the relevant Notes. The relevant Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes or Global Certificates.

Noteholders of beneficial interests in the Global Notes and Global Certificates deposited with a Clearing System other than CDP will not have a direct right to vote in respect of the relevant Notes. Instead, such

holders will be permitted to act only to the extent that they are enabled by Euroclear or Clearstream or the CMU (as the case may be) to appoint appropriate proxies.

Singapore taxation risk

The Notes to be issued from time to time under the Programme, during the period from the date of this Offering Circular to 31 December 2018 are intended to be “qualifying debt securities” for the purposes of the ITA subject to the fulfilment of certain conditions more particularly described in the section “*Taxation — Singapore*”. However, there is no assurance that such Notes will continue to enjoy the tax concessions should the relevant tax laws be amended or revoked at any time. In addition, the tax concessions for qualifying debt securities may not be available for any particular tranche of Perpetual Securities if the Inland Revenue Authority of Singapore (“**IRAS**”) does not regard such tranche of the Perpetual Securities as debt securities for Singapore income tax purposes.

It was announced in the Singapore Budget Statement 2018 that the qualifying debt securities scheme (“**Qualifying Debt Securities Scheme**”) will be extended till 31 December 2023, subject to details to be announced by MAS.

FATCA

Whilst the Notes are in global form and held within Euroclear Bank S.A./N.V. and Clearstream Banking S.A. (together, the “**ICSDs**”), in all but the most remote circumstances, it is not expected that sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (“**FATCA**”) will affect the amount of any payment received by the ICSDs (see “*Taxation — FATCA*”). However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. An Issuer’s obligations under the Notes are discharged once it has paid the common depositary for the ICSDs (as bearer/registered holder of the Notes) and the relevant Issuer has therefore no responsibility for any amount thereafter transmitted through hands of the ICSDs and custodians or intermediaries.

Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade

Notes may be issued with a minimum denomination. The Pricing Supplement of a Tranche of Notes may provide that, for so long as the Notes are represented by a Global Note or Global Certificate and the relevant Clearing System(s) so permit, the Notes will be tradable in principal amounts (a) equal to, or integral multiples of, the minimum denomination, and (b) equal to the minimum denomination plus integral multiples of an amount lower than the minimum denomination.

Definitive Notes will only be issued if the permanent Global Note or the Global Certificate is held on behalf of Euroclear or Clearstream or the CMU or any other clearing system and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does so in fact or if such permanent Global Note or the Global Certificate is held by or on behalf of CDP and there shall have occurred and be continuing an Event of Default (as defined in the “*Terms and Conditions of the Notes other than the Perpetual Securities*”) entitling the Trustee to declare all the Notes other than the Perpetual Securities to

be due and payable as provided in the Note Conditions or an Enforcement Event (as defined in the “*Terms and Conditions of the Perpetual Securities*”), or CDP is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise), or CDP announces an intention permanently to cease business and no alternative clearing system is available, or CDP has notified the relevant Issuer that it is unable or unwilling to act as depository for the Notes and to continue performing its duties set out in the relevant master depository services agreement and no alternative clearing system is available. The relevant Pricing Supplement may provide that, if Definitive Notes are issued, such Notes will be issued in respect of all holdings of Notes equal to or greater than the minimum denomination. However, Noteholders should be aware that Definitive Notes that have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade. Definitive Notes will in no circumstances be issued to any person holding Notes in an amount lower than the minimum denomination and such Notes will be cancelled and holders will have no rights against the relevant Issuer (including rights to receive principal, interest or distributions or to vote or attend meetings of Noteholders) in respect of such Notes.

The Trustee has a limited ability to monitor the books of accounts of the Issuers

Pursuant to clause 9.1 of the Trust Deed, each Issuer has undertaken to keep proper books of accounts. The Trustee’s right to access such books of accounts is limited to circumstances where (a) an Event of Default or Potential Event of Default (both, in the case of Notes other than Perpetual Securities) or an Enforcement Event (in the case of Perpetual Securities) has occurred or (b) if the Trustee has received notice that such event as set out in (a) has occurred. The Trustee may therefore not be in a position to access such information, which may affect its ability to take certain actions under the Trust Deed, including coming to a determination as to whether or not any of the circumstances set out in Condition 10 of the Terms and Conditions of the Notes other than the Perpetual Securities and/or Condition 9 of the Terms and Conditions of the Perpetual Securities have occurred.

The Trustee may request Noteholders to provide an indemnity and/or security and/or prefunding to its satisfaction

In certain circumstances (including giving of notice to the relevant Issuer or (where applicable) the Guarantor or taking action pursuant to Condition 10 and Condition 12 of the Terms and Conditions of the Notes other than the Perpetual Securities or Condition 9(d) of the Terms and Conditions of the Perpetual Securities, as the case may be), the Trustee may (at its sole discretion) request Noteholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes actions on behalf of Noteholders. The Trustee shall not be obliged to take any such actions if not indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the Trust Deed and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the Noteholders to take such actions directly.

Risks related to Notes which are linked to “benchmarks”

The London Interbank Offered Rate (“**LIBOR**”), the Euro Interbank Offered Rate (“**EURIBOR**”) and other interest rate or other types of rates and indices which are deemed to be “benchmarks” are the subject of ongoing national and international regulatory reform. Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or benchmarks could be eliminated entirely, or there could be other consequences which cannot be predicted. For example, on 27 July 2017, the UK Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the “**FCA Announcement**”). The FCA Announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. The potential elimination of the LIBOR benchmark or any other benchmark, or changes in the manner of administration

of any benchmark, could require an adjustment to the terms and conditions, or result in other consequences, in respect of any Notes linked to such benchmark (including but not limited to Floating Rate Notes whose interest rates are linked to LIBOR). Any such consequence could have a material adverse effect on the value of and return on any such Notes.

RISKS RELATED TO THE STRUCTURE OF A PARTICULAR ISSUE OF NOTES

Notes subject to optional redemption by the relevant Issuer may have a lower market value than Notes that cannot be redeemed

An optional redemption feature is likely to limit the market value of Notes. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Dual currency notes have features which are different from single currency issues

An Issuer may issue Notes with principal, interest or distributions payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest or distributions;
- (iii) payment of principal, interest or distributions may occur at a different time or in a different currency than expected; and
- (iv) the amount of principal payable at redemption may be less than the principal amount of such Notes or even zero.

Failure by an investor to pay a subsequent instalment of partly-paid Notes may result in an investor losing all of its investment

An Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalments could result in an investor losing all of its investment.

Notes carrying an interest rate which may be converted from fixed to floating interest rates and vice-versa, may have lower market values than other Notes

Fixed/Floating Rate Notes may bear interest at a rate that an Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. An Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the relevant Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than the prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the relevant Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

The market prices of Notes issued at a substantial discount or premium tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities

The market values of securities issued at a substantial discount or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

RISKS RELATED TO THE PERPETUAL SECURITIES

Perpetual Securities may be issued for which investors have no right to require redemption

An Issuer may issue Perpetual Securities under the Programme. The Perpetual Securities are perpetual and have no fixed final maturity date. Noteholders have no right to require the relevant Issuer to redeem Perpetual Securities at any time, and an investor who acquires Perpetual Securities may only dispose of such Perpetual Securities by sale. Noteholders who wish to sell their Perpetual Securities may be unable to do so at a price at or above the amount they have paid for them, or at all. Therefore, holders of Perpetual Securities should be aware that they may be required to bear the financial risks of an investment in Perpetual Securities for an indefinite period of time.

If specified in the relevant Pricing Supplement, Noteholders may not receive distribution payments if an Issuer elects to defer distribution payments

If Distribution Deferral is specified in the relevant Pricing Supplement, an Issuer may, at its sole discretion, elect to defer any scheduled distribution on the Perpetual Securities for any period of time. The relevant Issuer may be subject to certain restrictions in relation to the payment of dividends on its Junior Obligations and the redemption and repurchase of its Junior Obligations until any Arrears of Distribution and any Additional Distribution Amounts are satisfied. The relevant Issuer is not subject to any limit as to the number of times distributions can be deferred pursuant to the Terms and Conditions of the Perpetual Securities subject to compliance with the foregoing restrictions. Although distributions are cumulative, the relevant Issuer may defer its payment for an indefinite period of time by delivering the relevant deferral notices to the holders, and holders have no rights to claim any distribution, Arrears of Distribution or Additional Distribution Amount if there is such a deferral. Any such deferral of distribution (including Arrears of Distribution) shall not constitute a default for any purpose unless, in the case of a deferral, such payment is required in accordance with Condition 4(h) of the Terms and Conditions of the Perpetual Securities.

Any deferral of distribution will likely have an adverse effect on the market price of the Perpetual Securities. In addition, as a result of the distribution deferral provision of the Perpetual Securities, the market price of the Perpetual Securities may be more volatile than the market prices of other debt securities on which original issue discount or interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the Issuer's or the Group's financial condition.

If specified in the relevant Pricing Supplement, the Perpetual Securities may be redeemed at an Issuer's option at date(s) specified in the relevant Pricing Supplement or on the occurrence of certain other events

The Terms and Conditions of the Perpetual Securities provide that the Perpetual Securities may, if Call Option is specified in the relevant Pricing Supplement, be redeemed at the option of an Issuer on certain date(s) specified in the relevant Pricing Supplement at their Early Redemption Amount.

In addition, the relevant Issuer also has the right to redeem the Perpetual Securities at their Early Redemption Amount upon the occurrence of:

- (i) any change in, or amendment to, the laws or regulations of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a decision of a court of competent jurisdiction) or the Perpetual Securities do not qualify as “qualifying debt securities” for the purposes of the ITA, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Perpetual Securities such that the relevant Issuer has or would become obliged to pay additional amounts in respect of the Perpetual Securities and such obligation cannot be avoided by the relevant Issuer taking reasonable measures available to it; or
- (ii) if Redemption for Accounting Reasons is specified in the relevant Pricing Supplement, any change or amendment to the Relevant Accounting Standards (as defined in the Terms and Conditions of the Perpetual Securities) such that the Perpetual Securities may no longer be recorded as “equity” of the relevant Issuer pursuant to the Relevant Accounting Standard.

The date on which the relevant Issuer elects to redeem the Perpetual Securities may not accord with the preference of individual Noteholders. This may be disadvantageous to Noteholders in light of market conditions or the individual circumstances of a Noteholder of Perpetual Securities. In addition, an investor may not be able to reinvest the redemption proceeds in comparable securities at an effective distribution rate at the same level as that of the Perpetual Securities.

There are limited remedies for non-payment under the Perpetual Securities

Any scheduled distribution will not be due if an Issuer elects to defer that distribution pursuant to the Terms and Conditions of the Perpetual Securities. Notwithstanding any of the provisions relating to non-payment defaults, the right to institute Winding-Up proceedings is limited to circumstances where payment has become due and the relevant Issuer fails to make the payment when due. The only remedy against the relevant Issuer available to any Noteholder of Perpetual Securities for recovery of amounts in respect of the Perpetual Securities following the occurrence of a payment default after any sum becomes due in respect of the Perpetual Securities will be instituting Winding-Up proceedings and/or proving in such Winding-Up and/or claiming in the liquidation of the relevant Issuer in respect of any payment obligations of the relevant Issuer arising from the Perpetual Securities.

An Issuer may raise other capital which affects the price of the Perpetual Securities

An Issuer may raise additional capital through the issue of other securities or other means. There is no restriction, contractual or otherwise, on the amount of securities or other liabilities which the relevant Issuer may issue or incur and which rank senior to, or *pari passu* with, the Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by Noteholders of Perpetual Securities on a Winding-Up of the relevant Issuer and may increase the likelihood of a deferral of distribution under the Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities might also have an adverse impact on the trading price of the Perpetual Securities and/or the ability of Noteholders to sell their Perpetual Securities.

The Subordinated Perpetual Securities are subordinated obligations

The obligations of an Issuer under the Subordinated Perpetual Securities will constitute unsecured and subordinated obligations of the relevant Issuer. In the event of the Winding-Up of an Issuer, the rights of the holders of Subordinated Perpetual Securities to receive payments in respect of the Subordinated Perpetual Securities will rank senior to the holders of all Junior Obligations and *pari passu* with the holders of all Parity Obligations, but junior to the claims of all other creditors, including, for the avoidance of doubt, the holders of Senior Perpetual Securities and/or Notes other than Perpetual Securities. In the

event of a shortfall of funds or a Winding-Up, there is a real risk that an investor in the Subordinated Perpetual Securities will lose all or some of its investment and will not receive a full return of the principal amount or any unpaid Arrears of Distribution, Additional Distribution Amounts (if applicable) or accrued distribution.

In addition, subject to the limit on the aggregate principal amount of Notes that can be issued under the Programme (which can be amended from time to time by the relevant Issuer without the consent of the Noteholders), there is no restriction on the amount of unsubordinated securities or other liabilities which the relevant Issuer may issue or incur and which rank senior to, or *pari passu* with, the Subordinated Perpetual Securities. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by holders of Subordinated Perpetual Securities on a Winding-Up of the relevant Issuer and/or may increase the likelihood of a deferral of distribution under the Subordinated Perpetual Securities.

Tax treatment of the Perpetual Securities is unclear

It is not clear whether any particular tranche of the Perpetual Securities (the “**Relevant Tranche of the Perpetual Securities**”) will be regarded as debt securities by the IRAS for the purposes of the ITA and whether the tax concessions available for qualifying debt securities under the qualifying debt securities scheme (as set out in “*Taxation — Singapore*”) would apply to the Relevant Tranche of the Perpetual Securities.

If the Relevant Tranche of the Perpetual Securities are not regarded as debt securities for the purposes of the ITA and holders thereof are not eligible for the tax concessions under the qualifying debt securities scheme, the tax treatment to holders may differ. Investors and holders of the Relevant Tranche of the Perpetual Securities should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Relevant Tranche of the Perpetual Securities.

A change in the law governing the subordination provisions of the Perpetual Securities may adversely affect Noteholders

The provisions of the Terms and Conditions of the Perpetual Securities that relate to subordination are governed by Singapore law. No assurance can be given as to the impact of any possible judicial decision or change to such law or administrative practice after the date of issue of the relevant Perpetual Securities.

The Trustee may refuse to act as trustee of certain Perpetual Securities based on the law governing the subordination provisions of the Perpetual Securities

In case the provisions of the Terms and Conditions of the Perpetual Securities that relate to subordination are governed by a law other than English law or Singapore law, the Trustee has the right to refuse to act as trustee of the relevant Perpetual Securities. In such cases, another trustee may act as the Trustee of the relevant Perpetual Securities, and no assurance can be given in relation to the appointment of such other trustee.

RISKS RELATING TO RENMINBI-DENOMINATED NOTES

Notes denominated in RMB (“**Renminbi Notes**”) may be issued under the Programme. Renminbi Notes contain particular risks for potential investors.

Renminbi is not freely convertible and there are significant restrictions on the remittance of Renminbi into and out of the PRC which may adversely affect the liquidity of Renminbi Notes

Renminbi is not freely convertible at present. The government of the PRC (the “**PRC Government**”) continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar.

However, there has been significant reduction in control by the PRC Government in recent years, particularly over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

On the other hand, remittance of Renminbi by foreign investors into the PRC for the settlement of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are being developed.

Although starting from 1 October 2016, the Renminbi will be added to the Special Drawing Rights basket created by the International Monetary Fund, there is no assurance that the PRC Government will continue to gradually liberalise control over cross-border remittance of Renminbi in the future, that the schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. In the event that funds cannot be repatriated out of the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of an Issuer to source Renminbi to finance its obligations under Notes denominated in Renminbi.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Renminbi Notes and an Issuer’s ability to source Renminbi outside the PRC to service Renminbi Notes

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. While the People’s Bank of China (“**PBoC**”) has entered into agreements on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (the “**Renminbi Clearing Banks**”), including but not limited to Hong Kong and are in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions (the “**Settlement Arrangements**”), the current size of Renminbi denominated financial assets outside the PRC is limited.

There are restrictions imposed by PBoC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from PBoC. The Renminbi Clearing Banks only have access to onshore liquidity support from PBoC for the purpose of squaring open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of Renminbi Notes. To the extent an Issuer is required to source Renminbi in the offshore market to service its Renminbi Notes, there is no assurance that the relevant Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Investment in the Renminbi Notes is subject to exchange rate risks

The value of Renminbi against other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. Recently, the PBoC implemented changes to the way it calculates the Renminbi's daily mid-point against the U.S. dollar to take into account market-maker quotes before announcing such daily mid-point. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. All payments of interest, distributions and principal will be made in Renminbi with respect to Renminbi Notes unless otherwise specified. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against another foreign currency, the value of the investment made by a holder of the Renminbi Notes in that foreign currency will decline.

Payments with respect to the Renminbi Notes may be made only in the manner designated in the Renminbi Notes

All payments to investors in respect of the Renminbi Notes will be made solely (i) for so long as the Renminbi Notes are represented by global certificates held with the common depositary for Clearstream Banking S.A. and Euroclear Bank SA/NV or any alternative clearing system, by transfer to a Renminbi bank account maintained in Hong Kong, (ii) for so long as the Renminbi Notes are represented by global certificates lodged with a sub-custodian for or registered with the CMU, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing CMU rules and procedures (iii) for so long as the Renminbi Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. An Issuer cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).

Gains on the transfer of the Renminbi Notes may become subject to income taxes under PRC tax laws

Under the PRC *Enterprise Income Tax Law*, the PRC *Individual Income Tax Law* and the relevant implementing rules, as amended from time to time, any gain realised on the transfer of Renminbi Notes by non-PRC resident enterprise or individual Holders may be subject to PRC enterprise income tax ("EIT") or PRC individual income tax ("IIT") if such gain is regarded as income derived from sources within the PRC. The PRC *Enterprise Income Tax Law* levies EIT at the rate of 20 per cent. of the gains derived by such non-PRC resident enterprise or individual Holder from the transfer of Renminbi Notes but its implementation rules have reduced the enterprise income tax rate to 10 per cent. The PRC *Individual Income Tax Law* levies IIT at a rate of 20 per cent. of the gains derived by such non-PRC resident or individual Holder from the transfer of Renminbi Notes.

However, uncertainty remains as to whether the gain realised from the transfer of Renminbi Notes by non-PRC resident enterprise or individual Holders would be treated as income derived from sources within the PRC and become subject to the EIT or IIT. This will depend on how the PRC tax authorities interpret, apply or enforce the PRC *Enterprise Income Tax Law*, the PRC *Individual Income Tax Law* and the relevant implementing rules. According to the arrangement between the PRC and Hong Kong, for avoidance of double taxation, Holders who are residents of Hong Kong, including enterprise Holders and individual Holders, will not be subject to EIT or IIT on capital gains derived from a sale or exchange of the Notes.

Therefore, if non-PRC enterprise or individual resident Holders are required to pay PRC income tax on gains derived from the transfer of Renminbi Notes, unless there is an applicable tax treaty between PRC and the jurisdiction in which such non-PRC enterprise or individual resident holders of Renminbi Notes reside that reduces or exempts the relevant EIT or IIT, the value of their investment in Renminbi Notes may be materially and adversely affected.

RISKS RELATED TO THE MARKET GENERALLY

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

Notes issued under the Programme have no current active trading market and may trade at a discount to their initial offering price and/or with limited liquidity

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates and interest rate volatility, the market for similar securities, the Company's operating and financial results, the publication of earnings estimates or other research reports and speculation in the press of the investment community, changes in the Group's industry and competition, general market and economic conditions and the financial condition of the Group. If the Notes are trading at a discount, investors may not be able to receive a favourable price for their Notes, and in some circumstances investors may not be able to sell their Notes at all or at their fair market value.

Although an application has been made for permission to deal in and the quotation for any Notes that may be issued pursuant to the Programme on the Official List of the SGX-ST, there is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. In addition, global debt markets have experienced volatility in prices of securities similar to the Notes issued under the Programme. Accordingly, there is no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for any particular Tranche of Notes.

Securities law restrictions on the resale may impact Noteholders' ability to sell the Notes

The Notes have not been registered under the Securities Act, any state securities laws or the securities laws of any other jurisdiction. Unless and until they are registered, the Notes may not be offered, sold or resold except pursuant to an exemption from registration under the Securities Act and applicable state laws or in a transaction not subject to such laws. The Notes are being offered and sold only outside the U.S. in reliance on Regulation S under the Securities Act. Hence, future resales of the Notes may only be made pursuant to an exemption from registration under the Securities Act and applicable state laws or in a transaction not subject to such laws.

Exchange rate risks and exchange controls may result in investors receiving less interest, distribution or principal than expected

Each Issuer will pay principal, interest and distributions on the Notes in the currency specified in the relevant Pricing Supplement (the "**Specified Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest, distribution or principal than expected, or no interest, distribution or principal.

Changes in market interest rates may adversely affect the value of Fixed Rate Notes

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes.

Interest rate risk

Noteholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the price of the Notes, resulting in a capital loss for the Noteholders. However, the Noteholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the price of the Notes may rise. The Noteholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

Inflation risk

Noteholders may suffer erosion on the return of their investments due to inflation. Noteholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Notes. An unexpected increase in inflation could reduce the actual returns.

Global financial turmoil has led to volatility in international capital markets which may adversely affect the market price of any Series of Notes

Global financial turmoil has resulted in substantial and continuing volatility in international capital markets. Any further deterioration in global financial conditions could have a material adverse effect on worldwide financial markets, which may adversely affect the market price of any Series of Notes.

TERMS AND CONDITIONS OF THE NOTES OTHER THAN THE PERPETUAL SECURITIES

The following is the text of the terms and conditions that, save for the paragraphs in italics and subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) or the Global Certificate representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the relevant Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. References in these Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

This Note is one of a series (“**Series**”) of Notes issued by either Olam International Limited (the “**Direct Issuance Notes**”) or Olam Treasury Pte. Ltd. (the “**Guaranteed Notes**”) pursuant to the Trust Deed (as defined below). References to the “**Issuer**” or the “**relevant Issuer**” shall mean only either Olam International Limited (the “**Company**”) or Olam Treasury Pte. Ltd. (“**Olam Treasury**”) as specified in the relevant Pricing Supplement. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. The Guaranteed Notes issued by Olam Treasury will be guaranteed in the Trust Deed (as defined below) by Olam International Limited (the “**Guarantor**”).

The Notes are constituted by an amended and restated trust deed dated 16 March 2018 (as further amended or supplemented as at the date of issue of the Notes (the “**Issue Date**”) between the Company, Olam Treasury, the Guarantor and The Bank of New York Mellon, London Branch (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below), [and, in the case of any Notes governed by Singapore law, as amended and supplemented by the Singapore amended and restated supplemental trust deed (as amended or supplemented as at the Issue Date (the “**Singapore Supplemental Trust Deed**”)) dated 16 March 2018 between the Company, Olam Treasury, the Guarantor and the Trustee]⁽¹⁾, the “**Trust Deed**”). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons referred to below. An amended and restated agency agreement (as further amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 16 March 2018 has been entered into in relation to the Notes between the Company, Olam Treasury, the Guarantor, the Trustee, The Bank of New York Mellon, London Branch as the initial issuing and paying agent and the other agents named in it. The issuing and paying agent, the CMU lodging and paying agent, the CDP paying agent, the other paying agents, the registrars, the transfer agent(s), and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**CMU Lodging and Paying Agent**”, the “**CDP Paying Agent**”, the “**Paying Agents**” (which expression shall include the Issuing and Paying Agent), the “**Registrars**”, the “**Transfer Agents**” (which expression shall include the Registrars), and the “**Calculation Agent(s)**” (such Issuing and Paying Agent, CMU Lodging and Paying Agent, CDP Paying Agent, Paying Agents, Registrars and Transfer Agent(s) being together referred to as the “**Agents**”). For the purposes of these Conditions, all references to the Issuing and Paying Agent shall (i) with respect to a Series of Notes to be held in the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the “**CMU**”), be deemed to be a reference to the CMU Lodging and Paying Agent and (ii) with respect to a Series of Notes to be held in the computerised system operated by The Central Depository (Pte) Limited (the “**CDP**”), be deemed to be a reference to the CDP Paying Agent, and all such references shall be construed accordingly. Copies of the Trust Deed and the Agency Agreement are available for inspection during usual business hours at the principal office of the Trustee (presently at One Canada Square, London E14 5AL, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents.

1 The language indicated in brackets shall be included in the Terms and Conditions of the Notes other than the Perpetual Securities that are governed by Singapore law.

The Noteholders, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Notes in bearer form of which the principal is payable in instalments are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, “**Tranche**” means Notes which are identical in all respects.

1. Form, Denomination and Title

The Notes are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) shown hereon.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the relevant Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

*Notwithstanding anything contained in these Conditions, for so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank S.A./N.V. (“**Euroclear**”) and/or Clearstream Banking, S.A. (“**Clearstream**”) and/or the CMU and/or by or on behalf of CDP (as the case may be), each person (other than Euroclear or Clearstream or the CMU or CDP) who is for the time being shown in the records of Euroclear or of Clearstream or of the CMU or of CDP as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream or the CMU or CDP as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the relevant Issuer, the Paying Agents, the Registrar, the Transfer Agents and the Trustee as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such principal amount of such Notes, for which purpose the bearer of the relevant Global Note or the registered holder of*

the relevant Registered Global Note shall be treated by the relevant Issuer, any Paying Agent, any Transfer Agent, the Registrar and the Trustee as the holder of such principal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly. Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, the CMU and CDP as the case may be. References to Euroclear, Clearstream, the CMU and/or CDP shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement or as may otherwise be approved by the relevant Issuer, the Issuing and Paying Agent, the CMU Lodging and Paying Agent or the CDP Paying Agent, as the case may be, and the Trustee.

2. No Exchange of Notes and Transfers of Registered Notes

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** One or more Registered Notes may, subject to Conditions 2(e) and 2(f), be transferred, each in whole or in part, upon the surrender (at the specified office of the Registrar or any other Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the *same* form and containing the same representations and certifications (if any), unless otherwise agreed by the relevant Issuer), duly completed and executed and any other evidence as the Registrar or such other Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the relevant Issuer, with the prior written approval of the Registrar and the Trustee, or by the Registrar with the prior written consent of the Trustee and the relevant *Issuer*. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer’s or Noteholders’ option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) or 2(c) shall be available for delivery within five business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice and/or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer,

Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the other relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “**business day**” means a day, other than a Saturday, Sunday or public holiday on which banks are open for general business in Singapore and in the place of the specified office of the Registrar or the other relevant Transfer Agent (as the case may be).

- (e) **Transfers Free of Charge:** Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the relevant Issuer, the Registrar or the other Transfer Agents to Noteholders, but subject to (i) payment by the relevant Noteholder of any tax or other governmental charges that may be imposed in relation to it, (ii) the Registrar or the other Transfer Agents being satisfied with the documents of title and/or identity of the person making the application and (iii) such regulations as the relevant Issuer may from time to time agree with the Registrar, the other Transfer Agents and the Trustee.
- (f) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on (and including) the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the relevant Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of 15 days ending on (and including) any Record Date.

3. Status and Guarantee of the Notes

The Notes and the Receipts and the Coupons relating to them constitute direct, unconditional, unsubordinated and (subject to Condition 4) unsecured obligations of the relevant Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the relevant Issuer under the Notes and the Receipts and Coupons relating to them shall, subject to Condition 4, rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the relevant Issuer, present and future, other than those preferred by applicable statute or law.

The Guarantor will, in respect of each Tranche of Guaranteed Notes, pursuant to the Trust Deed, unconditionally and irrevocably guarantee the due and punctual payment of all sums from time to time payable by Olam Treasury in respect of the Notes (the “**Guarantee of the Notes**”). The Guarantee of the Notes constitutes direct, unsubordinated, unconditional and unsecured obligations of the Guarantor which will, at all times, rank at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

4. Negative Pledge

So long as any Note or Coupon remains outstanding (as defined in the Trust Deed), the Company will not, and will ensure that none of its Principal Subsidiaries will create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness, or any guarantee or **indemnity** in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Notes the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Noteholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

In these Conditions:

“**Group**” means the Company and its Subsidiaries;

“**Principal Subsidiaries**” means (i) Olam Treasury and (ii) any Subsidiary of the Company whose profit before tax, as shown by the accounts of such Subsidiary (consolidated in the case of a company which itself has Subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 10 per cent. of the profit before tax and exceptional items of the Group as shown by such audited consolidated accounts, **provided that** if any such Subsidiary (the “**transferor**”) shall at any time transfer the whole or a substantial part of its business, undertaking or assets to another Subsidiary or the Company (the “**transferee**”) then:

- (a) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to be a Principal Subsidiary and the transferee (unless it is the Company) shall thereupon become a Principal Subsidiary; and
- (b) if part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (unless it is the Company) shall thereupon become a Principal Subsidiary.

Any Subsidiary which becomes a Principal Subsidiary by virtue of (a) above or which remains or becomes a Principal Subsidiary by virtue of (b) above shall continue to be a Principal Subsidiary until the date of issue of the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the profit before tax as shown by the accounts of such Subsidiary (consolidated in the case of a company which itself has Subsidiaries), based upon which such audited consolidated accounts have been prepared, to be less than 10 per cent. of the profit before tax and exceptional items of the Group, as shown by such audited consolidated accounts. A report by the Auditors (as defined in the Trust Deed), that in their opinion a Subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive. The Trustee shall be entitled to rely on any such report, without further enquiry and without liability to any Noteholder or any other person;

“**Relevant Indebtedness**” means any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other debt securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market; and

“**Subsidiary**” has the meaning ascribed to it in Section 5 of the Companies Act, Chapter 50 of Singapore.

5. Interest and other Calculations

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding principal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h). To the extent it is provided hereon that the Rate of Interest is subject to one or more resets over the life of the Notes, the Calculation Agent shall, on the date specified hereon as the date for the determination of the relevant reset Rate of Interest, determine and publish such reset Rate of Interest in accordance with Condition 5(i).

(b) *Interest on Floating Rate Notes:*

- (i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding principal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined, in the case of Floating Rate Notes by the Calculation Agent in accordance with this Condition 5(b) and Conditions 5(h) and 5(i). The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent and each other Paying Agent shall be entitled to rely on all determinations and calculations made by the Calculation Agent without any responsibility to verify any of the same and without liability to the Noteholders or any other person for so doing. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, “**Interest Payment Date**” shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined by the Calculation Agent in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this Condition 5(b)(iii)(A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon;
- (y) the Designated Maturity is a period specified hereon; and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this Condition 5(b)(iii)(A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes, where the Reference Rate is not specified as being SIBOR or SOR

(x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time in the case of LIBOR, Brussels time in the case of EURIBOR or Hong Kong time in the case of HIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR, EURIBOR or HIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon;

(y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(1) of Condition 5(b)(iii)(B) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) of Condition 5(b)(iii)(B) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(z) if paragraph (y) of Condition 5(b)(iii)(B) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the relevant Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, **provided that**, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(C) Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SIBOR or SOR

Each Floating Rate Note where the Reference Rate is specified as being SIBOR (in which case such Note will be a “**SIBOR Note**”) or SOR (in which case such Note will be a “**Swap Rate Note**”) bears interest at a floating rate determined by reference to a benchmark as specified hereon or in any case such other benchmark as specified hereon.

- (x) The Rate of Interest payable from time to time in respect of each Floating Rate Note under this Condition 5(b)(iii)(C) will be determined by the Calculation Agent on the basis of the following provisions:
- (1) In the case of Floating Rate Notes which are SIBOR Notes:
- (aa) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Accrual Period, determine the Rate of Interest for such Interest Accrual Period which shall be the offered rate for deposits in Singapore Dollars for a period equal to the duration of such Interest Accrual Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption “ASSOCIATION OF BANKS IN SINGAPORE — SIBOR AND SWAP OFFER RATES — RATES AT 11:00 A.M. SINGAPORE TIME” and the column headed “SGD SIBOR” (or such other Relevant Screen Page);
- (bb) if no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof), the Calculation Agent will, at or about the Relevant Time on such Interest Determination Date, determine the Rate of Interest for such Interest Accrual Period which shall be the rate which appears on the Reuters Screen SIBP Page under the caption “SINGAPORE DOLLAR INTER-BANK OFFERED RATES — 11:00 A.M.” and the row headed “SIBOR SGD” (or such other replacement page thereof), being the offered rate for deposits in Singapore Dollars for a period equal to the duration of such Interest Accrual Period;
- (cc) if no such rate appears on the Reuters Screen SIBP Page (or such other replacement page thereof or, if no rate appears, on such other Relevant Screen Page) or if Reuters Screen SIBP Page (or such other replacement page thereof or such other Relevant Screen Page) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of each of the Reference Banks to provide the Calculation Agent with the rate at which deposits in Singapore Dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore inter-bank market for a period equivalent to the duration of such Interest Accrual Period commencing on such Interest Payment Date in an amount comparable to the aggregate principal amount of the relevant Floating Rate Notes. The Rate of Interest for such Interest Accrual Period shall be the arithmetic mean (rounded, if necessary, to the nearest four decimal places) of such offered quotations, as determined by the Calculation Agent;
- (dd) if on any Interest Determination Date two but not all the Reference Banks provide the Calculation Agent with such quotations, the Rate of Interest for the relevant Interest Accrual Period shall be determined in accordance with paragraph (cc) of this Condition 5(b)(iii)(C) on the basis of the quotations of those Reference Banks providing such quotations; and

(ee) if on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotations, the Rate of Interest for the relevant Interest Accrual Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Calculation Agent at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Accrual Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Interest Accrual Period by whatever means they determine to be most appropriate or if on such Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotation, the rate per annum which the Calculation Agent determines to be arithmetic mean (rounded, if necessary, to the nearest four decimal places) of the prime lending rates for Singapore Dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date, **provided that**, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(2) In the case of Floating Rate Notes which are Swap Rate Notes:

(aa) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Accrual Period, determine the Rate of Interest for such Interest Accrual Period which shall be the rate which appears on the Reuters Screen ABSFIX1 Page under the caption “ASSOCIATION OF BANKS IN SINGAPORE – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 A.M. SINGAPORE TIME” under the column headed “SGD SWAP OFFER” (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Accrual Period;

(bb) if on any Interest Determination Date, no such rate is quoted on the Reuters Screen ABSFIX1 Page (or such other replacement page as aforesaid) or the Reuters Screen ABSFIX1 Page (or such other replacement page as aforesaid) is unavailable for any reason, the Calculation Agent will determine the Rate of Interest (which shall

be rounded up, if necessary, to the nearest four decimal places) for such Interest Accrual Period in accordance with the following formula:

In the case of Premium:

Rate of Interest =

$$\frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(T \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360}$$

In the case of Discount:

Rate of Interest =

$$\frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(T \times \text{Spot Rate})} - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR = the rate which appears under the caption “SINGAPORE INTERBANK OFFER RATES (DOLLAR DEPOSITS) AT 11:00 A.M.” and the row headed “SIBOR USD” on the Reuters Screen SIBO Page of the Reuters Monitor Money Rates Service (or such other page as may replace the Reuters Screen SIBO Page for the purpose of displaying Singapore inter-bank U.S. Dollar offered rates of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Accrual Period concerned;

Spot Rate = the rate (determined by the Calculation Agent) to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks and which appear on the Reuters Screen ABSFIX1 Page (or such other replacement page thereof for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Accrual Period concerned;

Premium or Discount = the rate (determined by the Calculation Agent) to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks for a period equal to the duration of the Interest Accrual Period concerned which appear on the Reuters Screen ABSFIX1 Page (or such other replacement page thereof for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Accrual Period concerned; and

T = the number of days in the Interest Accrual Period concerned.

- (cc) if on any Interest Determination Date any one of the components for the purposes of calculating the Rate of Interest under this Condition 5(b)(iii)(C) is not quoted on the relevant Reuters Screen Page (or such other replacement page as aforesaid) or the relevant Reuters Screen Page (or such other replacement page as aforesaid) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of the Reference Banks to provide the Calculation Agent with quotations of their Swap Rates for the Interest Accrual Period concerned at or about the Relevant Time on that Interest Determination Date and the Rate of Interest for such Interest Accrual Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the Swap Rates quoted by the Reference Banks to the Calculation Agent. The “Swap Rate” of a Reference Bank means the rate at which that Reference Bank can generate Singapore Dollars for the Interest Accrual Period concerned in the Singapore inter-bank market at or about the Relevant Time on the relevant Interest Determination Date and shall be determined as follows:

In the case of Premium:

$$\text{Swap Rate} = \frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(T \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360}$$

In the case of Discount:

$$\text{Swap Rate} = \frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(T \times \text{Spot Rate})} - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR	=	the rate per annum at which U.S. Dollar deposits for a period equal to the duration of the Interest Accrual Period concerned are being offered by that Reference Bank to prime banks in the Singapore inter-bank market at or about the Relevant Time on the relevant Interest Determination Date;
Spot Rate	=	the rate at which that Reference Bank sells U.S. Dollars spot in exchange for Singapore Dollars in the Singapore inter-bank market at or about the Relevant Time on the relevant Interest Determination Date;
Premium or Discount	=	the rate (determined by the Calculation Agent) to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks for a period equal to the duration of the Interest Accrual Period concerned which appear on the Reuters Screen ABSFIX1 Page (or such other replacement page thereof for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Interest Determination Date for a period equal to the duration of the Interest Accrual Period concerned; and
T	=	the number of days in the Interest Accrual Period concerned; and

- (dd) if on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with quotations of their Swap Rate(s), the Rate of Interest shall be determined by the Calculation Agent to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Calculation Agent at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Interest Accrual Period by whatever means they determine to be most appropriate, or if on such Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotation, the Rate of Interest for the relevant Interest Accrual Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the prime lending rates for Singapore Dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date, **provided that**, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination

Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

- (D) On the last day of each Interest Accrual Period, the relevant Issuer will pay interest on each Floating Rate Note to which such Interest Accrual Period relates at the Rate of Interest for such Interest Accrual Period.
- (c) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).
- (d) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined by the Calculation Agent in the manner specified hereon.
- (e) **Partly Paid Notes:** In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up principal amount of such Notes and otherwise as specified hereon.
- (f) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).
- (g) **Margin, Maximum Rate of Interest/Minimum Rate of Interest, Instalment Amounts and Redemption Amounts and Rounding:**
- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to Condition 5(g)(ii).
- (ii) If any Maximum Rate of Interest or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save

in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.

- (h) **Calculations:** The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.
- (i) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts:** The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Trustee, the relevant Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties and the Noteholders.
- (j) **Determination or Calculation by an agent appointed by the Trustee:** If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Trustee shall appoint an agent (at the cost of the relevant Issuer) on its behalf to do so and such determination or calculation by such agent shall be deemed to have been made by the Calculation Agent. In doing so, such agent shall apply the foregoing provisions of this Condition 5, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the

circumstances. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by any agent pursuant to this Condition 5(j) shall (in the absence of manifest error) be final and binding upon all parties and the Noteholders. The Trustee shall not be responsible or liable to any Noteholder or the relevant Issuer or any other person for the accuracy of any determination or calculation made by any agent appointed pursuant to this Condition 5(j) or in the event that any such agent fails to make any determination or calculation contemplated in this Condition 5(j) or for any loss suffered by any Noteholder, the relevant Issuer or any other person arising directly or indirectly as a result of any determination or calculation made by any such agent hereunder.

- (k) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

- (i) a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets are open for general business in Singapore and in the city of the Issuing and Paying Agent’s specified office and, in the case of Notes cleared through the CMU, in the city of the CMU Lodging and Paying Agent’s specified office and, in the case of Notes cleared through CDP, in the city of the CDP Paying Agent’s specified office and, in case of Registered Notes, in the city of the Registrar’s specified office; and
- (ii) in the case of:
 - (a) a currency other than euro and Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets are open for general business in the principal financial centre for such currency; and/or
 - (b) euro, a day (other than a Saturday, Sunday or public holiday) on which the TARGET System is operating (a **“TARGET Business Day”**); and/or
 - (c) Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong; and/or
 - (d) a currency and/or one or more Business Centres, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each Business Centre.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the **“Calculation Period”**):

- (i) if **“Actual/Actual”** or **“Actual/Actual-ISDA”** is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if **“Actual/365 (Fixed)”** is specified hereon, the actual number of days in the Calculation Period divided by 365

- (iii) if “**Actual/360**” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (iv) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case **D₂** will be 30

- (vi) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case **D₁** will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case **D₂** will be 30

- (vii) if “**Actual/Actual-ICMA**” is specified hereon,

- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“**Determination Date**” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s); and

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date.

“euro” means the currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified hereon.

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or Hong Kong Dollars or Renminbi or (ii) the day falling two Business Days in London and the relevant Financial Centre for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro nor Hong Kong Dollars nor Renminbi or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

“Interest Period” means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date.

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon.

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“Reference Banks” means (i) in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market; (ii) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank

market; (iii) in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong interbank market; and (iv) in the case of a determination of the relevant Reference Rate, SIBOR or Swap Rate, the principal Singapore office of three major banks in the Singapore inter-bank market, in each case selected by the Calculation Agent or as specified hereon.

“Reference Rate” means the rate specified as such hereon.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified hereon or such other page, section, caption, column or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

“Relevant Time” means 11.00 a.m. (Singapore time).

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

- (1) **Calculation Agents:** The relevant Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for it or them hereon and for so long as any Note is outstanding. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under these Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the relevant Issuer shall appoint a leading bank or financial institution engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent to act as such in its place. Any Calculation Agent appointed in respect of the Notes may not resign its duties without a successor having been appointed as aforesaid.

6. Redemption, Purchase and Options

(a) *Redemption by Instalments and Final Redemption:*

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding principal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the principal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

- (ii) Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided hereon, is its principal amount) or, in the case of a Note falling within Condition 6(a)(i), its final Instalment Amount.

(b) **Early Redemption:**

(i) *Zero Coupon Notes:*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
- (B) Subject to the provisions of Condition 6(b)(i)(C), the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in Condition 6(b)(i)(B), except that such Condition shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this Condition 6(b)(i)(C) shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

- (ii) *Other Notes:* The Early Redemption Amount payable in respect of any Note (other than Notes described in Condition 6(b)(i)), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.
- (c) **Redemption for Taxation Reasons:** The Notes may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note) or at any time (if this Note is not a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b)) (together with interest accrued but unpaid (if any) to the date fixed for redemption), if the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor satisfies the Trustee immediately prior to the giving of such notice that it has or will become obliged to pay additional amounts provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a decision of a court of competent jurisdiction) or the Notes do not qualify as "qualifying debt

securities” for the purposes of the Income Tax Act, Chapter 134 of Singapore, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and such obligation cannot be avoided by the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor taking reasonable measures available to it, **provided that** no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor would be obliged to pay such additional amounts if a payment in respect of the Notes were then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor shall deliver to the Trustee a certificate signed by a director or two authorised signatories of the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor stating that the obligation referred to in (i) above of this Condition 6(c) cannot be avoided by the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor taking reasonable measures available to it, and an opinion of independent legal or tax advisors of recognised standing to the effect that such change or amendment has occurred (irrespective of whether such amendment or change is then effective) and the Trustee shall be entitled without further enquiry and without liability to any Noteholder or any other person to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out in (i) and (ii) above of this Condition 6(c), in which event it shall be conclusive and binding on Noteholders and Couponholders.

- (d) ***Redemption at the Option of the Issuer:*** If Call Option is specified hereon, the relevant Issuer may, on giving not less than 30 nor more than 60 days’ irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued but unpaid (if any) to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a principal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 6(d).

In the case of a partial redemption, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as determined by the relevant Issuer and notified in writing to the Trustee, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

- (e) ***Redemption at the Option of Noteholders:*** If Put Option is specified hereon, the relevant Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 30 nor more than 60 days’ notice to the relevant Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued but unpaid (if any) to the date fixed for redemption.

To exercise such option, the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any other Transfer Agent at its specified office, together with a duly completed option exercise notice (an “**Exercise Notice**”) in the form obtainable from any Paying Agent, the Registrar or any other Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the relevant Issuer.

- (f) **Partly Paid Notes:** Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 6(f) and the provisions specified hereon.
- (g) **Purchases:** The relevant Issuer and any Subsidiary (as the case may be) may at any time purchase Notes (**provided that** all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.
- (h) **Cancellation:** All Notes purchased by or on behalf of the relevant Issuer or any Subsidiary may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, the same shall, together with all Notes redeemed by the relevant Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the relevant Issuer and (in respect of each Tranche of Guaranteed Notes) the Guarantor in respect of any such Notes shall be discharged.

7. Payments and Talons

- (a) **Bearer Notes:** Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and **provided that** the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be:
 - (i) in the case of a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank; and
 - (ii) in the case of Renminbi, by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong.

In this Condition 7(a) and in Condition 7(b), “**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

- (b) **Registered Notes:**
 - (i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 7(b)(ii) below.
 - (ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifth (in the case of Renminbi) and fifteenth (in the case of a currency other than Renminbi) day before the

due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made:

- (x) in the case of a currency other than Renminbi, in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any other Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank; and
- (y) in the case of Renminbi, by transfer to the registered account of the Noteholder.

In this Condition 7(b)(ii), “**registered account**” means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

- (c) ***Payments in the United States:*** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. Dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the relevant Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the relevant Issuer, any adverse tax consequence to the relevant Issuer.
- (d) ***Payments subject to Fiscal Laws:*** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) ***Appointment of Agents:*** The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrars, and the Transfer Agent initially appointed by the Issuers and the Guarantor and their respective specified offices are listed below. The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrars, and the Transfer Agents appointed under the Agency Agreement and any Calculation Agents appointed in respect of any Notes act solely as agents of the Issuers and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuers and the Guarantor reserves the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, any other Paying Agent, any Registrar, any Transfer Agent or any Calculation Agent in accordance with the provisions of the Agency Agreement and to appoint additional or other Paying Agents or Transfer Agents, in each case in accordance with the Agency Agreement, **provided that** the Issuers and the Guarantor shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CMU Lodging and Paying Agent in relation to Notes accepted for clearance through the CMU, (v) a CDP Paying Agent in relation to Notes cleared through CDP, (vi) one or more Calculation Agent(s) where these Conditions so require, (vii) a Paying Agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that the Global Notes are exchanged for Definitive Notes, for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require and (viii) such other agents as may be required by any other stock exchange on which the Notes may be listed.

In addition, the Issuers and the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. Dollars in the circumstances described in Condition 7(c).

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) ***Unmatured Coupons and Receipts and unexchanged Talons:***

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes), such Notes should be surrendered to the relevant Paying Agent for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
 - (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note or Dual Currency Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
 - (iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (v) Where any Bearer Note that provides that the relative unmaturing Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmaturing Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the relevant Issuer, the Issuing and Paying Agent and/or the Registrar may require.
 - (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.
- (g) ***Talons:*** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in the location of the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

- (h) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 7, “**business day**” means a day (other than a Saturday, Sunday or public holiday) on which, in the case of Notes to be cleared through Euroclear and Clearstream, Euroclear and Clearstream are operating or, in the case of Notes to be cleared through the CMU, the CMU is operating or, in the case of Notes to be cleared through CDP, CDP is operating and, in each case, on which banks and foreign exchange markets are open for general business in Singapore and in the relevant place of presentation (if presentation and/or surrender of such Note, Receipt or Coupon is required), in such jurisdictions as shall be specified as “**Financial Centres**” hereon and:
- (i) (in the case of a payment in a currency other than euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
 - (ii) (in the case of a payment in euro) which is a TARGET Business Day; or
 - (iii) (in the case of a payment in Renminbi) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

8. Taxation

All payments of principal and interest by or on behalf of the relevant Issuer and (in respect of each Tranche of Guaranteed Notes) the Guarantor in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the relevant Issuer and (in respect of each Tranche of Guaranteed Notes) the Guarantor shall pay such additional amounts as will result in receipt by the Noteholders, Receiptholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon presented for payment:

- (a) **Other connection:** by or on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with Singapore other than the mere holding of the Note, Receipt or Coupon; or where the withholding or deduction could be avoided by the holder making a declaration of non-residence or other similar claim for exemption to the appropriate authority which such holder is legally capable and competent of making but fails to do so; or
- (b) **Presentation more than 30 days after the Relevant Date:** more than 30 days after the Relevant Date (as defined below) except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the last day of such period of 30 days.

For the purpose of these Conditions, “**Relevant Date**” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with these Conditions, such payment will be made, **provided that** payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts,

Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition 8 or any undertaking given in addition to or in substitution for it under the Trust Deed.

Notwithstanding any other provision in these Conditions, the relevant Issuer and (in respect of each Tranche of Guaranteed Notes) the Guarantor shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code of 1986 Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service (“**FATCA withholding**”). The relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor will have no obligation to pay additional amounts or otherwise indemnify a holder for any FATCA withholding deducted or withheld by the relevant Issuer, (in respect of each Tranche of Guaranteed Notes) the Guarantor, a Paying Agent or any other party as a result of any person (other than an agent of the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor) not being entitled to receive payments free of FATCA withholding.

9. Prescription

Claims against the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10. Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of not less than 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject to first being indemnified and/or secured and/or prefunded by the Noteholders to its satisfaction), give notice (a “**Default Notice**”) to the relevant Issuer that the Notes are, and they shall accordingly thereby become, immediately due and repayable at their Early Redemption Amount together (if applicable) with accrued but unpaid interest (subject as provided below) if any of the following events (each an “**Event of Default**”) has occurred:

- (a) the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor does not pay any principal sum or interest payable by it in respect of any of the Notes within five Business Days of its due date;
- (b) the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor does not perform or comply with any one or more of its other obligations under the Trust Deed or the Notes and, if such default is capable of remedy, it is not remedied within 21 days after written notice thereof shall have been given to the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor by the Trustee;
- (c) (i) any other indebtedness of the Company or any of its Principal Subsidiaries in respect of borrowed money is or is declared to be or becomes capable of being rendered due and payable prior to its stated maturity by reason of any actual default, event of default or the like (however described) or is not paid when due or, as a result of any actual default, event of default or the like (however described) any facility relating to any such indebtedness is or is declared to be or is capable of being cancelled or terminated before its normal expiry date or any person otherwise entitled to use any such facility is not so entitled; or

- (ii) the Company or any of its Principal Subsidiaries fails to pay when properly called upon to do so any guarantee of indebtedness for borrowed moneys.

However, no Event of Default will occur under this Condition 10(c) unless and until the aggregate amount of the indebtedness in respect of which one or more of the events mentioned above in Condition 10(c)(i) and Condition 10(c)(ii) has/have occurred equals or exceeds U.S.\$20,000,000 or its equivalent;

- (d) the Company or any of its Principal Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its indebtedness, begins negotiations or takes any other step with a view to the deferral, rescheduling or other readjustment of all or a material part of (or of a particular type of) its indebtedness (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of (or of a particular type of) the indebtedness of the Company or any Principal Subsidiary;
- (e) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or a material part of the assets of the Company or any Principal Subsidiary and is not discharged or stayed within 21 days;
- (f) any security on or over all or a material part of the assets of the Company or any Principal Subsidiary becomes enforceable;
- (g) an order is made or a resolution is passed or a meeting is convened for the winding-up of the Company or any of its Principal Subsidiaries (except (i) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution of Noteholders before that event occurs; or (ii) in the case of a Principal Subsidiary, whereby the undertaking and assets of the Principal Subsidiary (after taking into account the rights of any other shareholder(s) of such Principal Subsidiary) are transferred to or otherwise vested in the Company or another of its Subsidiaries in accordance with applicable law and regulation) or any step is taken by any person for the appointment of a liquidator (including a provisional liquidator), receiver, judicial manager, trustee, administrator, agent or similar officer of the Company or any Principal Subsidiary or over any material part of the assets of the Company or any Principal Subsidiary;
- (h) the Company or any Principal Subsidiary ceases or threatens to cease to carry on all or a substantial part of its business or (otherwise than in the ordinary course of its business) disposes or threatens to dispose of the whole or a substantial part of its property or assets (in each case, except (i) for the purposes of such a consolidation, amalgamation, merger or reconstruction as is referred to in Condition 10(g) above or (ii) in the case of a Principal Subsidiary, whereby the undertaking and assets of the Principal Subsidiary (after taking into account the rights of any other shareholder(s) of such Principal Subsidiary) are transferred to or otherwise vested in the Company or another of its Subsidiaries in accordance with applicable law and regulation);
- (i) any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Company or any of its Principal Subsidiaries **provided that** the occurrence of any event in relation to a Principal Subsidiary only shall not constitute an Event of Default under this Condition 10(i);
- (j) any action, condition or thing (including the obtaining of any necessary consent) at any time required to be taken, fulfilled or done by the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor in order (a) to enable the relevant Issuer or (in respect of each

Tranche of Guaranteed Notes) the Guarantor lawfully to enter into, exercise its rights and perform and comply with its obligations under the Notes and the Trust Deed, (b) to ensure that those obligations are legally binding and enforceable, and (c) in the case of Notes governed under the laws of England, to make the Notes and the Trust Deed admissible in evidence in the courts of England or in the case of Notes governed under the laws of Singapore, to make such Notes and the Trust Deed admissible in evidence in the courts of Singapore, is not taken, fulfilled or done or it is or will become unlawful for the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor to perform or comply with any one or more of its obligations under the Trust Deed or the Notes;

- (k) any of the Agency Agreement, the Trust Deed or any of the Notes ceases for any reason (or is claimed by the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor not) to be the legal and valid obligations of the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor, binding upon it in accordance with its terms;
- (l) the Guarantee of the Notes is not (or is claimed by the Guarantor not to be) in full force or effect;
- (m) the Company or any Principal Subsidiary is declared by the Minister of Finance of Singapore to be a declared company under the provisions of Part IX of the Companies Act, Chapter 50 of Singapore; and
- (n) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of Conditions 10(d), 10(e), 10(f) and 10(g).

11. Meetings of Noteholders, Modification and Waiver

- (a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing more than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the principal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum Rate of Interest and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum Rate of Interest and/or Maximum Rate of Interest, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, or (viii) to change the terms of the Guarantee of the Notes, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the Noteholders of not less than 90 per cent. in principal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

- (b) **Modification and Waiver:** The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Notes, the Agency Agreement, the Trust Deed or these Conditions that is of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provisions of applicable law or as required by Euroclear and/or Clearstream and/or the CMU and/or the CDP, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Notes, the Agency Agreement, the Trust Deed or these Conditions that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, unless the Trustee otherwise requires, the relevant Issuer shall notify the Noteholders, or shall procure that notification be made to the Noteholders, of such modification, authorisation or waiver as soon as practicable.
- (c) **Substitution:** The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and satisfaction of such other conditions as the Trustee may require, but without the consent of the Noteholders or Couponholders, to the substitution of certain entities in place of the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes and as a party to the Agency Agreement.
- (d) **Entitlement of the Trustee:** In connection with the exercise of its functions, rights, powers and discretions (including but not limited to those referred to in this Condition 11) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee, acting for and on behalf of Noteholders, shall not be entitled to require on behalf of any Noteholder or Couponholder, nor shall any Noteholder or Couponholder be entitled to claim, from the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

12. Enforcement

At any time after the Notes become due and payable, the Trustee (i) may, at its discretion or (ii) shall, if so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least 25 per cent. in principal amount of the Notes outstanding, and without further notice, institute such proceedings against the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor as it may think fit to enforce the terms of the Trust Deed, the Notes, the Receipts and the Coupons, but it need not take any such proceedings unless it shall have first been indemnified and/or secured and/or prefunded to its satisfaction. No Noteholder, Receiptholder or Couponholder may proceed directly against the relevant Issuer or (in respect of each Tranche of Guaranteed Notes) the Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

13. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the relevant Issuer, (in respect of each Tranche of Guaranteed Notes) the Guarantor and any entity related to the relevant Issuer or the Guarantor without accounting for any profit.

The Trustee may rely without liability to Noteholders or Couponholders on any report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether or not their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice conclusively and without liability to the Noteholders or any other person. Any such report, confirmation or certificate or advice shall (in the absence of manifest error) be binding on the relevant Issuer, (in respect of each Tranche of Guaranteed Notes) the Guarantor, the Trustee, the Noteholders and the Couponholders.

14. Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the relevant Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the relevant Issuer on demand the amount payable by the relevant Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the relevant Issuer, the Issuing and Paying Agent and/or the Registrar may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

15. Further Issues

The relevant Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the relevant Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 15 and forming a single series with the Notes. Any further securities forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides.

16. Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Singapore (which is expected to be *The*

Business Times). If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Singapore. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above. The relevant Issuer shall also ensure that notices are duly published in a manner that complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 16.

So long as the Notes are represented by a Global Note or a Global Certificate and such Global Note or Global Certificate is held (i) on behalf of Euroclear or Clearstream, or any other clearing system (except as provided in (ii) and (iii) below), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by these Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate; (ii) on behalf of the CMU, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the CMU on the second business day preceding the date of despatch of such notice as holding interests in the relevant Global Note or Global Certificate; or (iii) by CDP, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in the list of Noteholders provided by CDP. Any such notice will be deemed to have been given at 5:00 pm on the day the relevant clearing system receives such notice.

17. Contracts (Rights of Third Parties) Act

No person shall have any right to enforce any term or condition of the Notes under [the Contracts (Rights of Third Parties) Act 1999]⁽¹⁾ [Contracts (Rights of Third Parties) Act Chapter 53B of Singapore]⁽²⁾.

18. Governing Law and Jurisdiction

- (a) **Governing Law:** The Trust Deed, the Agency Agreement, the Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, [English]⁽¹⁾ [Singapore]⁽²⁾ law.
- (b) **Jurisdiction:** The Courts of [England] [Singapore] are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons (“**Proceedings**”) may be brought in such courts. Each of the Company and Olam Treasury has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.
- (c) **Service of Process:** Each of the Company and Olam Treasury has irrevocably appointed Olam Europe Limited as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.

(1) The language indicated in brackets shall be included in the Terms and Conditions of the Notes other than the Perpetual Securities that are governed by English law.

(2) The language indicated in brackets shall be included in the Terms and Conditions of the Notes other than the Perpetual Securities that are governed by Singapore law.

TERMS AND CONDITIONS OF THE PERPETUAL SECURITIES

The following is the text of the terms and conditions that, save for the paragraphs in italics and subject to completion and amendment (including, without limitation, to reflect the terms of any Series of Perpetual Securities and to reflect any changes required to the terms and conditions to reflect the proposed equity, tax or accounting treatment for the Perpetual Securities of such Series) and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Perpetual Securities in definitive form (if any) issued in exchange for the Global Note(s) or the Global Certificate representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the relevant Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. References in these Conditions to “Perpetual Securities” are to the Perpetual Securities of one Series only, not to all Perpetual Securities that may be issued under the Programme.

This Perpetual Security is one of a series (“**Series**”) of Perpetual Securities issued by either Olam International Limited (the “**Direct Issuance Perpetual Securities**”) or Olam Treasury Pte. Ltd. (the “**Guaranteed Perpetual Securities**”) pursuant to the Trust Deed (as defined below). References to the “**Issuer**” or the “**relevant Issuer**” shall mean only either Olam International Limited (the “**Company**”) or Olam Treasury Pte. Ltd. (“**Olam Treasury**”) as specified in the relevant Pricing Supplement. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement and/or the Trust Deed and **provided that**, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail. The Guaranteed Perpetual Securities issued by Olam Treasury will be guaranteed in the Trust Deed (as defined below) by Olam International Limited (the “**Guarantor**”).

The Perpetual Securities are constituted by an amended and restated trust deed dated 16 March 2018 (as further amended or supplemented as at the date of issue of the Perpetual Securities (the “**Issue Date**”) dated 16 March 2018 between the Company, Olam Treasury, the Guarantor and The Bank of New York Mellon, London Branch (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below)[, and in the case of any Perpetual Securities governed by Singapore law, as amended and supplemented by the Singapore amended and restated supplemental trust deed (as amended or supplemented as at the Issue Date (the “**Singapore Supplemental Trust Deed**”))] dated 16 March 2018 between the Company, Olam Treasury, the Guarantor and the Trustee]¹ the “**Trust Deed**”). These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Coupons and Talons referred to below. An amended and restated agency agreement (as further amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 16 March 2018 has been entered into in relation to the Perpetual Securities between the Company, Olam Treasury, the Guarantor, the Trustee, The Bank of New York Mellon, London Branch as the initial issuing and paying agent and the other agents named in it. The issuing and paying agent, the CMU lodging and paying agent, the CDP paying agent, the other paying agents, the registrars, the transfer agent(s), and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**CMU Lodging and Paying Agent**”, the “**CDP Paying Agent**”, the “**Paying Agents**” (which expression shall include the Issuing and Paying Agent), the “**Registrars**” and the “**Transfer Agents**” (which expression shall include the Registrars), and the “**Calculation Agent(s)**” (such Issuing and Paying Agent, CMU Lodging and Paying Agent, CDP Paying Agent, Paying Agents, Registrars and Transfer Agent(s) being together referred to as the “**Agents**”). For the purposes of these Conditions, all references to the Issuing and Paying Agent shall (i) with respect to a Series of Perpetual Securities to be held in the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the “**CMU**”), be deemed to be a reference to the CMU Lodging and Paying Agent and (ii) with respect to a Series of Perpetual Securities to be held in the computerised system operated by The Central Depository

¹ The language indicated in brackets shall be included in the Terms and Conditions of the Perpetual Securities that are governed by Singapore law.

(Pte) Limited (the “**CDP**”), be deemed to be a reference to the CDP Paying Agent, and all such references shall be construed accordingly. Copies of the Trust Deed and the Agency Agreement are available for inspection during usual business hours at the principal office of the Trustee (presently at One Canada Square, London E14 5AL, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents.

The Noteholders and the holders of the distribution coupons (the “**Coupons**”) relating to Perpetual Securities in bearer form and, where applicable in the case of such Perpetual Securities, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) relating to Perpetual Securities in bearer form are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, “**Tranche**” means Perpetual Securities which are identical in all respects.

1. Form, Denomination and Title

The Perpetual Securities are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) in each case in the Specified Denomination(s) shown hereon.

This Perpetual Security is a Fixed Note, a Floating Rate Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Perpetual Security, depending upon the Distribution and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached.

Registered Notes are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the relevant Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Perpetual Security, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Perpetual Security, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Perpetual Securities.

*Notwithstanding anything contained in these Conditions, for so long as any of the Perpetual Security is represented by a Global Note held on behalf of Euroclear Bank SA/NV. (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream**”) and/or the CMU and/or by or on behalf of CDP (as the case may be), each person (other than Euroclear or Clearstream or the CMU or CDP) who is for the time being shown in the records of Euroclear or of Clearstream or of the CMU or of CDP as the holder of a particular principal amount of such Perpetual Securities (in which regard any certificate or other document issued by Euroclear or Clearstream or the CMU or CDP as to the principal amount of such Perpetual Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the relevant Issuer,*

*the Paying Agents, the Registrar, the Transfer Agents and the Trustee as the holder of such principal amount of such Perpetual Securities for all purposes other than with respect to the payment of principal or distribution on such principal amount of such Perpetual Securities, for which purpose the bearer of the relevant Global Note or the registered holder of the relevant Registered Global Note shall be treated by the relevant Issuer, any Paying Agent, any Transfer Agent, the Registrar and the Trustee as the holder of such principal amount of such Perpetual Securities in accordance with and subject to the terms of the relevant Global Note and the expressions “**Noteholder**” and “**holder of Perpetual Securities**” and related expressions shall be construed accordingly. Perpetual Securities which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, the CMU and CDP as the case may be. References to Euroclear, Clearstream, the CMU and/or CDP shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Pricing Supplement or as may otherwise be approved by the relevant Issuer, the Issuing and Paying Agent, the CMU Lodging and Paying Agent or the CDP Paying Agent, as the case may be, and the Trustee.*

2. No Exchange of Perpetual Securities and Transfers of Registered Notes

- (a) **No Exchange of Perpetual Securities:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.
- (b) **Transfer of Registered Notes:** One or more Registered Notes may, subject to Conditions 2(e) and 2(f) be transferred each in whole or in part upon the surrender (at the specified office of the Registrar or any other Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the relevant Issuer), duly completed and executed and any other evidence as the Registrar or such other Transfer Agent may require to prove the title of the transferor and the authority of the individuals that have executed the form of transfer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Perpetual Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Perpetual Securities scheduled to the Agency Agreement. The regulations may be changed by the relevant Issuer, with the prior written approval of the Registrar and the Trustee or by the Registrar with the prior written consent of the Trustee, the relevant Issuer and (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Notes:** In the case of an exercise of an Issuer’s option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Perpetual Securities of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

- (d) ***Delivery of New Certificates:*** Each new Certificate to be issued pursuant to Condition 2(b) or Condition 2(c) shall be available for delivery within five business days of receipt of the form of transfer and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Registrar or such other Transfer Agent (as the case may be) to whom delivery or surrender of such form of transfer and/or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Registrar or the other relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “**business day**” means a day, other than a Saturday, Sunday or public holiday, on which banks are open for general business in Singapore and in the place of the specified office of the Registrar or the other relevant Transfer Agent (as the case may be).
- (e) ***Transfers Free of Charge:*** Transfers of Perpetual Securities and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the relevant Issuer, the Registrar or the other Transfer Agents to Noteholders, but subject to (i) payment by the relevant Noteholder of any tax or other governmental charges that may be imposed in relation to it, (ii) the Registrar or the other Transfer Agents being satisfied with the documents of title and/or identity of the person making the application and (iii) such regulations as the relevant Issuer may from time to time agree with the Registrar, the other Transfer Agents and the Trustee.
- (f) ***Closed Periods:*** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on (and including) the due date for redemption of that Registered Note, (ii) during the period of 15 days prior to any date on which the Perpetual Securities may be called for redemption by the relevant Issuer at its option pursuant to Condition 5(e), (iii) after any such Registered Note has been called for redemption or (iv) during the period of 15 days ending on (and including) any Record Date.

3. **Status of Senior Perpetual Securities and Status of, and Ranking of Claims in relation to, Subordinated Perpetual Securities and Guarantee of Perpetual Securities**

- (a) ***Senior Perpetual Securities:*** This Condition 3(a) applies to Perpetual Securities that are Senior Perpetual Securities.
 - (i) ***Status of Senior Perpetual Securities:*** The Senior Perpetual Securities and the Coupons relating to them constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the relevant Issuer under the Senior Perpetual Securities and the Coupons relating to them shall at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the relevant Issuer, present and future, other than those preferred by applicable statute or law.
 - (ii) ***Guarantee of the Senior Perpetual Securities:*** The Guarantor will, in respect of each Tranche of Senior Perpetual Securities issued by Olam Treasury, pursuant to the Trust Deed unconditionally and irrevocably guarantee the due and punctual payment of all sums from time to time payable by Olam Treasury in respect of the Senior Perpetual Securities (the “**Guarantee of the Senior Perpetual Securities**”). The Guarantee of the Senior Perpetual Securities constitutes direct, unsubordinated, unconditional and unsecured obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

- (b) **Subordinated Perpetual Securities:** This Condition 3(b) applies to Perpetual Securities that are Subordinated Perpetual Securities.
- (i) **Status of Subordinated Perpetual Securities:** The Subordinated Perpetual Securities and the Coupons relating to them constitute direct, unconditional, unsecured and subordinated obligations of the relevant Issuer and (in respect of the Guaranteed Perpetual Securities) the Guarantor and shall at all times rank *pari passu* and without any preference among themselves and with any Parity Obligations of the relevant Issuer and (in respect of the Guaranteed Perpetual Securities) the Guarantor. The rights and claims of the Noteholders in respect of the Subordinated Perpetual Securities and the Coupons relating to them are subordinated as provided in this Condition 3(b).
- (ii) **Guarantee of the Subordinated Perpetual Securities:** The Guarantor will, in respect of each Tranche of Subordinated Perpetual Securities issued by Olam Treasury, pursuant to the Trust Deed unconditionally and irrevocably guarantee the due and punctual payment of all sums from time to time payable by Olam Treasury in respect of the Subordinated Perpetual Securities (the “**Guarantee of the Subordinated Perpetual Securities**”, and, together with the Guarantee of the Senior Perpetual Securities, the “**Guarantee of the Perpetual Securities**”). The Guarantee of the Subordinated Perpetual Securities constitutes direct, unconditional and unsecured obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.
- (iii) **Ranking of claims on Winding-Up:** Subject to the insolvency laws of the jurisdiction of incorporation of the relevant Issuer and (in respect of the Guaranteed Perpetual Securities) the Guarantor and other applicable laws, in the event of the Winding-Up of the relevant Issuer and (in respect of the Guaranteed Perpetual Securities) the Guarantor, the Subordinated Holder Claims will rank in such Winding-Up:
- (A) expressly subordinated and subject to the rights and claims of all Senior Creditors of the relevant Issuer and (in respect of the Guaranteed Perpetual Securities) the Guarantor;
- (B) *pari passu* with each other and with the rights and claims of any Parity Creditors or holders of Parity Obligations; and
- (C) in priority to the rights and claims of holders of Junior Obligations.

In these Conditions:

“**Senior Creditors**” means, with respect to the relevant Issuer and (in respect of the Guaranteed Perpetual Securities) the Guarantor, all creditors of the relevant Issuer and (in respect of the Guaranteed Perpetual Securities) the Guarantor other than the Trustee (in respect of the principal of and distributions (including Arrears of Distributions and Additional Distribution Amounts, if applicable) on and other amounts in respect of the Perpetual Securities), the Noteholders, any Parity Creditors of the Issuer and (in respect of the Guaranteed Perpetual Securities) the Guarantor and the holders of the Junior Obligations.

“**Subordinated Holder Claims**” means the rights and claims of the Trustee (in respect of the principal of and distributions (including Arrears of Distributions and Additional Distribution Amounts if applicable) on the Subordinated Perpetual Securities) and of the holders of the Subordinated Perpetual Securities.

“**Winding-Up**” means, with respect to the relevant Issuer and (in respect of the Guaranteed Perpetual Securities) the Guarantor, a final and effective order or resolution for the bankruptcy, winding up, liquidation, receivership or similar proceedings in respect of the relevant Issuer and (in respect of the Guaranteed Perpetual Securities) the Guarantor.

- (iv) *Set-off*: Subject to applicable law, no Noteholder may exercise, claim or plead any right of setoff, counterclaim, compensation, deduction, withholding or retention in respect of any amount owed to it by the relevant Issuer and (in respect of the Guaranteed Perpetual Securities) the Guarantor in respect of, or arising from, or under or in connection with the Subordinated Perpetual Securities, and each Noteholder shall, by virtue of his holding of any Subordinated Perpetual Security, be deemed to have waived all such rights of set-off, counterclaim, compensation, deduction, withholding or retention against the relevant Issuer and (in respect of the Guaranteed Perpetual Securities) the Guarantor. Without prejudice to the preceding sentence, if any of the amounts owing to any Noteholder by the relevant Issuer in respect of, or arising from, or under or in connection with the Subordinated Perpetual Securities is discharged by set-off, such Noteholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the relevant Issuer (or, in the event of its Winding-Up or judicial management, the liquidator or, as appropriate, judicial manager of the relevant Issuer) and, until such time as payment is made, shall hold such amount in trust for the relevant Issuer and (in respect of the Guaranteed Perpetual Securities) the Guarantor (or the liquidator or, as appropriate, judicial manager of the relevant Issuer and (in respect of the Guaranteed Perpetual Securities) the Guarantor) and accordingly any such discharge shall be deemed not to have taken place.

4. Distributions and other Calculations

- (a) ***Distribution on Fixed Rate Notes***: Subject to Condition 4(h), each Fixed Rate Note confers a right to receive distribution on its outstanding principal amount from the Distribution Commencement Date at the rate per annum (expressed as a percentage) equal to the Distribution Rate, such distribution being payable in arrear on each Distribution Payment Date. The amount of distributions payable shall be determined in accordance with Condition 4(g). To the extent it is provided hereon that the Distribution Rate is subject to one or more resets over the life of the Perpetual Securities, the Calculation Agent shall, on the date specified hereon as the date for the determination of the relevant reset Distribution Rate, determine and publish such reset Distribution Rate in accordance with Condition 4(i).
- (b) ***Distribution on Floating Rate Notes***:
 - (i) ***Distribution Payment Dates***: Subject to Condition 4(h), each Floating Rate Note confers a right to receive distribution on its outstanding principal amount from the Distribution Commencement Date at the rate per annum (expressed as a percentage) equal to the Distribution Rate, such distribution being payable in arrear on each Distribution Payment Date. The amount of distribution payable shall be determined, in the case of Floating Rate Notes, by the Calculation Agent in accordance with this Condition 4(b) and Conditions 4(g) and 4(i). The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent and each other Paying Agent shall be entitled to rely on all determinations and calculations made by the Calculation Agent without any responsibility to verify any of the same and without liability to the Noteholders or any other person for so doing. Such Distribution Payment Date(s) is/are either shown hereon as Specified Distribution Payment Dates or, if no Specified Distribution Payment Date(s) is/are shown hereon, “**Distribution Payment Date**” shall mean each date which (save as mentioned in these Conditions) falls the number of months or other period shown hereon as the Distribution Period after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date.

- (ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Distribution Rate for Floating Rate Notes*: The Distribution Rate in respect of Floating Rate Notes for each Distribution Accrual Period shall be determined by the Calculation Agent in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) *ISDA Determination for Floating Rate Notes*

Where ISDA Determination is specified hereon as the manner in which the Distribution Rate is to be determined, the Distribution Rate for each Distribution Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this Condition 4(b)(iii)(A), “**ISDA Rate**” for a Distribution Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon;
- (y) the Designated Maturity is a period specified hereon; and
- (z) the relevant Reset Date is the first day of that Distribution Accrual Period unless otherwise specified hereon.

For the purposes of this Condition 4(b)(iii)(A), “Floating Rate”, “Calculation Agent”, “Floating Rate Option”, “Designated Maturity”, “Reset Date” and “Swap Transaction” have the meanings given to those terms in the ISDA Definitions.

(B) *Screen Rate Determination for Floating Rate Notes where the Reference Rate is not specified as being SIBOR or SOR*

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Distribution Rate is to be determined, the Distribution Rate for each Distribution Accrual Period will, subject as provided below, be either:
- (i) the offered quotation; or

(ii) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time in the case of LIBOR, Brussels time in the case of EURIBOR or Hong Kong time in the case of HIBOR) on the Distribution Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR, EURIBOR or HIBOR, the Distribution Rate in respect of such Perpetual Securities will be determined as provided hereon;

- (y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(i) of Condition 4(b)(iii)(B) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(ii) of Condition 4(b)(iii)(B) applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), or if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Distribution Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Distribution Rate for such Distribution Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (z) if paragraph (y) of Condition 4(b)(iii)(B) applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Distribution Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Distribution Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such

offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Distribution Determination Date, any one or more banks (which bank or banks is or are in the opinion of the relevant Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, **provided that**, if the Distribution Rate cannot be determined in accordance with the foregoing provisions of this Condition 4(b)(iii)(B), the Distribution Rate shall be determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum Distribution Rate or Minimum Distribution Rate is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum Distribution Rate or Minimum Distribution Rate relating to the relevant Distribution Accrual Period, in place of the Margin or Maximum or Minimum Distribution Rate relating to that last preceding Distribution Accrual Period).

(C) *Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SIBOR or SOR*

Each Floating Rate Note where the Reference Rate is specified as being SIBOR (in which case such Perpetual Security will be a “**SIBOR Note**”) or SOR (in which case such Perpetual Security will be a “**Swap Rate Note**”) confers the right to receive distributions at a floating rate determined by reference to a benchmark as specified hereon or in any case such other benchmark as specified hereon.

(x) The Distribution Rate payable from time to time in respect of each Floating Rate Note under Condition 4(b)(iii)(C) will be determined by the Calculation Agent on the basis of the following provisions.

(i) In the case of Floating Rate Notes which are SIBOR Notes:

(aa) the Calculation Agent will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Accrual Period, determine the Distribution Rate for such Distribution Accrual Period which shall be the offered rate for deposits in Singapore Dollars for a period equal to the duration of such Distribution Accrual Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption “ASSOCIATION OF BANKS IN SINGAPORE — SIBOR AND SWAP OFFER RATES — RATES AT 11:00 A.M. SINGAPORE TIME” and the column headed “SGD SIBOR” (or such other Relevant Screen Page);

(bb) if no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof), the Calculation Agent will, at or about the Relevant Time on such Distribution Determination Date, determine the Distribution Rate for such

Distribution Accrual Period which shall be the rate which appears on the Reuters Screen SIBP Page under the caption “*SINGAPORE DOLLAR INTER-BANK OFFERED RATES — 11:00 A.M.*” and the row headed “*SIBOR SGD*” (or such other replacement page thereof), being the offered rate for deposits in Singapore Dollars for a period equal to the duration of such Distribution Accrual Period;

- (cc) if no such rate appears on the Reuters Screen SIBP Page (or such other replacement page thereof or, if no rate appears, on such other Relevant Screen Page) or if Reuters Screen SIBP Page (or such other replacement page thereof or such other Relevant Screen Page) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of each of the Reference Banks to provide the Calculation Agent with the rate at which deposits in Singapore Dollars are offered by it at approximately the Relevant Time on the Distribution Determination Date to prime banks in the Singapore inter-bank market for a period equivalent to the duration of such Distribution Accrual Period commencing on such Distribution Payment Date in an amount comparable to the aggregate principal amount of the relevant Floating Rate Notes. The Distribution Rate for such Distribution Accrual Period shall be the arithmetic mean (rounded, if necessary, to the nearest four decimal places) of such offered quotations, as determined by the Calculation Agent;
- (dd) if on any Distribution Determination Date two but not all the Reference Banks provide the Calculation Agent with such quotations, the Distribution Rate for the relevant Distribution Accrual Period shall be determined in accordance with subparagraph (i)(cc) of this Condition 4(b)(iii)(C) on the basis of the quotations of those Reference Banks providing such quotations; and
- (ee) if on any Distribution Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotations, the Distribution Rate for the relevant Distribution Accrual Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Calculation Agent at or about the Relevant Time on such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Distribution Accrual Period, an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Distribution Accrual Period by whatever means they determine to be most appropriate or if on such Distribution Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotation, the rate per annum which the Calculation Agent determines to be arithmetic mean (rounded, if necessary, to the nearest four decimal places) of the prime lending rates for Singapore Dollars quoted by the Reference Banks at or

about the Relevant Time on such Distribution Determination Date, **provided that**, if the Distribution Rate cannot be determined in accordance with the foregoing provisions of this Condition 4(b)(iii)(C), the Distribution Rate shall be determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum Distribution Rate or Minimum Distribution Rate is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum Distribution Rate or Minimum Distribution Rate relating to the relevant Distribution Accrual Period, in place of the Margin or Maximum or Minimum Distribution Rate relating to that last preceding Distribution Accrual Period).

(ii) In the case of Floating Rate Notes which are Swap Rate Notes:

- (aa) the Calculation Agent will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Accrual Period, determine the Distribution Rate for such Distribution Accrual Period which shall be the rate which appears on the Reuters Screen ABSFIX1 Page under the caption “ASSOCIATION OF BANKS IN SINGAPORE — SIBOR AND SWAP OFFER RATES — RATES AT 11:00 A.M. SINGAPORE TIME” under the column headed “SGD SWAP OFFER” (or such replacement page thereof for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Distribution Determination Date and for a period equal to the duration of such Distribution Accrual Period;
- (bb) if on any Distribution Determination Date, no such rate is quoted on the Reuters Screen ABSFIX1 Page (or such other replacement page as aforesaid) or the Reuters Screen ABSFIX1 Page (or such other replacement page as aforesaid) is unavailable for any reason, the Calculation Agent will determine the Distribution Rate (which shall be rounded up, if necessary, to the nearest four decimal places) for such Distribution Accrual Period in accordance with the following formula:

In the case of Premium:

Rate of Interest =

$$\frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(T \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360}$$

In the case of Discount:

Rate of Interest =

$$\frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(T \times \text{Spot Rate})} - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR	=	the rate which appears under the caption “ <i>SINGAPORE INTERBANK OFFER RATES (DOLLAR DEPOSITS) AT 11:00 A.M.</i> ” and the row headed “ <i>SIBOR USD</i> ” on the Reuters Screen SIBO Page of the Reuters Monitor Money Rates Service (or such other page as may replace the Reuters Screen SIBO Page for the purpose of displaying Singapore inter-bank U.S. Dollar offered rates of leading reference banks) at or about the Relevant Time on the relevant Distribution Determination Date for a period equal to the duration of the Distribution Accrual Period concerned;
Spot Rate	=	the rate (determined by the Calculation Agent) to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks and which appear on the Reuters Screen ABSFIX1 Page (or such other replacement page thereof for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Distribution Determination Date for a period equal to the duration of the Distribution Accrual Period concerned;
Premium or Discount	=	the rate (determined by the Calculation Agent) to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks for a period equal to the duration of the Distribution Accrual Period concerned which appear on the Reuters Screen ABSFIX1 Page (or such other replacement page thereof for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Distribution Determination Date for a period equal to the duration of the Distribution Accrual Period concerned; and
T	=	the number of days in the Distribution Accrual Period concerned.

(cc) if on any Distribution Determination Date any one of the components for the purposes of calculating the Distribution Rate under this Condition 4(b)(iii)(C) is not quoted on the relevant Reuters Screen Page (or such other replacement page as aforesaid) or the relevant Reuters Screen Page (or such other replacement page as aforesaid) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of the Reference Banks to provide the Calculation Agent with quotations of their Swap Rates for the Distribution Accrual Period concerned at or about the Relevant Time on that Distribution Determination Date and the Distribution Rate for such Distribution Accrual Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the Swap Rates quoted by the Reference Banks to the Calculation Agent. The **“Swap Rate”** of a Reference Bank means the rate at which that Reference Bank can generate Singapore Dollars for the Distribution Accrual Period concerned in the Singapore inter-bank market at or about the Relevant Time on the relevant Distribution Determination Date and shall be determined as follows:

In the case of Premium:

Swap Rate =

$$\frac{365}{360} \times \text{SIBOR} + \frac{(\text{Premium} \times 36500)}{(T \times \text{Spot Rate})} + \frac{(\text{SIBOR} \times \text{Premium})}{(\text{Spot Rate})} \times \frac{365}{360}$$

In the case of Discount:

Swap Rate =

$$\frac{365}{360} \times \text{SIBOR} - \frac{(\text{Discount} \times 36500)}{(T \times \text{Spot Rate})} - \frac{(\text{SIBOR} \times \text{Discount})}{(\text{Spot Rate})} \times \frac{365}{360}$$

where:

SIBOR = the rate per annum at which U.S. Dollar deposits for a period equal to the duration of the Distribution Accrual Period concerned are being offered by that Reference Bank to prime banks in the Singapore inter-bank market at or about the Relevant Time on the relevant Distribution Determination Date;

Spot Rate = the rate at which that Reference Bank sells U.S. Dollars spot in exchange for Singapore Dollars in the Singapore inter-bank market at or about the Relevant Time on the relevant Distribution Determination Date;

Premium or Discount = the rate (determined by the Calculation Agent) to be the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks for a period equal to the duration of the Distribution Accrual Period concerned which appear on the Reuters Screen ABSFIX1 Page (or such other replacement page thereof for the purpose of displaying the spot rates and swap points of leading reference banks) at or about the Relevant Time on the relevant Distribution Determination Date for a period equal to the duration of the Distribution Accrual Period concerned; and

T = the number of days in the Distribution Accrual Period concerned.

- (dd) if on any Distribution Determination Date one only or none of the Reference Banks provides the Calculation Agent with quotations of their Swap Rate(s), the Distribution Rate shall be determined by the Calculation Agent to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Calculation Agent at or about the Relevant Time on such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding an amount equal to the aggregate principal amount of the relevant Floating Rate Notes for such Distribution Accrual Period by whatever means they determine to be most appropriate, or if on such Distribution Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotation, the Distribution Rate for the relevant Distribution Accrual Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest four decimal places) of the prime lending rates for Singapore Dollars quoted by the Reference Banks at or about the Relevant Time on such Distribution Determination Date, **provided that**, if the Distribution Rate cannot be determined in accordance with the foregoing provisions of this Condition 4(b)(iii)(D), the Distribution Rate shall be determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum Distribution Rate or Minimum Distribution Rate is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum Distribution Rate or Minimum Distribution Rate relating to the relevant Distribution Accrual Period, in place of the Margin or Maximum or Minimum Distribution Rate relating to that last preceding Distribution Accrual Period).

- (D) Subject to Condition 4(h), on the last day of each Distribution Accrual Period, the relevant Issuer will make payment of distributions on each Floating Rate Note to which such Distribution Accrual Period relates at the Distribution Rate for such Distribution Accrual Period.
- (c) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of distribution falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of distribution payable shall be determined by the Calculation Agent in the manner specified hereon.
- (d) **Partly Paid Notes:** In the case of Partly Paid Notes, distributions will accrue as aforesaid on the paid-up principal amount of such Perpetual Securities and otherwise as specified hereon.
- (e) **Accrual of Distributions:** Distributions shall cease to accrue on each Perpetual Security on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event distributions shall continue to accrue (both before and after judgment) at the Distribution Rate in the manner provided in this Condition 4 to the Relevant Date (as defined in Condition 7).
- (f) **Margin, Maximum Distribution Rate/Minimum Distribution Rate and Redemption Amounts and Rounding:**
- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Distribution Accrual Periods), an adjustment shall be made to all Distribution Rates, in the case of (x), or the Distribution Rates for the specified Distribution Accrual Periods, in the case of (y), calculated in accordance with Condition 4(b) by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to Condition 4(f)(ii).
 - (ii) If any Maximum Distribution Rate or Minimum Distribution Rate or Redemption Amount is specified hereon, then any Distribution Rate or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
 - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.
- (g) **Calculations:** The amount of distributions payable per Calculation Amount in respect of any Perpetual Security for any Distribution Accrual Period shall be equal to the product of the Distribution Rate, the Calculation Amount specified hereon, and the Day Count Fraction for such Distribution Accrual Period, unless a Distribution Amount (or a formula for its calculation) is applicable to such Distribution Accrual Period, in which case the amount of distributions payable per Calculation Amount in respect of such Perpetual Security for such Distribution Accrual Period shall equal such Distribution Amount (or be calculated in accordance with such formula). Where any Distribution Period comprises two or more Distribution Accrual Periods, the amount of distributions payable per Calculation Amount in respect of such Distribution Period shall be the sum of the Distribution Amounts payable in respect of each of those Distribution Accrual Periods. In respect of any other period for which distributions are required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which distributions are required to be calculated.

(h) ***Distribution Deferral:***

- (i) ***Optional Deferral:*** If Distribution Deferral is set out hereon, the relevant Issuer may, at its sole discretion, elect to defer (in whole and not in part) any distribution which is otherwise scheduled to be paid on a Distribution Payment Date to the next Distribution Payment Date by giving notice (a “**Deferral Election Notice**”) to the Noteholders (in accordance with Condition 14) and to the Trustee and the Issuing and Paying Agent, the CMU Lodging and Paying Agent or the CDP Paying Agent, as the case may be, not more than 15 nor less than 5 Business Days (or such other notice period as may be specified hereon) prior to a scheduled Distribution Payment Date unless, during the Look-Back Period prior to such scheduled Distribution Payment Date, the relevant Issuer (and, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) has at its discretion (a) declared or paid any dividends or distributions on any of the relevant Issuer’s Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the relevant Issuer’s Parity Obligations, or made any other payment (including payments under any guarantee obligations) on any of the relevant Issuer’s Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) any of the relevant Issuer’s Parity Obligations, and/or (b) repurchased, redeemed or otherwise acquired any of its Junior Obligations or, in relation to Subordinated Perpetual Securities only, (except on a *pro rata* basis) the relevant Issuer’s Parity Obligations (in each case other than (i) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Group or (ii) as a result of the exchange or conversion of its Parity Obligations for its Junior Obligations) and/or as otherwise specified in the applicable Pricing Supplement (a “**Compulsory Distribution Payment Event**”).

For the avoidance of doubt, a Compulsory Distribution Payment Event shall not occur, and accordingly, nothing in this Condition 4(h) shall restrict the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) from electing to defer any distribution, merely as a result of any dividends, distributions or payments or other actions made by the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) in respect of obligations which are not the relevant Issuer’s (or, where applicable, the Guarantor’s) Junior Obligations or which are not the relevant Issuer’s (or, where applicable, the Guarantor’s) Parity Obligations.

- (ii) ***No obligation to pay:*** Any distribution deferred pursuant to this Condition 4(h) shall constitute “**Arrears of Distribution**”. The relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) shall have no obligation to pay any distribution (including any Arrears of Distribution and any Additional Distribution Amount, if applicable) on any Distribution Payment Date if it validly elects not to do so in accordance with Condition 4(h)(i).

The relevant Issuer may, at its sole discretion, elect to further defer any Arrears of Distribution by complying with the foregoing notice requirement applicable to any deferral of an accrued distribution. The relevant Issuer is not subject to any limit as to the number of times distributions and Arrears of Distribution can or shall be deferred pursuant to this Condition 4(h) except that Condition 4(h)(v) shall be complied with until all outstanding Arrears of Distribution have been paid in full.

Any failure to pay any distribution by the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor), if it validly elects not to do so in accordance with Condition 4(h)(i), shall not constitute a default of the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) in respect of the Perpetual Securities.

- (iii) *Requirements as to Notice:* Each Deferral Election Notice shall be accompanied, in the case of the notice to the Trustee by a certificate in the form scheduled to the Trust Deed signed by a director or two authorised signatories of the relevant Issuer confirming that no Compulsory Distribution Payment Event has occurred during the Look-Back Period. Any such certificate shall be conclusive evidence that no Compulsory Distribution Payment Event has occurred during the Look-Back Period and the Trustee shall be entitled to rely without any obligation to verify the same and without liability to any Noteholder, any Couponholder or any other person on any Deferral Election Notice or any certificate as aforementioned. Each Deferral Election Notice shall be conclusive and binding on the Noteholders.
- (iv) *Additional Distribution:* If Additional Distribution is set out hereon, each amount of Arrears of Distribution shall bear interest as if it constituted the principal of the Perpetual Securities at the Distribution Rate and the amount of such interest (the “**Additional Distribution Amount**”) with respect to Arrears of Distribution shall be due and payable pursuant to this Condition 4 and shall be calculated by applying the applicable Distribution Rate to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the foregoing provisions of this Condition 4. The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added, for the purpose of calculating the Additional Distribution Amount accruing thereafter, to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.
- (v) *Restrictions in the case of Deferral:*
 - (a) In respect of the Direct Issuance Perpetual Securities, if Dividend Stopper is set out hereon and on any Distribution Payment Date, payment of all Distribution payments scheduled to be made on such date is not made in full by reason of this Condition 4(h), the Company shall not and shall procure that none of its Subsidiaries shall:
 - (1) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on:
 - (x) if this Perpetual Security is a Senior Perpetual Security, any of the Company’s Junior Obligations; or
 - (y) if this Perpetual Security is a Subordinated Perpetual Security, any of the Company’s Junior Obligations or (except on a *pro rata* basis) any of the Company’s Parity Obligations; or
 - (2) redeem, reduce, cancel, buy-back or acquire for any consideration:
 - (x) if this Perpetual Security is a Senior Perpetual Security, any of the Company’s Junior Obligations; or
 - (y) if this Perpetual Security is a Subordinated Perpetual Security, any of the Company’s Junior Obligations or (except on a *pro rata* basis) any of the Company’s Parity Obligations,

in each case, other than (i) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Group, (ii) as a result of the exchange or conversion of Parity Obligations for Junior Obligations, (iii) if the Company has made payment in whole (and not in part only) of all outstanding Arrears of Distributions (if applicable) and any Additional

Distribution Amounts (if applicable) or (iv) when so permitted by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders and/or otherwise specified in the applicable Pricing Supplement. For the avoidance of doubt, the restrictions in this Condition 4(h)(v)(a) shall only apply to the Company's Subsidiaries to the extent that such dividends, distributions or payments are made in respect of the Company's Junior Obligations or in the case of Subordinated Perpetual Securities (except on a *pro rata* basis) the Company's Parity Obligations and nothing in this Condition 4(h)(v)(a) shall restrict the Company or any of its Subsidiaries from making payment on its guarantees in respect of obligations which are not the Company's Junior Obligations or in the case of Subordinated Perpetual Securities (except on a *pro rata* basis) the Company's Parity Obligations.

(b) In respect of the Guaranteed Perpetual Securities, if Dividend Stopper is set out hereon and on any Distribution Payment Date, payment of all Distribution payments scheduled to be made on such date is not made in full by reason of this Condition 4(h), Olam Treasury and (where applicable) the Guarantor shall not and shall procure that none of their Subsidiaries shall:

(1) declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is made on:

(x) if this Perpetual Security is a Senior Perpetual Security, any of the Olam Treasury's or (where applicable) the Guarantor's Junior Obligations; or

(y) if this Perpetual Security is a Subordinated Perpetual Security, any of Olam Treasury's or (where applicable) the Guarantor's Junior Obligations or (except on a *pro rata* basis) any of Olam Treasury's or (where applicable) the Guarantor's Parity Obligations; or

(2) redeem, reduce, cancel, buy-back or acquire for any consideration:

(x) if this Perpetual Security is a Senior Perpetual Security, any of Olam Treasury's or (where applicable) the Guarantor's Junior Obligations; or

(y) if this Perpetual Security is a Subordinated Perpetual Security, any of Olam Treasury's or (where applicable) the Guarantor's Junior Obligations or (except on a *pro rata* basis) any of Olam Treasury's or (where applicable) the Guarantor's Parity Obligations,

in each case, other than (i) in connection with any employee benefit plan or similar arrangements with or for the benefit of employees, officers, directors or consultants of the Group, (ii) as a result of the exchange or conversion of Parity Obligations for Junior Obligations, (iii) if Olam Treasury or (where applicable) the Guarantor has made payment in whole (and not in part only) of all outstanding Arrears of Distributions (if applicable) and any Additional Distribution Amounts (if applicable) or (iv) when so permitted by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders and/or otherwise specified in the applicable Pricing Supplement. For the avoidance of doubt, the restrictions in this Condition 4(h)(v)(b) shall only apply to Olam Treasury or (where applicable) the Guarantor's Subsidiaries to the extent that such dividends, distributions or payments are made in respect of Olam Treasury's or (where applicable) the Guarantor's Junior Obligations or in the case of Subordinated Perpetual Securities (except on a *pro rata* basis) Olam Treasury's or (where applicable) the Guarantor's Parity Obligations and nothing in this Condition 4(h)(v)(b) shall restrict Olam Treasury or (where applicable) the Guarantor or any of its Subsidiaries from making payment on its

guarantees in respect of obligations which are not Olam Treasury's or (where applicable) the Guarantor's Junior Obligations or in the case of Subordinated Perpetual Securities (except on a *pro rata* basis) Olam Treasury's or (where applicable) the Guarantor's Parity Obligations.

(vi) *Satisfaction of Arrears of Distribution by payment*: The relevant Issuer:

- (a) may satisfy any Arrears of Distribution (in whole or in part) at any time by giving irrevocable notice of such election to the Noteholders (in accordance with Condition 14) and to the Trustee, the Issuing and Paying Agent, and the CMU Lodging and Paying Agent or the CDP Paying Agent, as the case may be, not more than 20 nor less than 10 Business Days (or such other notice period as may be specified hereon) prior to the relevant payment date specified in such notice (which notice is irrevocable and shall oblige the relevant Issuer to pay the relevant Arrears of Distribution on the payment date specified in such notice); and
- (b) in any event shall satisfy any outstanding Arrears of Distribution (in whole but not in part) on the earlier of:
 - (1) the date on which the Perpetual Securities are redeemed;
 - (2) the Distribution Payment Date falling immediately after the occurrence of a breach of Condition 4(h)(v); and
 - (3) the date on which distributions (including Arrears of Distribution and Additional Distribution Amounts, if applicable) become due under Condition 9(b)(ii) or on a Winding-Up of the relevant Issuer.

Any partial payment of outstanding Arrears of Distribution by the relevant Issuer shall be shared by the Noteholders of all outstanding Perpetual Securities on a *pro-rata* basis. Further provisions relating to this Condition 4(h)(vi) may be specified in the applicable Pricing Supplement.

(vii) *No default*: Notwithstanding any other provision in these Conditions or in the Trust Deed, the deferral of any distribution payment in accordance with this Condition 4(h) shall not constitute a default for any purpose (including, without limitation, pursuant to Condition 9) on the part of the relevant Issuer under the Perpetual Securities or for any other purpose.

- (i) ***Determination and Publication of Distribution Rates, Distribution Amounts, Early Redemption Amounts***: The Calculation Agent shall, as soon as practicable on each Distribution Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Distribution Amounts for the relevant Distribution Accrual Period, calculate the Early Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Distribution Rate and the Distribution Amounts for each Distribution Accrual Period and the relevant Distribution Payment Date and, if required to be calculated, the Early Redemption Amount to be notified to the Trustee, the relevant Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Perpetual Securities that is to make a further calculation upon receipt of such information and, if the Perpetual Securities are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Distribution Period, if determined prior to such time, in the case of notification to such exchange of a Distribution Rate and

Distribution Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Distribution Payment Date or Distribution Period Date is subject to adjustment pursuant to Condition 4(b)(ii), the Distribution Amounts and the Distribution Payment Date so published may subsequently be amended without notice in the event of an extension or shortening of the Distribution Period. If the Perpetual Securities become due and payable under Condition 9, the accrued distributions and the Distribution Rate payable in respect of the Perpetual Securities shall nevertheless continue to be calculated as previously in accordance with this Condition 4 but no publication of the Distribution Rate or the Distribution Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties and the Noteholders.

- (j) ***Determination or Calculation by an agent appointed by the Trustee:*** If the Calculation Agent does not at any time for any reason determine or calculate the Distribution Rate for a Distribution Accrual Period or any Distribution Amount or Early Redemption Amount, the Trustee shall appoint an agent (at the cost of the relevant Issuer) on its behalf to do so and such determination or calculation by such agent shall be deemed to have been made by the Calculation Agent. In doing so, such agent shall apply the foregoing provisions of this Condition 4, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by any agent pursuant to this Condition 4(j) shall (in the absence of manifest error) be final and binding upon all parties and the Noteholders. The Trustee shall not be responsible or liable to any Noteholder, the relevant Issuer, or any other person for the accuracy of any determination or calculation made by any agent appointed pursuant to this Condition 4(j) or in the event that any such agent fails to make any determination or calculation contemplated in this Condition 4(j) or for any loss suffered by any Noteholder, the relevant Issuer or any other person arising directly or indirectly as a result of any determination or calculation made by such agent hereunder.
- (k) ***Definitions:*** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

- (i) a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets are open for general business in Singapore and in the city of the Issuing and Paying Agent’s specified office and, in the case of Perpetual Securities cleared through the CMU, in the city of the CMU Lodging and Paying Agent’s specified office and, in the case of Perpetual Securities cleared through CDP, in the city of the CDP Paying Agent’s specified office and, in the case of Registered Notes, in the city of the Registrar’s specified office; and
- (ii) in the case of:
- (a) a currency other than euro and Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets are open for general business in the principal financial centre for such currency; and/or
- (b) euro, a day (other than a Saturday, Sunday or public holiday) on which the TARGET System is operating (a **“TARGET Business Day”**); and/or

- (c) Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong; and/or
- (d) a currency and/or one or more Business Centres, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each Business Centre.

“**Day Count Fraction**” means, in respect of the calculation of an amount of distribution on any Perpetual Security for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting a Distribution Period or a Distribution Accrual Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual-ISDA**” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if “**Actual/365 (Fixed)**” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “**Actual/360**” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (iv) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30.

- (vi) if “**30E/360 (ISDA)**” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

$$\frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“**D₂**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30.

(vii) if “**Actual/Actual-ICMA**” is specified hereon,

- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“**Determination Date**” means the date(s) specified as such hereon or, if none is so specified, the Distribution Payment Date(s).

“**Distribution Accrual Period**” means the period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Period Date and each successive period beginning on (and including) a Distribution Period Date and ending on (but excluding) the next succeeding Distribution Period Date.

“**Distribution Amount**” means:

- (i) in respect of a Distribution Accrual Period, the amount of distribution payable per Calculation Amount for that Distribution Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Distribution Payment Date ending the Distribution Period of which such Distribution Accrual Period forms part; and
- (ii) in respect of any other period, the amount of distribution payable per Calculation Amount for that period.

“**Distribution Commencement Date**” means the Issue Date or such other date as may be specified hereon.

“**Distribution Determination Date**” means, with respect to a Distribution Rate and Distribution Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Distribution Accrual Period if the Specified Currency is Sterling or Hong Kong Dollars or Renminbi or (ii) the day falling two Business Days in London and the relevant Financial Centre for the Specified Currency prior to the first day of such Distribution Accrual

Period if the Specified Currency is neither Sterling nor euro nor Hong Kong Dollars nor Renminbi or (iii) the day falling two TARGET Business Days prior to the first day of such Distribution Accrual Period if the Specified Currency is euro.

“Distribution Period” means the period beginning on and including the Distribution Commencement Date and ending on but excluding the first Distribution Payment Date and each successive period beginning on and including a Distribution Payment Date and ending on but excluding the next succeeding Distribution Payment Date.

“Distribution Period Date” means each Distribution Payment Date unless otherwise specified hereon.

“Distribution Rate” means the rate of distribution payable from time to time in respect of this Perpetual Security and that is either specified or calculated in accordance with the provisions hereon.

“euro” means the currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

“Reference Banks” means (i) in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market; (ii) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market; (iii) in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong interbank market; and (iv) in the case of a determination of the relevant Reference Rate, SIBOR or Swap Rate, the principal Singapore office of three major banks in the Singapore inter-bank market, in each case selected by the Calculation Agent or as specified hereon.

“Reference Rate” means the rate specified as such hereon.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified hereon or such other page, section, caption, column or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

“Relevant Time” means 11.00 a.m. (Singapore time).

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Perpetual Securities are denominated.

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

- (l) **Calculation Agents:** The relevant Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for it or them hereon and for so long as any Perpetual Security is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Perpetual Securities, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under these Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Distribution Rate for a Distribution Accrual Period or to calculate any Distribution Amount or Early Redemption Amount, as the case may be, or to comply with any other requirement, the relevant Issuer shall appoint a leading bank or financial institution engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent to act as such in its place. Any Calculation Agent appointed in respect of the Perpetual Securities may not resign its duties without a successor having been appointed as aforesaid.

5. Redemption and Purchase

- (a) **No Fixed Redemption Date:** The Perpetual Securities are Perpetual Securities in respect of which there is no fixed redemption date and the relevant Issuer shall (subject to the provisions of Condition 3 and without prejudice to Condition 9), only have the right to redeem or purchase them in accordance with the following provisions of this Condition 5.
- (b) **Redemption for Taxation Reasons:** The Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, on any Distribution Payment Date (if this Perpetual Security is a Floating Rate Note or at any time (if this Perpetual Security is not a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (a "**Tax Redemption Notice**") (which notice shall be irrevocable), at their Early Redemption Amount, if (i) the relevant Issuer or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor satisfies the Trustee immediately prior to the giving of such notice that it has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a decision of a court of competent jurisdiction) or the Perpetual Securities do not qualify as "qualifying debt securities" for the purposes of the Income Tax Act, Chapter 134 of Singapore, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of Perpetual Securities, and (ii) such obligation cannot be avoided by the relevant Issuer taking reasonable measures available to it, **provided that** no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the relevant Issuer or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor would be obliged to pay such additional amounts if a payment in respect of the Perpetual Securities were then due. Prior to the publication of any notice of redemption pursuant to this Condition 5(b) the relevant Issuer or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor shall deliver to the Trustee (a) a certificate signed by a director or two authorised signatories of the relevant Issuer or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor stating that the obligation referred to in (i) above of this Condition 5(b) cannot be avoided by the relevant Issuer or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor taking reasonable measures available to it, and (b) an opinion of independent legal or tax advisors of recognised standing to the effect that such change or amendment has occurred (irrespective of whether such change or amendment is then effective); and the Trustee shall be entitled to accept such certificate and opinion, without further inquiry, and without liability to any Noteholder or any other person as sufficient evidence of the satisfaction of the conditions precedent set out in (i) and (ii) above of this Condition 5(b), in which event it shall be conclusive and binding on the Noteholders and Couponholders.

- (c) ***Redemption for Accounting Reasons:*** If Redemption for Accounting Reasons is specified hereon, the Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount if, as a result of any changes or amendments to Singapore Financial Reporting Standards issued by the Singapore Accounting Standards Council as amended from time to time ("**SFRS**") (or any other accounting standards that may replace SFRS for the purposes of the consolidated financial statements of the relevant Issuer) or other internationally generally accepted accounting standards that the relevant Issuer has adopted for the purposes of the preparation of its audited consolidated financial statements as amended from time to time (the "**Relevant Accounting Standards**"), the Perpetual Securities may no longer be recorded as "equity" in the audited consolidated financial statements of the relevant Issuer prepared in accordance with the Relevant Accounting Standards (an "**Accounting Event**").

Prior to the publication of any notice of redemption pursuant to this Condition 5(c), the relevant Issuer or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor shall deliver to the Trustee a certificate signed by a director or two authorised signatories of the relevant Issuer or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor stating that an Accounting Event has occurred and is prevailing and an opinion of the relevant Issuer's independent auditors to the effect that an Accounting Event has occurred and is prevailing. The Trustee shall be entitled without further enquiry and without liability to any Noteholder, Couponholder or any other person to rely on such certificate and opinion and it shall be conclusive evidence of the satisfaction of the entitlement of the relevant Issuer to publish a notice of redemption pursuant to this Condition 5(c). Each such certificate and opinion shall be conclusive and binding on Noteholders and Couponholders. All Perpetual Securities shall be redeemed on the date specified in such notice in accordance with this Condition 5(c), **provided that** such date for redemption shall be no earlier than the last day before the date on which the Perpetual Securities may no longer be so recorded as "equity" in the audited consolidated financial statements of the relevant Issuer prepared in accordance with the Relevant Accounting Standards.

- (d) ***Redemption for tax deductibility reasons:*** The Perpetual Securities may be redeemed at the option of the relevant Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' irrevocable notice to the Noteholders, the Trustee, the Issuing and Paying Agent, the CMU Lodging and Paying Agent or the CDP Paying Agent, as the case may be, and the Registrar, at their Early Redemption Amount if the relevant Issuer or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor satisfies the Trustee immediately before giving such notice that, as a result of:
- (i) any amendment to, or change in, the laws (or any rules or regulations thereunder) of Singapore or any political subdivision or any taxing authority thereof or therein which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date;
 - (ii) any amendment to, or change in, an official and binding interpretation of any such laws, rules or regulations by any legislative body, court, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) which is enacted, promulgated, issued or becomes effective otherwise on or after the Issue Date; or
 - (iii) any applicable official interpretation or pronouncement which is issued or announced on or after the Issue Date that provides for a position with respect to such laws or regulations that differs from the position advised by the relevant Issuer's or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor's tax advisers on or before the Issue Date,

payments by the relevant Issuer or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor would no longer, or within 90 days of the date of the opinion referred to in paragraph (y) below of this Condition 5(d), would not be fully deductible by the relevant Issuer or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor for Singapore income tax purposes (“**Tax Deductibility Event**”), **provided that** no notice of redemption may be given earlier than 90 days prior to the effective date on which payments on the Perpetual Securities would not be fully tax deductible by the relevant Issuer for Singapore profits tax. Prior to the publication of any notice of redemption pursuant to this Condition 5(d), the relevant Issuer or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor shall deliver or procure that there is delivered to the Trustee (x) a certificate signed by a director or two authorised signatories of the relevant Issuer or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor stating that the circumstances referred to above prevail and setting out the details of such circumstances and (y) an opinion of the relevant Issuer’s or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor’s independent auditors or tax advisers of recognised standing stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the tax regime is due to take effect, and the Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above in of this Condition 5(d) in which event the same shall be conclusive and binding on the Noteholders. For the purposes of determining whether any payments by the relevant Issuer or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor would be fully deductible by the relevant Issuer or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor for Singapore income tax purposes under this Condition 5(d), interest restriction under the total asset method shall be disregarded.

- (e) **Redemption at the Option of the relevant Issuer:** If Call Option is specified hereon, the relevant Issuer may, on giving not less than 30 nor more than 60 days’ irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all, or if so provided, some of the Perpetual Securities on any Optional Redemption Date shown on the face hereof. Any such redemption of Perpetual Securities shall be at their Early Redemption Amount. All Perpetual Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 5(e).
- (f) **Redemption in the case of Minimal Outstanding Amount:** If Minimal Outstanding Amount Redemption Option is specified hereon, the relevant Issuer may, at any time, on giving not less than 30 nor more than 60 days’ irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem the Perpetual Securities, in whole, but not in part, at their Early Redemption Amount if, immediately before giving such notice, the aggregate principal amount of the Perpetual Securities outstanding is less than 10 per cent. of the aggregate principal amount originally issued. All Perpetual Securities shall be redeemed on the date specified in such notice in accordance with this Condition 5(f).
- (g) **No Other Redemption:** The relevant Issuer shall not be entitled to redeem the Perpetual Securities and shall have no obligation to make any payment of principal in respect of the Perpetual Securities otherwise than as provided in Conditions 5(b) and 5(d) and, to the extent specified hereon, in Conditions 5(c), 5(e) and 5(f) and/or as otherwise specified in the applicable Pricing Supplement.
- (h) **Purchases:**

In respect of the Direct Issuance Perpetual Securities, the Company and any of its Subsidiaries (as the case may be) may at any time purchase Perpetual Securities (**provided that** all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. Perpetual Securities so purchased, while held by or on behalf of the Company or any such Subsidiary, shall not entitle

the holder to vote at any meetings of the holders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the holders or for the purposes of Condition 9(d) or Condition 10(a).

In respect of the Guaranteed Perpetual Securities, Olam Treasury, the Guarantor and any of the Guarantor's Subsidiaries (as the case may be) may at any time purchase Perpetual Securities (**provided that** all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. Perpetual Securities so purchased, while held by or on behalf of Olam Treasury, the Guarantor or any such Subsidiary of the Guarantor, shall not entitle the holder to vote at any meetings of the holders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the holders or for the purposes of Condition 9(d) or Condition 10(a).

(i) ***Cancellation:***

In respect of the Direct Issuance Perpetual Securities, all Perpetual Securities purchased by or on behalf of the Company or any of its Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Perpetual Security together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Notes, by surrendering the Certificate representing such Perpetual Securities to the Registrar at its specified office and, in each case, if so surrendered, the same shall, together with all Perpetual Securities redeemed by the Company, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Perpetual Securities so surrendered for cancellation may not be reissued or resold and the obligations of the Company in respect of any such Perpetual Securities shall be discharged.

In respect of the Guaranteed Perpetual Securities, all Perpetual Securities purchased by or on behalf of Olam Treasury, the Guarantor or any of the Guarantor's Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Perpetual Security together with all unmatured Coupons and all unexchanged Talons to the Issuing and Paying Agent at its specified office and, in the case of Registered Notes, by surrendering the Certificate representing such Perpetual Securities to the Registrar at its specified office and, in each case, if so surrendered, the same shall, together with all Perpetual Securities redeemed by Olam Treasury, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Perpetual Securities so surrendered for cancellation may not be reissued or resold and the obligations of Olam Treasury in respect of any such Perpetual Securities shall be discharged.

6. Payments and Talons

(a) ***Bearer Notes:*** Payments of principal and distribution (including any Arrears of Distribution and any Additional Distribution Amount, if applicable) in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Perpetual Securities (in the case of all other payments of principal and, in the case of distributions, as specified in Condition 6(f)(v)) or Coupons (in the case of distributions, save as specified in Condition 6(f)(ii)), as the case may be:

- (i) in the case of a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank; and
- (ii) in the case of Renminbi, by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong.

In this Condition 6(a) and in Condition 6(b), “**Bank**” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

(b) **Registered Notes:**

- (i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 6(b)(ii).
- (ii) Distributions on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifth (in the case of Renminbi) and fifteenth (in the case of a currency other than Renminbi) day before the due date for payment thereof (the “**Record Date**”). Payments of distributions on each Registered Note shall be made:
 - (x) in the case of a currency other than Renminbi, in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Perpetual Security at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any other Transfer Agent before the Record Date, such payment of distributions may be made by transfer to an account in the relevant currency maintained by the payee with a Bank; and
 - (y) in the case of Renminbi, by transfer to the registered account of the Noteholder.

In this Condition 6(b)(ii), “**registered account**” means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. Dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the relevant Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Perpetual Securities in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the relevant Issuer, any adverse tax consequence to the relevant Issuer.
- (d) **Payments subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) **Appointment of Agents:** The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrars, and the Transfer Agent initially appointed by the relevant Issuer and their respective specified offices are listed below. The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrars, and the Transfer Agents appointed under the Agency Agreement and any Calculation Agents appointed in respect of any Perpetual Securities act solely as agents of the relevant Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The relevant Issuer reserves the right at any time to vary or terminate the appointment of the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, any other Paying Agent, any Registrar, any Transfer

Agent, or any Calculation Agent in accordance with the provisions of the Agency Agreement and to appoint additional or other Paying Agents or Transfer Agents, in each case in accordance with the Agency Agreement, **provided that** the relevant Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CMU Lodging and Paying Agent in relation to Perpetual Securities accepted for clearance through the CMU, (v) a CDP Paying Agent in relation to Perpetual Securities cleared through CDP, (vi) one or more Calculation Agent(s) where these Conditions so require, (vii) a Paying Agent in Singapore, where the Perpetual Securities may be presented or surrendered for payment or redemption, in the event that the Global Notes are exchanged for definitive Perpetual Securities, for so long as the Perpetual Securities are listed on the SGX-ST and the rules of the SGX-ST so require and (viii) such other agents as may be required by any other stock exchange on which the Perpetual Securities may be listed.

In addition, the relevant Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. Dollars in the circumstances described in Condition 6(c).

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) ***Unmatured Coupons and unexchanged Talons:***

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes), such Perpetual Securities should be surrendered to the relevant Paying Agent for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the principal amount or the Early Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).
- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note or Dual Currency Note, unmaturing Coupons relating to such Perpetual Security (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Perpetual Security (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Where any Bearer Note that provides that the relative unmaturing Coupons are to become void upon the due date for redemption of those Bearer Notes is presented for redemption without all unmaturing Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the relevant Issuer, the Issuing and Paying Agent and/or the Registrar may require.
- (v) If the due date for redemption of any Perpetual Security is not a Distribution Payment Date, distributions accrued from the preceding Distribution Payment Date or the Distribution Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be.

- (g) **Talons:** On or after the Distribution Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent on any business day in the location of the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 8).
- (h) **Non-Business Days:** If any date for payment in respect of any Perpetual Security or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any distribution or other sum in respect of such postponed payment. In this Condition 6, “**business day**” means a day (other than a Saturday, Sunday or public holiday) on which, in the case of Perpetual Securities to be cleared through Euroclear and Clearstream, Euroclear and Clearstream are operating or, in the case of Perpetual Securities to be cleared through the CMU, the CMU is operating or, in the case of Perpetual Securities to be cleared through CDP, CDP is operating and, in each case, on which banks and foreign exchange markets are open for general business in Singapore and in the relevant place of presentation (if presentation and/or surrender of such Perpetual Security or Coupon is required), in such jurisdictions as shall be specified as “**Financial Centres**” hereon and:
 - (i) (in the case of a payment in a currency other than euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency;
 - (ii) (in the case of a payment in euro) which is a TARGET Business Day; or
 - (iii) (in the case of a payment in Renminbi) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

7. Taxation

All payments of principal and distributions (including any Arrears of Distribution and any Additional Distribution Amount, if applicable) by or on behalf of the relevant Issuer and (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor in respect of the Perpetual Securities and the Coupons shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the relevant Issuer and (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Perpetual Security or Coupon presented for payment:

- (a) **Other connection:** by or on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Perpetual Security or Coupon by reason of his having some connection with Singapore other than the mere holding of the Perpetual Security or Coupon; or where the withholding or deduction could be avoided by the holder making a declaration of non-residence or other similar claim for exemption to the appropriate authority which such holder is legally capable and competent of making but fails to do so; or
- (b) **Presentation more than 30 days after the Relevant Date:** more than 30 days after the Relevant Date (as defined below) except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the last day of such period of 30 days.

As used in these Conditions, “**Relevant Date**” in respect of any Perpetual Security or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Perpetual Security (or relative Certificate) or Coupon being made in accordance with these Conditions, such payment will be made, **provided that** payment is in fact made upon such presentation.

References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Perpetual Securities, any Early Redemption Amount and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it and (ii) “**principal**”, “**Distribution**”, “**Arrears of Distribution**” and “**Additional Distribution Amount**” shall be deemed to include any additional amounts in respect of principal, distribution, Arrears of Distribution or Additional Distribution Amount (as the case may be) which may be payable pursuant to this Condition 7 or any undertaking given in addition to or in substitution for it under the Trust Deed.

Notwithstanding any other provision in these Conditions, the relevant Issuer and (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code of 1986 Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service (“**FATCA withholding**”). The relevant Issuer and/or (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor will have no obligation to pay additional amounts or otherwise indemnify a holder for any FATCA withholding deducted or withheld by the relevant Issuer, (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor, a Paying Agent or any other party as a result of any person (other than an agent of the relevant Issuer or (where applicable) the Guarantor) not being entitled to receive payments free of FATCA withholding.

8. Prescription

Claims against the relevant Issuer for payment in respect of the Perpetual Securities and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of distribution) from the appropriate Relevant Date in respect of them.

9. Non-payment

- (a) **Non-payment when due:** Notwithstanding any of the provisions below in this Condition 9, the right to institute proceedings for Winding-Up is limited to circumstances where payment under the Perpetual Securities has become due. In the case of any distribution (including Arrears of Distribution or Additional Distribution Amounts, if applicable), such distribution will not be due if the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) has elected to defer that distribution in accordance with Condition 4(h). In addition, nothing in this Condition 9, including any restriction on commencing proceedings, shall in any way restrict or limit the rights of the Trustee or any of its directors, officers, employees or agents to claim from or to otherwise take any action against the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) in respect of any costs, charges, fees, expenses or liabilities incurred by such party pursuant to or in connection with the Perpetual Securities or the Trust Deed.

- (b) ***Proceedings for Winding-Up:*** If (i) an order is made or an effective resolution is passed for the Winding-Up of the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor), and such order or resolution is subsisting and has not been discharged, stayed, dismissed, rescinded, revoked or superceded, as the case may be, or (ii) the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) fails to pay the principal of or any distribution (including Arrears of Distribution and Additional Distribution Amounts, if applicable) on the Perpetual Securities (save, for the avoidance of doubt, for distributions (including Arrears of Distribution and Additional Distribution Amounts, if applicable) which have been deferred in accordance with Condition 4(h)) and such failure continues for a period of 10 days or more after the date on which such payment is due (together the “**Enforcement Events**”, and each an “**Enforcement Event**”), the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) shall be deemed to be in default under the Trust Deed and the Perpetual Securities and the Trustee may, subject to the provisions of Condition 9(d), institute proceedings for the Winding-Up of the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) and/or prove in the Winding-Up of the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) and/or claim in the liquidation of the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) for such payment, as provided in the Trust Deed.
- (c) ***Enforcement:*** Without prejudice to Condition 9(b) but subject to the provisions of Condition 9(d), the Trustee may without further notice to the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) institute such proceedings against the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) as it may think fit to enforce any term or condition binding on the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) under the Perpetual Securities (other than any payment obligation of the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) under or arising from the Perpetual Securities, including, without limitation, payment of any principal or premium (if any) or satisfaction of any distributions (including any Arrears of Distribution and any Additional Distribution Amount, if applicable) in respect of the Perpetual Securities, including any damages awarded for breach of any obligations), **provided that** in no event shall the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor), by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.
- (d) ***Entitlement of Trustee:*** The Trustee shall not and shall not be obliged to take any of the actions referred to in Condition 9(b) or Condition 9(c) against the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) to enforce the terms of the Trust Deed or the Perpetual Securities unless (i) it shall have been so requested by an Extraordinary Resolution of the Noteholders or in writing by the Noteholders of at least twenty five per cent. in principal amount of the Perpetual Securities then outstanding and (ii) it shall have been first indemnified and/or secured and/or pre-funded to its satisfaction.
- (e) ***Right of Noteholders:*** No Noteholder or Couponholder shall be entitled to proceed directly against the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) or to institute proceedings for the Winding-Up or claim in the liquidation of the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) or to prove in such Winding-Up unless the Trustee, having become so bound to proceed or being able to prove in such Winding-Up or claim in such liquidation, fails to do so within a reasonable period and such failure shall be continuing, in which case the Noteholder or the Couponholder, as the case may be, shall have only such rights against the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) as those which the Trustee is entitled to exercise as set out in this Condition 9.

- (f) ***Extent of Noteholders' remedy:*** No remedy against the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor), other than as referred to in this Condition 9, shall be available to the Trustee or the Noteholders or the Couponholders, whether for the recovery of amounts owing in respect of the Trust Deed, the Perpetual Securities or in respect of any breach by the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) of any of its other obligations under or in respect of the Trust Deed or the Perpetual Securities.

10. Meetings of Noteholders, Modification and Waiver

- (a) ***Meetings of Holders:*** The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in principal amount of the Perpetual Securities for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing more than 50 per cent. in principal amount of the Perpetual Securities for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the principal amount of the Perpetual Securities held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the maturity of the Perpetual Securities or to amend the redemption of the Perpetual Securities or the dates on which any distribution (including Arrears of Distribution or Additional Distribution Amounts, if applicable) is payable on the Perpetual Securities, (ii) to reduce or cancel the principal amount of or any premium payable on redemption of the Perpetual Securities, (iii) to reduce the Distribution Rate in respect of the Perpetual Securities or to vary the method or basis of calculating the distribution in respect of the Perpetual Securities, (iv) if a Minimum Distribution Rate and/or a Maximum Distribution Rate or Redemption Amount is shown hereon, to reduce any such Minimum Distribution Rate and/or Maximum Distribution Rate, (v) to vary any method of, or basis for, calculating the Early Redemption Amount, (vi) to vary the currency or currencies of payment or denomination of the Perpetual Securities, (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, (viii) if this Perpetual Security is a Subordinated Perpetual Security, to amend the subordination provisions in the Trust Deed or these Conditions (as they relate to the subordination of Subordinated Perpetual Securities), or (ix) to change the terms of the Guarantee of the Perpetual Securities, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Perpetual Securities for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the Noteholders of not less than 90 per cent. in principal amount of the Perpetual Securities outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Conditions may be amended, modified or varied in relation to any Series of Perpetual Securities by the terms of the relevant Pricing Supplement in relation to such Series.

- (b) **Modification and Waiver:** The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Perpetual Securities, the Agency Agreement, the Trust Deed or these Conditions that is of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provisions of applicable law or as required by Euroclear and/or Clearstream and/or the CMU and/or CDP, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Perpetual Securities, the Agency Agreement, the Trust Deed or these Conditions that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, unless the Trustee otherwise requires, the relevant Issuer shall notify the Noteholders, or shall procure that notification be made to the Noteholders, of such modification, authorisation or waiver.
- (c) **Substitution:** The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and satisfaction of such other conditions as the Trustee may require, but without the consent of the Noteholders or Couponholders, to the substitution of certain entities in place of the relevant Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Perpetual Securities and as a party to the Agency Agreement.
- (d) **Entitlement of the Trustee:** In connection with the exercise of its functions, rights, powers and discretions (including but not limited to those referred to in this Condition 10) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee, acting for and on behalf of Noteholders, shall not be entitled to require on behalf of any Noteholder or Couponholder, nor shall any Noteholder or Couponholder be entitled to claim, from the relevant Issuer (or, in respect of each Tranche of Guaranteed Perpetual Securities, the Guarantor) any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

11. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the relevant Issuer, (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor and any entity related to the relevant Issuer or the Guarantor without accounting for any profit.

The Trustee may rely without liability to Noteholders or Couponholders on any report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether or not their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice without liability to the Noteholders or any other person. Any such report, confirmation or certificate or advice shall (in the absence of manifest error) be binding on the relevant Issuer, (in respect of each Tranche of Guaranteed Perpetual Securities) the Guarantor, the Trustee, the Noteholders and the Couponholders.

12. Replacement of Perpetual Securities, Certificates, Coupons and Talons

If a Perpetual Security, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the relevant Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Perpetual Security, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the relevant Issuer on demand the amount payable by the relevant Issuer in respect of such Perpetual Securities, Certificates, Coupons or further Coupons) and otherwise as the relevant Issuer, the Issuing and Paying Agent and/or the Registrar may require. Mutilated or defaced Perpetual Securities, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

13. Further Issues

The relevant Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further securities either having the same terms and conditions as the Perpetual Securities in all respects (or in all respects except for the first payment of distribution on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Perpetual Securities) or upon such terms as the relevant Issuer may determine at the time of their issue. References in these Conditions to the Perpetual Securities include (unless the context requires otherwise) any other securities issued pursuant to this Condition 13 and forming a single series with the Perpetual Securities. Any further securities forming a single series with the outstanding securities of any series (including the Perpetual Securities) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other series where the Trustee so decides.

14. Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Singapore (which is expected to be *The Business Times*). If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Singapore. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above. The relevant Issuer shall also ensure that notices are duly published in a manner that complies with the rules and regulations of any stock exchange or other relevant authority on which the Perpetual Securities are for the time being listed.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 14.

So long as the Perpetual Securities are represented by a Global Note or a Global Certificate and such Global Note or Global Certificate is held (i) on behalf of Euroclear or Clearstream, or any other clearing system (except as provided in (ii) and (iii) below), notices to the holders of Perpetual Securities of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by these

Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate; (ii) on behalf of the CMU, notices to the holders of Perpetual Securities of that Series may be given by delivery of the relevant notice to the persons shown in a CMU instrument position report issued by the CMU on the second business day preceding the date of despatch of such notice as holding interests in the relevant Global Note or Global Certificate; or (iii) by CDP, notices to the holders of Perpetual Securities of that Series may be given by delivery of the relevant notice to the persons shown in the list of Noteholders provided by CDP. Any such notice will be deemed to have been given at 5.00 pm on the day the relevant clearing system receiving such date.

15. Contracts (Rights of Third Parties) Act

No person shall have any right to enforce any term or condition of the Perpetual Securities under the [Contracts (Rights of Third Parties) Act 1999]² [Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore]³.

16. Governing Law and Jurisdiction

- (a) **Governing Law:** The Trust Deed, the Agency Agreement, the Perpetual Securities, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, [English]¹ [Singapore]² law [, except that the subordination provisions set out in Condition 3(b) applicable to the relevant Issuer shall be governed by and construed in accordance with Singapore law. In the event that the relevant Issuer's jurisdiction is not Singapore or England, the Trustee needs to agree in writing to the jurisdiction of the relevant Issuer prior to the Perpetual Securities being issued]².
- (b) **Jurisdiction:** The Courts of [England]¹ [Singapore]² are to have jurisdiction to settle any disputes that may arise out of or in connection with any Perpetual Securities, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Perpetual Securities, Coupons, or Talons ("**Proceedings**") may be brought in such courts. Each of the Company and Olam Treasury has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.
- (c) **[Service of Process:** Each of the Company and Olam Treasury has irrevocably appointed Olam Europe Limited as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.]¹

2 The language indicated in brackets shall be included in the Terms and Conditions of the Perpetual Securities that are governed by English law.

3 The language indicated in brackets shall be included in the Terms and Conditions of the Perpetual Securities that are governed by Singapore law.

SUMMARY OF PROVISIONS RELATING TO THE NOTES AND THE PERPETUAL SECURITIES WHILE IN GLOBAL FORM

1. Initial Issue of Notes

Global Notes and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a common depositary for Euroclear and Clearstream (the “**Common Depositary**”) or CDP or a sub-custodian for the CMU.

Upon the initial deposit of a Global Note with the Common Depositary or with CDP or with a sub-custodian for the CMU or registration of Registered Notes in the name of (i) any nominee for Euroclear or Clearstream (as the case may be), (ii) CDP and/or (iii) the HKMA as operator of the CMU and delivery of the relevant Global Certificate to the Common Depositary or CDP or the sub-custodian for the CMU (as the case may be), Euroclear or Clearstream or CDP or the CMU (as the case may be) will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream or other clearing systems.

2. Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, CDP or any other clearing system (each an “**Alternative Clearing System**”) as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, CDP or any such Alternative Clearing System (as the case may be) for his share of each payment made by the relevant Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, CDP or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the relevant Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the relevant Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

If a Global Note or a Global Certificate is lodged with a sub-custodian for or registered with the CMU, the person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in accordance with the rules of the CMU as notified by the CMU to the CMU Lodging and Paying Agent in a relevant CMU Instrument Position Report (as defined in the rules of the CMU) or any other relevant notification by the CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU save in the case of manifest error) shall be the only person(s) entitled or, in the case of Registered Notes, directed or deemed by the CMU as entitled to receive payments in respect of Notes represented by such Global Note or Global Certificate and the relevant Issuer will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in respect of each amount so paid. Each of the persons shown in the records of the CMU, as the holder of a particular principal amount of Notes represented by such Global Note or Global Certificate must look solely to the CMU Lodging and Paying Agent for his share of each payment so made by the relevant Issuer in respect of such Global Note or Global Certificate.

3. Exchange

3.1 Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below):

- (i) if the relevant Pricing Supplement indicates that such Global Note is issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “**C Rules**”) or in a transaction to which the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”) is not applicable, in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

The CMU may require that any such exchange for a permanent Global Note is made in whole and not in part and in such event, no such exchange will be effected until all relevant account holders (as set out in a CMU Instrument Position Report (as defined in the rules of the CMU) or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) have so certified.

The holder of a temporary Global Note will not be entitled to collect any payment of interest, distributions, principal or other amount due on or after the Exchange Date unless, upon due presentation of the temporary Global Note for exchange or delivery of (or, in the case of a subsequent exchange, due endorsement of) a permanent Global Note or for delivery of Definitive Notes, as the case may be, is improperly withheld or refused by or on behalf of the relevant Issuer.

3.2 Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3.4 below, in part for Definitive Notes:

- (i) if the permanent Global Note is held on behalf of Euroclear, Clearstream, the CMU or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (ii) if the permanent Global Note is cleared through the CDP System (as defined in “*Clearance and Settlement — CDP*”) and (a) in the case of Notes other than Perpetual Securities, an Event of Default (as defined in the Terms and Conditions of the Notes other than the Perpetual Securities) entitling the Trustee to declare all the Notes to be due and payable as provided in the Terms and Conditions of the Notes other than the Perpetual Securities has occurred and is continuing, (b) in the case of Perpetual Securities, an Enforcement Event (as defined in the Terms and Conditions of the Perpetual Securities) has occurred and is continuing, (c) CDP has closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), (d) CDP has announced an intention to permanently cease business and no alternative clearing system is available or (e) CDP has notified the relevant Issuer that it is unable or unwilling to act as depository for the Notes and to continue performing its duties as set out in the relevant master depository services agreement made between the relevant Issuer and CDP and no alternative clearing system is available.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

3.3 Global Certificates

The following will apply in respect of transfers of Notes held in Euroclear, Clearstream, CDP, the CMU or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) of the Terms and Conditions of the Notes other than the Perpetual Securities (in the case of Notes other than Perpetual Securities) or Condition 2(b) of the Terms and Conditions of the Perpetual Securities (in the case of Perpetual Securities) may only be made:

- (i) in whole but not in part if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) in whole or in part with the prior consent of the relevant Issuer; or
- (iii) in whole but not in part if the Global Certificate is cleared through CDP and:
 - (a) in the case of Notes other than Perpetual Securities, an Event of Default entitling the Trustee to declare all the Notes to be due and payable as provided in the Terms and Conditions of the Notes other than Perpetual Securities has occurred and is continuing; or
 - (b) in the case of Perpetual Securities, an Enforcement Event has occurred and is continuing; or
 - (c) CDP has closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise); or
 - (d) CDP has announced an intention to permanently cease business and no alternative clearing system is available; or
 - (e) CDP has notified the relevant Issuer that it is unable or unwilling to act as depository for the Notes and to continue performing its duties as set out in the relevant master depository services agreement made between the relevant Issuer and CDP and no alternative clearing system is available,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3.3(i) above, the Registered Noteholder has given the Registrar not less than 30 days' notice at its specified office of the Registered Noteholder's intention to effect such transfer.

3.4 Partial Exchange of Permanent Global Notes

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes if so provided in, and in accordance with, the Terms and

Conditions of the Notes other than the Perpetual Securities or, as the case may be, the Terms and Conditions of the Perpetual Securities (which will be set out in the relevant Pricing Supplement) relating to Partly Paid Notes.

3.5 Delivery of Notes

On or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent and, in the case of Notes cleared through CDP, the CDP Paying Agent). In exchange for any Global Note, or the part thereof to be exchanged, the relevant Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate principal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Notes. Global Notes and Definitive Notes will be delivered outside the United States and its possessions. In this Offering Circular, “**Definitive Notes**” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each permanent Global Note, the relevant Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

3.6 Exchange Date

“**Exchange Date**” means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent or, in the case of Notes cleared through the CMU, the CMU Lodging and Paying Agent or, in the case of Notes cleared through CDP, the CDP Paying Agent, is located and in the city in which the relevant clearing system is located.

4. Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Terms and Conditions of the Notes other than the Perpetual Securities or, as the case may be, the Terms and Conditions of the Perpetual Securities set out in this Offering Circular. The following is a summary of certain of those provisions:

4.1 Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes is improperly withheld or refused.

Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes

represented by a Global Note (except with respect to a Global Note held through the CMU) will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be enfaced on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. Condition 7(e)(vii) and Condition 8(d) of the Terms and Conditions of the Notes other than the Perpetual Securities (in the case of Notes other than Perpetual Securities) or Condition 6(e)(vii) and Condition 7(d) of the Terms and Conditions of the Perpetual Securities (in the case of Perpetual Securities) will apply to the Definitive Notes only. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation (if applicable) shall be disregarded in the definition of “business day” set out in Condition 7(h) (of the Terms and Conditions of the Notes other than the Perpetual Securities) (in the case of Notes other than Perpetual Securities) or Condition 6(h) (of the Terms and Conditions of the Perpetual Securities) (in the case of Perpetual Securities).

All payments in respect of Notes represented by a Global Certificate (other than a Global Certificate held through the CMU) will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means Monday to Friday inclusive except 25 December and 1 January.

In respect of a Global Note or Global Certificate held through the CMU, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Global Note or Global Certificate are credited (as set out in a CMU Instrument Position Report (as defined in the rules of the CMU) or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) and, save in the case of final payment, no presentation of the relevant bearer Global Note or Global Certificate shall be required for such purpose.

4.2 Prescription

Claims against the relevant Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest or distribution) from the appropriate Relevant Date (as defined in Condition 8 of the Terms and Conditions of the Notes other than the Perpetual Securities (in the case of Notes other than Perpetual Securities) or Condition 7 of the Terms and Conditions of the Perpetual Securities (in the case of Perpetual Securities)).

4.3 Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note or of the Notes represented by a Global Certificate shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. (All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder’s holding, whether or not represented by a Global Certificate.)

4.4 Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the

principal amount of the relevant permanent Global Note or its presentation to or to the order of the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent and, in the case of Notes cleared through the CDP System, the CDP Paying Agent) for endorsement in the relevant schedule of such permanent Global Note or in the case of a Global Certificate, by reduction in the aggregate principal amount of the Certificates in the register of the certificateholders, whereupon the principal amount thereof shall be reduced for all purposes by the amount so cancelled and endorsed.

4.5 Purchase

Notes represented by a permanent Global Note may only be purchased by the relevant Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest, distribution and Instalment Amounts (if any) thereon.

4.6 Issuer's Option

Any option of the relevant Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the relevant Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Terms and Conditions of the Notes other than the Perpetual Securities or, as the case may be, the Terms and Conditions of the Perpetual Securities, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the relevant Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, the CMU, CDP or any alternative clearing system (as the case may be).

4.7 Noteholders' Options (in the case of Notes other than Perpetual Securities only)

Any option of the Noteholders provided for in the Terms and Conditions of the Notes other than the Perpetual Securities while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent and, in the case of Notes cleared through the CDP System, the CDP Paying Agent) within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the principal amount of Notes in respect of which the option is exercised and at the same time presenting the permanent Global Note to the Issuing and Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent and, in the case of Notes cleared through the CDP System, the CDP Paying Agent), for notation.

4.8 Trustee's Powers

In considering the interests of Noteholders while any Global Note is held by or on behalf of, or Registered Notes are registered in the name of, or in the name of any nominee or sub-custodian for, a clearing system, the Trustee and the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent and, in the case of Notes cleared through the CDP System, the CDP Paying Agent) are entitled to have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Registered Notes and are entitled to consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

4.9 Notices

So long as any Notes are represented by a Global Note or a Global Certificate and such Global Note or Global Certificate is held on behalf of (i) Euroclear and/or Clearstream or any other clearing system (except as provided in (ii) and (iii) below of this paragraph 4.9), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Terms and Conditions of the Notes other than the Perpetual Securities or, as the case may be, the Terms and Conditions of the Perpetual Securities or by delivery of the relevant notice to the holder of the Global Note or Global Certificate or (ii) the CMU, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the CMU on the business day preceding the date of despatch of such notice as holding interests in the relevant Global Note or Global Certificate or (iii) CDP, subject to the agreement of CDP, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to CDP for communication by it to entitled accountholders in substitution for publication as required by the Terms and Conditions of the Notes other than the Perpetual Securities or, as the case may be, the Terms and Conditions of the Perpetual Securities or by delivery of the relevant notice to the holder of the Global Note or Global Certificate.

5. Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Offering Circular, but will be contained in the relevant Pricing Supplement and thereby in the Global Notes. While any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a permanent Global Note or for Definitive Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the relevant Issuer may forfeit such Notes and shall have no further obligation to their holders in respect of them.

USE OF PROCEEDS

Unless otherwise specified in the relevant Pricing Supplement, the net proceeds from the issue of each Tranche of Notes will be used by the Group for working capital purposes and general corporate purposes, including financing capital expenditure, repayment of existing debt and potential acquisition opportunities which the Group may pursue in the future as part of its strategic objectives.

CAPITALISATION AND INDEBTEDNESS

The table below sets forth the Group's capitalisation and indebtedness as at 31 December 2017. This table should be read in conjunction with the consolidated financial statements and related notes appearing elsewhere in this Offering Circular.

	Unaudited
	(S\$'000)
Short-term Borrowings (repayable within one year)	
Short-term overdrafts	104,544
Short-term loans	4,287,869
Medium-term Notes	249,863
Current portion of finance leases	17,933
Total short-term borrowings	4,660,209
Long-term Borrowings (repayable after one year)	
Bank borrowings	2,750,543
Finance leases	66,412
Medium-term Notes	3,778,652
Bonds	332,122
Total long-term borrowings	6,927,729
Total Borrowings	11,587,938
Total Equity	
Share Capital	3,674,206
Treasury Shares	(187,276)
Capital Securities	1,045,773
Reserves	1,910,878
Equity Attributable to Equity Noteholders of the Company	6,443,581
Minority Interests	177,448
Total Equity	6,621,029
Total Capitalisation and Indebtedness	18,208,967

Except as disclosed in this Offering Circular, since 31 December 2017, there has been no material change in each of the Issuers' capitalisation or indebtedness.

THE COMPANY AND THE GROUP

Overview

The Group is a leading agri-business operating from seed to shelf in 70 countries (“**Origins**” or “**Origin Countries**” and “**Destination Markets**”), supplying food and industrial raw materials across 18 product platforms for over 22,000 customers worldwide.

The Company was established in 1989 as a division of the KC Group to operate its agri-business and was duly incorporated under the laws of Singapore in July 1995. Since the establishment of the business, the Company has evolved from a single-country, single-product trader to a multi-country, multi-product integrated global agribusiness. The expansion of the Group has been possible as a result of pursuing growth strategies by exploiting adjacent opportunities, which it defines as developing opportunities in agricultural products and food ingredients that share customers, costs, capabilities and distribution channels with its existing operations.

The Group’s portfolio comprises 18 product platforms – including Edible Nuts, Spices & Vegetable Ingredients, Cocoa, Coffee, Dairy, Grains & Animal Feed, Edible Oils, Rice, Sugar & Sweeteners, Packaged Foods, Cotton, Wood Products, Rubber, Fertiliser, Ag Logistics & Infrastructure, Risk Management Solutions, Market-Making, Volatility Trading & Asset Management and Trade & Structured Finance. The Group is engaged in the farming, sourcing, processing, storage, transportation, shipping, distribution, trading and marketing of these agricultural products and food ingredients to customers in the Destination Markets. The Group manages the risks present at each stage of the value chain through its risk management system. The Group’s profitability is driven by contributions from upstream farming and plantations, supply chain trading volumes handled, midstream processing and manufacturing and the downstream packaged foods business.

As at the Latest Practicable Date, the Company’s issued and paid-up share capital was S\$3,812,922,224.14 comprising 3,271,018,657 Shares (including Treasury Shares). The Shares are listed on the Mainboard of the SGX-ST.

The Company is a subsidiary of Temasek Holdings (Private) Limited (“**Temasek Holdings**”). As at the Latest Practicable Date, Temasek Holdings and its subsidiaries and associated companies owned approximately 53.82 per cent. of the Company. Temasek Holdings is wholly-owned by Singapore’s Minister for Finance (Incorporated).

In 2015, the fiscal year of the Group was changed from 30 June to 31 December to align with the Group consolidation and reporting requirements of the majority shareholder, Temasek Holdings. As a result, the Company’s 2015 fiscal year, which began on 1 July 2014 ended on 31 December 2015, covered an 18-month period. Subsequently, the Company followed a January to December fiscal year. The financial statements for FY 2015 were also restated due to changes to accounting standards pertaining to Agriculture (SFRS 41) and Property, Plant and Equipment (SFRS 16) that came into effect from 1 January 2016.

In the audited results for FY 2015 (restated) and 2016, the Group had, on a consolidated basis, revenue of approximately S\$28.2 billion and S\$20.6 billion respectively and net profit of approximately S\$51.9 million and S\$339.1 million respectively. As at 31 December 2015 (restated) and 2016, the total assets of the Group (combining noncurrent and current assets) on a consolidated basis amounted to approximately S\$20.9 billion (restated) and S\$23.5 billion respectively. For the twelve months ended 31 December 2017, the Group had, on a consolidated basis, revenue of approximately S\$26.3 billion and net profit of approximately S\$551.6 million. As at 31 December 2017, the total assets of the Group (combining non-current and current assets) on a consolidated basis amounted to approximately S\$22.3 billion.

History and Development

Since the Company's establishment in 1989 and throughout its evolution from a single-country, single-product trader in 1989 to a multi-national, multi-product integrated global agri-business, it has expanded into adjacent products, geographic markets, customers and value chain segments through organic and inorganic growth.

The Group's history and development can be categorised into five phases:

Formative Years: 1989 to 1992

The foundations of the Company's business are intrinsically linked to the KC Group, which has over 140 years of trading history. The Company's business was first established in 1989 as a division to start the KC Group's agribusiness enterprise and to generate foreign exchange.

From 1990 to 1995, the KC Group's agri-business was headquartered in London and operated under the name of Chanrai International Limited. The business began with the export of cashews and then expanded into exports of cotton, cocoa and sheanuts from Nigeria. This allowed the development of the Group's origination capabilities and expertise in sourcing, processing and marketing of agricultural products. During this phase, the Group's business was a single-country, multiple-product operation.

Business Model Development: 1993 to 1995

Between 1993 and 1995, the business grew from a single-country operation into multiple origins (being producing countries from which the Group procures its food ingredients and/or agricultural products), first within West Africa (including Benin, Togo, Ghana, Côte d'Ivoire, Burkina Faso, Senegal, Guinea Bissau, Cameroon and the Republic of Gabon (the "**RoG**")), followed by East Africa (Tanzania, Kenya, Uganda, Mozambique and Madagascar) and then India. This move into multiple Origins coincided with the deregulation of the agricultural commodity markets.

Global Expansion: 1995 to 2001

The Company was incorporated in Singapore on 4 July 1995 under the Companies Act as a public limited company. Subsequently, in 1996, the Company relocated its entire operations from London to Singapore at the invitation of the Singapore Trade Development Board (now known as International Enterprise Singapore).

Upon relocation to Singapore, the KC Group's agri-business was reorganised to be wholly-owned by the Company.

During this phase, the Group applied its business model to capitalise on growth opportunities present in its various businesses. Singapore became the corporate headquarters and the key marketing and trading centre for all its operations. To focus further on quality customer service, marketing offices were opened in Poland, the Netherlands, France, the UK, Italy and the U.S. The Group also established sourcing and marketing operations in Indonesia, Vietnam, Thailand, China, Papua New Guinea, Middle East, Central Asia and Brazil.

Raising Capital for Future Growth: 2002 to 2005

By 2002, the Group had expanded to nine products and 30 countries with total revenues of approximately U.S.\$1.6 billion and profits after-tax of approximately U.S.\$25 million for FY 2002. At this stage, the Group approached various established institutional investors, including Russell AIF Singapore Investments Limited (managed by AIF Capital Limited), Seletar Investments Pte Ltd ("**Seletar**"), a wholly-owned subsidiary of Temasek Holdings and International Finance Corporation (a member of the World Bank Group) to raise funds for future growth.

Over this period, the Group consolidated its global leadership positions in most of its products and expanded into new products such as peanuts, beans, dairy products and packaged foods.

On 31 January 2005, the Company launched its initial public offering (“**IPO**”) of 375 million ordinary Shares at S\$0.62 per Share. Measured against the market capitalisation of companies then listed on the Mainboard of the SGX-ST, the Company ranked among the 50 largest listed companies with a market capitalisation of S\$929 million at the invitation price. The Company’s placement tranche of 345 million Shares (from its 375 million Shares) attracted strong interest from local and global institutional investors as well as leading institutional fund managers. The Company completed the IPO of its Shares, and was admitted to the Official List of the SGX-ST on 11 February 2005.

Building a Global Leader: 2006 to Present

In FY 2006, the Group developed and communicated a M&A framework to investors, so that going forward, acquisitions would form an integral part of the Group’s growth strategy alongside organic growth. The M&A strategy focused on building product and value chain adjacencies and bolt-on acquisitions in key geographic areas where the Group planned to accelerate or ramp up growth, for example, in markets like China, Brazil, India and the U.S.

In FY 2009, the Group announced a six-year corporate strategic plan (the “**2009 Strategic Plan**”) to improve significantly the margin profile of the business by FY 2015, by focusing on the following key elements: (i) selectively integrating upstream into plantations, (ii) selectively integrating midstream into value-added processing initiatives, (iii) investing in its core supply chain and value-added services business and (iv) leveraging its latent assets and capabilities to enter into new adjacent business opportunities. Under the 2009 Strategic Plan, the Group had targeted to attain S\$454 million net profit after tax (“**NPAT**” or “**PAT**”) by FY 2015. In addition, 48 growth initiatives across 20 businesses were prioritised for implementation in the first three-year cycle from FY 2010 to FY 2012. In FY 2010 and FY 2011, the first two years of the 2009 Strategic Plan, the Group committed investments worth U.S.\$1.94 billion towards 44 of the growth initiatives and executed 39 of the planned growth initiatives.

The Company reviewed its performance and in August 2011, it announced that it had reset its previous target of attaining S\$454 million NPAT by FY 2015 under the 2009 Strategic Plan, and the Group targets to attain U.S.\$1 billion NPAT by FY 2016, without any further equity dilution planned.

The Company reviewed its performance again in 2013 and announced the outcome of its annual strategy review and the Strategic Plan in April 2013 for FY 2014 to FY 2016 (the “**FY 2014 – 2016 Strategic Plan**”). The review established that while the Group is in a strong position to leverage positive global trends in the agri-commodity sector, it would benefit from re-balancing its growth objectives with an increased focus on accelerating the generation of positive free cash flow. Four key priorities, namely (i) accelerating free cash flow generation, (ii) reducing gearing, (iii) reducing complexity and (iv) promoting a better understanding of the Group, and six specific pathways, namely (i) reshaping portfolio and reducing complexity, (ii) recalibrating pace of investments, (iii) optimising balance sheet, (iv) pursuing opportunities for unlocking intrinsic value, (v) improving operating efficiencies and (vi) enhancing stakeholder communication, were identified to achieve these priorities were identified as part of the FY 2014-2016 Strategic Plan.

In the annual report for FY 2015, the Company explained two three-year strategic plans — the first cycle from 2016 to 2018 and the second from 2019 to 2021 (the “**2016 – 2021 Strategic Plan**”) — as part of its annual strategy review. The same was explained in a presentation made at the 21st Annual General Meeting which was posted on the SGX-NET on 25 April 2016. The review established that there have been no significant shifts in the agri-sector in the previous three years, and that to drive growth, the industry has employed five growth vectors: (i) new products, (ii) new value chain steps, (iii) M&A, (iv) new geographies and (v) market share gain. The Company has therefore adopted six key criteria to focus its portfolio, and inform its investment choices and capital allocation decisions between its businesses: (i) to address areas where performance is inconsistent or not meeting expectations, (ii) to scale up and

strengthen leadership positions, (iii) to be selective and more focused on investments with higher potential returns, (iv) to streamline its portfolio and release cash from divestments, (v) to improve investment balance between its businesses and (vi) to assess and manage its risks. To enact the FY 2016 – 2021 Strategic Plan, the Company has prioritised its portfolio into five ‘clusters’ to assess these criteria:

- Cluster 1 — Edible Nuts, Cocoa, Grains, Coffee, Cotton and Spices & Vegetable Ingredients (SVI);
- Cluster 2 — Packaged Foods business (PFB), Edible Oils, Rubber, Dairy and Commodity Financial Services (CFS);
- Cluster 3 — Rice, Wood Products and Sugar;
- Cluster 4 — Fertilisers and Gabon Special Economic Zone; and
- Cluster 5 — Africa as a separate vertical.

Please refer to the section on “*Strategies*” for further details.

On 14 March 2014, Breedens Investments Pte. Ltd. (“**Breedens**”), an indirect wholly-owned subsidiary of Temasek Holdings, announced that it intended to make a voluntary conditional cash offer (the “**Offer**”) for (i) all the Shares of the Company, (ii) new Shares unconditionally issued or to be issued pursuant to the valid conversion of outstanding New Convertible Bonds (as defined below) and (iii) new Shares unconditionally issued or to be issued pursuant to the valid exercise of the options granted under the Olam Employee Share Option Scheme. The Offer turned unconditional as to acceptances on 24 April 2014 and closed on 23 May 2014. Following the close of the Offer, Temasek Holdings and its subsidiaries and associated companies owned approximately 58.53 per cent. of the Company and the Company became a subsidiary of Temasek Holdings.

Major growth and capital raising milestones

Below is a description of major growth and capital raising milestones in respect of the Group from 2007.

On 7 March 2007, the Company announced an off-market takeover offer to acquire all of the shares in Queensland Cotton Holdings Limited (“**QCH**”). The proposed combination of the cotton business of the Company and QCH was expected to create the third largest and most diversified global cotton company with substantial sourcing operations in Africa, Australia, Brazil, CIS, India, China and the United States, along with a strong presence in all major world markets.

On 13 July 2007, the Company announced the receipt of acceptances for more than 90 per cent. of the shares outstanding in QCH, and that it had a relevant aggregate interest in approximately 90.8 per cent. of QCH, providing the Company the right to compulsorily acquire all the remaining shares outstanding. The acquisition of 100 per cent. of shares in QCH was completed in October 2007.

On 22 April 2007, the Company announced its intention to acquire 100 per cent. of the world’s largest independent peanut blancher and ingredient processor, Universal Blanchers L.L.C. (“**UB**”) for a total cash consideration of U.S.\$77 million. The Company acquired UB in June 2007. This acquisition enabled the Company to expand into peanut blanching and ingredient manufacturing in the United States.

On 14 June 2007, the Company announced the acquisition of approximately 17 per cent. of the total outstanding shares of Open Country Cheese Company Limited (“**OCC**”), a fast growing dairy processing company in New Zealand. This strategic stake acquisition enabled the Group to gain valuable exposure to the dairy business in New Zealand. The Group acquired further shares of OCC on 15 June 2007, bringing its shareholding in OCC to 19.9 per cent.

On 27 August 2007, the Company announced its intention to acquire 100 per cent. equity interest in Key Foods Ingredients LLC and its subsidiaries (“**KFI**”), a processor and global supplier of dehydrates to the food processing industry for a total consideration of approximately U.S.\$16 million. The acquisition of KFI was expected to enhance the Group’s presence in the overall spice value chain, helping the Group move from being primarily a whole spices supplier, to offering a basket of spice ingredients to its customers. The acquisition of KFI was completed on 12 November 2007.

On 12 September 2007, the Company announced its intention to acquire 100 per cent. equity interest in Naarden Agro Products B.V. (“**NAP**”), an international supply chain manager of industrial caseins, for a total consideration of approximately €3.3 million. Entry into the casein business was a one-step product adjacency move for the Group, as sourcing the raw casein for NAP shares the same sourcing channels as the Group’s existing dairy business in the countries it operates in, providing significant synergies in cross-sourcing with only marginal additional investment. The acquisition of NAP was completed on 12 November 2007.

On 2 October 2007, the Company announced its intention to acquire 100 per cent. equity interest in PT Dharmapala Usaha Sukses (“**PT DU.S.**”), a sugar refinery based in Indonesia for a total cash investment of U.S.\$12.6 million. Of this amount, U.S.\$5 million was paid to shareholders of PT DU.S. while the balance amount of U.S.\$7.6 million was utilised to purchase outstanding debt obligations from PT Bank Danamon Indonesia Tbk. The acquisition was an all-cash transaction and was funded by a combination of borrowings and internal accruals. The acquisition of PT DU.S. provides the Group the opportunity to participate in the growing sugar refining sector in Indonesia. On 13 December 2007, the Company announced the completion of the acquisition of PT DU.S..

On 9 October 2007, the Company announced that it would invest approximately U.S.\$45 million in a green field integrated soluble (instant) coffee manufacturing facility in Vietnam (the “**Soluble Coffee Facility**”) that produces and supplies bulk spray-dried coffee powder, freeze-dried coffee granules and coffee extracts to the unbranded and private coffee label segment. The expansion into soluble coffee manufacturing was a one-step adjacency move for the Group into a higher value-added activity in the coffee supply chain, where there is a sharing of customers, costs and channels.

On 15 November 2007, the Company announced the establishment of a 50:50 joint venture, Nauvu Investments (“**Nauvu**”), with Wilmar International Limited (“**Wilmar**”), a company listed on the SGX-ST. Nauvu was incorporated on 19 November 2007 and the joint venture was established in December 2008. In 2008, Nauvu acquired a 25 per cent. interest in the SIFCA Group, one of Africa’s largest agro-industrial groups with diversified interests across palm oil, cotton seed oil, natural rubber and sugar sectors in Africa.

On 22 April 2008, the Company issued 155,628,689 new Shares pursuant to a non-renounceable and non-transferable preferential offering raising net proceeds of S\$303 million.

On 20 June 2008, the Company announced that it had won an international bid to acquire a cotton gin in the Ouangolo region of Côte d’Ivoire from La Compagnie Cotonniere Ivoirienne for U.S.\$5 million. The acquisition comprised of one cotton gin with an annual ginning capacity of 35,000 tonnes of seed cotton and its related infrastructure, as well as a catchment area of nearly 35,000 hectares that can produce up to 20,000 tonnes of cotton lint annually. This investment is in line with the Group’s growth strategy for cotton in Africa, which is to seek growth opportunities in ginning and to build integrated cotton supply chain operations in the major exporting countries such as Côte d’Ivoire.

On 1 July 2008, the Company announced the formation of Olam Wilmar Investment Holdings Pte. Ltd. (“**Olam Wilmar Investment Holdings**”), a 50:50 joint venture company established with Wilmar, to acquire a 20 per cent. interest in PureCircle Limited (“**PureCircle**”) from existing shareholders for an aggregate consideration of U.S.\$106.2 million. As a producer of natural zero-calorie high-intensity sweeteners from the stevia plant, PureCircle operates an integrated supply chain for natural high-intensity sweeteners with activities ranging from sourcing of dry stevia leaves and extraction in China, refining of crude extracts into sweeteners in Malaysia and marketing of these sweeteners to food and beverage

manufacturers worldwide. On 16 December 2009, 13,272,304 shares and 13,272,305 shares in PureCircle (which were held by Olam Wilmar Investment Holdings) were transferred to the Company and Wii Pte. Ltd. (“**Wii**”), a subsidiary of Wilmar International Limited, respectively. On 18 December 2009, the Company acquired the 13,272,305 shares in PureCircle held by Wii for an aggregate consideration of 33,180,762 Sterling, resulting in its ownership of 30,544,609 shares representing approximately 20 per cent. interest in PureCircle. On 30 June 2010, the Company announced that Olam Wilmar Investment Holdings had been placed under members’ voluntary winding-up. On 18 April 2011, the Company announced that Olam Wilmar Investment Holdings was dissolved in April 2011.

On 3 July 2008, the Company issued an aggregate of U.S.\$300 million 1 per cent. convertible bonds due 2013 (the “**2008 Bonds**”), which are convertible into Shares.

On 8 July 2008, the Company announced the acquisition of a 24.99 per cent. stake in Dairy Trust Limited, one of the largest dairy processors in New Zealand.

On 22 September 2008, the Company announced the completion of a 3-year U.S.\$115 million Islamic syndicated commodity Murabaha facility.

On 3 November 2008, the Company announced the acquisition of a sugar milling complex from Girdharilal Sugar and Allied Industries Ltd in India for a total consideration of U.S.\$9.9 million.

On 18 December 2008, the Company announced the acquisition of a vegetable dehydration facility located in Firebaugh, California from De Francesco and Sons, Inc.

On 19 December 2008, the Company completed a tender offer of the 2008 Bonds pursuant to which the Company repurchased from the holders of the 2008 Bonds, an aggregate principal amount of U.S.\$117.6 million of 2008 Bonds.

On 22 December 2008 and 29 December 2008, the Company completed further on-market repurchases of an aggregate principal amount of U.S.\$1 million and U.S.\$5 million respectively of the 2008 Bonds (all the 2008 Bonds repurchased pursuant to the tender offer and the on-market repurchases are collectively referred to herein as the “**Repurchased Bonds**”). The Company cancelled the Repurchased Bonds. The aggregate principal amount of the 2008 Bonds remaining outstanding following the cancellation of the Repurchased Bonds was U.S.\$176.4 million.

On 2 February 2009, the Company announced the acquisition by its subsidiary, Olam Argentina S.A., of a leading peanut shelling and blanching company, Industria Martin Cubero, for a total consideration of approximately U.S.\$7 million. The acquisition was an all-cash transaction and was funded by a combination of existing loans and internal accruals.

On 12 February 2009, the Company announced the completion of a U.S.\$33 million export credit loan facility provided by Australia and New Zealand Banking Group Limited and supported by Eksport Kredit Fonden for the Soluble Coffee Facility in Vietnam.

On 4 March 2009, the Company completed an exchange offer of the 2008 Bonds (the “**Exchange Offer**”), pursuant to which the Company had accepted for exchange, U.S.\$136 million in aggregate principal amount of the 2008 Bonds (the “**Exchanged Bonds**”) and issued U.S.\$106.08 million in aggregate principal amount of 1.2821 per cent. convertible bonds due 2013, convertible into Shares (the “**Issued Fresh Bonds**”). The Company had cancelled the Exchanged Bonds. The aggregate principal amount of 2008 Bonds remaining outstanding following cancellation of the Repurchased Bonds and the Exchanged Bonds was U.S.\$40.4 million (the “**Remaining 2008 Bonds**”).

On 17 March 2009, the Company announced that it had renewed and upsized a U.S.\$170 million one-year revolving multicurrency trade facility (the “**Trade Facility**”) from Standard Chartered Bank, The Bank of Tokyo-Mitsubishi UFJ, Ltd, Singapore Branch, ING Bank N.V, Singapore Branch and Sumitomo Mitsui

Banking Corporation, Singapore Branch. The Company will use the Trade Facility to finance its cocoa and coffee operations and working capital requirements in Nigeria and Côte d'Ivoire.

On 23 March 2009, the Company entered into exchange agreements with certain holders of some of the Remaining 2008 Bonds, pursuant to which the Company agreed to accept for exchange, U.S.\$21.2 million in aggregate principal amount of the Remaining 2008 Bonds (the “**Further Exchanged Bonds**”) and issue U.S.\$16.536 million in aggregate principal amount of 1.2821 per cent. convertible bonds due 2013, convertible into Shares (the “**Additional Fresh Bonds**”, and both Issued Fresh Bonds and Additional Fresh Bonds are collectively referred to herein as the “**Fresh Bonds**”) on terms identical to that of the Exchange Offer (the “**Further Bond Exchange**”).

On 27 March 2009, the Company announced that settlement of the Further Bond Exchange had taken place. Following the completion of the Further Bond Exchange:

- the aggregate principal amount of Fresh Bonds issued by the Company pursuant to the Exchange Offer and the Further Bond Exchange was U.S.\$122.616 million; and
- the Company cancelled the Further Exchanged Bonds. The aggregate principal amount of 2008 Bonds remaining outstanding following cancellation of the Exchanged Bonds and the Further Exchanged Bonds was U.S.\$19.2 million.

Between 1 December 2009 and 25 August 2010, the Company made a series of announcements that holders of various aggregate principal amounts of the Fresh Bonds had converted the Fresh Bonds held by them and the Company had cancelled such Fresh Bonds. As at 25 August 2010, the aggregate principal amount of the Fresh Bonds that remained outstanding following the cancellations of the Fresh Bonds between 1 December 2009 and 25 August 2010 was U.S.\$21.996 million. On 27 August 2010 the Company announced that holders of all these outstanding bonds had exercised their rights to convert their bonds and that all the outstanding bonds had been cancelled.

On 15 May 2009, the Company announced that it had acquired the remaining 60 per cent. interest in Lamco Srl (“**Lamco**”), a 40 per cent. owned associate company of the Company, by an injection of approximately S\$199,400 into the capital of Lamco. The remaining 60 per cent. interest held by Cosco Cafimport Srl, the joint venture partner in Lamco, was cancelled with Lamco becoming a 100 per cent. owned subsidiary of the Company. Lamco is a limited liability company incorporated in Italy and is principally involved in the trading of agricultural commodities.

On 26 June 2009, the Company announced that the agreement by its wholly-owned subsidiary Olam Tomato Processors Inc. to purchase selected assets of major U.S. tomato processor, SK Foods, L.P. and its wholly-owned subsidiary RHM Industrial/Specialty Foods, Inc. in California had been approved by the United States Bankruptcy Court in Sacramento. The purchase value was approximately U.S.\$39 million.

On 15 July 2009, the Company announced that it had issued 273.46 million new Shares at S\$1.60 per Share to raise gross proceeds of S\$437.5 million, representing 13.76 per cent. of the enlarged issued and paid-up capital of the Company, to Breedens and Aranda Investments Pte Ltd (“**Aranda**”), both indirect wholly-owned subsidiaries of Temasek Holdings.

On 27 August 2009, the Company announced that it received commitments from a group of banks for a fully underwritten U.S.\$540 million syndicated transferable term loan facility comprising two tranches, namely (i) a three-year term loan of U.S.\$324 million and (ii) a five-year term loan of U.S.\$216 million (the “**Loan Facility**”). The proceeds of the Loan Facility were to be used towards the refinancing of existing debt, as well as for working capital and for general corporate funding requirements of the Company, including capital expenditure and expansion of its supply chain management business. On 10 November 2009, as there was oversubscription, the Company increased the size of the Loan Facility to U.S.\$850 million from U.S.\$540 million, comprising two tranches, namely (i) a three-year amortising term loan of U.S.\$510 million and (ii) a five-year amortising term loan of U.S.\$340 million.

On 27 August 2009, the Company also announced that it had closed a 12-month U.S.\$100 million Islamic revolving trade finance facility arranged by the Islamic Bank of Asia Limited. The syndication is a further expansion by the Company into the Islamic financing market after closing a three-year syndication in September 2008.

On 1 September 2009, the Company announced the acquisition of a 14.35 per cent. stake in NZ Farming Systems Uruguay Limited (“**NZFSU**”), an operator of large scale New Zealand-style dairy farming operations in Uruguay. Listed on the New Zealand stock exchange, NZFSU was established in 2006 by PGG Wrightson Ltd (“**PGW**”), New Zealand’s leading rural services company, with the aim of providing an opportunity to New Zealand farmers and investors to benefit from the export of their world-leading dairy farming practices. NZFSU was formed for the purpose of applying New Zealand’s high performing pastoral based farming systems to extensive areas of high quality, low cost and under-utilised Uruguayan farm land for dairy farming. The Company had purchased this stake for a cash consideration of N.Z.\$14.37 million.

On 16 September 2009, the Company announced that it was proposing a scrip dividend scheme. Under the scheme, shareholders of the Company entitled to dividends may elect to receive either cash or an allotment of Shares credited as fully paid, in lieu of the whole or such part of the cash amount of the dividend to which the scheme applies, as determined by the directors of the Company. This scheme was approved by the shareholders of the Company on 29 October 2009.

On 18 September 2009, the Company announced the signing of a definitive agreement to acquire 8,096 hectares of planted almond orchards and 40,825 mega litres of permanent water rights from Timbercorp Limited and its associated entities, through its liquidation process. The total investment consideration was A\$128 million in cash, which was funded from a combination of internal accruals and existing credit facilities. The acquisition was in line with the Company’s corporate strategy which was announced prior to this, which had outlined a thrust towards upstream initiatives in plantations and farming, as well as midstream initiatives in value-added processing. This acquisition made the Company one of Australia’s largest almond growers and placed it amongst the top three almond growers globally.

On 15 October 2009, the Company issued an aggregate of U.S.\$400 million 6 per cent. convertible bonds due 2016 with an upside option (the “**New Convertible Bonds**”). On 1 October 2009, the upside option of the New Convertible Bonds was exercised and the issue size of the New Convertible Bonds was increased by an additional U.S.\$100 million, bringing the total issue size to U.S.\$500 million subsequent to the approval obtained at the extraordinary general meeting held on 29 October 2009.

On 16 November 2009, the Company announced the signing of an agreement to acquire 3,853 hectares of planted almond orchards and 48,259 megalitres of permanent water rights from Timbercorp Orchard Trust #3 and #5 at a total acquisition price of A\$160 million. The transaction was completed in January 2010.

On 21 December 2009, the Company allotted and issued 5,633,004 new Shares, credited as fully paid, at an issue price of S\$2.51 per Share to eligible shareholders who had elected to participate in the scrip dividend scheme approved by the shareholders of the Company on 29 October 2009 in respect of the first and final dividend of S\$0.035 per Share declared by the Company on 27 August 2009.

On 12 January 2010, the Company announced the acquisition of 99.5 per cent. of the outstanding shares and voting rights in Crown Flour Mills Limited (“**CFM**”), together with its wheat milling and noodle manufacturing facilities along with accompanying additional assets. The Company announced its intention to invest an additional U.S.\$5.5 million to expand CFM’s wheat handling and milling capacity and CFM is expected to process 400,000 tonnes of wheat by 2013. The acquisition was completed in January 2010.

On 11 February 2010, the Company announced its intention to invest U.S.\$31.5 million to set up a greenfield 500 metric tonne per day wheat mill near Port Tema, Ghana.

On 12 February 2010, the Company announced the issue of S\$250 million in aggregate principal amount of 4.07 per cent. fixed rate notes due 2013, issued under its initial S\$800 million multicurrency medium term note programme.

On 17 May 2010, the Company acquired an additional 10 million shares of NZFSU from Rural Portfolio Investment at a price of N.Z.\$0.41 per share for a total consideration of N.Z.\$4.1 million. The additional shares purchased by the Company represented an additional 4.1 per cent. stake in NZFSU and immediately following the acquisition, the Company's holding in NZFSU was 18.45 per cent.

On 8 June 2010, the Company announced the acquisition of the dehydrated and vegetable products business and operating assets of Gilroy Foods & Flavors ("**Gilroy**") from ConAgra Foods, Inc. ("**ConAgra**"), including its dehydrated onion, garlic, capsicum, Controlled Moisture (TM) vegetables, GardenFrost (R) purees, RediMade (TM) shelf-stable purees and fresh vegetable operations, for a total cash consideration of U.S.\$250 million (the "**Gilroy Acquisition**"). As part of the Gilroy Acquisition, the Company entered into a long term supply agreement to cater to ConAgra's ongoing requirements for dehydrated vegetable products. The Gilroy Acquisition was completed on 20 July 2010 for a total cash consideration of approximately U.S.\$250 million.

In June 2010, the Company announced the formation of several subsidiaries through which the Group intends to undertake certain commodity financial services ("**Commodity Financial Services**") businesses, which the Company believes will leverage its understanding of commodity and derivative markets and risk management skills.

On 19 July 2010, the Company issued a notice to NZFSU of its intention to make a cash offer at N.Z.\$0.55 per share, representing a 38 per cent. premium over the three-month average trading price of N.Z.\$0.40 (excluding the purchase by the Company of 10 million shares at N.Z.\$0.41 per share on 17 May 2010), for all of the shares in NZFSU that it did not already own (the "**NZFSU Offer**"). The NZFSU Offer was subject to certain conditions, including the Company achieving a minimum 50.1 per cent. shareholding in NZFSU following the NZFSU Offer and the approval by the Overseas Investment Office of New Zealand. On 24 August 2010, the Company gave notice that it had varied the NZFSU Offer by increasing the consideration offered for each NZFSU share to N.Z.\$0.70 (the "**Revised NZFSU Offer**"). The board of directors of NZFSU recommended its shareholders to accept the Revised NZFSU Offer on 2 September 2010. The Company announced that the Revised NZFSU Offer had become unconditional on 20 September 2010. As at 27 September 2010, the Company's shareholding in NZFSU was 77.98 per cent. of the issued share capital of NZFSU. The total consideration paid by the Company for the additional 59.53 per cent. of NZFSU shares from the Revised NZFSU Offer was N.Z.\$101.8 million. The Revised NZFSU Offer brought the Company's total investment in NZFSU to N.Z.\$120.3 million, including the purchase of the initial shareholding.

On 10 August 2010, the Company announced that it had exercised its option to mandatorily convert the Fresh Bonds into Shares pursuant to the terms and conditions of the Fresh Bonds. The Company announced on 27 August 2010 that all the holders of the outstanding Fresh Bonds had exercised their respective rights to convert their Fresh Bonds into Shares and all the Fresh Bonds had been cancelled by the Company as at 27 August 2010.

On 12 August 2010, the Company issued an aggregate of U.S.\$250 million 7.5 per cent. bonds due 2020.

On 17 August 2010, the Company announced that it would invest U.S.\$43.5 million in Côte d'Ivoire to set up a greenfield cocoa processing facility in Abidjan, as well as a primary processing and warehousing facility in San Pedro. The investment was fully funded by a combination of internal accruals and borrowings. The plant was commissioned in July 2014.

On 20 August 2010, the Company announced that it had entered into a strategic partnership agreement with the government of the RoG in relation to plans to develop a special economic zone at Nkok for timber processing (the “**SEZ Project**”). Under the strategic partnership, the Company had invested U.S.\$12 million equity in the SEZ Project for a 60 per cent. interest in a joint venture entity, whilst the government of the RoG held the remaining 40 per cent. interest.

On 27 August 2010, the Company announced that syndication for the U.S.\$300 million term loan facility (the “**U.S. Syndicated Facility**”) for its United States subsidiary, Olam Holdings Partnership, had been oversubscribed with commitments received from a group of 13 international banks. The U.S. Syndicated Facility is guaranteed by the Company and was launched as a three-year amortising term loan of U.S.\$300 million. Pursuant to an oversubscription, Olam Holdings Partnership decided to increase the size of the U.S. Syndicated Facility to U.S.\$350 million. This is Olam Holdings Partnership’s first syndicated loan in the U.S. Proceeds from the U.S. Syndicated Facility were used to finance the working capital needs of Olam Holdings Partnership and its subsidiaries in the United States and for general corporate purposes.

On 13 November 2010, the Company announced that it had entered into a joint venture (the “**Palm Plantation JV**”) with the government of the RoG to initially develop in phase I, 50,000 hectares of palm plantation in the RoG with an investment of U.S.\$236 million. The Company will hold 70 per cent. interest in the joint venture company to be set up, and the remaining 30 per cent. will be held by the government of the RoG. As part of the agreement, the government of the RoG has committed to the Palm Plantation JV, a land bank of 300,000 hectares for palm and rubber plantation development in multiple phases. The Palm Plantation JV included setting up milling plants to extract crude palm oil, which is sold in Africa and exported to the European Union. In its announcement, the Company stated that the project is expected to achieve 100 per cent. Roundtable on Sustainable Palm Oil (“**RSPO**”)¹ certification and therefore have a unique value proposition for the markets. The Palm Plantation JV, known as Olam Palm, Gabon of which the Company now holds a 60 per cent. interest, commissioned its first milling plant in Gabon in September 2015 and is expected to complete phase I development by 2017.

On 13 November 2010, the Company also announced that it had entered into a joint venture with the government of the RoG (the “**Fertiliser JV**”) to construct a port-based ammonia-urea fertiliser complex in the RoG (the “**Project**”) for a total investment of U.S.\$1.3 billion and concurrently signed a 25-year natural gas fixed-price contract with the government of the RoG to secure a guaranteed quantity and quality of gas as feedstock for the urea plant.

On 3 December 2010, the Company announced that it had entered into an 80:20 joint venture with the Lababidi Group (“**LG**”) to set up a port-based sugar refinery in Nigeria. The total cost of the project is approximately U.S.\$200 million. The Group has not proceeded with the project due to a change in strategy, announced in April 2013 which indicated its intention to pursue an asset-light strategy for the sugar platform instead of an asset-medium strategy that might involve investments in milling or refining assets.

On 15 December 2010, the Company announced that it had acquired 100 per cent. of the equity share capital of tt Timber International (“**tt Timber**”), a subsidiary of the Dalhoff Larsen Horneman A/S Group (“**DLH**”), for a total consideration of €29.6 million. DLH supplies timber and timber products manufactured from sustainably produced raw materials. tt Timber owns forest concession rights for 1.3 million hectares of natural tropical hardwood forest in the Democratic Republic of Congo (the “**RoC**”) and 300,000 hectares in the RoG.

1 RSPO is a non-profit association that unites stakeholders from seven sectors of the palm oil industry — oil palm producers, palm oil processors or traders, consumer goods manufacturers, retailers, banks and investors, environmental or nature conservation non-governmental organisations and social or developmental non-governmental organisations — to develop and implement global standards for sustainable palm oil.

On 31 January 2011, the Company announced that it would acquire 100 per cent. of equity interests in Britannia Food Ingredients Holdings Limited (“**BFI**”) and Britannia Storage and Distribution Limited (“**BSD**”) for a combined enterprise value of 33.5 million Sterling (approximately U.S.\$50 million). The Company will initially acquire 85 per cent. of equity capital in BFI and 100 per cent. of BSD, and then acquire the remaining 15 per cent. interest in BFI within the next three years at a pre-agreed valuation. The transaction was completed later in the year and BFI became a fully owned subsidiary of the Company in 2012.

On 28 March 2011, the Company announced that pursuant to the Fertiliser JV agreement, it had signed an implementation and assignment agreement and a definitive gas supply contract with the government of the RoG for a cumulative quantity of 0.75 trillion cubic feet of natural gas for the current phase of the Project, for 25 years at a competitive fixed price.

On 11 April 2011, the Company announced that Tata Chemicals Limited (“**TCL**”), a part of the Tata group of companies, will invest U.S.\$290 million to acquire a 25.1 per cent. equity stake in the Project, resulting in a reduction of the Company’s and the government of the RoG’s shareholding in the Project to 62.9 per cent. and 12 per cent. respectively. TCL will be primarily responsible for project management during the erection and commissioning of the plant as well as the operation and maintenance of the plant for the first three years post commercial production. Sales and marketing of ammonia and urea products will be jointly undertaken by the Company, the government of the RoG and TCL through a joint venture agreement in which the Company and the government of the RoG will hold equal stakes. On 8 September 2011, the Company and TCL announced the completion of the gas due diligence for the Project. On 28 March 2014, the Company and TCL announced that a termination agreement has been signed and that TCL would not proceed with its proposed 25.1 per cent. equity stake in the Project. The decision was made due to a change in TCL’s investment focus away from overseas fertiliser manufacturing and Olam’s intention to move to a minority and non-consolidated position in the Project.

The Company issued a notice dated 21 April 2011 to NZFSU of its intention to make a cash offer at N.Z.\$0.70 per share, representing a 25 per cent. premium over the three-month average trading price of N.Z.\$0.56, for all of the shares in NZFSU that it did not already own (the “**2011 NZFSU Offer**”). The 2011 NZFSU Offer turned unconditional on 20 September 2011.

On 27 May 2011, the Company announced the launch of its fully underwritten U.S.\$1.25 billion syndicated term loan facility, comprising two tranches, namely (i) a U.S.\$625 million three-year tranche and (ii) a U.S.\$625 million five-year tranche. The proceeds of this facility were used towards the refinancing of existing debt, as well as for working capital and for general corporate funding requirements of the Company, including capital expenditure and expansion of its supply chain management business. The Company announced on 29 July 2011 that the syndication of this facility, which represented the largest syndicated financing for the Company at that time, was completed.

On 7 June 2011, the Company announced that it had launched an equity fund raising exercise (the “**Equity Fund Raising**”) to raise a total of approximately S\$740 million by way of a combination of three equal tranches of approximately S\$250 million each. This comprised of a private placement of up to 94,408,000 new Shares to institutional and other investors, a *pro rata* and non-renounceable preferential offering of up to 97,292,951 new Shares to entitled shareholders and the issue of up to 94,408,000 new Shares to Breedens, an indirect wholly-owned subsidiary of Temasek Holdings. The Equity Fund Raising was completed on 11 July 2011.

On 31 August 2011, the Company announced that it had agreed to acquire 100 per cent. shareholding of Hemarus Industries Limited, together with its 3,500 tons crush per day (“**TCD**”) sugar milling facility, a 20 megawatt co-generation facility and accompanying assets in India for a total purchase consideration of U.S.\$73.8 million (INR 3,400 million). Further capital expenditure was invested to enhance the sugar milling capacity.

On 12 September 2011, the Company, TCL and the government of the RoG announced that their joint venture company, Gabon Fertiliser Company had signed a pre-construction services agreement with Technip S.A. (“**Technip**”) as the main contractor for the Project. Technip will provide the licensed technologies of Haldor Topsoe A/S for the ammonia plant, Saipem S.p.A. for the urea plant and Uhde Fertilizer Technology B.V. (UFT) for the urea granulation plant. Work did not commence as TCL had withdrawn from the joint venture, and the Company is currently in search of a partner to invest in the Gabon Fertiliser project as part of its Strategic Plan to deconsolidate its investment in the joint venture.

On 24 October 2011, the Company announced that it had acquired the bulk spices and private label assets and businesses of Vallabhdas Kanji Limited (“**VKL**”) for a total consideration of U.S.\$18 million. The assets acquired include VKL’s spice processing facility in Cochin, India, VKL’s pepper grinding factory in Vietnam and VKL’s sales and distribution operations in North America.

On 10 November 2011, the Company announced the proposed acquisition of 100 per cent. of equity interests in Progida Pazarlama A.S. (“**Progida**”) for an enterprise value of 66 million Turkish Lira. Progida is one of the world’s leading manufacturers of natural and semi-finished Turkish hazelnut kernels and it supplies such kernels to confectionary manufacturers globally. Turkey is the world’s largest producers of hazelnuts, and accounts for 70 per cent. of the global hazelnut production. On 19 December 2011, the Company announced the completion of this acquisition.

On 1 December 2011, the Company announced that it would invest U.S.\$49.2 million to set up a 6,000 hectare greenfield, fully integrated, mechanised and irrigated paddy farming and rice milling facility in Nasarawa State, one of the main rice growing belts in Nigeria. This integrated rice farm and milling facility was commissioned in July 2014.

On 2 December 2011, the Company announced the proposed expansion of its wheat milling capacity at CFM, for a total outlay of about U.S.\$50 million. The expansion was completed in 2013.

On 22 December 2011, the Company announced that it plans to acquire 75.2 per cent. interest in Macao Commodities Trading, S.L. (“**MCT**”) for a consideration of 15 million. The Company has the option to acquire the remaining 24.8 per cent. interest in MCT in five years’ time. MCT is a leading supplier of cocoa powder, cocoa beans, desiccated coconut, dried fruits, vegetable fats, dairy products, chocolate, beverage and biscuit industries in the Iberian region. The acquisition was completed in December 2011.

On 30 January 2012, the Company announced that it had formed a partnership with the Russian Dairy Company LCC (“**RUSMOLCO**”), a growing player in the Russian dairy industry, for the large-scale development of dairy and grains farming in the Penza region of Russia, and that it had acquired a 75 per cent. interest in RUSMOLCO for a consideration of approximately U.S.\$75 million. In November 2015, the Group subscribed for additional shares in RUSMOLCO, thereby increasing its stake in the company to 93 per cent.

On 9 February 2012, the Company announced that it planned to acquire a 100 per cent. equity interest in Titanium Holding Company SA (“**Titanium**”) and its subsidiaries for a consideration of U.S.\$167 million (subject to capital adjustments at completion). Titanium owned Nigeria’s second largest biscuits and candy franchise and had a turnover of approximately U.S.\$162 million in 2011.

On 1 March 2012, the Company announced that it had completed the issuance of S\$275 million in aggregate principal amount of seven per cent. perpetual capital securities (“**Perpetual Bonds**”).

On 19 March 2012, the Company announced that it intended to enter into a partnership with the government of the RoG to develop, over two phases, approximately 50,000 hectares of rubber plantations in the RoG. The parties proposed to form a joint venture company, in which the Company and the government of the RoG will hold 80 per cent. and 20 per cent. equity interest respectively. The total

investment amount is estimated to be U.S.\$183 million. The Company now owns 60 per cent. interest in the joint venture, known as Olam Rubber Gabon, which is expected to complete its planting of 12,000 hectares by 2017.

On 29 May 2012, the Company announced that it had entered into an agreement on 28 May 2012 to invest U.S.\$240 million in its first sugar milling asset in Brazil, by acquiring Usina Açucareira Passos S.A. for an estimated U.S.\$128.8 million and by investing an additional capital expenditure of U.S.\$111.5 million over the next five years.

On 7 June 2012, the Company announced that it had acquired a 100 per cent. equity interest in Kayass Enterprises S.A. (“**Kayass**”), for a consideration of approximately U.S.\$66.5 million (subject to working capital adjustments at completion). Kayass’ principal business interest is in the manufacturing and marketing of branded dairy products and beverages in Nigeria. Kayass owns several brands and operates two plants in Lagos — a dairy products and beverages manufacturing plant and a milk powder packaging facility.

On 8 June 2012, the Company announced that it had commenced a share buyback programme pursuant to its share buyback mandate (the “**Mandate**”) renewed at the annual general meeting of the Company on 28 October 2011. Under the Mandate for market purchases, the Company may purchase up to 10 per cent. of its Shares (excluding treasury shares), or up to 244,230,986 Shares, at a maximum price of 105 per cent. of the average closing price of the last five market days at the time of acquisition. Such purchased Shares may be held as treasury shares or cancelled, as the Company may decide from time to time. The share buyback programme was funded from the Company’s existing resources.

On 13 June 2012, the Company announced that it intends to enter into a 50:50 joint venture with Lansing Trade Group LLC, a leading independent commodity merchandising company in the U.S. The joint venture, to be known as Lansing Olam Canada focused on merchandising Canadian grains and oilseeds to meet the food and feed demand in North America as well as international markets. On 2 January 2014, the Company announced that it had disposed its entire 50.0 per cent. stake in Lansing Olam Canada by way of a share repurchase arrangement for a cash consideration of U.S.\$5.4 million.

On 18 June 2012, the Company announced that it had entered into a 50:50 joint venture, known as GrowCocoa, with Blommer Chocolate Company, the largest cocoa processor and ingredient chocolate supplier in North America. GrowCocoa is headquartered in the United States of America.

On 6 July 2012, the Company announced that it had established the Programme. Between 17 July and 7 November 2012, the Company issued the following notes pursuant to the Programme:

- S\$350 million 5.80 per cent. fixed rate notes due 2019 on 17 July 2012;
- S\$250 million 2.50 per cent. fixed rate notes due 2013 on 6 September 2012;
- U.S.\$500 million 5.75 per cent. fixed rate notes due 2017 on 20 September 2012;
- S\$400 million 6.00 per cent. fixed rate notes due 2022 on 25 October 2012 (the “**Series 4 Tranche 1 Notes**”); and
- S\$100 million 6.00 per cent. fixed rate notes due 2022 on 7 November 2012, to be consolidated and form a single series with the Series 4 Tranche 1 Notes (the “**Series 4 Tranche 2 Notes**” and, together with the Series 4 Tranche 1 Notes, the “**Series 4 Notes**”).

On 18 September 2012, the Company announced that it had acquired 100 per cent. of the equity interest in Northern Coffee Corporation Ltd, owner of the largest coffee estate in Zambia for approximately U.S.\$6.15 million through a bidding process organised by the Zambia Development Authority (“**ZDA**”). Further capital expenditure is being committed by the Group to fully develop 2,700 hectares of Arabica coffee plantation over the next five years.

On 2 October 2012, the Company announced that it had notified NZFSU of its intention to make a cash offer at N.Z.\$0.75 per share for all of the shares in NZFSU that it did not already own. At that time, the Company was the largest shareholder in NZFSU with 85.93 per cent. shareholding following the takeover offer for NZFSU that closed in June 2011. Following the notice of compulsory acquisition issued by the Company on 26 November 2012, the Company announced on 27 December 2012 the completion of the compulsory acquisition. Following the completion, the Company now owns 100 per cent. of outstanding shares in NZFSU and NZFSU was delisted on the NZX Main Board.

On 5 October 2012, the Company announced that it had acquired 50 per cent. of shares and voting rights in Acacia Investments (“**AI**”) for a total consideration of U.S.\$35 million. AI is a business group based in the United Arab Emirates with a significant presence in edible oil refining and distribution in East Africa.

On 30 November 2012, the Company announced that it had acquired 100 per cent. equity interest in Dehydro Foods Limited, a leading processor of dehydrated onions and herbs in Egypt, for U.S.\$30.8 million including an estimated amount of U.S.\$3.5 million for net working capital.

On 3 December 2012, the Company announced a renounceable underwritten rights issue (“**Rights Issue**”) of U.S.\$750 million 6.75 per cent. Bonds due 2018 (“**2013 Bonds**”) with 387,365,079 free detachable warrants on shares of the Company (“**Warrants**”), each Warrant carrying the right to subscribe for one new Share (“**New Share**”) in the Company at an exercise price of U.S.\$1.291 for each New Share, on the basis of 313 Bonds of principal amount of U.S.\$1.00 each with 162 Warrants for every 1,000 Shares. If all the Warrants are exercised, the Company will raise up to an incremental U.S.\$500 million of gross proceeds. The Rights Issue was completed on 29 January 2013. The Warrants are exercisable from 29 January 2016 to 29 January 2018.

On 21 December 2012, the Company announced that it has acquired the soluble coffee assets and business of Seda Solubles (“**Seda**”) for U.S.\$52 million through a bidding process under a court-managed scheme of receivership in Spain. Seda is a leading producer of soluble coffee and coffee related products with a fully integrated production platform.

On 13 March 2013, the Company announced that it had sold Taraori Rice Mills Private Limited, the holding company for its rice milling assets in India, to Spanish rice and pasta manufacturer, Ebro Foods, for U.S.\$14.5 million. The basmati rice mill, located in Haryana, India was acquired by the Company in 2008.

On 26 March 2013, the Company announced the opening of its A\$60 million almond hulling and processing plant in Carwarp, Victoria, Australia. The 12,000 square metre facility has a processing capacity of 40,000 metric tonnes of almond kernels per annum.

On 26 April 2013, the Company announced that it had acquired a 95 per cent. equity interest in PT Sumber Daya Wahana (“**Sumber Daya**”) for Indonesian Rupiah 27.625 billion (U.S.\$2.86 million). Sumber Daya is a company incorporated in Indonesia and has cocoa plantation rights in 3,420 hectares of land in Seram Island, Maluku province, Indonesia.

On 9 May 2013, the Company announced that it has entered into a joint venture with Sanyo Foods Co. Ltd of Japan (“**Sanyo Foods**”) to set up a joint venture company in Nigeria to manufacture and distribute instant noodles in Nigeria and across sub-Saharan Africa. Sanyo Foods will invest U.S.\$20 million in cash for a 25.5 per cent. equity interest through issue of new shares by the joint venture company that will house

the Company's instant noodles assets and business in Nigeria, and the Company will hold the balance majority ownership of 74.5 per cent. in the joint venture company with management control. The joint venture is expected to draw the strengths of both partners with the Company's expanding marketing and distribution network across Nigeria and its pan-Africa presence as well as Sanyo Foods' technology in the development and manufacturing of instant noodle products, and new market development experience. This arrangement has been superseded by the Company's sale of 25 per cent. interest in Packaged Foods business to Sanyo Foods announced on 18 August 2014 and completed on 2 February 2015 (*see milestone dated 18 August 2014 below for more details*).

On 28 August 2013, the Company announced that it has signed a five-year U.S.\$120 million loan agreement with International Finance Corporation (a member of the World Bank Group) to finance upgrades and expansion of five food processing facilities in Nigeria and India.

On 28 August 2013, the Company announced the completion of a three-year U.S.\$400 million revolving credit facility ("**RC Facility**") for its U.S. subsidiary Olam Holdings Partnership ("**OHP**"). Proceeds from the RC Facility were used to refinance existing debt, as well as to finance the working capital needs of OHP and its subsidiaries in the U.S. and for general corporate purposes.

On 1 November 2013, the Company announced that Queensland Cotton Corporation Pty Ltd, a wholly-owned subsidiary of the Company, has sold its Dirranbandi cotton gin in Queensland to Cubbie Ginners Pty Ltd for A\$20.0 million. It was announced that the sale of the gin was based on ensuring the best strategic and economic outcome for the company, and that the sale was also in line with the Company's strategy to unlock value and redeploy capital in higher growth areas, thereby optimising the cotton business for the Group.

On 13 November 2013, the Company announced that Olam Almonds Australia Pty Ltd, a wholly-owned subsidiary of the Company, has entered into a sale and lease-back agreement for its approximately 12,000 hectares of almond orchards for a cash consideration of A\$200.0 million with Adveq Almond Trust, an Australian trust structure owned by a group of investors led by Adveq Real Assets Harvested Resources, LP. The sale and lease-back of almond orchard land and trees as well as related farming and irrigation infrastructure in Victoria, Australia would be for a period of 18 years and can be extended or renewed by mutual consent. The transaction was completed on 11 February 2014 and the Company received cash proceeds of S\$233.1 million and recorded a one-time gain in its profit and loss statement of S\$63.2 million.

On 9 December 2013, the Company announced that it will issue 10,461,081 additional Warrants to holders of the Warrants on the basis of 27 additional Warrants for every 1,000 Warrants held by the holders of the Warrants. The additional Warrants were issued on 12 December 2013.

On 23 December 2013, the Company announced that it had entered into an agreement to sell up to a 14.99 per cent. stake in Open Country Dairy Limited ("**OCD**"), New Zealand to Talley's Group Limited for up to NZ\$46.5 million. The transaction released cash for the Company while still maintaining product off-take arrangements with OCD, which are strategically important for the Company's dairy supply chain business. The partial takeover offer by Talley's Group Limited closed on 24 May 2014. As a result of the transaction, the Company received cash proceeds of NZ\$35.1 million and has a 15.19 per cent. residual stake in OCD.

On 22 January 2014, the Company announced the repurchase of an aggregate principal amount of S\$39.2 million of Perpetual Bonds and the repurchase of an aggregate principal amount of S\$15 million of the Series 4 Notes by way of on-market purchases. The Perpetual Bonds and the Series 4 Notes were repurchased at an average price of 92.38 and 92.96 respectively, in line with the Company's balance sheet optimisation objective.

On 24 January 2014, the Company announced that it had entered into an agreement with a consortium of Chinese investors to sell part of its forestry and saw milling assets in Gabon for a gross consideration of U.S.\$18.0 million. It was announced that the divestment, which is a part of Olam's revised strategy to restructure the wood products portfolio, includes the sale of two saw mills in the Makokou region of Gabon, 2.5 hectares of land in the Special Economic Zone (SEZ) at Nkok, Gabon and associated forestry concessions. The transaction resulted in a one-off loss of S\$14.6 million from the sale of assets and associated restructuring charges.

On 14 March 2014, it was announced that Temasek Holdings, through its indirect wholly-owned subsidiary, Breedens, intends to make a voluntary conditional cash offer (the "**Offer**") for (i) all the Shares of the Company, (ii) new Shares unconditionally issued or to be issued pursuant to the valid conversion of outstanding New Convertible Bonds and (iii) new Shares unconditionally issued or to be issued pursuant to the valid exercise of the options granted under the Olam Employee Share Option Scheme. The Offer turned unconditional as to acceptances on 24 April 2014 and closed on 23 May 2014. Following the close of the Offer, Temasek Holdings and its subsidiaries and associated companies owned approximately 58.53 per cent. of the Company and the Company became a subsidiary of Temasek Holdings.

On 28 March 2014, the Company announced that the RoG will invest an additional U.S.\$56.8 million towards equity and increase its stake in the Palm ("**OPG**") and Rubber ("**ORG**") joint ventures with the Company in the RoG. On completion of this transaction, Olam will own a 60 per cent. equity interest in both OPG and ORG joint ventures, with RoG holding the remaining 40 per cent. It was announced that the transactions are in line with the Company's strategic plan to unlock value by seeking strategic partners to co-share investments in capital intensive and long gestation projects. The Company received cash of S\$40.0 million and a gain of S\$31.9 million in capital reserves on completion.

On 25 April 2014, the Company announced that its wholly-owned subsidiary NZFSU has sold dairy farm land in the Western and the Eastern regions in Uruguay for a total cash consideration of U.S.\$53.7 million. NZFSU owns dairy farms in the Western, Eastern and Central regions in Uruguay on 28,478 hectares of farm land and approximately 1,769 hectares of farm land in the West of Uruguay together with 6,002 hectares of farm land in the East of Uruguay were sold. The Company received gross cash proceeds of S\$70.4 million and booked a one-time pre-tax gain of S\$21.0 million on completion of these transactions.

On 16 May 2014, the Company announced that it will be investing U.S.\$61.0 million to establish a new cocoa processing facility in Indonesia to enable the Company to leverage the strength of its Indonesian cocoa sourcing network and participate in the growth of Asian cocoa consumption.

On 19 May 2014, the Company announced that it had secured a U.S.\$2.22 billion 364-day committed unsecured revolving credit facility ("**Unsecured RC Facility**"). Proceeds from the Unsecured RC Facility were applied towards refinancing of existing debt and meeting working capital and general corporate funding requirements of the Company.

On 23 June 2014, the Company announced that it had entered into a partnership with Mitsubishi Corporation of Japan ("**Mitsubishi**") in which Mitsubishi will invest U.S.\$64.0 million for an 80.0 per cent. equity interest in the Company wholly owned subsidiary, Olam Grains Australia ("**OGA**"). The partnership is intended to leverage growth opportunities in the Australian Grains business. The transaction was completed and the Company 20 per cent. stake in the partnership is now classified as a long term investment.

On 27 June 2014, the Company announced that it had entered into an agreement to sell a 20 per cent. equity stake in Gabon Special Economic Zone SA ("**GSEZ**") to the RoG. The transaction was in line with the Group's strategy to jointly invest with partners in projects that involve large capital expenditure and long gestation.

On 27 June 2014, the Company announced that it had entered into an agreement to sell a 100 per cent. equity stake in its subsidiary Compagnie Forestière des Abeilles SA (“CFA”) to Transport Bois et Négoce International (“TBNI”), a Gabonese timber company for a consideration of U.S.\$6.0 million. The divestment was in line with the Company’s strategy to restructure the Wood Products portfolio.

On 22 July 2014, the Company announced that it had issued S\$400 million 4.25 per cent. fixed rate notes due 2019 under the Programme.

On 5 August 2014, the Company announced that it had issued U.S.\$300 million 4.5 per cent. fixed rate unsecured notes due 2020 at an issue price of 99.337 per cent. of their principal amount under the Programme.

On 18 August 2014, the Company announced that it had agreed to sell a 25.0 per cent. stake in its Packaged Foods business to Sanyo Foods Co. Ltd. for a price consideration of U.S.\$187.5 million based on an initial enterprise value of U.S.\$750.0 million for the business. The transaction was completed on 2 February 2015 and the Company received cash proceeds of U.S.\$167.5 million and added U.S.\$79.6 million to its capital reserves.

On 1 September 2014, the Company announced the sale of its dairy processing plant in Côte d’Ivoire to Friesland for a cash consideration (excluding any working capital) of U.S.\$18.7 million, subject to working capital adjustments at closing. At closing, the Company received net sales proceeds of 11.4 billion CFA (€17.3 million). In addition, the Company assigned its trademark “Pearl” for certain designated countries in Africa to Friesland for a cash consideration of U.S.\$6.3 million.

On 9 September 2014, the Company announced that its wholly owned dairy farming subsidiary New Zealand Farming Systems Uruguay (“NZFSU”) will be investing U.S.\$80.0 million to establish a new dairy processing facility. The green-field dairy processing facility is expected to commence operations in 2017 with an initial capacity to process 600,000 litres per day, going up to one million litres of milk per day. On 14 August 2015, the Company announced that it had decided to restructure this business and defer the planned green-field dairy processing investment.

On 29 October 2014, the Company announced that its indirect wholly-owned subsidiary Olam Australia Pty Ltd had agreed to acquire a 20 per cent. shareholding in ProClass. ProClass is the largest independent cotton testing and classing house in Australia.

On 13 November 2014, the Company announced that consequent to the payment of the first and final dividend at S\$0.05 per 1 ordinary share and a special silver jubilee dividend at S\$0.025 per 1 ordinary share in respect of the financial year ended 30 June 2014, it will issue 12,333,258 additional Warrants to the Warrantholders on the basis of 31 additional Warrants for every 1,000 Warrants held by the Warrantholders. The adjusted Exercise Price in respect of the Warrants and additional Warrants will be U.S.\$1.21 per Share.

On 19 November 2014, the Company secured revolving credit and term loan facilities aggregating U.S.\$2,475 million. The facilities consist of three equal tranches of U.S.\$825 million each, a 364-day revolving credit facility, a 2-year revolving credit facility and a 3-year loan. Proceeds from the facilities were applied towards refinancing of existing debt and meeting working capital and general corporate funding requirements of the Company.

On 5 December 2014, the Company announced that it had signed a purchase agreement to acquire a 100 per cent. interest in a leading U.S. peanut sheller, McCleskey Mills, Inc (“MMI”), at an enterprise value of U.S.\$176.0 million. The acquisition of MMI is consistent with the Company’s strategy to selectively invest in prioritised platforms, which includes Edible Nuts. The acquisition was completed in January 2015 for a cash consideration of U.S.\$178.0 million. The final purchase price allocation for the acquisition is expected to be completed by September 2015.

On 12 December 2014, the Company secured a 5-year term loan of A\$350 million for its Australian subsidiaries Olam Orchards Australia Pty Ltd. And Olam Australia Pty Ltd. Proceeds from the facility will be applied towards refinancing of existing debt and meeting working capital and general corporate funding requirements of the Company.

On 16 December 2014, the Company announced the proposed acquisition of the global cocoa business of Archer-Daniels-Midland Company (“**ADM**”) at an enterprise value on a cash and debt free basis of U.S.\$1.3 billion, comprising fixed assets of U.S.\$550.0 million and working capital of U.S.\$750.0 million, subject to closing adjustments.

On 12 January 2015, the Company announced that Queensland Cotton, a wholly owned subsidiary of Olam Australia had signed an agreement to sell Western Wool Marketing to Quality Wool.

On 15 January 2015, the Company announced the issuance of U.S.\$50 million 5 year Senior Notes due 2020 in a private placement under the Programme.

On 28 January 2015, the Company announced that it had exercised its option, pursuant to the U.S.\$750 million in principal amount of 6.7 per cent. Bonds due 2018 (the “**2018 Bonds**”), to redeem all of the outstanding 2018 Bonds on 27 February 2015.

On 2 March 2015, the Company announced its participation in the RoG GRAINE out-grower plantation programme through a joint venture in which RoG will hold 51.0 per cent. equity ownership and the Company will hold the balance of 49.0 per cent..

On 17 March 2015, the Company announced the issuance of A\$125 million 4.875 per cent. 5 year Senior Unsecured Notes due 2020 under the Programme. On 19 March 2015, the Company announced the issuance of additional notes of A\$25 million, thereby increasing the total aggregate principal amount of the combined issuance to A\$150 million (the “**2020 Combined Notes**”). The 2020 Combined Notes were issued at an issue price of 100.069 per cent. of their principal amount. The post-swap U.S. Dollar fixed coupon was 3.975 per cent. per annum. On 29 April 2015, the Company announced the issuance of an additional A\$30 million fixed rate senior unsecured notes (the “**2020 New Notes**”) at a total price of 101.628 per cent. of their principal amount. The effective post-swap U.S. Dollar fixed coupon on the 2020 New Notes was 3.60 per cent. per annum.

On 14 May 2015, Outspan Agro Timor Unipessoal, LDA, a wholly-owned subsidiary of the Company, acquire a fully integrated operating dry coffee mill in Timor Leste.

On 12 August 2015, the Company announced that it had secured a U.S.\$800 million revolving credit facility for its U.S. subsidiaries. Proceeds from the Facility were used to refinance existing debt, as well as to finance the working capital needs of the Company’s subsidiaries in the U.S. and for general corporate purposes.

On 28 August 2015, the Company announced that it had entered into a strategic partnership with Mitsubishi. The Company proposed to raise additional equity capital by issuing an aggregate of 332.73 million new Shares with a private placement to Mitsubishi at an issue price of S\$2.75 per new Share, as well as a separate secondary shares acquisition from the KC Group. The issue raised gross proceeds of approximately S\$915.0 million, with the new Shares representing approximately 12.0 per cent. of the enlarged issued and paid up share capital (excluding treasury shares) of the Company, giving Mitsubishi a combined equity stake of 20 per cent. in the Company. Temasek Holdings remained the majority shareholder of the Company with a controlling 51.4 per cent. stake. Additionally, Mitsubishi was given the right to appoint up to two members to the Board of the Company, as well as adding some members to the Company’s global management team. The strategic rationale behind the issuance was to progress the formation of a proposed joint venture for distribution of the Company’s products in the Japanese market, as well as developing future strategic collaboration opportunities with Mitsubishi.

On 31 August 2015, the Company announced the issuance of ¥6,200,000,000 1.375 per cent. Senior Unsecured Notes due 2020 under the Programme (“**Yen Notes**”). The Yen Notes were issued pursuant to a private placement under the Programme. The Yen Notes were issued at an issue price of 100 per cent. of their principal amount. The post-swap U.S. Dollar fixed coupon was 3.75 per cent. per annum.

On 15 September 2015, Olam Farming, Inc., an indirect wholly-owned subsidiary of the Company entered into a contract to acquire 2,091 gross acres of almond orchards, pistachio orchards, walnut orchard, and open cropland located in Madera, Madera County, California from Tennicom LLC. The property consists of 1,032 net acres of almond orchards planted between 1997 and 2014, 200 net acres of pistachio orchards planted between 2003 and 2013, 300 net acres of walnut orchards planted between 1999 and 2010, and 511 acres of irrigated open cropland.

On 17 October 2015, the Company announced that it had successfully acquired ADM’s global cocoa business (previously announced on 16 December 2014) at an enterprise value on a cash-free debt-free basis of U.S.\$1,204.0 million, comprising fixed assets of U.S.\$550 million and working capital of U.S.\$654.0 million. ADM’s cocoa business was combined with the Company’s Cocoa platform to form Olam Cocoa, a fully integrated cocoa bean and cocoa products supplier (including powder, butter and liquor) with over 2,400 cocoa experts (of whom 1,500 joined from ADM) based in 11 producing countries, seven usines, 12 midstream processing facilities, six innovation centres, 20 marketing offices and more than 200 warehouses.

On 28 October 2015, the Company announced that it had secured a revolving credit and term loan facility aggregating U.S.\$1,000 million. The facility consists of two tranches, a U.S.\$850 million 364-day revolving credit facility and a U.S.\$150 million 5-year term loan. The proceeds of the loan were used to refinance existing debt and meet working capital and general corporate funding requirements of the Company.

On 1 November 2015, Panasia International FZCO, a wholly-owned subsidiary of the Company, acquired 100 per cent. equity stake in Concorde Industries Ltd (“**CIL**”). CIL has a sawmill facility located near the port in Myanmar with an annual capacity of 10,000HT.

On 23 December 2015, the Company completed a tender offer of the New Convertible Bonds pursuant to which the Company repurchased from holders of the New Convertible Bonds, an aggregate principal amount of U.S.\$269.5 million of the New Convertible Bonds.

On 30 December 2015 OPG, the 60/40 joint venture company between the Company and the Republic of Gabon, entered into a sale of long term lease rights of land and a sale and lease-back of plantation and milling assets, comprising 20,030 hectares of total land area in Awala, Gabon, and including 6,502 hectares of planted area, for a cash consideration of U.S.\$130.0 million with YCAP Asset Management (“**YCAP**”). Under the agreement, which is valid for a period of 18 years (with a three year extension option), YCAP holds the rights to the long term leases on the land, and OPG retains the right to operate the palm plantation and mill in Awala.

On 7 January 2016, the Company and French feedstock company InVivo Animal Nutrition & Health (“**InVivo NSA**”) announced a joint consulting agreement for development of expertise in animal feed in Nigeria. The two-year consulting partnership agreement will involve technical assistance and sharing of expertise to jointly develop solutions and products in the animal feed space.

On 11 January 2016, the Company announced it had acquired Amber Foods Limited, which indirectly through its 100 per cent. owned subsidiary owns the wheat milling and pasta manufacturing assets of the BUA Group in Nigeria (a diversified foods and infrastructure business group in Nigeria), for a total enterprise value of U.S.\$275.0 million. The assets to be acquired include two wheat mills and a pasta manufacturing facility in Lagos, a non-operating mill in Kano in the North of Nigeria, and a wheat mill and pasta manufacturing plant in Port Harcourt in the Southeast of Nigeria.

On 14 January 2016, the Company completed a tender offer of the New Convertible Bonds pursuant to which the Company repurchased from holders of the New Convertible Bonds, an aggregate principal amount of U.S.\$175.9 million of the New Convertible Bonds.

On 21 January 2016, the Company repurchased New Convertible Bonds for an aggregate principal amount of U.S.\$10.3 million of the New Convertible Bonds.

On 23 February 2016, the Company announced that it had exercised its option, pursuant to the U.S.\$500 million in principal amount of 6 per cent. New Convertible Bonds due 2016, to redeem all of the outstanding New Convertible Bonds on 22 February 2016.

On 8 April 2016, the Company announced its investment of U.S.\$150.0 million to set up two animal feed mills, poultry breeding farms and a hatchery to produce day-old-chicks in Nigeria, marking the commencement of works on project sites in Kaduna State and Kwara State, Nigeria, where the Company will set up Nigeria's largest integrated animal feed mill, breeding farm and hatchery.

On 13 April 2016, the Company announced the issuance of U.S.\$300 million 4.50 per cent. fixed rate senior unsecured notes due 2021 ("**2021 Notes**") under the Programme. The 2021 Notes were issued on 13 April 2016 at an issue price of 100.00 per cent. of their principal amount.

On 14 April 2016, the Company announced that it had secured a revolving credit facility aggregating U.S.\$650 million, consisting of two tranches of U.S.\$325 million each, a 364-day revolving credit facility and a 2-year revolving credit facility. Proceeds from the facility will be applied by the Company towards refinancing of existing debt and meeting general working capital and corporate funding requirements.

On 15 April 2016, the Company and Mitsubishi announced the formation of a joint venture, MC Agri Alliance Ltd ("**MCAA**") in Japan. The new joint venture will import and distribute coffee, cocoa, sesame, edible nuts, spices, vegetable ingredients and tomato products in the Japanese market. Mitsubishi will hold 70.0 per cent. of the joint venture and the Company 30.0 per cent.

On 19 April 2016, the Company announced that it had secured a 5-year U.S.\$175.0 million loan agreement with IFC, a member of the World Bank Group, to finance its permanent working capital and capital expenditure requirements for four food processing facilities in Nigeria (the sesame hulling and Crown Flour Mill facilities) and in India (the Hemarus sugar mill and spice processing facilities).

On 17 May 2016, the Company announced the issuance of ¥5.5 billion 1.427 per cent ("**2021 New Notes**") senior unsecured notes due 2021 under the Programme. The 2021 New Notes were issued on 24 May 2016.

On 1 June 2016, the Company announced that it had acquired the remaining 50.0 per cent. interest in AI from its joint venture partner for a total consideration of U.S.\$24.0 million, with AI becoming a wholly owned subsidiary of the Company post-completion to consolidate the Company's presence in edible oils refining and distribution in East Africa.

On 6 June 2016, the Company announced that consequent to the announcement of the second and final dividend of S\$0.035 per 1 ordinary share for the financial year ended 31 December 2015, it will issue additional Warrants (relating to the 2018 Bonds) to the Warrantholders on the basis of 1 additional Warrant for every 45 Warrants held by the Warrantholders held on 3 May 2016.

On 9 June 2016, the Company announced that it had acquired a 100.0 per cent. interest in Brooks Peanut Company ("**Brooks**") at an enterprise value of U.S.\$85.0 million. Brooks was the sixth largest peanut sheller in the United States. The acquisition is consistent with the Company's strategy of further integration of its value chain into direct farm procurement and shelling, as well as expanding its sourcing network and market position as a peanut sheller in the United States.

On 13 July 2016, the Company priced a benchmark U.S.\$500 million issuance of perpetual capital securities (“**Capital Securities**”) under the Programme. The Capital Securities were issued on 20 July 2016 and priced at par, bearing a distribution rate of 5.35 per cent. for the first five years, to be reset at the end of five years from the issue date and each date falling every five years thereafter, with an option for the Company to redeem in whole on or after the fifth anniversary of the issuance of the Capital Securities.

On 15 September 2016, the Company announced the issuance of U.S.\$150 million 4.50 per cent. senior unsecured notes due 2021 (“**Series 10 Tranche 002 Notes**”) to be consolidated and forming a single series with the existing 2021 Notes (the “**Consolidated 2021 Notes**”), pursuant to the Programme. The Series 10 Tranche 002 Notes were priced at 101.651 per cent. of their principal amount plus accrued interest from, and including, 12 April 2016 to, but excluding, the issue date for the Series 10 Tranche 002 Notes. The Series 10 Tranche 002 Notes were issued on 14 September 2016.

On 4 October 2016, the Company announced that its Awala palm plantation in Africa has become the first new development to have its working plantation RSPO certified. The Awala plantation was the Company’s first venture into upstream palm plantations in a joint-venture with the Republic of Gabon, as one of the major projects undertaken by OPG. The certification boosts Africa’s RSPO certified production hectares by 30 per cent. from 21,666 hectares.

On 13 October 2016, the Company announced that it secured a U.S.\$2.0 billion revolving credit facility consisting of three tranches — a 364-day revolving credit facility of U.S.\$400.0 million, a 2-year revolving credit facility of U.S.\$800.0 million and a 3-year revolving credit facility of U.S.\$800.0 million. Proceeds from the facility will be applied towards the refinancing of existing syndicated and bilateral bank loans.

On 24 October 2016, the Company announced that it acquired 100 per cent. interest in East African coffee specialist Schluter S.A. (“**Schluter**”) at an enterprise value of U.S.\$7.5 million. Schluter is based in Switzerland with marketing offices in Nyon and Liverpool in the UK, and operates milling facilities in the Democratic Republic of Congo and Burundi. With the acquisition, Schluter will become the specialty arm of Olam Coffee in Europe.

On 6 December 2016, Olam Americas Inc., a wholly-owned subsidiary of the Company, priced the private placement of U.S.\$175 million 3.90 per cent. senior unsecured notes due 2022. The private placement was completed on 10 January 2017.

On 8 February 2017, the Company announced its intention to repurchase up to S\$235.8 million in aggregate principal amount of the S\$275.0 million 7.0% perpetual capital securities (the “**Securities**”) in the open market between 1 March 2017 and 7 March 2017 at par value including accrued distributions. On 14 July 2017, it also announced its intention to exercise its option to redeem any outstanding Securities as of 1 September 2017 at par including accrued distributions. The redemption was completed on 4 September 2017.

On 2 March 2017, the Company announced the issuance of U.S.\$300 million 4.375 per cent. senior unsecured notes due 2023 at an issue price of 99.37 per cent. of their principal amount under the Programme. The issuance was completed on 9 March 2017.

On 31 March 2017, the Company’s joint venture with Sanyo Foods in Ghana, Nutrifoods Ghana Limited, opened its newly expanded biscuit production facility in Tema. The joint venture company had invested US\$8.25 million in expansion and upgrading work. The expansion further strengthened Nutrifoods’ position as the number one biscuit producer in Ghana, which already has a 30% market share.

On 31 March 2017, the Company announced the issuance of ¥5.7 billion 0.47 per cent. senior unsecured notes due 2022 under the Programme. The issuance was completed on 7 April 2017.

On 18 May 2017, the Company announced the issuance of ¥6.0 billion 0.9725 per cent. senior unsecured notes due 2022 under the Programme. The issuance was completed on 25 May 2017.

On 26 May 2017, Olam Americas Inc., a wholly-owned subsidiary of the Company, priced the private placement of U.S.\$170 million 3.73 per cent. senior unsecured notes due 2022. The private placement was completed on 15 June 2017.

On 4 July 2017, the Company announced the issuance of S\$300 million subordinated perpetual securities under the Programme. The issuance was completed on 11 July 2017.

On 17 July 2017, the Company announced that its wholly-owned subsidiary, Olam Treasury Pte. Ltd. secured a ¥25.0 billion three-year term loan facility, guaranteed by the Company. Proceeds from the facility will be applied towards the refinancing of existing syndicated and bilateral bank loans of the Company and its subsidiaries and for general corporate purposes.

On 28 July 2017, the Company announced that it (and Olam Treasury Pte. Ltd., as co-borrower) secured a U.S.\$400 million revolving credit facility, guaranteed by the Company, consisting of three tranches — a 364-day revolving credit facility of U.S.\$160 million, a 2-year revolving credit facility of U.S.\$120 million and a 3-year revolving credit facility of U.S.\$120 million. Proceeds from the facility will be applied towards the refinancing of existing syndicated and bilateral bank loans of the Company and its subsidiaries.

On 31 July 2017, the Company announced the issuance of S\$50 million subordinated perpetual securities under the Programme, to be consolidated and form a single series with the S\$300,000,000 subordinated perpetual securities issued on 11 July 2017. The issuance was completed on 4 August 2017.

On 22 August 2017, the Company announced the issuance of U.S.\$50 million 3.65 per cent. senior unsecured notes due 2022, which were issued pursuant to a private placement under the Programme. The issuance was completed on 1 September 2017.

On 12 September 2017, the Company's poultry feed mill and day-old-chick facilities in Kaduna State, Nigeria was inaugurated. The Company also concurrently started production at an integrated poultry and fish feed mill at Ilorin in Kwara State, Nigeria.

On 20 September 2017, the Company announced the issuance of ¥8 billion 0.9825 per cent. senior unsecured notes due 2022, which were issued pursuant to a private placement under the Programme. The issuance was completed on 27 September 2017.

On 22 September 2017, the Company announced that it had sold 5,100 acres (approximately 2,100 hectares) of its farmland assets to Farmland Partners Inc ("FPI"), one of the largest listed farmland real estate investment trusts in the United States, for a cash consideration of U.S.\$110 million. The Company has also entered into a revenue sharing model with FPI where it will pay the latter a share of the annual revenue, while it continues to operate the orchards for a period of 25 years. Upon completion of the transaction on 1 December 2017, the Company received U.S.\$110 million in cash proceeds and reduced its invested capital, improving its return on invested capital.

On 13 October 2017, the Company announced that it (and Olam Treasury Pte Ltd, as co-borrower) secured a U.S.\$1,750 million revolving credit facility, guaranteed by the Company, consisting of three tranches — a 364-day revolving credit facility of U.S.\$583.33 million, a 2-year revolving credit facility of U.S.\$583.33 million and a 3-year revolving credit facility of U.S.\$583.34 million. Proceeds from the facility will be applied towards the refinancing of existing syndicated and bilateral bank loans of the Company and its subsidiaries.

On 18 December 2017, the Company announced a strategic partnership with Mitr Phol Sugar Corporation (Mitr Phol), the world's fourth largest and Asia's largest sugar producer, to capitalise on the attractive growth opportunities for sugar milling and refining in Indonesia. Mitr Phol will invest U.S.\$100 million for a 50 per cent. stake in the Company's wholly-owned subsidiary Far East Agri (Far East), which operates PT DU.S.. The Company will retain the remaining 50 per cent. stake in Far East. Under the new agreement, Far East will explore the development of a green-field sugar milling facility in East Java. This transaction generated a one-time gain of approximately U.S.\$80 million based on the written down carrying value of the assets for the financial year ended 31 December 2017.

On 15 January 2018, the Company announced that its Bilala palm oil mill and concessions in Mouila, Gabon, achieved RSPO certification. It is the second of two plantations managed by the Group to be certified, and covers 15,900 hectares of planted oil palm, and 19,500 hectares of protected High Conservation Value areas. The certification boosts the Group's RSPO certified production hectares to 55,400 hectares.

On 19 January 2018, the Company announced that it had acquired 546,000 ordinary shares in Long Son Joint Stock Company ("**Long Son**"), a company established under the laws of Vietnam, and a cashew processor, for a total consideration of U.S.\$20.0 million. Following the acquisition, Long Son became a 30.0 per cent. associated company of Olam. It also announced that it had entered into a Stock Purchase Agreement with Confitera Co., Ltd. ("**Confitera**"), which the Company holds approximately 20.0 per cent. interest, for the repurchase by Confitera of the Company's 387 shares held in the capital of Confitera for an aggregate consideration of JPY 83 million. Following the sale of shares, Confitera ceased to be an associated company of Olam.

As announced on 17 November 2017, the Company allotted and issued an aggregate of 91,348,968 new Shares pursuant to the exercise of an aggregate of 91,348,968 warrants, as a result of which the Company's public float fell below 10 per cent., to approximately 9.31 per cent. On 27 February 2018, the Company announced that after the expiry of the warrants on 29 January 2018, Temasek Holdings holds approximately 53.8 per cent. of the Company's issued share capital (excluding treasury shares). The second largest shareholder Mitsubishi holds 17.5 per cent. of the enlarged capital base while KC Group holds 7.1 per cent. after it exercised all of its warrants. Presently, the percentage of the Company's total issued shares (excluding treasury shares) that is listed and held by the public ("**Public Float**") is 9.95 per cent. The Company has asked the SGX-ST for an extension of time to restore the public float to 10 per cent. The Company expects the public float to cross 10 per cent. following the vesting of shares in April 2018 under the Company's restricted share awards (assuming that there is no increase in the shareholding of substantial shareholders and directors in the meantime).

Business Overview

The Group's Business Model

The Group's business today involves supplying various agricultural raw materials and food ingredients across 18 platforms to over 22,000 customers across the globe. It has a direct presence in 70 countries, employing around 35,045 full-time employees and creating real impact for 4.33 million farmers who form part of its supply chain network.

The Group's business model is predicated on its point of view about the key secular trends that underpin the industry and which has informed its judgement about the strategic choices it has made. It believes that the Group operates in an attractive sector with strong growth prospects. Major secular trends favour the continuing growth and attractive characteristics of the agri-sector, including growth in population, growth in per capita food consumption, change in dietary habits in the transitioning economies from a carbohydrate/cereal-based diet to a more resource-intensive protein and fat-based diet, growth of the middle class in emerging markets and a new emerging demand for food and feed raw materials from the bio-fuels complex. These demand side trends are exacerbated by supply side constraints including decreasing arable land, declining agricultural productivity, the impact of rapid urbanisation, severe water constraints, stricter carbon and environmental emission standards, the impact of climate change and agricultural infrastructure bottlenecks.

The business model of the Group is built on a strong supply chain trading business, the original Olam business platform that the Group started with, which is still relatively asset-light. Today it provides an end-to-end sustainable supply chain solution for a variety of agricultural raw materials and food ingredients to customers worldwide. This core business has been the engine of growth over the past 28 years and is still at the heart of the Group's new growth strategy, with the selective upstream and midstream/downstream expansion of the recent past being natural adjacent steps in the value chain to enhance margins and returns and make the business model more resilient and sustainable.

Supply Chain

The Group's supply chain management business involves sourcing and origination of a product from a supplier in a producing country (the "**Farm Gate**") in the Origins, processing, exporting, shipping, importing and warehousing, and final distribution at the point of delivery to customers (the "**Factory Gate**") in the Destination Markets.

As a supply chain manager of agricultural products, the Group's profitability is driven primarily by the volume of the products sold to its customers and the degree of value-added services that it provides. For every transaction, the Company targets a specific minimum profit per unit handled based on the risks and complexities of meeting the customer's requirements. The Group constantly evaluates the pricing conditions on the demand side and then considers its costs along the supply chain to determine whether it can achieve its targeted profit per unit handled. The Company will generally not purchase agricultural products from the Farm Gate if it is unable to generate its targeted profit per unit handled.

The Group's principal role is to source agricultural products directly from Origins and supply them in a reliable and consistent manner to its customers in the Destination Markets. As payment for performing that role, the Group seeks to capture the margins that exist in the supply chain. The Group does not consider itself to be a directional, positional, proprietary or speculative commodity trader. The Group takes positions in products with the sole objective of meeting its customers' demands. In particular, the Group does not take positions based on its view of the direction or size of commodity price movements and does not take positions in the futures or physical markets unless they are backed by underlying physical transactions.

The Group's risk management system is designed to minimise the variance in its targeted profits that may arise as it moves agricultural products through its supply chain.

The Group has a diversified customer base of over 22,000 customers, which include multi-national food companies, textile manufacturers, wood and furniture component industries, importers and distributors of products in the Destination Markets.

The Group's suppliers are comprised of farmers, port-town suppliers and agents, origin exporters, government monopolies and cooperatives.

Global Origination and Sourcing

Origination involves sourcing directly from the Farm Gate, which the Group believes is the foundation of its supply chain management business. The Group believes that the majority of the value in an agri-business supply chain is generated between the Farm Gate and the point of export in the producing countries.

To achieve effective origination, the Group sources its products directly from the Farm Gate through its network of local buying agents ("**LBAs**"), who deal with the Company either as principals or on a commission basis. The Group procures commodities from the Farm Gate from farmers and village-level agents and suppliers through an elaborate network spanning hundreds of buying posts in the Origins. As such, the network of farmers, village-level agents and suppliers number in the hundreds and are widely dispersed across the growing areas in any one Origin.

To be close to its product sources, the Group sets up procurement offices in the main growing areas of the Origins in which it operates. Most of the Group's procurement offices have warehousing facilities, weighing stations, quality checking facilities and trained staff that check the quality and weight before the products are accepted. In this way, the Group is able to exercise control over the procurement process and manage the physical flow of products from the point of origin. The products which the Company procures are then cleaned, graded, dried, processed and bagged before they are transported to the port town for export shipments or to an interim location for further processing or aggregation.

The Group believes that controlling its products at the point of origin has the following principal benefits:

- it is able to screen the quality of the products to remove any admixture products before transporting them to the processing plant or to the port, thus saving on transportation costs;
- it is able to sort the products by location-specific quality, which enables it to offer value-added services to its customers such as providing tailored product grades. For example, some of its customers may request a type of cocoa bean grown only in certain parts of Côte d'Ivoire. With the Group's origination expertise and depth, it is able to provide such value-added services;
- it is able to provide traceability, because it knows how and where the particular products were cultivated. The Group believes that its customers value this service as a means of ensuring that their products comply with socially responsible business practices, an increasing concern of many of its customers;
- it is able to obtain certification of organic products;
- it is able to gain proprietary market information on crop quality and size. Such information is valuable for the Group's own business decisions and can also be sold to its customers; and
- it is able to establish close relationships with suppliers which helps assure a stable supplier network. The Group works closely with farmers to improve the efficiency and reliability of the farmer's cultivation practices.

Primary Processing

For most products, the Group processes the agricultural products before they are shipped to the Destination Markets. During processing, the Company subjects the agricultural products to various conditions that change their physical characteristics. Examples of processing include cleaning, sorting and grading. The Company conducts processing activities at Origins, intermediate Destination Markets, final Destination Markets, or a combination thereof, depending on where such processing is most profitable.

The key advantage of controlling various stages of processing is the ability to ensure quality, customisation of grades and hygiene certification to export the Company's products to Destination Markets.

Exporting

The Group carries out quality checks, undertakes clearing and forwarding of the cargo, obtains the necessary permission for exporting and acquires the requisite certificates.

Shipping and Logistics

The Group's shipping and logistics activities are outsourced to third-party logistics service providers, while its transportation and handling facilities and its warehousing and port infrastructures are mainly leased.

The Group engages in different types of shipping and logistics activities, depending on the nature of the shipping arrangements entered into. For example, with container shipment arrangements, the Group would typically enter into freight contracts with the various conference lines and its activities would include, among others, stuffing and delivery of the packed containers to the shipping lines. Alternatively, if the Group were shipping via bulk shipments, it would select time or voyage charters with the various shipping companies. Depending on the Company's terms with the charter parties, its activities may include freight forwarding, clearing, loading and discharging.

The Group's involvement at the shipping and logistics stage enables it to reduce costs, improve efficiency and maintain the quality of its products. For example, the Company is able to control the rate of loading and discharge through time charters in cases where there are significant benefits to be gained from compressing the turnaround time.

Importing and Distribution

The Group's importing and distribution activities depend on the product, market and customers' requirements. For example, in the case of cotton, the Company is able to deliver directly to markets such as India, China and Bangladesh. In the case of cashew kernels, the Group is able to deliver to roasters and salters across Europe and North America, while in the case of rice, it distributes directly to small wholesalers and retailers in countries such as Nigeria, Cameroon and Ghana.

The Group's involvement in distribution activities allows it to meet the specific needs of its customers, which vary in terms of location, time of delivery, volume and packaging.

Value-added Solutions and Services

The Group also provides value-added services such as vendor-managed inventory ("VMI") solution, which involves the outsourcing of inventory activities by its customers to the Group, to reduce working capital requirements and to improve its "just-in-time" practices by tapping the Group's inventory management expertise. In order to understand the Company's customers' requirements, it maintains regular communications with them, both pre-and post-delivery, through its network of offices and marketing agents or brokers.

Marketing

The Group's marketing initiatives are aimed at achieving effective integration with its customers, in order to enable it to become a preferred supplier and to act as a single, credible and reliable counterparty.

The Group has established marketing networks across the Destination Markets, consisting of its own offices and a network of marketing agents or brokers, who are engaged on a non-exclusive basis and on a per-transaction basis (especially for cashews and cotton).

Through the Group's development of direct relationships with its customers, it has developed an understanding of its customers' preferences and therefore, is able to offer customised value-added services such as proprietary market information, risk management solutions, environmental guarantees, Fair Trade Practice and traceability. The Group uses its first-hand knowledge of demand trends and supply conditions in the industry to identify potential customer requirements and new business opportunities.

Selective Upstream Businesses

The Group selectively integrates upstream into plantations and forest concessions targeting specific countries where it believes these countries have a comparative advantage to produce these commodities cheaper or better sustainably over the long term. It invests upstream if it is able to achieve a cost structure below the marginal cost producer's cost of production for that commodity that would allow it to be viable across commodity pricing cycles. This ensures that the Group would be profitable in the upstream activity

under all pricing scenarios including a deep commodity down cycle. Its strategy to integrate upstream is therefore not based on a speculative judgment of higher commodity prices over the long term.

The Group has been building an evolving upstream business, which it initially entered through an almond orchard acquisition in Australia in FY 2010. The Group expands upstream selectively where it sees the grower, rather than the trader, or buyer, having an increasing share of the profit pool in the product value chain. It also invests in areas where it believes it can build a significant cost advantage that could result in attractive returns.

The Group farms 21 crops: it now manages almond orchards in Australia and the U.S. where it also grows walnuts and pistachios; pepper plantations in Vietnam and Brazil, palm and rubber plantations in Gabon; coffee plantations in Laos, Tanzania, Zambia and Brazil; a cocoa plantation in Indonesia; peanut farming in Argentina; rice farming in Nigeria; grains farming in Russia; dairy farming in Uruguay and Russia; and forestry concessions in the Republic of Congo. These businesses have gestation periods and will take time to reach maturity, but when operating at full potential, will deliver higher margins than the core supply chain or midstream businesses given that these investments had been selected based on its margin profile and cost position.

Selective Midstream/Downstream Businesses

The Group selectively integrates midstream in value-added processing initiatives that offer attractive returns. In order to mitigate any asset utilisation risk as it sets up these processing facilities, the Group does so only when there is sufficient internal captive load from the supply chain business, which eliminates the asset utilisation risk.

The Group has therefore selectively expanded into value-added manufacturing activities, processing some of the agricultural raw materials into ingredient quality intermediate products. It has built a configuration of 69 food processing plants across products and geographies, either in Origins or closer to end-user customers. These value-added secondary processing activities include cashew processing in India, Vietnam, Cote d’Ivoire and Mozambique, peanut shelling and peanut paste manufacturing in the U.S., vegetable ingredients and tomato paste manufacturing in the U.S., soluble coffee production in Vietnam and Spain, cocoa grinding in Europe and West Africa, wheat milling in Nigeria, Ghana, Senegal and Cameroon; and sugar milling and refining in India and Indonesia respectively.

The Group has also invested in building a downstream packaged foods business in West Africa, leveraging its significant distribution infrastructure and capabilities in Africa. The Packaged Foods business (“PFB”) focuses on eight product categories, of which products are manufactured, branded and marketed to consumers across multiple West African countries.



Risk Management

The Group has a rigorous risk management framework designed to identify and assess the likelihood and impact of risks and to manage the actions necessary to mitigate their impact. The process identifies risks from a top-down strategic perspective and a bottom-up business perspective. Overall responsibility to monitor and assess risk lies with the Company's independent risk function ("Risk Office").

The Company takes a holistic approach to enterprise-wide risk, monitoring risk across each value-chain step across a wide range of both quantifiable and non-quantifiable risks.

Risk Governance Structure

The Group has an institutionalised process in the governance of risk management matters. The Company's Chief Risk & Compliance Officer ("**CRCO**") is a member of the Executive Committee and reports to both the CEO and the Chair of the Board Risk Committee ("**BRC**"), which is comprised of Executive and Non-Executive Directors. The BRC is also supported by the Executive Risk Committee ("**ERC**"). The ERC is comprised of key executives from the senior management team who support the risk governance process by promoting risk culture, approving large exposures and mediating large breaches.

The Risk Office reports to the CRCO and is responsible for identifying, assessing, measuring and monitoring risks, to provide the Company's senior management and the Board with assurance that all the risks borne by the Company are within its risk tolerance. The Risk Office is responsible for risk monitoring and control on an independent basis and undertakes regular stress-testing of the Company's portfolio.

The Company sets risk limits as part of the annual budgeting cycle, which are presented to the Board for approval. These limits — outright, basis, structure, arbitrage and Value-at-Risk ("**VaR**") as well as credit and counterparty limits — are set based on various factors such as risk vs return, volatility of past earnings, adherence to limits and maximum loss limits derived from scenario and stress-testing. The number of years in business, strength of the management team, prevailing market conditions and the macro-economic outlook are also considered.

The CRCO is mandated to allocate the risk capital across businesses considering the competitive position, trading and market conditions and the track record of each business. Performance is continuously monitored, and risk capital allocation is recalibrated where necessary. The assigned limits are set at all levels of hierarchy within the structure, i.e. at business-unit level, value-chain step level and at profit-centre level, as well as any other limits the Risk Office deems appropriate.

Enterprise Risk Management

The Company's Enterprise Risk Management framework defines 51 individual risks across 11 categories. These categories and their mitigations are:

Risk category	Key controls & mitigations
Trading Risks	Trading risks are controlled by regular monitoring of positions using industry-standard metrics. The annual risk budgeting process defines position and risk metric limits to control exposures. The Group hedges price risk on the world's commodities exchanges, both through derivatives and tendering
Operational Risks	Field operating control and primary sourcing infrastructure are in place in every country where The Group operates. The Group's credit/counterparty rating system defines credit limits and controls, promoting fragmentation of credit exposure on short tenors. Insurance is taken to provide inventory cover as well as credit defaults.
Currency Risks	The Group operates in many geographies and is therefore exposed to many different currencies. G7 currency hedging is performed by a centralised Treasury function and local currency limits in the origins and destinations are assigned to accommodate operational requirements.
Agricultural Risks	The Group employs advanced crop-monitoring technology and agronomy experts, irrigation facilities, flood control measures and crop insurance.
Political & Sovereign Risks	The Group has deep-seated presence in many of the countries in which it operates, built over many years, and has consequently gained substantial knowledge of local practices. The Group maintains global political risk and terrorism risk insurance.
Reputational Risks	Reputational impact is often just one of several negative impacts that can arise from poor practices. The Group has put in place a suite of policies, codes and standards to guide actions and behaviours. These include the Olam Code of Conduct; the Olam Crisis Escalation Procedure; the Olam Plantations, Concessions and Farms Code; the Olam Livelihood Charter; and the Olam Supplier Code.
Regulatory & Compliance Risks	The Group's Market Compliance Office is a global function whose primary role is to ensure that the Group is fully compliant within all external regulation.
Capital Structure & Financing Risks	The Group has a strong base of long-term shareholders. The company maintains strong banking relationships providing committed banking lines, thereby assuring good liquidity.
Natural Perils	The Group maintains insurance cover against risk of natural disasters, such as flood, fire, earthquake and storms.
Other Risks	Succession plans are in place to provide a second line of leadership from with the Company's Operating Committee and Management Committee. The Group employs IT security experts, as well as having in place IT cybersecurity infrastructure.
Strategic Risks	All strategic risks are overseen by the offices of the CEO and COO, and by the Executive Committee.

The oversight of each of the 51 risks is divided among the 5 Board Committees (Risk Committee, Audit Committee, Capital & Investment Committee, Corporate Responsibility & Sustainability Committee and Human Resources & Compensation Committee).

Risk Committee	Audit Committee	Capital & Investment Committee	Corporate Responsibility & Sustainability Committee	Human Resources & Compensation Committee
<p>Trading Risks:</p> <ul style="list-style-type: none"> • Price Risk • Basis Risk • Structure Risk • Arbitrage Risk • Derivative Risk • Liquidity Risk <p>Operational Risks:</p> <ul style="list-style-type: none"> • Credit Risk • Counterparty Risk <p>Currency Risks:</p> <ul style="list-style-type: none"> • Transactional Currency Risk <p>Political & Sovereign Risks:</p> <ul style="list-style-type: none"> • Duty, Tariff & Export/Import Ban • Asset Nationalisation Risk • Selective Discrimination Risk • Forced Abandonment Risk • Terrorism/Kidnapping Risk <p>Regulatory Risks:</p> <ul style="list-style-type: none"> • Market Compliance Risk <p>Natural Perils Risks:</p> <ul style="list-style-type: none"> • Fire Risk • Flood Risk • Earthquake Risk • Hurricane/Typhoon/Storm Risk 	<p>Operational Risks:</p> <ul style="list-style-type: none"> • Stock Risk • Quality Risk • Fraud Risk • Systems & Controls Failure Risk <p>Regulatory Risks:</p> <ul style="list-style-type: none"> • Bribery/Corruption Risk • Other Regulatory Risk • Transfer Pricing Risk • Taxation Risk <p>Cybersecurity & Other Risks:</p> <ul style="list-style-type: none"> • Cybersecurity Risk • IT Risk 	<p>Operational Risks:</p> <ul style="list-style-type: none"> • Project Execution Risk • Asset Utilization Risk <p>Capital Structure & Financing Risks:</p> <ul style="list-style-type: none"> • Interest Rate Risk • Funding Liquidity/Margin Call Risk • Credit Metrics Risk • Activist Investor Risk • Short Seller Attack Risk <p>Currency Risks:</p> <ul style="list-style-type: none"> • Translational Currency Risk 	<p>Reputational Risks:</p> <ul style="list-style-type: none"> • Social Risk — Labour • Social Risk — Livelihoods • Environmental Risk — Land • Environmental Risk — Water • Environmental Risk — Climate Change • Environmental Risk — Food Security <p>Agricultural Risks:</p> <ul style="list-style-type: none"> • Weather Risk • Pests & Diseases Risk • Agronomy/GAP (Good Agricultural Practices) Risk 	<p>Other Risks:</p> <ul style="list-style-type: none"> • Key Person Risks
Board — Strategic Risk Assessment				

Of the 51 risks, 16 are evaluated on a quantitative basis and represented in the company's Group Risk Dashboard ("GRD"), the output of which is presented to the BRC each quarter. This report allows segmental analysis of earnings sensitivity for 12 of the 16 quantifiable risks at Cluster level, business unit level and at the value-chain step level and the remaining four at the Company level.

The Enterprise Risk Scorecard ("ERS") is the result of an assessment of each of the 51 risks for likelihood of occurrence and impact. Each risk is evaluated for each business unit both on an inherent and residual basis using a traffic-light system of red-amber-green. Inherent risks are the threats that an activity poses in the absence of any mitigating factors in place; residual risks are those that remain after mitigations are considered.

The ERS is also presented to the BRC on a quarterly basis which, in conjunction with the GRD assists the Board with (i) examining the effectiveness of the Company's risk management plans, systems, processes and procedures and (ii) reviewing Company-wide risk policies, guidelines and limits, as well as risk exposure and risk treatment plans. The Board is responsible for approving the overall risk capital of the Company at the start of the financial year. Risk capital, expressed as a percentage of the equity capital of the Company, refers to the maximum potential loss if all the trading risks across all product-types and geographic regions materialise at the same time.

Risk Measurement

The Company continually upgrades its risk measurement methodology in line with industry best practices. The Company focuses on the measurement of quantity, dollar value, diversified VaR and stress testing to determine potential impact of adverse market events on the books. Analysis of return drivers provides a clear attribution of returns against risk and allows an independent flagging of outsized or undesired risk.

The VaR methodology calculates the potential loss arising from the commodity price, credit, counterparty and currency risks to which it is exposed.

Market risk (i.e. commodity price risk and currency risk) VaR is calculated over a one-day time horizon with a 95 per cent. confidence level for each product in the portfolio. Credit and counterparty risk VaR may be computed by applying default rates (based on counterparty ratings) and underlying commodity volatilities as appropriate.

Market Compliance Controls

One of the Company's key priorities is to comply with the highest standards of business conduct. The Market Compliance Office ("MCO") is responsible for ensuring regulatory compliance for the Company's derivative trading units. The MCO carries out regular trader training courses to ensure familiarity with prevailing exchange rules globally and ensures that all new hires are comprehensively trained in the Company's Trading Compliance Manual.

Risk Training and Communication

The Company has laid out risk policies that guide newcomers on the risks they will be required to manage and the risk systems that require timely and accurate reporting. The Risk Office frequently presents to the Company's most senior management bodies. The purpose of this is to enable the continual reinforcement of the control environment and alignment of risk culture and awareness across the Company. From time to time, the Company's Risk Office publishes risk advisories on pertinent matters to raise awareness and to promote industry best practices.

The Group's Platforms

The Group categorises its businesses across 18 platforms into the following five segments:

- Edible Nuts, Spices and Vegetable Ingredients;
- Confectionery and Beverage Ingredients;
- Food Staples and Packaged Foods;
- Industrial Raw Materials, Ag Logistics and Infrastructure; and
- Commodity Financial Services.

For the periods included in the table below, the revenue from sale of goods (the “**Turnover**”) contribution for each of the four product groups was as follows:

Product Group	Turnover Contribution (%) for FY 2015 (restated)	Turnover Contribution (%) for FY 2016
Edible nuts, spices and vegetable ingredients	21.5	19.3
Confectionery and beverage ingredients	33.9	37.5
Food staples and packaged foods	30.8	29.7
Industrial raw materials, ag logistics and infrastructure	13.8	13.5

For the periods included in the table below, the relative percentage of tonnage handled by the Group in the Origins was as follows:

Origins	Percentage of Tonnage Handled (%) for 12 months ended 31 December, 2015	Percentage of Tonnage Handled (%) for 12 months ended 31 December, 2016
Asia, Middle East and Australia	32.6	29.4
Africa	13.1	18.6
Europe	29.9	27.4
Americas	24.4	24.7

The Group either sources directly from the Farm Gate in the Origin Country or in close proximity to the Farm Gate for most of the products that the Group deals in. The products are then passed through the Group’s agricultural products supply chain and end up in its Destination Markets.

For the periods in the table below, the turnover contribution by Destination Market was as follows:

Destination Markets	Turnover Contribution (%) for FY 2015 (restated)	Turnover Contribution (%) for FY 2016
Asia, Middle East and Australia	37.8	33.1
Africa	14.5	17.7
Europe	27.0	26.6
Americas	20.7	22.6

Descriptions of the various products, categorised by the above-mentioned five segments, sourced and supplied by the Group are set out below:

Edible Nuts, Spices and Vegetable Ingredients

The following table sets out the Group's sales revenue and EBITDA in the edible nuts, spices and vegetable ingredients segment for FY 2015 and FY 2016:

	FY 2015 (restated)	FY 2016
Sales revenue ⁽¹⁾ (S\$ Mn)	6,073.1	3,981.1
EBITDA ⁽¹⁾ (S\$ Mn)	566.9	331.8

(1) Numbers taken from audited financial statements for FY 2015 (restated) and FY 2016.

Edible Nuts

Cashews

A leading global player in the industry, the Group is the largest supplier of raw cashew nuts by market share in global trade with an integrated supply chain across most major producing and processing origins. As the world's largest processor of cashews, the Group operates 15 cashew processing and packaging facilities that span five countries across Asia and Africa, including semi-mechanised cashew processing facilities in Côte d'Ivoire, Mozambique, Vietnam and India. The Group recently acquired 30.0 per cent. interest in Long Son, a cashew processor based in Vietnam.

Almonds

The Group is the largest grower of almonds globally with orchards in Australia and the United States which enable it to provide a year-round fresh supply of high-quality almonds to its customers worldwide. The Group operates 37,000 acres of almond orchards in Australia, and 9,500 acres in the United States.

The Group also operates a A\$60.0 million almond hulling and processing plant in Victoria, Australia with a total processing capacity of 40,000 MT of almond kernels per year.

Hazelnuts

The Group entered the hazelnut business through the acquisition of the Progida Group in Turkey in 2011. Progida is a leading manufacturer and supplier of natural and ingredient hazelnut kernels and hazelnut paste to the global confectionery industries and amongst the top two hazelnut exporters from Turkey. In September 2016, it acquired Georgia's largest hazelnut processing facility from Argonuts LLC.

Peanuts

The Group is involved in peanut sourcing and processing operations in the United States and Argentina and maintains a marketing and distribution presence in all main consumption markets (the European Union, the United States, China, India and Southeast Asia). The Group also undertakes peanut farming in Argentina.

The Group's processing facilities and capabilities include shelling, blanching and the manufacture of peanut paste and peanut ingredients.

In 2015 the Group acquired MMI, a leading U.S. peanut sheller. MMI is the third largest peanut sheller in the United States and operates two processing facilities in Georgia with 20 buying points and farmer stock storage assets at multiple locations in the Southeast region of the United States.

In 2016 the Group acquired Brooks Peanut Company, which was the sixth largest peanut sheller in the United States and the largest Alabama-based sheller.

Both acquisitions are consistent with the Group's strategy of further integrating its value chain into direct farm procurement and shelling, as well as expanding its sourcing network and market position as a peanut sheller in the United States.

Sesame and other edible nuts

The Group is a leading player in the sesame business with procurement across key markets in Africa and Asia and sesame hulling operations in Nigeria. In 2017, it acquired a sesame hulling and Tahini manufacturing business in Turkey.

In FY 2015, the Group expanded into walnuts and pistachios by acquiring walnut and pistachio orchards in California. To-date, it farms 1,200 acres of pistachios and 300 acres of walnuts orchards.

Through its marketing offices in the United States, Switzerland, Russia, Dubai, Brazil, India, China and Singapore, the Group offers a basket of edible nuts to customers and value-added products and services, including the manufacturing and supply of customised grades, product development expertise as well as vendor-managed inventory solutions and proprietary market information and intelligence.

Spices and vegetable ingredients

The Group is a vertically integrated global producer and supplier of spices and vegetable ingredients, such as dehydrated onions and garlic, black pepper, capsicums and tomatoes. It is the only company in the world with the most diversified product portfolio across spices, capsicums and dried vegetable ingredients in the industry. With over 15 product categories, the Group grows in four countries, sources and operates in 11 countries, manufactures in six countries and sells in more than 65 countries, supplying global, regional, and local targeted customers with natural ingredients for their food applications.

The Group's track record in developing high quality spices and vegetable ingredients started in 2002 as a whole spices supplier. The business was built upon strategic acquisitions of ingredient companies and businesses. The Group acquired the dehydrated and vegetable products business of Gilroy Foods & Flavors from ConAgra in 2010. Other acquisitions include Key Food Ingredients, a Chinese dehydrated garlic producer, VKL, an Indian spice manufacturer, a U.S. tomato processing business and Dehydro Foods, an Egyptian dehydrated onion and herb manufacturer.

The Group plans to integrate its supply chains in selected spices and vegetables by investing selectively in upstream plantations, specialised processing at origin and further expanding its product range to include other seed spices, herbs, vegetables and blends. To this end, the Group recently started planting pepper in Vietnam and Brazil.

The Group has created value in the Spices and Vegetable Ingredients business that extends beyond its leadership position as it has committed long-term investments in building sustainability and clean labelling of its global supply chain. The Group believes that this approach to supply chain management will underpin its continued ability to deliver a high degree of food safety, traceability, sustainability, product integrity and overall value to its customers.

Confectionery and Beverage Ingredients

The following table sets out the Group's sales revenue and EBITDA in the confectionery and beverage ingredients segment for FY 2015 and FY 2016:

	FY 2015 (restated)	FY 2016
Sales revenue ⁽¹⁾ (S\$ Mn)	9,569.2	7,711.0
EBITDA ⁽¹⁾ (S\$ Mn)	428.2	407.3

(1) Numbers taken from audited financial statements for FY 2015 (restated) and FY 2016.

Cocoa

The Group is one of the world's leading suppliers of cocoa beans and cocoa products, which include cocoa butter, cocoa mass and cocoa powder. It is the largest originator of cocoa beans, as well as one of the top three integrated supplier of cocoa beans and cocoa products in global trade.

The Group has an extensive primary procurement network in all major cocoa-growing countries across Africa, Asia and South America, and is one of the world's most diversified sourcing companies for cocoa. In 1998, the Group became the first international company to be granted approval by the Ghana Cocoa Board to operate as a Licensed Buying Company and has maintained a leading position thereafter. The Group is also a leading exporter in Côte d'Ivoire, Ecuador, Brazil, Nigeria, Indonesia and Cameroon and has good market shares in countries as diverse as Uganda, Tanzania and Papua New Guinea.

The Group has processing, refining and milling presence in the main cocoa producing countries, as well as in, or adjacent to, primary consumption markets in Europe, USA, Canada and Asia. Its brand portfolio is spearheaded by the iconic deZaan, with its heritage of more than 100 years of excellence, as well as African origin brand Unicao, South American origin brand Joanes, the well-established Macao cocoa powders and Britannia specialty fats brands, and the recently launched Huysman cocoa powder brand.

To further integrate into the cocoa value chain, in 2013 the Group acquired a 95.0 per cent. stake in Indonesian plantation company PT Sumber Daya Wahana.

In 2015, the Group acquired ADM Cocoa combining its Cocoa business with ADM Cocoa to form Olam Cocoa, an expanded Cocoa business that combines the Group's unique and unparalleled strengths at Origins with a global market presence that is supported by research, information, analysis and futures market expertise. It allows the Group to provide customers with greater benefits — from origin sourcing, sales and trading, market intelligence and research, risk management, value-added processing and supply chain solutions, to sustainability, research and development and product innovation. The acquisition is in line with the Group's strategy to invest and transform the Cocoa platform, which is one of the prioritised platforms for accelerated investment and growth. The combined business deals with over 2,700 cocoa experts based in 11 producing countries, seven usines, nine midstream processing facilities, six innovation centres, 20 marketing offices and more than 200 warehouses.

The Group is currently setting up a new cocoa powder manufacturing facility in the US to complement its existing capacity.

Coffee

The Group is one of the top three largest suppliers of coffee by market share in global trade. It has a strong presence in most of the large coffee-producing regions across Africa, Asia and South America, and is well-supported by an extensive network of marketing offices across key coffee consuming countries.

The Group has developed competencies in the coffee business arising from its origination network in the key producing countries where its on-the-ground presence provides valuable market intelligence and proprietary origin information, which not only helps support its marketing and trading decisions, but also serves as a value-added service to customers. The Group also has the ability to assess the true values of coffee at origin, based on its quality systems, its cupping facilities and its trained quality and cupping personnel.

The Group's investment in processing operations in the Origins and quality control systems allows it to offer special grades of coffee tailored to customer specifications. Combined with the Group's logistics strengths in the Origins and Destination Markets, including its ability to hold stocks close to its customers, the Group is able to provide a high level of service to both large and small coffee roasters.

Over the last five to seven years, the Group has expanded from being a pure supply chain manager to having significant investments in plantations and soluble coffee. As part of the strategy to selectively integrate along the value chain and cater to the rising demand for soluble coffee in Asia and Central/Eastern Europe, the Group set up a greenfield soluble coffee facility in Vietnam in 2007 and acquired Seda Solubles in Spain in 2012. Facilities in both locations have undergone expansion to cater to growing demand.

The Group's coffee plantation footprint today spreads across all three coffee producing continents, with coffee estates in Brazil, Zambia, Tanzania and Laos, producing high-grown Arabica coffees for specialty clients on a traceable and sustainable basis.

Within its core supply chain operations, the Group has created a specialty coffee division that capitalises on its procurement and marketing expertise to help roasters find exceptional, certified coffees. This establishes a growing fit between its upstream presence and the specialty coffee marketing. In 2016, it acquired Schluter, the Switzerland-based East African coffee specialist, which operates milling facilities in the Democratic Republic of Congo and Burundi. Schluter represents the Group's specialty coffee arm in Europe.

Food Staples and Packaged Foods

The Group's presence in the food staples and packaged foods segment comprises products across the rice, grains and animal feed, sugar, dairy, packaged foods and edible oil business platforms. The Group's physical presence in major origin and consuming countries for these products provides it with an in-depth understanding of local market dynamics that helps develop long-standing relationships with both producers and consumers.

The sugar business benefits from its many synergies with the rice business, including shared customers and costs. This commonality, together with similar distribution channels, has helped the Group in developing its dairy and grains distribution and milling businesses.

The packaged foods business was set up with the launch of retail consumer packs in selected emerging markets, where the Group had strong presence and deep local market knowledge. This business has expanded across several geographies in Africa, building retail-distribution depth across these markets with a wide range of product categories.

The edible oil business focuses on upstream palm plantations, and midstream processing and distribution of edible oils across niche markets and trade flows.

The following table sets out the Group's sales revenue and EBITDA in the food staples and packaged foods segment for FY 2015 and FY 2016:

	FY 2015 (restated)	FY 2016
Sales revenue ⁽¹⁾ (S\$ Mn)	8,686.0	6,110.8
EBITDA ⁽¹⁾ (S\$ Mn)	351.2	330.2

(1) Numbers taken from audited financial statements for FY 2015 (restated) and FY 2016.

Rice

The Group is a leading originator, distributor and trader of rice globally and is amongst the top two suppliers by market share in global trade. It participates in the complete value chain from sourcing, farming, shipping and logistics management through to branding, marketing and distribution.

The Group is one of the leading buyers of rice from key producing countries in Asia and the Americas from where it exports, and distributes the rice in Africa using its networks in sales, distributors and warehousing facilities that it has established in the destination markets. It has developed several recognised brands in Ghana, Nigeria, Cameroon and Mozambique that cater to the diverse markets within Africa.

The Group has made selective rice processing investments in countries where it believes it can extract greater value directly from the value chain compared to third-party sourcing. In Thailand, it operates an aggregation, polishing, sorting, upgrading and packing facility that allows it to ship rice in bulk and in one-tonne bags.

To manage port logistics at both ends of the value chain and secure efficiencies of scale, the Group uses voyage and period charters to ship its rice. It has also developed in-house expertise in shipping and logistics management, using innovative hedging tools to effectively manage freight market volatility.

To selectively integrate in the value chain by participating in attractive and higher margin profit pools in upstream farming, the Group has invested in a 12,500 hectare greenfield fully integrated, mechanised and irrigated paddy farming and rice milling facility in Nigeria. In 2013, The Rockefeller Foundation highlighted the rice farm as a “catalytic innovation in African agriculture”.

Sugar

The Group's sugar business began in 1995 with the import of its first consignment to Nigeria and Ghana. The knowledge and experience gained in Ghana and Nigeria helped the Group extend its sugar distribution business into other African countries, including Uganda.

The Group currently distributes sugar in destinations where it has a multi-product presence. Its reach extends across Asia, the Middle East and South America with milling operations in India and refining activities in Indonesia — a midstream segment that the Group entered through acquisitions between 2007 and 2011.

In December 2017, the Group entered into a strategic partnership with Mitr Phol, the world's fourth largest and Asia's largest sugar producer, to capitalise on the attractive growth opportunities for sugar milling and refining in Indonesia. Mitr Phol invested U.S.\$100 million for a 50 per cent. stake in the Company's wholly-owned subsidiary Far East Agri (Far East), which operates PT DU.S, the sugar refining company in Indonesia. The Company will retain the remaining 50 per cent. stake in Far East. Under the partnership agreement, Far East will explore the development of a green-field sugar milling facility in East Java.

Dairy

Commencing in 2004 with the supply of its first consignment of milk powders into Algeria, the Group has since developed a dairy business with extensive operations across more than 20 countries worldwide. Today, it is among the top five traders of dairy ingredients in the world.

Consistent with the Group's growth strategy to expand its procurement reach into key dairy origins of Oceania and participate in the major trade flows, the Group acquired a 24.99 per cent. equity interest in Dairy Trust Limited, New Zealand in 2008, now known as Open Country Dairy ("**OCD**"). Pursuant to the partial takeover offer by Talley's Group Limited in May 2014, the Group now has a 15.19 per cent. residual stake in OCD.

The Group also set up a greenfield dairy processing facility in Malaysia that produces fat-filled milk powder. In addition, the Group now participates directly in the upstream dairy farming business in Uruguay through its acquisition of New Zealand Farming Systems Uruguay ("**NZFSU**") and in Russia through its acquisition of a 75 per cent. interest in RUSMOLCO, a dairy and grains company in Russia. Today, the Group owns 93.0 per cent. interest in RUSMOLCO.

As a part of its FY 2014 – FY 2016 strategic plan to unlock intrinsic value and optimise the balance sheet, the Group disposed of its dairy processing plant in Côte d'Ivoire to Friesland for a cash consideration of U.S.\$18.7 million and sold part of its dairy farm land in Uruguay for U.S.\$53.7 million.

In 2015, the Group restructured its dairy farming operations in Uruguay and deferred the planned greenfield dairy processing investment there.

Grains & Animal Feed

The Group's grains and animal feed business is focused on building a configuration of wheat milling assets and animal feed mills in sub-Saharan Africa and a global footprint in grains trading and bulk ocean freight business.

Starting with the acquisition of Crown Flour Mill ("**CFM**") in Nigeria in January 2010, the Group has built a suite of strategically well-located wheat milling assets in Nigeria, Ghana, Senegal and Cameroon. With its acquisition of Amber Foods in Nigeria in 2016, the Group has a total wheat milling capability of over 2 million MT per annum.

In April 2016, the Group announced its investment of U.S.\$150.0 million to set up Nigeria's largest integrated animal feed mill, poultry breeding farm and hatchery which was commissioned in September 2017.

Adopting an asset light approach, the Group originates, markets and distributes grains through a network of marketing offices in Singapore, Dubai, Geneva, Sao Paulo, Rotterdam, Moscow, Kiev, Melbourne, U.S. and Durban into markets in Africa, Middle East, Europe, Asia, China and U.S.. In its bulk ocean freight business, the Group selectively invests in vessels or enters into long term charters mainly for handling and risk management of its own captive requirements as well as for third party volumes.

Edible Oils

The first phase of the Group's Edible Oils strategy implementation centred around the development of sustainable oil palm plantations in Africa. Concurrently, the Group leveraged its food distribution channels to build up capabilities in the midstream and downstream parts of the value chain to address the local and regional markets. Growing trading volumes is another key focus of the Group's strategy as it participates in trade flows from Asia into Africa and in selected markets in South Asia and the Indian sub-continent. In addition, the Group has also developed a wider edible oils sourcing and supply capability, offering a full portfolio to customers.

The Group's first investment in upstream palm was made in 2007 through a 50:50 joint venture, Nauvu Investments, which acquired a 27 per cent. interest in the SIFCA Group, one of Africa's largest agro-industrial groups with diversified interests across palm oil, natural rubber and sugar in Africa.

In 2010, the Group formed a joint venture — Olam Palm Gabon (“**OPG**”) — with the RoG to develop large scale Oil Palm plantations to RSPO standards. RoG holds 40 per cent. equity ownership in OPG with the balance of 60 per cent. held by the Group. OPG is currently developing 50,000 hectares of Oil Palm across two sites Awala and Mouila in Gabon. On 4 October 2016, the Group announced that its oil palm plantation in Awala, including its mill, achieved RSPO certification — the first for a new development in Africa. On 15 January 2018, the Company announced that its Bilala palm oil mill and concessions in Mouila achieved RSPO certification.

In 2015, the Group formed another joint venture in which RoG holds 51 per cent. equity ownership and the Group holds the balance of 49 per cent. to participate in RoG's GRAINE outgrower plantation programme.

In July 2016, the Group acquired palm oil assets in Gabon from the SIAT Group, including palm plantations, milling and refining facilities, a soap plant and associated infrastructure. By January 2018, the Group has revamped the refinery and increased soap capacity at the Lambarene Industrial Complex, which is now able to meet Gabon's annual demand for edible oil and basic soap.

The Group has selectively invested in refining and distribution capacities in Africa with an acquisition of a 100 per cent. equity stake in Acacia Investments which owns a refinery and soap complex in Maputo, Mozambique. The Group has also set up a greenfield refinery and port-based tank farm in Beira, Mozambique.

Packaged Foods

The Group launched a packaged foods business (“**Packaged Foods Business**”) to leverage on the Group's distribution franchise and network across African countries. The Group is focused on building its own consumer brands in the food category, which capitalises on its supply chain strengths as well as existing knowledge of African markets and operations, brands and consumers.

In 2013, the Group entered into a joint venture with Sanyo Foods Co. Ltd of Japan (“**Sanyo Foods**”) to manufacture and distribute instant noodles in Nigeria and across sub-Saharan Africa. In 2015, the Group expanded its relationship with Sanyo Foods which involved the sale of a 25.0 per cent. stake in its overall Packaged Foods business to Sanyo Foods for a price consideration of U.S.\$187.5 million based on an initial enterprise value of U.S.\$750.0 million for the business.

The Packaged Foods Business is now present in seven categories with 10 key brands marketed to eight Southern and West African markets. It is one of the top two manufacturers of tomato paste, seasonings, biscuits, candies and drinking yoghurt in Nigeria. In Ghana, it is the number one biscuit and number two tomato paste producer.

Industrial Raw Materials Ag Logistics and Infrastructure

The following table sets out the Group's sales revenue and EBITDA in the industrial raw materials, Ag logistics and infrastructure segment for FY 2015 and FY 2016:

	FY 2015 restated)	FY 2016
Sales revenue ⁽¹⁾ (S\$ Mn).	3,902.3	2,784.2
EBITDA ⁽¹⁾ (S\$ Mn)	255.4	135.2

(1) Numbers taken from audited financial statements for FY 2015 (restated) and FY 2016.

Cotton

The Group is one of the top two cotton merchants by market share in global trade, supplying all cotton growths to the world's textile markets. Its global supply network of over 100,000 farmers, ginner and suppliers is matched by an established and diversified customer base across all major markets. It sources cotton from all four major growing continents — Africa, Asia, the Americas and Australia — with ginning operations in six countries as well as long-standing relationships with cotton marketing boards and ginner across all cotton producing countries.

Following the acquisition of Australia's Queensland Cotton in 2007, the Group became the largest private ginner in the world. In Australia. It partners with cotton farmers to ensure throughput volumes for its gins and with land owners to lease and operate cotton farms. In the U.S., the Group has a well-diversified presence across the four cotton-growing regions and merchandises the entire range of U.S. quality grades. In Brazil it has long standing relationships with growers and a significant share in export and domestic markets. In India, it has established an extensive network covering major growing regions and textiles mill customers. The Group has a leadership position in several African countries and engages directly with smallholder farmers through its integrated ginning operations located in Cote d'Ivoire, Mozambique and Tanzania. It is helping these growers achieve higher realisation for their produce through farm extension services, including distribution of high quality inputs and yield improvement programmes. It produces about 40,000 MT of cotton under the Better Cotton Initiative ("BCI").

The Group's central marketing office in Singapore and regional marketing offices in China, India, Turkey and Vietnam are in close proximity to the major destination markets, including Bangladesh and Indonesia. The Group owns and operates warehouses in the U.S., Australia, Côte d'Ivoire and Tanzania, enabling it to meet customer requirements of timely shipment and up-to-date information.

Wood Products

The Group participates in selected trade flows from the Republic of Congo, Southeast Asia and Latin America, specialising in responsibly-sourced tropical timber for multiple usage including furniture and construction. Its principal activities include responsible harvesting of natural forests and plantations, third-party sourcing, industrial processing, logistics, trading and marketing.

The Group is one of the largest exporters in the world for plantation teak round logs and sawn lumber from Latin America to Asia. It conducts due diligence of its plantation teak suppliers to ensure that the teak is legally sourced and is in compliance with applicable laws of the country of origin.

The Group processes and exports logs, value-added lumber and wood products with a focus on Forest Stewardship Council® (“FSC®”) certified products from its own forestry concessions in the Republic of Congo (Brazzaville). All of the Group’s forest concessions are in the Republic of Congo and are managed by its wholly owned subsidiary Congolaise Industrielle des Bois (“CIB”), a pioneer in Responsible Forestry Management in the Congo Basin. CIB manages about 2 million hectares of forest concessions of which about 1.3 million hectares are FSC® certified — the largest area of FSC®-certified tropical hardwood concession in the Congo Basin. The most recent concession of 0.7 million hectares leased from the Republic of Congo is FSC® Controlled Wood certified.

The Group aims to provide its buyers and consumers with assurances that all its forests are managed in a responsible and sustainable manner. As part of this process, the Group engages third-party independent forest certification schemes and actively monitors the demand from its clients for certified products, following which it delivers labelled products accordingly.

The Group’s wood products are sold through 10 direct marketing offices across Europe, India, Vietnam and China, which together account for 80 per cent. of global wood consumption.

Rubber

The Group first participated in the rubber upstream business in 2007 through a joint venture company Nauvu Investments, which took a 27.0 per cent. stake in SIFCA Group, one of Africa’s largest agro-industrial groups with diversified interests across palm oil, natural rubber and sugar in Africa. SIFCA’s subsidiary SIPH is one of the world’s leading rubber companies with plantations in Côte d’Ivoire, Ghana, Liberia and Nigeria, and is listed on Euronext.

In 2012, the Group entered into a joint venture — Olam Rubber Gabon (“ORG”) — with the RoG to develop greenfield sustainable rubber plantations in Gabon. RoG has a 40 per cent. equity ownership in the joint venture with the balance of 60.0 per cent. owned by the Group. ORG is currently developing 12,000 hectares of rubber plantation under its phase 1 programme, of which 11,000 hectares have been planted.

The Group has also selectively invested in rubber processing. In 2015, it acquired a 90 per cent. stake in Société Agro Industrielle de la Comoe (“SAIC”), a crumb rubber processor with a rated capacity of 20,700 metric tonnes of natural rubber per annum, based in Côte d’Ivoire, which is the largest exporting country of natural rubber in Africa. SAIC sources latex directly from plantations owned by smallholders and cooperatives and processes it into crumb rubber for exports to U.S., European and Asian customers.

Underlying its upstream and processing activities is a core supply chain business that the Group is building in Southeast Asia and West Africa through sourcing offices in Indonesia, Malaysia, Vietnam and West Africa, and a direct sales presence in China, India, Europe and Singapore.

Fertiliser

The Group started the fertiliser business in 2011, with the aim of becoming a leading supplier of fertilisers in Africa, based on: (i) an existing presence in key fertiliser end-markets and strong grower relationships with farmers and suppliers worldwide, combined with access to large state-owned commodity boards, who are single point purchasers of key agri inputs like fertilisers; and (ii) a captive market from its own upstream operations.

The Group has since established a global fertiliser supply chain business across nine countries and successfully handled various orders for mainstream and specialised fertilisers ranging from small containers to large-size bulk cargoes. To meet the long-term supply requirements, the Group is constructing a 1.3 million MT Granular Urea plant in Gabon using natural gas as feed stock in a joint venture with the RoG. The Group holds an 80 per cent. interest in the joint venture while the RoG holds the balance 20 per cent. In line with its 2016-2021 Strategic Plan, the Group is currently in talks with potential strategic partners to co-share its investment in the project.

Agricultural Logistics and Infrastructure

The Group has invested in the development of special economic zones in Gabon in partnership with the RoG and the Africa Finance Corporation (“AFC”). It holds a 40.5 per cent. interest in the Gabon Special Economic Zone joint venture company (“GSEZ”) while RoG and AFC hold 38.5 per cent. and 21.0 per cent. respectively in GSEZ. GSEZ is involved in the development of the following infrastructure projects:

- GSEZ Nkok: A 1,126-hectare multi-product special economic zone with 52 operational units and 29 under construction;
- GSEZ Mineral Port: A 45-hectare mineral port undertaken in partnership with Meridiam, an international public infrastructure investment fund. The port was commissioned in January 2017;
- New Owendo International Port: An 18-hectare general cargo terminal in Owendo, where GSEZ Ports, a GSEZ subsidiary, handles the general cargo, solid and liquid bulk and provides logistics services, while STCG, a subsidiary of global logistics player Bolloré Group, operates the container activities under a strategic partnership agreement. The port started operations in June 2017; and
- GSEZ Infras: A rural electrification project of 483 kilometre high-voltage and 180 kilometre low-voltage distribution network to connect rural areas to the national grid.

Commodity Financial Services

The following table sets out the Group’s sales revenue and EBITDA in the commodities financial services (“CFS”) segment for FY 2015 and FY 2016:

	FY 2015 (restated)	FY 2016
Sales revenue ⁽¹⁾ (S\$ Mn)	—	—
EBITDA ⁽¹⁾ (S\$ Mn)	8.4	(1.6)

(1) Numbers taken from audited financial statements for FY 2015 (restated) and FY 2016.

The CFS comprises activities that are related to (a) market making, volatility trading and asset management, (b) providing risk management solutions and (c) trade and structured finance.

Market Making, Volatility Trading and Asset Management

The market making, volatility trading and asset management business adopts a sell-side approach and provides markets with options on a range of commodities, including futures traded agricultural commodities, livestock, freight and emissions. This business provides two-way markets on exchange-traded options to producers, consumers, traders and asset management companies through a broker/dealer network.

The Group’s asset management business, marketed under the name of Invenio Asset Management, is engaged in developing macro fundamental strategies as well as algorithmic strategies. The business combines the Group’s experience and insights in commodity markets with its knowledge of derivatives and statistical and mathematical skills built over the years.

Risk Management Solutions

Using a combination of linear and/or exotic derivatives, the Group provides bespoke market-price risk management intelligence and tools to enable selective participation in risk and/or reward by producers, traders and consumers of agricultural commodities.

Trade and Structured Finance

The Trade and Structured Finance business provides solutions to generate incremental yield by utilising the Group's underlying agri-business trade flows.

Customers

The Group has a diversified customer base of over 22,000 customers, which include multi-national food companies, textile manufacturers, wood and furniture component industries, importers and distributors of products in the Destination Markets. Its diversified customer base is derived from its global capabilities of a broad selection of agricultural products and food ingredients.

The number of customers increased from approximately 3,346 in FY 2005 to over 22,000 in 2017. The Group has had no single customer accounting for more than 10 per cent. of its turnover for the three financial years between FY 2013 and FY 2016. The top 25 customers accounted for 21.0 per cent., 23.0 per cent., 17.0 per cent. and 13.0 per cent. of the Group's revenue for these years respectively.

The Group's customers include some of the world's largest packaged food multi-national companies, including Barry Callebaut, ConAgra Foods, Kraft Heinz, Unilever, Nestlé, Mondelēz, General Mills, ADM USA, Blommer Chocolate and Douwe Egberts.

Competition

The Group competes with diverse players at different stages of the supply chain. The intensity and nature of competition depend on the degree of its supply chain participation for each product. In most cases such competition is fragmented. The number of participants in a supply chain depends on how sophisticated, organised and regulated a particular product market is.

The key types of competition are in the areas of:

- export-oriented competition (origin trade houses, farmers/producers, global trade houses and importers); and
- imports, processing and distribution-oriented competition (global trade houses, processors and importers).

Competitive Strengths

Over the years the Group has developed competitive strengths by developing six points of differentiation before scaling up its businesses:

(i) The Group is focused on niche commodities and niche businesses with leadership positions

The Group is a leading agri-business operating from seed to shelf in 70 countries, supplying food and industrial raw materials across 18 product platforms for over 22,000 customers worldwide. The Group is one of the leading global market players in respect of several niche product groups. For example, the Group is:

- the largest supplier of raw cashew nuts by market share in global trade;

- the largest grower of almonds globally and one of the top five almond traders by market share in California;
- one of the top three largest peanut shellers by market share in the United States;
- the largest independent peanut blancher and ingredient manufacturer by market share in the United States;
- the world's largest dehydrated onion and garlic manufacturer and the largest supplier of dehydrated onion, garlic and capsicum in global trade;
- the largest originator of cocoa beans, as well as one of the top three integrated suppliers of cocoa beans and cocoa products in global trade;
- one of the top three largest suppliers of coffee by market share in global trade;
- one of the top three largest suppliers of rice by market share in global trade;
- one of the top two manufacturers of tomato paste, MSG seasonings, biscuits, candies and drinking yoghurt in Nigeria;
- one of the top two cotton merchants by market share in global trade; and
- one of the top suppliers of teak wood by market share in global trade.

(ii) The Group has defensible niche strategies in mainstream commodity categories

In several mainstream commodity categories, the Group has adopted defensible niche strategies, such as wheat milling in sub-Saharan Africa, sugar milling in India and sugar refining in Indonesia and palm upstream and refining in Africa. The Group is one of the top three largest wheat millers by market share in Nigeria, Ghana and Senegal. It is also one of the largest developers of sustainable palm and rubber businesses in Africa. In addition, it is harnessing its food distribution channels and products to build up capabilities in the refining and downstream value chain for edible oils, especially for niche markets in East Africa.

(iii) The Group has a unique Africa footprint and operating capabilities

The Group sourced its first product — cashews — in Nigeria in 1989. Today, it has a direct presence in 25 African countries where its supply chains extend from farming, procurement, primary processing, export, to import, secondary processing, as well as packaged foods manufacturing and distribution. The Group has developed an extensive procurement network involving at least 2.5 million smallholders and set up 31 major processing sites. It employs 21,000 full-time employees and over 26,000 seasonal workers. As of 31 December 2015 (restated), the Group has invested S\$1.89 billion across the continent in fixed capital investments.

The regions and countries in Africa where the Group has significant operations are as follows:

West & Central Africa

- Nigeria: Cocoa, rice, packaged foods (biscuits, beverages, seasonings, tomato paste), dairy, wheat flour, pasta, cotton, sesame and animal feed. Also palm and rubber through investment in SIFCA
- Gabon: Fertiliser, palm, rubber, ag logistics and infrastructure including Special Economic Zone and Mineral Port

- Côte d'Ivoire: Cashew, coffee, cocoa, cotton, rubber and fertiliser. Also palm and sugar through investment in SIFCA
- Ghana: Cocoa, cashew, rice, packaged foods (tomato paste, biscuits), wheat flour, palm oil and fertilisers. Also rubber through investment in SIFCA
- Cameroon: Cocoa, coffee, rice and wheat flour
- Republic of Congo: Wood products
- Senegal: Milk powder and wheat flour
- Togo: Packaged foods, rice and wheat flour
- Burkina Faso: Sesame, cashew, packaged foods (tomato paste, pasta), rice, wheat flour and palm oil

East Africa

- Mozambique: Cashew, edible oils, cotton, sesame and rice
- Tanzania: Cocoa, coffee, sesame and cotton
- Uganda: Cotton, cocoa, sugar, edible oils, sesame and coffee
- Sudan: Sesame

Southern Africa

- South Africa: Edible oils, sugar and packaged foods
- Zambia: Cotton and coffee
- Zimbabwe: Cotton and grains

North Africa

- Algeria: Coffee, dairy products, edible nuts, pulses and rice
- Egypt: Dehydrated onion

(iv) The Group has developed a business model to out-origin its competition

Origin management is one of the Group's key competencies. The Group has a track record of identifying origination opportunities, setting up and managing procurement and distribution infrastructure and institutionalising field operating systems effectively. By building a network of more than four million growers and buying from these growers and village level agents, the Company disintermediates other third parties from the supply chain, thereby gaining direct access to suppliers at the Farm Gate. The Group sources its various products using a common infrastructure and employs field staff who are skilled in dealing with multiple products.

The Group is well-established across key points of origination of its products. Agricultural production bases are dependent on local climates and soil conditions, which make them difficult to relocate. In addition, the production bases of most of the Group's products are located in developing countries, which require deep knowledge of local working conditions. The Group

believes that these characteristics of the Origins present significant barriers to entry for its competitors. Its knowledge of global supply conditions and infrastructure and its understanding of all its Origins provides it with a significant advantage over its competitors at the point of origination in delivering timely, consistent and reliable supplies of raw material to its customers.

(v) *The Group has developed strong customer relationships by providing value-added solutions and services*

The Group has developed strong relationships with its customers in the Destination Markets, many of which are well-known food multi-nationals. The strength of the Group's market capabilities in the Destination Markets is a result of its ability to provide customers with various value-added solutions and services, including vendor managed inventory systems ("VMI") services, grades and quality customisation, traceability guarantees, organic, sustainable and certified raw materials, proprietary market intelligence and tailor-made risk management solutions. The Group believes that it is one of the few industry participants which have combined the market skills of a global trade house and the origination skills of an origin trade house.

(vi) *The Group has built a uniquely shaped portfolio with selective and diversified upstream, supply chain, midstream and downstream participation across products and geographies*

Between FY 2010 and FY 2016, the Group has built a differentiated and uniquely shaped portfolio in terms of products and geographic participation and selective value chain integration.

Diversified supply chain presence

The Group is diversified across products, geographies and markets. It supplies 47 different agricultural products across 18 platforms with operations spread across 70 countries. For each product it supplies, the Group is present in its key producing countries around the world which allows it to meet customers' raw material requirements better in terms of quality, quantity and timeliness should any key producing country experiences a short crop. In FY 2016, the Group sourced 29.4 per cent. of volumes from Asia, Australia and Middle East, 18.6 per cent. from Africa, 27.4 per cent. from Europe and 24.7 per cent. from the Americas. The Group's geographical diversification results in it not being over-exposed to any single Origin for any given product.

The Group's sales are well diversified across markets and in FY 2016, the Group derived 33.1 per cent. of its sales from Asia, Australia and Middle East, 17.7 per cent. from Africa, 26.6 per cent. from Europe and 22.6 per cent. from the Americas.

Diversified upstream presence

The Group has been building an evolving upstream business, which it initially entered through an almond orchard acquisition in Australia in FY 2010. The Group expands upstream selectively where it sees the grower, rather than the trader, or buyer, having an increasing share of the profit pool in the product value chain. It also invests in areas where it believes it can build a significant cost advantage that could result in attractive returns.

The Group farms 21 crops: it now manages almond orchards in Australia and the U.S. where it also grows walnuts and pistachios; pepper plantations in Vietnam and Brazil; palm and rubber plantations in Gabon; coffee plantations in Laos, Tanzania, Zambia and Brazil; a cocoa plantation in Indonesia; peanut farming in Argentina; rice farming in Nigeria; grains farming in Russia; dairy farming in Uruguay and Russia; and forestry concessions in the Republic of Congo. These businesses have gestation periods and will take time to reach maturity, but when operating at full potential, will deliver higher margins than the core supply chain or midstream businesses given that these investments have been selected based on their margin profile and cost position.

Selective and diversified midstream/downstream presence

The Group has also selectively expanded into the midstream part of the value chain, processing some of the agricultural raw materials into ingredient quality intermediate products. It has built a configuration of 69 food processing plants across products and geographies, either in Origins or closer to end-user customers. These value-added secondary processing activities include: cashew processing in India Vietnam, Cote d'Ivoire and Mozambique; peanut shelling and peanut paste manufacturing in the U.S.; vegetable ingredients and tomato paste manufacturing in the U.S.; soluble coffee production in Vietnam and Spain; cocoa grinding in Europe and West Africa; wheat milling in Nigeria, Ghana, Senegal and Cameroon; and sugar milling and refining in India and Indonesia respectively.

The Group has also invested in building a downstream packaged foods business in West Africa, leveraging its significant distribution infrastructure and capabilities in Africa. The Packaged Foods business ("PFB") focuses on eight product categories, of which products are manufactured, branded and marketed to consumers across multiple West African countries. The Group has achieved top two positions in four categories, namely biscuits, candies, tomato paste and seasonings.

Through selective integration into high value upstream, midstream and downstream segments of the value chain while continuing to build on its core supply chain platform, the Group has developed a uniquely shaped portfolio that provides a meaningful differentiation, which in turn enables it to scale up well. The portfolio is also a well-balanced one as the current portfolio has 80 per cent. to 85 per cent. of revenues coming from the more recession-resistant food categories, while 15 per cent. to 20 per cent. of revenue is derived from the more recession-sensitive Industrial Raw Materials, Ag Logistics and Infrastructure segment.

A professional and experienced management team

The Group has consistently attracted high quality professionals to work in the challenging emerging market conditions in which it operates. The Company's executive directors and executive officers each have an average of over 15 years' experience in the industry. The Group has more than 1,000 managers in its global talent pool, many of whom have spent a certain minimum number of years working in an Origin Country. Through extensive on-the-ground experience and rigorous training and promotion systems, the Group's managers have developed a common vision and understanding of its values and goals. These help to foster better intra-business communication, disciplined operational management and an entrepreneurial spirit.

The Group's management team consists of a mix of industry experts. The Group has a structured and formalised training programme and a career development programme designed to provide its managers with the opportunity to manage a mix of businesses and locations. This is to provide them with broad knowledge and experience, and also to enhance the Group's ability to operate as a globally integrated organisation. Most of the Group's core management team have had extensive field experience and are therefore adept at managing issues that may arise from operating in developing countries.

To support its business diversification into upstream (plantations and farming) and midstream (manufacturing) operations, the Group has built significant expertise in the organisation in these two areas. In the last five years its expert technical talent in these two specialist areas has grown from 45 to more than 150 people.

Aligned to its business strategy of prioritising Africa as a key pillar, the Group has created a foundation of talent in the region and a unique set of operating competencies. About 41 per cent. of its managerial talent is in Africa. Its Country Heads in Africa have deep contextual experience, with an average time spent in businesses in Africa at 13 years per leader.

The Group is able to retain its personnel by making an effort to promote internally. As at the Latest Practicable Date, a total of 148,959,804 Shares (direct and deemed) were held by directors of the Company and there were a total of 20,000,000 unissued Shares comprising of options granted to directors of the Company under the employee share option scheme and 1,196,673 unissued Shares comprising of the Restricted Share Awards granted to directors under the Company's Share Grant Plan. This has helped to align their interests with those of the Company and foster a sense of commitment.

A diversified base of well-established and reputable investors

The Company raised net proceeds of approximately S\$185 million in its IPO in 2005. In April 2008, the Company raised approximately S\$300 million through a preferential offering of new Shares to existing investors. On 15 July 2009, the Company raised S\$437.5 million through an issue of new Shares to Breedens and Aranda, both indirect wholly-owned subsidiaries of Temasek Holdings. In June 2011, the Company carried out the Equity Fund Raising which raised approximately S\$740 million through a private placement of new Shares to institutional and other investors, a *pro rata* and non-renounceable preferential offering of new Shares to entitled shareholders and the issue of new Shares to Breedens. In January 2013, the Company carried out the Rights Issue which raised approximately U.S.\$697.5 million, and is expected to raise further gross proceeds of U.S.\$500 million if all the Warrants issued during the Rights Issue are exercised. Breedens announced a voluntary conditional cash offer on 14 March 2014 which closed on 23 May 2014. Following the close of the Offer, Temasek Holdings and its subsidiaries and associated companies owned approximately 58.53 per cent. of the Company and the Company became a subsidiary of Temasek Holdings. In August 2015, the Company raised additional equity capital by issuing an aggregate of 332.73 million new Shares in a private placement to Mitsubishi, at an issue price of S\$2.75 per Share, as well as a separate secondary shares acquisition from the KC Group. The issue raised gross proceeds of approximately S\$915.0 million, giving Mitsubishi a combined equity stake of 20 per cent. in the Company.

Post the expiry of the Warrants on 29 January 2018, Temasek Holdings at the date of this Offering Circular remains the majority shareholder of the Company with a controlling 53.82 per cent. stake. Mitsubishi holds 17.49% while KC Group holds 7.06%.

The Group's ability to attract reputable investors and raise equity financing has provided it with funds to finance its investments and M&A activities and has also contributed to the Group's ability to obtain narrower spreads on its bank borrowings.

2016-2018 Strategic Plan

In 2013, the Group laid out a strategic plan with a focus on the twin goals of pursuing profitable growth and improved free cash flow. Since then it has successfully optimised the portfolio and released cash.

In the six years between FY 2010 and FY 2016, the Group has built a differentiated and uniquely shaped portfolio in terms of products, geographic participation and selective value chain integration. It has also built a strong and experienced team with a proven track record, a strong entrepreneurial culture and distinctive capabilities, in particular in origination, plantation, manufacturing and a unique footprint in Africa. It is now well-positioned to grow and deliver strong returns over the next several years.

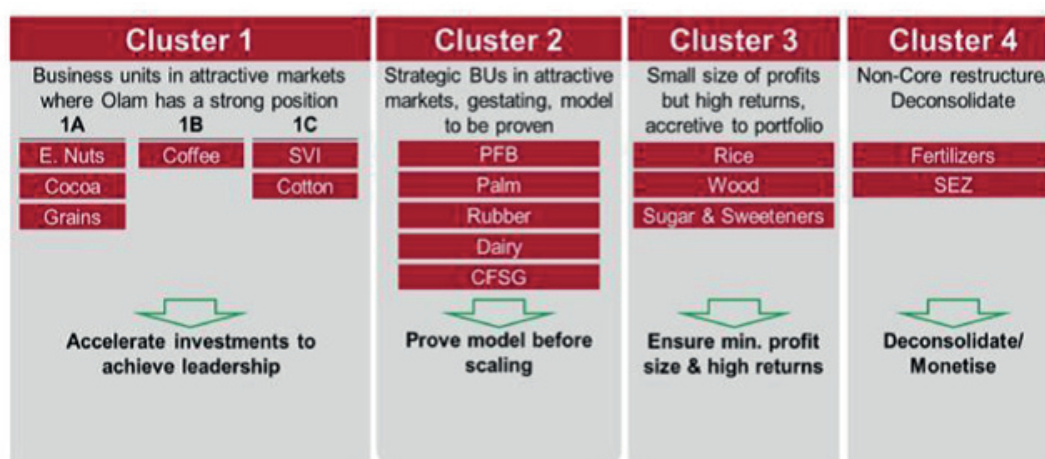
For the 2016-2018 plan period, the Group used six criteria to inform its judgement on how to prioritise its portfolio and the basis for making key investment choices and capital allocation decisions between the various businesses:

- (i) Address areas where performance has been inconsistent or has not met expectations;
- (ii) Double down on strong businesses to scale up and strengthen leadership positions;
- (iii) Focus new investments on areas where we have the highest winnability and returns;
- (iv) Streamline business portfolio and release cash from divestments;
- (v) Find the right investment balance between contributing and gestating businesses; and
- (vi) Assess and manage portfolio risks.

Based on this approach, the Group has prioritised its portfolio into five clusters as shown below:

- Cluster 1 contains the six prioritised platforms — Edible Nuts, Cocoa, Grains, Coffee, Cotton and Spices & Vegetable Ingredients (“**SVI**”), all of which are in attractive markets where the Group has a strong competitive position. It intends to accelerate its investments in these six platforms to build global leadership.
- Cluster 2 consists of five platforms — Packaged Foods business (“**PFB**”), Edible Oils, Rubber, Dairy and Commodity Financial Services (“**CFS**”) all of which are in attractive markets, but the Group’s investments in these platforms are still gestating and therefore the model is still to be proven. The Group intends to scale up these platforms once it has more proof of concept.
- Cluster 3 consists of three platforms — Rice, Wood Products and Sugar which are smaller businesses (in terms of size of profit) for the Group, but with very high returns.
- Cluster 4 consists of two platforms — Fertiliser and Gabon Special Economic Zone (“**SEZ**”) that are non-core, and therefore the Group intends to deconsolidate these businesses and partially monetise these investments at the appropriate time.
- Cluster 5 — prioritise and focus Africa as a separate vertical, by leveraging the region as a globally competitive supply source, supplying food staples and ingredients into Africa, participating in its consumer story and investing in Africa’s agricultural logistics and infrastructure.

Each platform in the five clusters has mapped out specific strategic pathways that it intends to execute over the next two three-year cycles.



Cluster 5: Prioritise Africa, focus as a separate vertical



Trade Licences and Government Regulations

In all normal contracts for supply of agricultural products and food ingredients, there are no material regulations/certifications which need to be complied with. The Group generally enters into contracts in the ordinary course of business, which do not require any certification and are not subject to any regulation by a certifying body.

The Group requires some licences (which are issued by the relevant authorities in the various jurisdictions in which it conducts its business), including licences and permits for upstream, supply chain imports/exports and midstream processing activities. The Group intends to renew or procure the renewal of all expiring licences which are required for its day-to-day operations and the Group is not aware of any matter that would affect the renewal of such licences.

Intellectual Property

The Group relies on a combination of trademark, service mark and domain name regulation, copyright protection and contractual restrictions to protect its brand names and logos, marketing designs and internet domain names.

Properties and Fixed Assets

The Group owns and operates facilities across numerous countries. As at 31 December 2015 (restated) and 31 December 2016, the net carrying value of its property, plant and equipment was S\$4,722.0 million and S\$5,367.0 million respectively.

The rental (operating lease) expenses of the Group (principally for land, offices, warehouses, employees' residence and vessels) were S\$173.1 million for FY 2015 and S\$117.9 million for FY 2016.

Research and Development

The Group carries out research and development activities in the areas of market research, crop and agricultural seed research, weather analysis, product innovation and quality research. It also looks out for and uses, where applicable, suitable new information technology applications for its businesses and operations.

Insurance

Being a global agri-business, the Company maintains various property and liability insurance policies to protect its assets and exposures in countries where it operates.

The Company's insurances are placed with security rated Lloyd's syndicates, commercial underwriters and Olam Insurance Limited, the captive insurance company and a subsidiary of the Company, incorporated in the Isle of Man and managed by Willis Towers Watson. Placement of insurance covers is handled principally by Willis Towers Watson, Jardine Lloyd Thompson and Lloyd and Partners Limited who are Lloyd's brokers.

In addition, employee related types of insurance policies are purchased to enhance the welfare of employees across the globe.

Safety, Health and Environment Regulation

The Group is subject to extensive, evolving and increasingly stringent safety, health and environmental laws and regulations governing its processes and facilities. Such laws and regulations address, among other things, air emissions, waste water discharges, the generation, handling, storage, transportation, treatment and disposal of chemicals, materials and waste, workplace conditions and employee exposure to hazardous substances. The Group has incurred, and expects to continue to incur, operating costs to comply with such laws and regulations. In addition, the Group has made and expects to continue to make capital expenditures on an ongoing basis to comply with safety, health and environmental laws and regulations. While the Group believes it is in compliance in all material respects with all applicable safety, health and environmental laws and regulations, the Group may be required to incur costs to remedy the damage caused by any non-compliance.

Employees and Employee Relations

The Group believes that its employees are one of the key contributors to the success of its business. To achieve this, the Group focuses on hiring and retaining the best talent in the industry. The Group has established human resource processes that are necessary to maximise the performance of its employees. Its work force consists of full time, permanent employees as well as consultants, seasonal and temporary workers who are engaged by the Group on a contractual basis.

The Group conducts periodic reviews of its employees' job performance and determines salaries and discretionary bonuses based upon those reviews. In addition, the Group offers internal training programmes tailored to different job requirements in order to enhance the employees' talent and skills. The Group believes that it maintains a good working relationship with its employees and has not experienced any significant strikes, lockouts or other labour disputes.

Litigation

The Group is not engaged in any material litigation or arbitration proceedings, and no material litigation or claim is known by the Group to be pending or threatened against it.

Recent Developments

Change to Fiscal Year-end

In 2015, the Company changed its fiscal year-end from 30 June to 31 December. The Company decided to adopt a new fiscal year-end in order to align the Company's fiscal year to comply with the group consolidation and reporting requirements of its majority shareholder, Temasek Holdings. With this change, the Group's fiscal year 2015, which began on 1 July 2014, ended on 31 December 2015. Since that date, the Group has followed a conventional 12-month fiscal year from January to December. See "*Risk Factors — The Group's financial statements may not be directly comparable due to a change in fiscal year-end*".

Changes in Accounting Standards

With effect from 1 January 2016, SFRS 16 (Property, Plant and Equipment) and SFRS 41 (Agriculture) have been amended and now require biological assets that meet the definition of a bearer plant to be accounted for as property, plant and equipment in accordance with SFRS 16.

Due to the change, the Group's bearer plants (which include palm oil, rubber, coffee and almond trees) after initial recognition will be measured under SFRS 16 at accumulated cost (before maturity) and at cost less accumulated depreciation (after maturity) where costs are deemed to be based on the fair value at the beginning of the earliest period presented, which is 1 July 2014.

The bearer plants will be subject to annual depreciation over their remaining economic useful lives. However, produce which grows on bearer plants will remain in the scope of SFRS 41 and will continue to be measured at fair value less costs to sell. Accordingly, Olam records changes in the fair value of agricultural produce growing on bearer plants in the profit or loss statement. The determination of changes in fair value is conducted annually and reported in the Company's fourth quarter and full year results announcement starting from Q4 2016.

As a result of these amendments, Olam's balance sheets as at 1 July 2014, 31 December 2014, 31 March 2015, 30 June 2015, 30 September 2015 and 31 December 2015 were restated. In addition, the profit and loss statements for the 12 months and 18 months ended 31 December 2015 and quarters ended 31 March, 30 June, 30 September and 31 December in 2015 were restated. Cash flow statements for the quarters ended March 31, June 30, September 30 and December 31 in 2015 were also restated.

The Group has elected to early adopt SFRS 109 with effect from 1 January 2016. The adoption of SFRS 109 provides better alignment between the underlying business operations and its financial and accounting impact. The new standard better reflects the risk management activities of the Company by matching the business impact with the financial and accounting impact of its hedging activities.

In addition, the standard introduces new basis of classification for financial assets that take into account the business model and cash flow characteristics of those assets.

There are no material financial effects arising from the early adoption of SFRS 109, except for the classification of quoted equity shares (PureCircle Limited). For this asset, the Company has adopted the option of recording fair value changes through Other Comprehensive Income in the profit and loss statement.

DIRECTORS AND MANAGEMENT

Directors and Management

The Directors of Olam are responsible for the overall management of the Group. The day-to-day operations are entrusted to the Group Managing Director and Chief Executive Officer (“CEO”) of Olam and a team of executive officers who are responsible for the different functions of the Group.

Board of Directors

The name and position of each of the Directors are set out below:

<u>Name</u>	<u>Position</u>
Lim Ah Doo	Non-Executive and Independent Director and Chairman
Jean-Paul Pinard	Non-Executive and Independent Director
Sanjiv Misra	Non-Executive and Independent Director
Nihal Vijaya Devadas Kaviratne, CBE	Non-Executive and Independent Director
Yap Chee Keong	Non-Executive and Independent Director
Marie Elaine Teo	Non-Executive and Independent Director
Rachel Eng Yaag Ngee	Non-Executive and Independent Director
Yutaka Kyoya	Non-Executive Director
Mitsumasa Ichio	Non-Executive Director
Sunny George Verghese	Executive Director, Co-Founder and Group CEO
Shekhar Anantharaman	Executive Director and Group Chief Operating Officer

The business experience of the Board is as follows:

Lim Ah Doo

Chairman and Non-Executive and Independent Director

Mr. Lim Ah Doo was appointed to the Board as a Non-Executive and Independent Director and Chairman-designate on 1 November 2016, and succeeded as Chairman on 1 January 2017. He chairs the Company’s Human Resource and Compensation Committee, Governance and Nomination Committee and the Council of Committee Chairs and is a member of the Capital and Investment Committee. Mr. Lim had an 18-year banking career at Morgan Grenfell, which included being the Chairman of Morgan Grenfell (Asia) Limited from 1993 to 1995. He also chaired the Singapore Investment Banking Association in 1994. Between 2003 and 2008, he was President and then Vice Chairman of the RGE Group, a global resource group. Mr. Lim was previously an Independent Director at EDB Investments and an Independent Commissioner and Chairman of the Audit Committee of PT Indosat (Indonesia).

Mr. Lim currently chairs the Board of Singapore Technologies Marine Ltd, a subsidiary of the main-board listed Singapore Technologies Engineering Ltd and is a Non-Executive and Independent Director and Audit Committee Member of Singapore Technologies Engineering Ltd. He sits on the Board of SembCorp Marine Ltd as Non-Executive and Independent Director as well as Chairman of its Risk Committee and Special Committee, is the lead Non-Executive and Independent Director and Audit Committee Chairman of ARA-CWT Management (Cache) Limited (trustee manager of Cache Logistics Trust) and GP Industries Ltd, and a Non-Executive and Independent Director and Audit Committee Chairman of GDS Holdings Limited, STT GDC Pte Ltd and U Mobile Sdn Bhd.

Jean-Paul Pinard

Non-Executive and Independent Director

Mr. Jean-Paul Pinard is a Non-Executive and Independent Director and was appointed to the Board in 2008. He has since chair the Company's Corporate Responsibility and Sustainability Committee and is a member of the Capital and Investment and Human Resource and Compensation Committees and the Council of Committee Chairs. Mr. Jean-Paul spent 17 years with the International Finance Corporation, Washington, DC ("IFC"), becoming the Director of its Agribusiness division, responsible for managing IFC's global investment portfolio in agri-business and food sectors. He is currently Non-Executive Director of Hero Future Energies Pvt Ltd (India) and was previously a director at Yantai Changyu Pioneer Wine Company Limited and a Member of the Supervisory Board of Zalagh Holding. He holds a PhD in Economics from the University of California and a Diplome d'Ingenieur from the Ecole Polytechnique, Paris.

Sanjiv Misra

Non-Executive and Independent Director

Mr. Sanjiv Misra is a Non-Executive and Independent Director and was appointed to the Board in 2013. He chairs the Company's Capital and Investment Committee and is a member of the Risk and Human Resource and Compensation Committees and the Council of Committee Chairs. He is currently the Chairman of the Asia Pacific Advisory Board for Apollo Management, the global private equity and alternative asset management firm, an Independent and Non-Executive Director of Edelweiss Financial Services Ltd, a company listed on the Bombay Stock Exchange, and a Non-Executive Director of Edelweiss Capital (Singapore) Pte Ltd. He is also President and Director of Phoenix Advisers Pte Ltd, a boutique consulting and principal investing firm. Mr. Misra is the lead Independent and Non-Executive Director of OUE Hospitality Trust Management Pte Ltd. and OUE Hospitality REIT Management Pte. Ltd. (Manager of OUE Hospitality Real Estate Investment Trust). He was previously a director of National University Health System and a member of the Board of Trustees of the Singapore Management University. Mr. Misra held several senior positions, namely, Chief Executive Officer of Citigroup's Global Corporate and Investment Banking Group in Singapore and Brunei and Country Officer in Singapore, Head of Asia Pacific Investment Banking and Head of the Asia Pacific Corporate Bank, in a career spanning 11 years with the Citigroup. His career prior to Citigroup included stints with Salomon Brothers and Goldman Sachs & Co. He holds a Bachelor's Degree in Economics, St Stephen's College, University of Delhi, India, Postgraduate Degree in Management, University of Delhi, Indian Institute of Management, Ahmedabad and Master in Management, J.L. Kellogg Graduate School of Management, Northwestern University.

Nihal Vijaya Devadas Kaviratne CBE

Non-Executive and Independent Director

Mr. Nihal Kaviratne CBE is a Non-Executive and Independent Director and was appointed to the Board in 2014. He is a member of the Company's Audit and Corporate Responsibility and Sustainability Committees, and also chairs the Board of Caraway Pte Limited, a joint venture entity of the Company. His career with the Unilever Group spanned 40 years during which he held various senior level management positions in sales, marketing, brand and strategic planning and development, and as Chairman/CEO across Asia, Europe and Latin America. He retired from Unilever in 2005. Mr. Kaviratne currently serves as an Independent and Non-Executive Director in GlaxoSmithKline Pharmaceuticals Ltd, India and of several Temasek-Portfolio Companies including StarHub Limited, DBS Group Holdings Limited, DBS Bank Limited and DBS Foundation Limited. He Chairs the Strategy Committee and is a member of the Audit Committee of StarHub Limited. He is also a member of the Audit and Board Risk Management Committees of DBS Group Holdings Limited and DBS Bank Limited. Mr. Kaviratne is a member of the Private Sector Portfolio Advisory Committee in India for the UK Government's Department for

International Development (DFID), serves on the Advisory Board of Bain & Company for SEA/Indonesia and the Corporate Resilience Advisory Council of McKinsey & Company. He was cited in the Queen Elizabeth II's 2004 New Year Honours List in the UK and has been made the Commander of the Order of British Empire (CBE) for services to UK business interests and to sustainable development in Indonesia. Mr. Kaviratne brings with him extensive organisational, business, management, strategic planning and customer-based experience and knowledge. He holds a Bachelor of Arts, Economics (Honours) from Bombay University, India.

Yap Chee Keong

Non-Executive and Independent Director

Mr. Yap Chee Keong is a Non-Executive and Independent Director and was appointed to the Board in December 2015. He is the Chairman of the Company's Audit Committee and a member of the Risk, Capital and Investment and Governance and Nomination Committees and Council of Committee Chairs. Mr. Yap is the Independent and Non-Executive Director of Sembcorp Industries Limited, Shangri-La Asia Limited, Citibank Singapore Limited, Mediacorp Pte Ltd and Certis Cisco Security Pte Ltd and a Non-Executive director of The Straits Trading Company Limited, Malaysia Smelting Corporation Berhad and Rahman Hydraulic Tin Sdn Bhd. He was previously the Executive Director of The Straits Trading Company Limited and the Chief Financial Officer of Singapore Power Ltd. He has also worked in various senior management roles in multinational and listed companies. He was a board member of the Accounting and Corporate Regulatory Authority and a member of the Public Accountants Oversight Committee, the MAS/SGX/ACRA Work Group to review the Guidebook for Audit Committees in Singapore and the MAS/SGX/ACRA/SID Review Panel to develop a Guide for Board Risk Committees in Singapore. He holds a Bachelor of Accountancy from the National University of Singapore and is a Fellow of the Institute of Singapore Chartered Accountants, a Fellow of CPA Australia and a Fellow of the Singapore Institute of Directors.

Marie Elaine Teo

Non-Executive and Independent Director

Ms. Marie Elaine Teo is a Non-Executive and Independent Director and was appointed to the Board in 2015. She is Chairman of the Company's Risk Committee, and a member of the Company's Capital and Investment and Corporate Responsibility and Sustainability Committees and the Council of Committee Chairs. She is currently an Independent Non-Executive Director of G. K. Goh Holdings Limited and a Director of Caregivers Alliance Ltd, Mapletree Investments Pte Ltd, Mapletree Oakwood Holdings Pte Ltd and Chairman of The Teng Ensemble Ltd. She is a member of the International Advisory Panel of CIMB Group Holdings Berhad, listed on Bursa Malaysia. Ms. Teo has over 20 years of investment experience, primarily with the Capital Group companies where she focused on Asian banks and global emerging markets, both as an analyst and an investment manager. She was formerly the Chairman of Capital International Research Group and Managing Director of Capital International Inc., Asia. Ms. Teo holds a Bachelor of Arts (Honours) in Experimental Psychology from Oxford University and a MBA from INSEAD.

Rachel Eng Yaag Ngee

Non-Executive and Independent Director

Ms. Rachel Eng is a Non-Executive and Independent Director and was appointed to the Board in 2016. She is a member of the Company's Audit, Governance and Nomination and Human Resource and Compensation Committees. Ms. Eng is currently the Deputy Chairman of WongPartnership LLP. She is involved in initial public offerings by companies and REITs on the Singapore Exchange Securities Trading Limited as well as handles corporate advisory and corporate governance work. Ms. Eng is also an Independent and Non-Executive Director of StarHub Ltd., SPH REIT Management Pte. Ltd., manager of SPH REIT and Certis Cisco Security Pte. Ltd., and a board member of the Public Utilities Board.

She was previously a board member of the Singapore Accountancy Commission. Her other major appointments include being a member on the Board of Trustees of Singapore Institute of Technology, a member of the Council of the Singapore Business Federation, a member of the Corporate Governance Council and a Supervisory Committee member of ABF Singapore Bond Index Fund established by the Monetary Authority of Singapore, and a member of the SGH Health Development Fund Committee set up by SingHealth Fund. Ms. Eng is also a member of the Committee on the Future Economy, which was formed by the Singapore Government in January 2016 to develop economic strategies to position Singapore well for the future.

Ms. Eng graduated from the National University of Singapore in 1991 with Bachelor of Laws (LLB) (Hons) degree. She was called to the Singapore Bar in 1992 and to the Roll of Solicitors of England and Wales in 2001. She also holds a Certified Diploma in Accounting and Finance from the Chartered Association of Certified Accountants (UK).

Yutaka Kyoya

Non-Executive Director

Mr. Yutaka Kyoya is a Non-Executive Director and was appointed to the Board in 2015. He is a member of the Company's Audit, Corporate Responsibility and Sustainability, and Governance and Nomination Committees. He is currently the Executive Vice President and Group CEO of Living Essentials Group of Mitsubishi Corporation. He joined Mitsubishi Corporation in 1984 and has since been engaged in the food business. Mr. Kyoya has held various roles in Mitsubishi Corporation, in Tokyo as well as in its overseas offices, including the USA, Malaysia and Singapore. Prior to his current position, Mr. Kyoya was the Deputy General Manager of Living Essentials Group CEO's Office in 2012 before he was promoted to Senior Vice President of Mitsubishi Corporation and Chief Operating Officer of its Living Essential Resources Division in 2014. He is currently the Non-Executive Director of Mitsubishi Shokuhin Co., Ltd. and Lawson, Inc. Mr. Kyoya holds a degree in Commerce from Waseda University Tokyo and has completed the Advanced Management Program from Harvard Business School.

Mitsumasa Ichō

Non-Executive Director

Mr. Mitsumasa Ichō is a Non-Executive Director and was appointed to the Board in 2017. He is a member of the Company's Risk, Capital and Investment and Human Resource and Compensation Committees. Mr. Ichō is currently Executive Vice President, Corporate Functional Officer, Regional Strategy for Japan and General Manager, Kansai Branch of Mitsubishi Corporation. He has been with the Mitsubishi Group since 1982 and has held senior positions within the Group in Houston and New York as well as other key Group functional roles in Finance, Risk Management, Tax and Administration. He was the Executive Vice President of Mitsubishi Motors North America, Inc. from 2006 to 2008 and subsequently Mitsubishi Motors Corporation from 2008 to 2012. Prior to assuming his current role, Mr. Ichō was Senior Vice President of the Risk Management Department, an advisory function to the President's office and the General Manager of Mitsubishi Corporation's Machinery Group Administration Department. He holds a Bachelor of law from the University of Tokyo.

Sunny George Verghese

Co-Founder, Group CEO and Executive Director

Mr. Sunny Verghese is the Co-Founder and Group CEO and was appointed to the Board in 1996. He is a member of the Company's Capital and Investment and Corporate Responsibility and Sustainability Committees. He has been with the KC Group for over two decades and in 1989 was mandated to start the Company with a view to building an agricultural products business for the KC Group. Before joining the KC Group, he worked for Unilever in India. Mr. Verghese is currently the Chairman of the Human Capital

Leadership Institute Pte Ltd, JOil (S) Pte Ltd and WBCSD (World Business Council for Sustainable Development). He is also a board member of Caraway Pte. Ltd., a joint venture entity of the Company and a member of the Board of Trustees of Singapore Management University. He has previously chaired International Enterprise Singapore, served as a director for PureCircle Limited and has held an appointment as trustee for the National University of Singapore.

Mr. Verghese has won several awards including Ernst & Young Entrepreneur of the Year for Singapore in 2008 and Best CEO of the Year 2011 at the Singapore Corporate Awards. He was also awarded the Public Service Medal by the Government of the Republic of Singapore in 2010. He holds a postgraduate degree in Business Management from the Indian Institute of Management, Ahmedabad and has completed the Advanced Management Programme from the Harvard Business School.

Shekhar Anantharaman

Executive Director and Group Chief Operating Officer

Mr. Shekhar Anantharaman has been with the Group since 1992 and was appointed as an Executive Director to the Main Board in 1998. He is a member of the Company's Risk and Capital and Investment Committees. Mr. Anantharaman is the Group Chief Operating Officer of the Company since February 2016. Prior to the role, he was Executive Director for Finance & Business Development from 2012 to 2016, leading the Company's overall Strategy and New Business Development activities, as well as oversee the Corporate Finance & Accounts, Banking & Treasury, Manufacturing & Technical Services, Strategic Investments, Investor Relations and Shared Services functions. He has previously had oversight responsibility for the Company's global Edible Nuts, Spices & Vegetable Ingredients and Packaged Foods businesses. He also had regional oversight for the Company's operations in China, Brazil, Argentina and North America, as well as the functional oversight of the Manufacturing and Technical Services (MATS) function. He also held senior roles in Country Management, as well as led various Corporate Functions including Finance, Treasury and IT. Mr. Anantharaman is currently a board member of Caraway Pte. Ltd., a joint venture entity of the Company. He holds a degree in Aeronautical Engineering and a postgraduate degree in Business Management and has completed the Advanced Management Programme from Harvard Business School.

Principal Executive Officers

The particulars of the Group's principal executive officers are listed below:

<u>Name</u>	<u>Title</u>
Gerard Anthony Manley	Managing Director, CEO — Cocoa
Jagdish Achleshwar Prasad Parihar	Managing Director and Chief Risk and Compliance Officer
Vivek Verma	Managing Director, CEO — Coffee and Commodity Financial Services
Ashok Krishen	Managing Director, CEO — Edible Nuts
Ashok Chandra Mohan Hegde	Managing Director, CEO — Cotton
Venkataramani Srivathsan	Managing Director, CEO — Africa and Middle East
Ranveer Singh Chauhan	Managing Director, CEO — Edible Oils & Rubber
Gregory Carl Estep	Managing Director, CEO — Spices & Vegetable Ingredients
Joseph Noel Kenny	Managing Director, CEO — Dairy and Sugar
Keshav Chandra Suresh	Managing Director, CEO — Grains and Animal Feed

Information on the area of responsibility and working experience of the Executive Officers of the Group is set out below:

Gerard Anthony Manley

Managing Director, CEO Cocoa

Mr. Gerard Anthony Manley joined the Company in 1998. Mr. Manley is currently the Managing Director, CEO of the Company's Cocoa business. Prior to joining the Company, Mr. Manley worked for ED & F Man Cocoa Ltd in London as a Director from 1990 to 1998. During his time at ED & F Man Cocoa Ltd, Mr. Manley was also a Director of their operations in Malaysia, Poland and Nigeria. Mr. Manley has over 31 years' experience in the Cocoa business and previously chaired the Federation of Cocoa Commerce. Mr. Manley obtained a Bachelor of Arts (Honours) in Geography from the Newcastle Upon Tyne Polytechnic in 1981 and obtained a Masters of Business Administration from the City University in London in 1988. He is currently a Board member of the World Cocoa Foundation and the European Cocoa Association. He has previously served on the Boards of the Federation of Cocoa Commerce, London Cocoa Terminal Association and the Cocoa Association of Asia.

Jagdish Achleshwar Prasad Parihar

Managing Director and Chief Risk and Compliance Officer

Mr. Jagdish Achleshwar Prasad Parihar joined the KC Group in 1986 and was transferred to Chanrai International Ltd (London) in 1989 in the capacity of General Manager. Mr. Parihar is currently the Managing Director and Chief Risk and Compliance Officer with oversight responsibility for Risk Management and Market Compliance. His portfolio during the last 18 years in Singapore involved the Natural Fibres business and regional oversight of India and Southeast Asian regions. He obtained a BSc. Degree from Gujarat University in India in 1974 and obtained a Masters degree in Management Studies from the Birla Institute of Technology and Science in Pilani, India in 1979. Mr. Parihar is the co-author of a book on Agri-business and Commodity Risk and is involved as a keynote speaker in various international risk management summits in Europe and Asia. He is the Director of International Cotton Association U.K. and a qualified commodity arbitrator.

Vivek Verma

Managing Director, CEO Coffee and Commodity Financial Services

Mr. Vivek Verma joined the Group in India in 1992 as a Business Manager and started the Indian operations under Olam Exports (India) Limited. He was transferred to the Company in 1996, where he was appointed as the Vice President responsible for the Group's Coffee business. Mr. Verma was subsequently promoted to Managing Director where in addition to the Coffee business, he developed and is currently responsible for the Commodity Financial Services businesses. He obtained a Bachelor of Technology degree from the Indian Institute of Technology, New Delhi, India in 1985.

Ashok Krishen

Managing Director, CEO Edible Nuts

Mr. Ashok Krishen joined Olam Nigeria Ltd in 1992 as a Branch Coordinator. From 1994 to 1996, Mr. Krishen was the country head of Olam Ghana Limited and was Regional Controller overseeing Benin, Togo and Cameroon. He was appointed the Global Head for the Rice and Sugar division from 1996 to 2002. In 2002, he was appointed as Global Head of the Group's Cashews and Spices division. In 2007, he also assumed additional responsibility for the rest of the Edible Nuts and Vegetable Ingredients business. Since 2012, Mr. Krishen heads and is focused on growing the Company's enlarged Edible Nuts business. Mr. Krishen holds a Bachelor of Science (Physics) degree from the University of Kerala in India and obtained a Post Graduate Diploma in Personnel Management and Industrial Relations from the Xavier Labour Relations Institute in India in 1986.

Ashok Chandra Mohan Hegde

Managing Director, CEO Cotton

Mr. Ashok Chandra Mohan Hegde joined Olam Benin Sarl in 1994 as a Branch Coordinator in charge of procurement and sale of commodities. Mr. Hegde was transferred to the Company in 1996 where he has held various positions including Country Head of Indonesia (from 1996 to 1998), Regional Controller of South East Asia (from 1998 to 2000), Managing Director of the Group's Wood Products division (from 2000 to 2008), Global Head for Risk Management and Information Systems (from 2009 to 2013) and Global Head for Rubber (from 2011 to 2013). He is currently the Managing Director, CEO for Cotton. Mr. Hegde obtained a Bachelor of Engineering in Electrical & Electronics in 1988 from the University of Mysore, India and a Masters in Business Administration in 1991 from the University of Poona, India.

Venkataramani Srivathsan

Managing Director, CEO Africa and Middle East

Mr. Venkataramani Srivathsan joined Olam Nigeria Ltd in 1994. Mr. Srivathsan has held various positions in the Group including Financial Controller, Nigeria, Country Head, Ghana and subsequently, Managing Director & Regional Head for West Africa 2 (Nigeria, Cameroon and Benin). He headed the Company's Agri Inputs business from 2010 to 2012 and is currently the Managing Director for Africa and Middle East, as well as overseeing the Fertiliser business. He obtained a Bachelor of Commerce degree from St. Xavier's College, Tamil Nadu in 1984 and qualified as a member of The Institute of Chartered Accountants in 1989.

Ranveer Singh Chauhan

Managing Director, CEO Edible Oils and Rubber

Mr. Ranveer Singh Chauhan first joined the Group in April 1993. In October 1997, Mr. Chauhan left the Group to join Melagro Exports Ltd as their General Manager and Head of Exports before returning to the Group in November 1998 to be the Regional Controller of West Africa. Mr. Chauhan is the Managing Director for the Company's operations in West Africa and South East Africa. He is concurrently the Managing Director, CEO for the Company's Edible Oils and Rubber businesses. He obtained a Bachelor of Science degree in 1985 and a Master of Science degree in 1987 both from Kanpur University, India. Mr. Chauhan also obtained a postgraduate Diploma in Business Management from The Indian Institute of Management, Ahmedabad, India in 1989. In 2003, he completed the Advanced Management Programme from Wharton University of Pennsylvania.

Gregory Carl Estep

Managing Director, CEO Spices and Vegetable Ingredients

Mr. Gregory Carl Estep joined Olam in July of 2010. He has fifteen years of experience in food ingredients and fourteen years in commodity trading. He is on the Executive Committee of the California League of Food Processors and serves on the Foundation Board of Trustees at the University of California, Merced. He holds a BS in agricultural economics from Virginia Tech and a MBA from the Fuqua School of Business, Duke University.

Joseph Noel Kenny

Managing Director, CEO Dairy & Sugar

Mr. Joseph Noel Kenny has been with the company since 2012 as the Global Head of Olam's Sugar business. In addition to his current role, he took on the responsibility as Managing Director & Global Head for Dairy with effect from 1 April 2015. He has 20 years of experience, joining Archer Daniels Midland (ADM) in 1993 and has held various leadership roles in Grains and Oilseeds. He was appointed as the Head of Trading & Commercial Director for ADM's Cocoa Operations in 2001. In 2004, he was promoted as the Managing Director & Vice President of ADM Cocoa International and served on the board of the ECA (European Cocoa Association). In 2007, after 14 years with ADM, he joined Nidera International as the Managing Director for European Grains & Oilseeds division. By 2009 he was appointed to Nidera's Executive Committee (ECT) with responsibility for Group Commodity Trading including Energy and Freight in Europe, Asia and Africa.

Keshav Chandra Suresh

Managing Director, CEO Grains and Animal Feed

Mr. Keshav Chandra Suresh joined the Company in 1994. From 1994 to 2000, he held various positions in origination, country management and trading in East Africa and Singapore. In 2000, Mr. Suresh left the Company to pursue an MBA and worked for Honeywell in Europe from 2001 to 2008 in various roles, the last of which was as Director of Supply Chain for EMEA. In 2008, he re-joined the Company to start off the Grains platform and is currently the Managing Director, CEO of the Company's Grains and Animal Feed business. He has an engineering degree from IT BHU, Varanasi, a Master in International Business from IIFT, New Delhi and an MBA (Hons) from INSEAD, Fontainebleau, France.

Board Committees

The Board has six Committees namely the Audit Committee, Governance and Nomination Committee, Human Resource and Compensation Committee, Risk Committee, Capital and Investment Committee and Corporate Responsibility and Sustainability Committee.

A brief summary of the responsibilities of each Board Committee is provided below.

Audit Committee

The committee meets at least four times a year and oversees the process for evaluating the adequacy of internal controls, financial reporting and compliance and satisfies itself as to the adequacy of such processes. Other functions performed by the committee include the review of financial statements before public announcement, discussion with internal and external auditors on any issues of concern, review of scope, costs and effectiveness of external audit and ensure independence and objectivity of the auditors, review of internal control procedures and review and discussion with external auditors of any suspected fraud or irregularity.

Governance and Nomination Committee

The committee meets at least once a year. Its responsibilities include recommending the appointment and reappointment of directors, reviewing the composition and size of the Board and Board Committees, conducting annual review of the independence of each director, assessing the Board's effectiveness, recommending performance criteria for evaluating Board's performance, evaluating and nominating directors to Board Committees.

Human Resource and Compensation Committee

The committee meets at least once a year and is responsible for developing the framework of the Company's remuneration policy and determining the remuneration packages of the senior executives as well as the fees of Directors. It also designs and approves the employees' compensation and remuneration including the framework and share participation scheme. The committee also reviews succession plans for the GCEO, GCOO and Senior Management of the Company.

Risk Committee

The committee meets at least four times a year to review the adequacy and effectiveness of the Group's market compliance function, risk events through the enterprise risk framework, risk management policies and systems, major non-compliance with risk policies and political and sovereign risks, and the management and insurance thereon. It also reviews and recommends risk limits and budgets.

Capital and Investment Committee

The committee meets at least four times a year. It reviews and recommends financial strategies, policies, new business risks and capital structure of the Company, recommend equity and debt capital raising plans and significant banking arrangements, review investment policy guidelines and capital expenditure plans, assess adequacy of foreign currency management, recommend on mergers, acquisitions and divestments.

Corporate Responsibility and Sustainability Committee

As supply chain managers of agricultural products, the Company's sustainability initiatives are inter-woven into its business model and are aimed at making meaningful social impact in the communities within which it operates. The committee's role includes the review and recommendation of policies with respect to corporate responsibility and sustainability issues, review of the Company's environmental policies and standards, social impact of business practices in the communities which it operates in and policies and practices on key stakeholders (suppliers, customers and employees) and regulators. The committee meets at least four times a year.

TAXATION

The following summary of certain Singapore, PRC, Hong Kong and European Union tax consequences of the purchase, ownership and disposition of the Notes is based upon applicable laws, regulations, rulings and decisions in effect as of the date of this Offering Circular (including administrative guidelines issued by the MAS and the IRAS), all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Neither these statements nor any other statements in this Offering Circular are to be regarded as advice on the tax position of any holder of the Notes or any persons acquiring, selling or otherwise dealing in the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. Prospective holders of the Notes are advised to consult their own tax advisors as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that neither the Issuers, the Arrangers nor any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

*In addition, the disclosure below is on the assumption that the IRAS regards each tranche of the Perpetual Securities as “debt securities” for the purposes of the ITA and that interest payments made under each tranche of the Perpetual Securities will be regarded as interest payable on indebtedness and holders thereof may therefore enjoy the tax concessions and exemptions available to qualifying debt securities, **provided that** the other conditions for the Qualifying Debt Securities Scheme are satisfied.*

SINGAPORE

Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is
 - (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or
 - (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15.0 per cent. final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17.0 per cent. The applicable rate for non-resident individuals is currently 22.0 per cent. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0 per cent. The rate of 15.0 per cent. may be reduced by applicable tax treaties.

Notwithstanding the above, with effect from 29 December 2009, the said deeming provisions of Section 12(6) of the ITA would not apply to payments for any arrangement, management, service or guarantee relating to any loan or indebtedness, where: (i) the arrangement, management or service is performed outside Singapore; or (ii) the guarantee is provided, for or on behalf of a person resident in Singapore or a permanent establishment in Singapore by a non-resident person who:

- (i) is not an individual, is not incorporated, formed or registered in Singapore; and
 - (A) does not by himself or in association with others, carry on a business in Singapore and does not have a permanent establishment in Singapore; or
 - (B) carries on a business in Singapore (by himself or in association with others) or has a permanent establishment in Singapore, but (a) the arrangement, management or service is not performed through; or (b) the giving of the guarantee is not effectively connected with, that business carried on in Singapore or that permanent establishment.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (i) interest from debt securities derived on or after 1 January 2004;
- (ii) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and
- (iii) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

The terms “**break cost**”, “**prepayment fee**” and “**redemption premium**” are defined in the ITA as follows:

“**break cost**” means, in relation to debt securities and qualifying debt securities, any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;

“**prepayment fee**” means, in relation to debt securities and qualifying debt securities, any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and

“**redemption premium**” means, in relation to debt securities and qualifying debt securities, any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to “**break cost**”, “**prepayment fee**” and “**redemption premium**” in this Singapore tax disclosure have their same meaning as in the ITA.

In addition, as the Programme as a whole is arranged by DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch and Standard Chartered Bank, each of which was, at the time of establishment of the Programme, a Financial Sector Incentive (Bond Market) Company (as defined in the ITA), and the participation of Olam Treasury as a new issuer was also arranged by DBS Bank Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, Standard Chartered Bank and Standard Chartered Bank (Singapore) Limited, each of which was a Financial Sector Incentive (Bond Market) Company, a Financial Sector Incentive (Capital Market) Company or a Financial Sector Incentive (Standard Tier) Company (as defined in the ITA) at such time, any tranche of the Notes issued as debt

securities under the Programme during the period from the date of this Offering Circular to 31 December 2018 (the “**Relevant Notes**”) would be “qualifying debt securities” for the purposes of the ITA, to which the following treatment shall apply:

- (I) subject to certain prescribed conditions having been fulfilled (including the furnishing by the relevant Issuer, or such other person as the MAS may direct, of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require to the MAS and the inclusion by the relevant Issuer in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant Notes is derived by any person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Notes using funds from that person’s operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the “**Specified Income**”) from the Relevant Notes, derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from such person’s operation through a permanent establishment in Singapore, are exempt from Singapore tax;
- (II) subject to certain conditions having been fulfilled (including the furnishing by the relevant Issuer, or such other person as the MAS may direct, of a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the Comptroller may require to the MAS), Specified Income from the Relevant Notes derived by any company or a body of persons (as defined in the ITA) in Singapore is subject to tax at a concessionary rate of 10.0 per cent.; and
- (III) subject to:
 - (a) the relevant Issuer including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Specified Income) derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and
 - (b) the relevant Issuer, or such other person as the MAS may direct, furnishing to the MAS a return on debt securities for the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require,

Specified Income derived from the Relevant Notes are not subject to withholding of tax by the relevant Issuer.

However, notwithstanding the foregoing:

- (1) if during the primary launch of any tranche of Relevant Notes, the Relevant Notes of such tranche are issued to fewer than four (4) persons and 50.0 per cent. or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the relevant Issuer, such Relevant Notes would not qualify as “qualifying debt securities” (unless otherwise approved by the Minister of Finance or such person as he may appoint); and
- (2) even though a particular tranche of Relevant Notes are “qualifying debt securities”, if, at any time during the tenure of such tranche of Relevant Notes, 50.0 per cent. or more of the issue of such Relevant Notes which are outstanding at any time during the life of their issue is held

beneficially or funded, directly or indirectly, by any related party(ies) of the relevant Issuer, Specified Income derived from such Relevant Notes held by:

- (a) any related party of the relevant Issuer; or
- (b) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the relevant Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax described above.

The term “**related party**”, in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

Notwithstanding that the relevant Issuer is permitted to make payments of Specified Income in respect of the Relevant Notes without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose Specified Income (whether it is interest, discount income, prepayment fee, redemption premium or break cost) derived from the Relevant Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

Under the Qualifying Debt Securities Plus Scheme (“**QDS Plus Scheme**”), subject to certain conditions having been fulfilled (including the furnishing by the issuer or such other person as the MAS may direct, of a return on debt securities in respect of the qualifying debt securities in the prescribed format within such period as the MAS may specify and such other particulars in connection with the qualifying debt securities as the MAS may require to the MAS), income tax exemption is granted on Specified Income derived by any investor from qualifying debt securities (excluding Singapore Government Securities) which:

- (a) are issued during the period from 16 February 2008 to 31 December 2018;
- (b) have an original maturity of not less than 10 years;
- (c) cannot have their tenure shortened to less than 10 years from the date of their issue, except where
 - (i) the shortening of the tenure is a result of any early termination pursuant to certain specified early termination clauses which the issuer included in any offering document for such qualifying debt securities; and
 - (ii) the qualifying debt securities do not contain any call, put, conversion, exchange or similar option that can be triggered at specified dates or at specified prices which have been priced into the value of the qualifying debt securities at the time of their issue; and
- (d) cannot be re-opened with a resulting tenure of less than 10 years to the original maturity date.

In determining an investor’s income that is to be exempted from tax under the QDS Plus Scheme, prescribed conditions apply in relation to how the investor’s losses, expenses and capital allowances which are attributable to exempt income are to be treated.

However, even though a particular tranche of the Relevant Notes are “qualifying debt securities” which qualify under the QDS Plus Scheme, if at any time during the tenure of such tranche of Relevant Notes, 50.0 per cent. or more of the issue of such Relevant Notes which are outstanding at any time during the life of their issue is held beneficially or funded, directly or indirectly, by any related party(ies) of the relevant Issuer, Specified Income derived by:

- (a) any related party of the relevant Issuer; or

- (b) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the relevant Issuer,

shall not be eligible for the tax exemption under the QDS Plus Scheme as described above.

In the Singapore Budget Statement 2018, it was announced that the Qualifying Debt Securities Scheme will be extended till 31 December 2023. However, the QDS Plus Scheme will be allowed to lapse after 31 December 2018. Debt securities that are issued on or before 31 December 2018 can continue to enjoy the tax concessions under the QDS Plus Scheme if the conditions under the QDS Plus Scheme are satisfied for such debt securities. The MAS is anticipated to release further details of the changes by May 2018.

Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes who apply or are required to apply Singapore Financial Reporting Standard 39 – Financial Instruments: Recognition and Measurement (“**FRS 39**”) or Singapore Financial Reporting Standard 109 – Financial Instruments (“**FRS 109**”), may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39 or FRS 109. Please see the section below on “*Adoption of FRS 39 and FRS 109 Treatment for Singapore Income Tax Purposes*”.

Adoption of FRS 39 and FRS 109 Treatment for Singapore Income Tax Purposes

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and “opt-out” provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has issued a circular entitled “Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition and Measurement”.

FRS 109 is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109, subject to certain exceptions. The IRAS has also issued a circular entitled “Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments”.

Holders of the Notes who may be subject to the tax treatment under Sections 34A or 34AA of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

PRC

The following summary describes the principal PRC tax consequences of ownership of the Notes by beneficial owners who, or which, are not residents of the PRC for PRC tax purposes. These beneficial owners are referred to as non-PRC Noteholders in this section. In considering whether to invest in the Notes, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction. Reference is made to PRC taxes from the taxable year beginning on or after 1 January 2008.

Value Added Tax

On 23 March 2016, the MOF and the SAT jointly issued the Circular 36 which provides that all business tax payers are included into the pilot programme to pay VAT from 1 May 2016. With effect from 1 May 2016, the income derived from the provision of financial services which previously attracted business tax will be entirely replaced by, and subject to, VAT.

According to Circular 36, the entities and individuals providing the services within PRC shall be subject to VAT. The services are treated as being provided within PRC where either the service provider or the service recipient is located in PRC. The services subject to VAT include the provision of financial services such as the provision of loans. It is further clarified under Circular 36 that the “loans” refers to the activity of lending capital for another’s use and receiving the interest income thereon. Based on the interpretation of “loans” under the Circular 36, the issuance of Notes may be treated as the holders of the Notes providing loans to the Issuer, which thus shall be regarded as the provision of financial services that could be subject to VAT. If the holders of the Notes are regarded as providing financial services to the Issuer within PRC by the competent PRC tax authorities, the holders of the Notes shall be subject to VAT at the rate of 6 per cent. when receiving the interest payments from the Issuer under the Notes. In addition, in that case the holders of the Notes shall also be subject to the local levies at approximately 12 per cent. of the VAT payment and consequently, the combined rate of VAT and local levies would be around 6.7 per cent. Given that the Issuer pays interest income to Noteholders who are located outside of the PRC, if such interest income is subject to VAT in the future, the Issuer, acting as the obligatory withholder in accordance with applicable law, shall withhold VAT and local levies from the payment of interest income to Noteholders who are located outside of the PRC.

The Circular 36 has been issued quite recently and the above disclosure may be subject to further change upon the issuance of further clarification rules and/or different interpretation by the competent tax authority. There is uncertainty as to the application of the Circular 36.

Pursuant to the EIT Law and the VAT reform detailed above, if the Issuer is treated as a PRC tax resident in the future, the Issuer may need to withhold EIT, (should such tax apply) from the payments of interest in respect of the Notes for any non-PRC-resident Noteholder and the Issuer may need to withhold VAT (should such tax apply) from the payments of interest in respect of the Notes for any Noteholders located outside of the PRC. However, in the event that the Issuer is required to make such a deduction or withholding (whether by way of EIT or VAT or otherwise), the Issuer has agreed to pay such additional amounts as will result in receipt by the Noteholders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required, as further set out in the Terms and Conditions of the Notes other than the Perpetual Securities.

Stamp Duty

No PRC stamp duty will be chargeable upon the issue or transfer (for so long as the register of Noteholders is maintained outside the PRC) of a Note.

HONG KONG

Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Interest on the Notes may be subject to profits tax in Hong Kong in the following circumstances:

- (i) interest on the Notes is derived from Hong Kong and is received by or accrues to a company carrying on a trade, profession or business in Hong Kong;
- (ii) interest on the Notes is derived from Hong Kong and is received by or accrues to a person, other than a company, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or
- (iii) interest on the Notes is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 112) of Hong Kong) and arises through or from the carrying on by the financial institution of its business in Hong Kong.

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal or redemption of the Notes may be subject to profits tax.

Sums derived from the sale, disposal or redemption of the Notes may be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source. The source of such sums will generally be determined by having regard to the manner in which the Notes are acquired and disposed.

Stamp Duty

Stamp duty will not be payable on the issue of Bearer Notes provided either:

- (i) such Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) such Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong).

If stamp duty is payable it is payable by the Issuer on the issue of Bearer Notes at a rate of 3 per cent. of the market value of the Notes at the time of issue. No stamp duty will be payable on any subsequent transfer of Bearer Notes.

No stamp duty is payable on the issue of Registered Notes. Stamp duty may be payable on any transfer of Registered Notes if the relevant transfer is required to be registered in Hong Kong. Stamp duty will, however, not be payable on any transfer of Registered Notes **provided that** either:

- (i) the Registered Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong or
- (ii) the Registered Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong).

If stamp duty is payable in respect of the transfer of Registered Notes it will be payable at the rate of 0.2 per cent. (of which 0.1 per cent. is payable by each of the seller and the purchaser) normally by reference to the value of the consideration. If, in the case of either the sale or purchase of such Registered Notes, stamp duty is not paid, both the seller and the purchaser may be liable jointly and severally to pay any unpaid stamp duty and also any penalties for late payment. If stamp duty is not paid on or before the due date (two days after the sale or purchase if effected in Hong Kong or 30 days if effected elsewhere) a penalty of up to 10 times the duty payable may be imposed. In addition, stamp duty is payable at the fixed rate of HK\$5 on each instrument of transfer executed in relation to any transfer of the Registered Notes if the relevant transfer is required to be registered in Hong Kong.

The proposed financial transactions tax (“FTT”)

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”).

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No. 1287/2006 are exempt.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

FATCA

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (“**FATCA**”) impose a new reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non-U.S. financial institution (a foreign financial institution or FFI (as defined by FATCA)) that does not become a “Participating FFI” by entering into an agreement with the U.S. Internal Revenue Service (IRS) to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a “United States Account” (a Recalcitrant Holder).

Whilst the Notes are in global form and held within Euroclear or Clearstream (together, the “**ICSDs**”), it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, any paying agent and the common depositary, given that each of the entities in the payment chain beginning with the Issuer and ending with the participants in the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an intergovernmental agreement will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, then a non-FATCA compliant holder could be subject to withholding. However, definitive notes will only be printed in remote circumstances.

PRINCIPAL SHAREHOLDERS

Substantial Shareholders of the Company

The interests of the Directors and the substantial shareholders of the Company in the Shares as at the Latest Practicable Date are as follows:

Directors

	Direct		Deemed			
	Number of Shares	% of total issued Shares ⁽¹⁾	Number of Shares	% of total issued Shares ⁽¹⁾	Number of outstanding Options	No. of Restricted Share Award
Sunny George Verghese	132,594,096	4.18	—	—	15,000,000	699,647
Rachel Eng Yaag Ngee	—	—	—	—	—	—
Jean-Paul Pinard	806,761	0.03	—	—	—	—
Sanjiv Misra	—	—	—	—	—	—
Nihal Vijaya Devadas Kaviratne, CBE	—	—	—	—	—	—
Yap Chee Keong	—	—	—	—	—	—
Marie Elaine Teo	—	—	—	—	—	—
Yutaka Kyoya	—	—	—	—	—	—
Mitsumasa Icho	—	—	—	—	—	—
Shekhar Anantharaman	15,558,947	0.49	—	—	5,000,000	497,026

Substantial Shareholders

Breedens Investments Pte. Ltd. ²	1,394,271,494	43.96	—	—		
Aranda Investments Pte. Ltd. ²	312,814,360	9.86	—	—		
Seletar Investments Pte Ltd ²	—	—	1,707,085,854	53.82		
Temasek Capital (Private) Limited ²	—	—	1,707,085,854	53.82		
Temasek Holdings (Private) Limited ²	—	—	1,707,085,854	53.82		
Mitsubishi Corporation ³	554,689,829	17.49	—	—		
Allan & Gill Gray Foundation ⁴	—	—	221,277,796	6.98		
Orbis Allan Gray Limited ⁴	—	—	221,277,796	6.98		
Orbis Holdings Limited ⁴	—	—	221,277,796	6.98		
Orbis Investment Management Limited ⁴	—	—	221,193,741	6.97		
Orbis Investment Management (Hong Kong) Limited ⁴	—	—	181,506,595	5.72		
Kewalram Singapore Limited ⁵	223,769,921	7.06	—	—		
Chanrai Investment Corporation Limited ⁵	—	—	223,769,921	7.06		
Kewalram Chanrai Holdings Limited ⁵	—	—	223,769,921	7.06		
GKC Trustees Limited (as trustees of Girdhar Kewalram Chanrai Settlement) ⁵	—	—	223,769,921	7.06		
MKC Trustees Limited (as trustees of Hariom Trust) ⁵	—	—	223,769,921	7.06		
DKC Trustees Limited (as trustees of Dayal Damodar Chanrai Settlement) ⁵	—	—	223,769,921	7.06		

(1) Percentages of interests are calculated based on the total number of issued ordinary Shares being 3,171,605,057 (excluding 99,413,600 treasury shares) as at the Latest Practicable Date.

- (2) Temasek Holdings (Private) Limited's ("**Temasek**") interest arises from the direct interest held by Breedens Investments Pte. Ltd. ("**Breedens**") and Aranda Investments Pte. Ltd. ("**Aranda**").

(A) Temasek's deemed interest through Breedens 43.96%

- (i) Breedens has a direct interest in 43.96% of voting shares of the Company.
- (ii) Breedens is a wholly-owned subsidiary of Seletar Investments Pte Ltd ("**Seletar**").
- (iii) Seletar is a wholly-owned subsidiary of Temasek Capital (Private) Limited ("**Temasek Capital**").
- (iv) Temasek Capital is a wholly-owned subsidiary of Temasek.

(B) Temasek's deemed interest through Aranda 9.86%

- (i) Aranda has a direct interest in 9.86% of voting shares of the Company.
- (ii) Aranda is a wholly-owned subsidiary of Seletar.
- (iii) Seletar is a wholly-owned subsidiary of Temasek Capital.
- (iv) Temasek Capital is a wholly owned subsidiary of Temasek.

Total deemed interest of **Temasek** 53.82%

(3) Total interest of **Mitsubishi Corporation** 17.49%

- (4) As a result of a restructuring exercise of the Orbis Group ("**Restructuring Exercise**"), Orbis Allan Gray Limited and Allan & Gill Gray Foundation (Guernsey) have on completion of the Restructuring Exercise, become substantial shareholders of the Company by virtue of their deemed interest in the shares managed by their indirect subsidiary, Orbis Investment Management Limited ("**OIML**"), who is a fund manager of the Orbis funds. The fund manager has the ability to vote and acquire/dispose of the Company's shares for and on behalf of the Orbis funds.

OIML sub-delegated some of its portfolio management duties, including the authority to dispose of securities, to Orbis Investment Advisory (Hong Kong) Limited ("**OIAHK**") and Orbis Investment Management (Hong Kong) Limited ("**OIMHK**"), the substantial shareholders, respectively. By virtue of the sub-delegation, OIAHK and OIMHK have deemed interest in the voting shares of the Company. OIML still retains overall investment management oversight, including voting shares in the Company, held by the portfolios.

OIML is part of the Orbis Group. OIML is a substantial shareholder of the Company as it has deemed interests in the shares of the Company held by the following Orbis funds:

1. Orbis Emerging Markets Equity Fund (Australia Registered)
2. Orbis Institutional Emerging Markets Equity LP
3. Orbis Global Equity LE Fund (Australia Registered)
4. Orbis Global Equity Fund (Australia Registered)
5. Orbis Global Balanced Fund Wholesale Class (Australia Registered)
6. Orbis SIVAC – Orbis Global Balanced Fund
7. Orbis Institutional Equity LP
8. Orbis Institutional Global Equity Fund
9. Orbis Global Equity Fund
10. Orbis Institutional Global Equity (OFO) Fund
11. Orbis Institutional Global Equity LP
12. Orbis Institutional International Equity LP
13. Orbis Optimal LP
14. Orbis Optimal SA
15. Orbis SICAV – Orbis Global Equity

16. Allan Gray Australia Balanced Fund
17. Orbis SICAV – Orbis Institutional Equity
18. Orbis OEIC Global Balanced Fund
19. Orbis OEIC Global Equity Fund
20. Orbis SICAV – Orbis Emerging Markets Fund

by virtue of OIML's ability to make or execute investment decisions on behalf of these entities.

None of the above Orbis funds individually holds 5% or more of the Company's shares.

Total deemed interest of **Orbis Group** **6.98%**

- (5) Kewalram Chanrai Holdings Limited's ("**KCHL**") interest arises from the direct interest held by Kewalram Singapore Limited ("**KSL**").

(A) KCHL's deemed interest through KSL 7.06%

- (i) KSL has a direct interest in 7.06% of voting shares of the Company.
- (ii) KSL is a wholly-owned subsidiary of Chanrai Investment Corporation Limited ("**CICL**").
- (iii) CICL is a wholly-owned subsidiary of KCHL.

GKC Trustees Limited (as trustees of Girdhar Kewalram Chanrai settlement) ("**GKC Settlement**"), MKC Trustees Limited (as trustees of Hariom Trust) ("**Hariom Trust**") and DKC Trustees Limited (as trustees of Dayal Damodar Chanrai Settlement) ("**DDC Settlement**") are shareholders of KCHL. By virtue of section 4(5) of the Securities and Futures Act (Chapter 289 of Singapore), each of the GKC Settlement, Hariom Trust and DDC Settlement are deemed to be interested in the voting shares of the Company.

Total deemed interest of **KCHL** **7.06%**

Substantial Shareholders of Olam Treasury

The interests of the Directors and the substantial shareholders of Olam Treasury in the Shares as at the Latest Practicable Date are as follows:

Directors

	Direct		Deemed	
	Number of Shares	% of total issued Shares ⁽¹⁾	Number of Shares	% of total issued Shares ⁽¹⁾
Shekhar Anantharaman	—	—	—	—
Jayant Shriniwas Parande	—	—	—	—
Suresh Sundararajan	—	—	—	—

Substantial Shareholders

Substantial Shareholders	Direct		Deemed	
	Number of Shares	% of total issued Shares ⁽¹⁾	Number of Shares	% of total issued Shares ⁽¹⁾
Olam International Limited	1	100.0	—	—

CLEARANCE AND SETTLEMENT

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear, Clearstream, the CMU or CDP (together, the “Clearing Systems”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuers believes to be reliable, but none of the Issuers, the Guarantor, the Arrangers, any Dealer, the Trustee or the Agents takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuers, the Guarantor, the Arrangers, any Dealer, the Trustee or the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to, or payments made on account of, such beneficial ownership interests.

The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.

The Clearing Systems

Euroclear and Clearstream

Euroclear and Clearstream each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream will be credited, to the extent received by the relevant paying agent, to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant system’s rules and procedures.

Each of the persons shown in the records of Euroclear, Clearstream or an Alternative Clearing System as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream or any such Alternative Clearing System (as the case may be) for his share of each payment made by the relevant Issuer or (where applicable) the Guarantor to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the relevant Issuer or (where applicable) the Guarantor in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the relevant Issuer or (where applicable) the Guarantor will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Beneficial ownership in Notes will be held through financial institutions as direct and indirect participants in Euroclear and Clearstream.

The aggregate holdings of book-entry interests in the Notes in Euroclear and Clearstream will be reflected in the book-entry accounts of each such institution. Euroclear and Clearstream, as the case may be, and every other intermediate holder in the chain to the beneficial owner of book-entry interests in the Notes, will be responsible for establishing and maintaining accounts for their participants and customers having

interests in the book-entry interest in the Notes. The Paying Agent will be responsible for ensuring that payments received by it from the relevant Issuer or (where applicable) the Guarantor for holders of interests in the Notes holding through Euroclear and Clearstream are credited to Euroclear or Clearstream, as the case may be.

The Issuers will not impose any fees in respect of the Notes, however, holders of book-entry interests in the Notes may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and Clearstream.

The CMU

The CMU is a central depository service provided by the Central Moneymarkets Unit of the HKMA for the safe custody and electronic trading between the members of this service (“**CMU Members**”) of capital markets instruments (“**CMU Instruments**”) which are specified in the CMU Service Reference Manual as capable of being held within the CMU.

The CMU is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all members of the Hong Kong Capital Markets Association and “*authorised institutions*” under the Banking Ordinance (Cap. 155) of Hong Kong.

Compared to clearing services provided by Euroclear and Clearstream, the standard custody and clearing service provided by the CMU is limited. In particular (and unlike Euroclear and Clearstream), the HKMA does not as part of this service provide any facilities for the dissemination to the relevant CMU Members of payments (of interest, distribution or principal) under, or notices pursuant to the notice provisions of, the CMU Instruments. Instead, the HKMA advises the lodging CMU Member (or a designated paying agent) of the identities of the CMU Members to whose accounts payments in respect of the relevant CMU Instruments are credited, whereupon the lodging CMU Member (or the designated paying agent) will make the necessary payments of interest, distribution or principal or send notices directly to the relevant CMU Members. Similarly, the HKMA will not obtain certificates of non-U.S. beneficial ownership from CMU Members or provide any such certificates on behalf of CMU Members. The CMU Lodging and Paying Agent will collect such certificates from the relevant CMU Members identified from an instrument position report obtained by request from the HKMA for this purpose.

An investor holding an interest through an account with either Euroclear or Clearstream in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream each have with the CMU.

The Trustee and the Agents shall have no responsibility for the performance by the CMU under the rules and procedures governing its regulations.

CDP

In respect of Notes which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities (the “**CDP System**”) maintained by CDP. CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Notes which are accepted for clearance by CDP, the entire issue of the Notes is to be held by CDP in the form of a Global Note or Global Certificate or global certificate for persons holding the Notes in securities accounts with CDP (“**Depositors**”). Delivery and transfer of Notes between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of

Depositors. Although CDP encourages settlement on the third business day following the trade date of debt securities, market participants may mutually agree on a different settlement period if necessary.

Settlement of over-the-counter trades in the Notes through the CDP System may only be effected through certain corporate depositors (“**Depository Agents**”) approved by CDP under the Companies Act, Chapter 50 of Singapore to maintain securities sub-accounts and to hold the Notes in such securities sub-accounts for themselves and their clients. Accordingly, Notes for which trade settlement is to be effected through the CDP System must be held in securities sub-accounts with Depository Agents. Depositors holding the Notes in direct securities accounts with CDP, and who wish to trade Notes through the CDP System, must transfer the Notes to be traded from such direct securities accounts to a securities sub-account with a Depository Agent for trade settlement. CDP is not involved in money settlement between Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest, distribution and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Notes in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuers, the Guarantors, the Arrangers, any Dealer, the Trustee, the Agents or any other person (other than CDP) will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

Book-Entry Ownership

Bearer Notes

The relevant Issuer may make applications to Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. The relevant Issuer may also apply to have Bearer Notes accepted for clearance through the CMU or CDP. In respect of Bearer Notes, a temporary Global Note and/or a permanent Global Note in bearer form without coupons may be deposited with a common depositary for Euroclear and/or Clearstream or a sub-custodian for the CMU or CDP or an Alternative Clearing System as agreed between the relevant Issuer and the relevant Dealer. Transfers of interests in such temporary Global Notes or permanent Global Notes will be made in accordance with the normal Euromarket debt securities operating procedures of the CMU, CDP, Euroclear and Clearstream or, if appropriate, the Alternative Clearing System.

Registered Notes

The relevant Issuer may make applications to the CMU, CDP, Euroclear and/or Clearstream for acceptance in their respective book-entry systems in respect of the Notes to be represented by a Global Certificate. Each Global Certificate deposited with a common depositary for, and registered in the name of, a nominee of Euroclear and/or Clearstream and/or with CDP will, where applicable, have an ISIN and/or a Common Code or, if lodged with a sub-custodian for the CMU, will have a CMU Instrument Number.

All Registered Notes will initially be in the form of a Global Certificate. Definitive Certificates will only be available, in the case of Notes initially represented by a Global Certificate, in amounts specified in the relevant Pricing Supplement.

Definitive Certificates

Registration of title to Registered Notes in a name other than a depositary or its nominee for Clearstream and/or Euroclear or a sub-custodian for the CMU or for CDP will be permitted only in the circumstances set forth in “*Summary of Provisions relating to the Notes and the Perpetual Securities while in Global Form*”. In such circumstances, the relevant Issuer will cause sufficient individual definitive Registered Notes to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Noteholder(s). A person having an interest in a Global Certificate must provide the Registrar with

a written order containing instructions and such other information as the relevant Issuer and the Registrar may require to complete, execute and deliver such individual definitive Registered Notes.

Transfers of Registered Notes

In the case of Registered Notes to be cleared through the CMU, CDP, Euroclear or Clearstream, transfers may be made at any time by a holder of an interest in a Global Certificate in accordance with the relevant rules, regulations and operating procedures of the applicable clearing systems.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and on the conditions contained in amended and restated dealer agreement dated 16 March 2018 (the “**Dealer Agreement**”) between the Company, Olam Treasury, the Arrangers and the Dealers, the Notes will be offered on a continuous basis by the Company, Olam Treasury to the Permanent Dealers. However, the Company and Olam Treasury have reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Company and Olam Treasury through the Dealers, acting as its agents. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally or severally and not jointly underwritten by two or more Dealers.

In respect of Notes issued by either the Company or Olam Treasury, the relevant Issuer (as stated in the relevant Pricing Supplement) will pay each relevant Dealer (as stated in the relevant Pricing Supplement) a commission as agreed between the relevant Issuer and the relevant Dealer(s) in respect of Notes subscribed by it. The Company and Olam Treasury have agreed to reimburse the Arrangers for certain of their expenses incurred in connection with the establishment, and any future update, of the Programme.

The Company, the Treasury and the Guarantor have agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Company or the Treasury.

The relevant Issuer, the Guarantor (in respect of each Tranche of Guaranteed Notes) and the relevant Dealer(s) may also, in relation to any Tranche of Notes, agree that the relevant Issuer will pay private banks or other selling agents a commission in order to facilitate the offering of the Notes.

Application has been made for permission to deal in and for the listing of any Notes which are agreed at the time of issue to be so listed on the SGX-ST. In connection with the offer and sale of each Series of Notes, the relevant Pricing Supplement will indicate whether or not and, if so, on which stock exchange(s) the Notes will be listed. No assurances can be given that the Programme will qualify for listing on a stock exchange. In addition, no assurances can be given that if the Programme qualifies for listing on a stock exchange and the relevant Pricing Supplement indicates that such Series of Notes will be listed on a stock exchange, that such Series of Notes will qualify for listing on a stock exchange that such Notes will trade from their date of issuance until maturity (or early redemption) and that such listing will be maintained.

The Dealers and their affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. Each of the Dealers may have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Company, the Treasury, the Guarantor or any of their subsidiaries, jointly controlled entities or associated companies from time to time. In the ordinary course of their various business activities, the Dealers and their affiliates may make or hold (on their own account, on behalf of clients or in their capacity as investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Company, the Treasury, the Guarantor or any of their subsidiaries, jointly controlled entities or associated companies, including Notes issued under the Programme, may be entered into at the same time or proximate to offers and sales of Notes or at other times in the secondary market and be carried out with counterparties that

are also purchasers, holders or sellers of Notes. Notes issued under the Programme may be purchased by or be allocated to any Dealer or an affiliate for asset management and/or proprietary purposes but not with a view to distribution.

If a jurisdiction requires that an offering of Notes be made by a licensed broker or dealer and the Arrangers, the Dealers or any affiliate of theirs is a licensed broker or dealer in that jurisdiction, such offering shall be deemed to be made by them or such affiliate on behalf of the Company, the Treasury, the Guarantor in such jurisdiction.

Selling Restrictions

United States of America

The Notes have not been and will not be registered under the Securities Act and, subject to certain exceptions, the Notes may not be offered or sold within the United States. The Notes are being offered and sold outside of the United States in reliance on Regulation S.

Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will not offer, sell or, in the case of Bearer Notes, deliver the Notes, except as permitted by the Dealer Agreement. In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such tranche of Notes) may violate the registration requirements of the Securities Act.

This Offering Circular has been prepared by the Company, the for use in connection with the offer and sale of the notes outside the United States. The Company, the Treasury, the Guarantor and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Offering Circular does not constitute an offer to any person in the United States. Distribution of this Offering Circular by any non-U.S. person outside the United States to any U.S. person or to any person within the United States, is unauthorised and any disclosure without the prior written consent of the Company, the Treasury, the Guarantor or of any of their contents to any such U.S. person or other person within the United States is prohibited.

European Economic Area — Public Offer Selling Restriction Under the Prospectus Directive

Unless the Pricing Supplement in respect of any Notes specifies the “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it will not have offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Offering Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or

- (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the “**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the “**Prospectus Directive**”); and
- (b) the expression an “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

If the Pricing Supplement in respect of any Notes specifies “Prohibition of Sales to EEA Retail Investors” as “Not Applicable”, each Dealer has represented and agreed that in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive each, (a “**Relevant Member State**”) with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) no offering of the Notes may be the subject of an offering contemplated by the Offering Memorandum as completed by the Pricing Supplement in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, be made to the public in that Relevant Member State:

- (a) if the Pricing Supplement in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, **provided that** any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Company, the Treasury and the Guarantor have consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Dealers; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, **provided that** no such offer of Notes referred to in paragraphs (b) to (d) above shall require the Company, the Treasury, the Guarantor or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, and includes any relevant implementing measure in each Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the “**FSMA**”) by the Company, the Treasury or the Guarantor;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Company, the Treasury or the Guarantor; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Hong Kong

In relation to each Tranche of Notes issued by the Company or the Treasury, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”), other than (i) to “professional investors” as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) (the “**Companies Ordinance**”) or which do not constitute an offer to the public within the meaning of the Companies Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

Singapore

This Offering Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed that, and each further Dealer appointed under the Program will be required to represent and agree that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or

purchase and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289 of Singapore) (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or (in the case of such corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA or (in the case of such trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, each of the Dealers has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan.

PRC

Each Dealer has represented and undertaken and each further Dealer appointed under the Programme will be required to represent and undertake, that the offer of the Notes is not an offer of securities within the meaning of the PRC Securities Law or other pertinent laws and regulations of the PRC and the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the PRC.

SCHEDULE C

FORM OF PRICING SUPPLEMENT IN RELATION TO NOTES OTHER THAN PERPETUAL SECURITIES

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

MiFID II product governance/target market – *[appropriate target market legend to be included]*

Option 1: Legend for issuances involving one or more MiFID Firm manufacturers

[MiFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “**MiFID II**”)] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

Option 2: Legend for issuances where there are no MiFID Firm manufacturers

[MiFID II product governance/Professional investors and ECPs only target market – For the purposes of Directive EU 2014/65/EU (as amended, “**MiFID II**”), the target market in respect of the Notes is expected to be eligible counterparties and professional clients only, each as defined in MiFID II. Any person offering, selling or recommending the Notes (a “**distributor**”) should take into consideration such target market; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes and determining appropriate distribution channels.]

Option 3: Legend for issuances where there is a sole manager that is a MiFID Firm manufacturer (i.e. no syndicate) (and assuming that none of the Issuer, the Guarantor or other credit provider is a MiFID regulated entity)

[MiFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “**MiFID II**”)] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the “**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the “**Prospectus Directive**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

Pricing Supplement dated [●]

[OLAM INTERNATIONAL LIMITED/OLAM TREASURY PTE. LTD.] Issue of [Aggregate Principal Amount of Tranche] [Title of Notes]

under the U.S.\$5,000,000,000 Euro Medium Term Note Programme

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes other than the Perpetual Securities (the “**Conditions**”) set forth in the Offering Circular dated 16 March 2018 [and the supplemental Offering Circular dated [●]]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular as so supplemented.

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes other than the Perpetual Securities (the “**Conditions**”) set forth in the Offering Circular dated [●]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated [current date] [and the supplemental Offering Circular dated [●], save in respect of the Conditions which are extracted from the Offering Circular dated [●] and are attached hereto.]

[The following language applies if the Notes are intended to be Qualifying Debt Securities for the purposes of the Income Tax Act, Chapter 134 of Singapore.]

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the “**ITA**”), shall not apply if such person acquires such Notes using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement.]

- | | | |
|----|--|---|
| 1. | Issuer | [Olam International Limited/Olam Treasury Pte. Ltd.] ¹ |
| 2. | [Guarantor] | [Olam International Limited] |
| 3. | (i) [Series Number:] | [●] |
| | (ii) [Tranche Number: (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.)] | [●] |
| 4. | Specified Currency or Currencies: | [●] [●] |

¹ Note that for Renminbi or Hong Kong Dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification, it will be necessary to use the second option.

5. Aggregate Principal Amount:
- (i) [Series:] [●]
- (ii) [Tranche:] [●]
6. (i) Issue Price: [●] per cent. of the Aggregate Principal Amount
[plus accrued interest from *[insert date]* (*in the case of fungible issues only, if applicable*)]
- (ii) Net Proceeds: [●]
7. (i) Specified Denominations: [●]
- (ii) Calculation Amount: [●]
8. (i) Issue Date: [●]
- (ii) Interest Commencement Date: *[Specify/Issue date/Not Applicable]*
9. Maturity Date: *[specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]²*
10. Interest Basis: [[●] per cent. Fixed Rate]
- [[specify reference rate]+/- [●] per cent. Floating Rate]*
- [Zero Coupon]
- [Index Linked Interest]
- [Other (*specify*)]
- (further particulars specified below)
11. Redemption/Payment Basis: [Redemption at par]
- [Index Linked Interest]
- [Dual Currency]
- [Partly Paid]
- [Instalment]
- [Other (*specify*)]
12. Change of Interest or Redemption/Payment Basis: *[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]*
13. Put/Call Options: [Investor Put]
- [Issuer Call]
- [(further particulars specified below)]
14. Status of the Notes: Senior
15. Listing and admission to trading: [[●](*specify*)/None]
16. Method of distribution: [Syndicated/Non-syndicated]

2 Note that for Renminbi or Hong Kong Dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification, it will be necessary to use the second option.

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17. Fixed Rate Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with *[specify Business Day Convention and any applicable Business Center(s) for the definition of “Relevant Business Day’s/[not adjusted]*
- (iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount³
- (iv) Broken Amount(s): [●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
- (v) Day Count Fraction: [30/360/Actual/Actual(ICMA/ISDA)/other]
- (vi) [Determination Dates: [●] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))*]
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]
18. Floating Rate Note Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Interest Period(s): [●]
- (ii) Specified Interest Payment Dates: [●]
- (iii) Interest Period Date: [●]
- (Not applicable unless different from Interest Payment Date)*
- (iv) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
- (v) Business Centre(s) (Condition 5(k)): [●]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (*give details*)]
- (vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [●]

3 For Renminbi or Hong Kong Dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate: “Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005 for the case of Renminbi denominated Fixed Rate Notes to the nearest HK\$0.01, HK\$0.005 for the case of Hong Kong Dollar denominated Fixed Rate Notes, being rounded upwards”.

- (viii) Screen Rate Determination:
- Reference Rate: [●]
(Either LIBOR, EURIBOR, HIBOR, SIBOR, SOR or other, although additional information is required if other)
 - Interest Determination Date(s): [●]
(the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is not Sterling, euro or Hong Kong Dollars or Renminbi or first day of each Interest Accrual Period if the Specified Currency is Sterling or Hong Kong Dollars or Renminbi or the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro)
 - Relevant Screen Page: [●]
[(In the case of EURIBOR, if not Reuters page EURIBOR 01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)]
- (ix) ISDA Determination:
- Floating Rate Option: [●]
 - Designated Maturity: [●]
 - Reset Date: [●]
 - ISDA Definitions: 2006 (if different to those set out in the Conditions, please specify)
- (x) Margin(s): [+/-] [●] per cent. per annum
- (xi) Minimum Rate of Interest: [●] per cent. per annum
- (xii) Maximum Rate of Interest: [●] per cent. per annum
- (xiii) Day Count Fraction: [●]
- (xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [●]
19. Zero Coupon Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Amortisation Yield: [●] per cent. per annum
 - (ii) Any other formula/basis of determining amount payable: [●]
20. Index Linked Interest Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Index/Formula: *[give or annex details]*

- (ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Calculation Agent): ☐
- (iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted: ☐
- (iv) Interest Period(s): ☐
- (v) Specified Interest Payment Dates: ☐
- (vi) Business Day Convention: ☐
[Floating Rate Business Day Convention/
Following Business Day Convention/Modified
Following Business Day Convention/Preceding
Business Day Convention/other (*give details*)]
- (vii) Business Centre(s): ☐
- (viii) Minimum Rate of Interest: ☐ per cent. per annum
- (ix) Maximum Rate of Interest: ☐ per cent. per annum
- (x) Day Count Fraction: ☐
- 21. Dual Currency Note Provisions: ☐ [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/method of calculating Rate of Exchange: ☐ [*give details*]
- (ii) Party, if any, responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): ☐
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: ☐
- (iv) Person at whose option Specified Currency(ies) is/are payable: ☐

PROVISIONS RELATING TO REDEMPTION

- 22. Call Option: ☐ [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): ☐
- (ii) Optional Redemption Amount(s) of each Note and specified denomination method, if any, of calculation of such amount(s): ☐ per Calculation Amount
- (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: ☐ per Calculation Amount
 - (b) Maximum Redemption Amount: ☐ per Calculation Amount
- (iv) Notice period: ☐

23. Put Option: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Calculation amount
- (iii) Notice period: [●]
24. Final Redemption Amount of each Note: [●] per Calculation amount
25. Early Redemption Amount: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):

GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes: [Bearer Notes/Registered Notes]
- [Temporary Global Note exchangeable for a permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the permanent Global Note]
- [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice] *(For this option to be available, such Notes shall only be issued in denominations that are equal to, or greater than, EUR100,000 (or its equivalent in other currencies))*
- [Permanent Global Note/Global Certificate exchangeable for Definitive Notes in the limited circumstances specified in the permanent Global Note/Global Certificate]
- [Definitive Notes]
27. Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/give details. Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraphs 16(ii), 17(iv) and 19(vii) relate]
28. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]

- | | |
|---|---|
| 29. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | [Not Applicable/give <i>details</i>] |
| 30. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | [Not Applicable/give <i>details</i>] |
| 31. Redenomination, renominalisation and reconventioning provisions: | [Not Applicable/The provisions [annexed to this Pricing Supplement] apply] |
| 32. Consolidation provisions: | [Not Applicable/The provisions [in Condition [●]] [annexed to this Pricing Supplement] apply] |
| 33. Other terms or special conditions: | [Not Applicable/give <i>details</i>] |

DISTRIBUTION

- | | |
|---|--|
| 34. (i) If syndicated, names of Managers: | [Not Applicable/give <i>name</i>] |
| (ii) Stabilising Manager (if any): | [Not Applicable/give <i>name</i>] |
| 35. If non-syndicated, name of Dealer: | [Not Applicable/give <i>name</i>] |
| 36. U.S. selling restrictions: | [Reg. S Category 1/2; TEFRA D/TEFRA C/TEFRA Not Applicable] The Notes are being offered and sold only in accordance with Regulation S. |
| 37. Additional selling restrictions: | [Not Applicable/give <i>details</i>] |
| 38. Total commission and concession: | [Not Applicable/give <i>details</i>] |
| 39. Private banking commission: | [Not Applicable/give <i>details</i>] |

OPERATIONAL INFORMATION

- | | |
|--|---|
| 40. [ISIN Code: | [●] |
| 41. Common Code: | [●] |
| 42. [CMU Instrument Number: | [●] |
| 43. Any clearing system(s) other than Euroclear Bank, Clearstream, CDP or the CMU and the relevant identification number(s): | [Not Applicable/give <i>name(s) and number(s)</i>] |
| 44. Delivery: | Delivery [against/free of] payment |
| 45. Additional Paying Agent(s) (if any): | [●] |

GENERAL

- | | |
|---|---|
| 46. The aggregate principal amount of Notes in the Specified Currency issued has been translated into U.S. Dollars at the rate specified, producing a sum of: | [Not applicable/Exchange rate of Specified Currency: U.S. Dollar/U.S. Dollar equivalent: [●]] |
|---|---|

47. In the case of Registered Notes, specify the location of the office of the Registrar: [●]
48. In the case of Bearer Notes, specify the location of the office of the Issuing and Paying Agent if other than London: [●]
49. Ratings: [The Notes to be issued are unrated]

PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue and admission to trading on the *[specify relevant stock exchange/market]* of the Notes described herein pursuant to the U.S.\$5,000,000,000 Euro Medium Term Note Programme.

[STABILISATION

In connection with this issue, [insert name(s) of Stabilising Manager(s)] (or persons acting on behalf of the Stabilising Manager(s) (the “**Stabilising Manager(s)**”) may over-allot Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail for a limited period after the Issue Date. However, there is no obligation on such Stabilising Manager(s) to do this. Such stabilising, if commenced, may be discontinued at any time, and must be brought to an end after a limited period. Such stabilising shall be in compliance with all applicable laws, regulations and rules.)

[INVESTMENT CONSIDERATIONS

There are significant risks associated with the Notes including, but not limited to, counterparty risk, country risk, price risk and liquidity risk. Investors should contact their own financial, legal, accounting and tax advisers about the risks associated with an investment in these Notes, the appropriate tools to analyse that investment, and the suitability of the investment in each investor’s particular circumstances. No investor should purchase the Notes unless that investor understands and has sufficient financial resources to bear the price, market liquidity, structure and other risks associated with an investment in these Notes.

Before entering into any transaction, investors should ensure that they fully understand the potential risks and rewards of that transaction and independently determine that the transaction is appropriate given their objectives, experience, financial and operational resources and other relevant circumstances. Investors should consider consulting with such advisers as they deem necessary to assist them in making these determinations.]

RESPONSIBILITY

[The Issuer/Each of the Issuer and the Guarantor] accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of **[OLAM INTERNATIONAL LIMITED/OLAM TREASURY PTE. LTD.]**:

By: _____
Duly authorised

[Signed on behalf of **OLAM INTERNATIONAL LIMITED**:

By: _____
Duly authorised

SCHEDULE D

FORM OF PRICING SUPPLEMENT IN RELATION TO PERPETUAL SECURITIES

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

MiFID II product governance/target market – *[appropriate target market legend to be included]*

Option 1: Legend for issuances involving one or more MiFID Firm manufacturers

[MiFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “**MiFID II**”)] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[‘s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[‘s/s’] target market assessment) and determining appropriate distribution channels.]

Option 2: Legend for issuances where there are no MiFID Firm manufacturers

[MiFID II product governance/Professional investors and ECPs only target market – For the purposes of Directive EU 2014/65/EU (as amended, “**MiFID II**”), the target market in respect of the Notes is expected to be eligible counterparties and professional clients only, each as defined in MiFID II. Any person offering, selling or recommending the Notes (a “**distributor**”) should take into consideration such target market; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes and determining appropriate distribution channels.]

Option 3: Legend for issuances where there is a sole manager that is a MiFID Firm manufacturer (i.e. no syndicate) (and assuming that none of the Issuer, the Guarantor or other credit provider is a MiFID regulated entity)

[MiFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “**MiFID II**”)] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the “**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the “**Prospectus Directive**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

Pricing Supplement dated [●]

[OLAM INTERNATIONAL LIMITED/OLAM TREASURY PTE. LTD.]
Issue of [Aggregate Principal Amount of Tranche] [Title of Perpetual Securities]

under the U.S.\$5,000,000,000 Euro Medium Term Note Programme

This document constitutes the Pricing Supplement relating to the issue of Perpetual Securities described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Perpetual Securities (the “**Perpetual Security Conditions**”) set forth in the Offering Circular dated 16 March 2018 [and the supplemental Offering Circular dated [●]]. This Pricing Supplement contains the final terms of the Perpetual Securities and must be read in conjunction with such Offering Circular as so supplemented.

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Perpetual Securities (the “**Perpetual Security Conditions**”) set forth in the Offering Circular dated [●]. This Pricing Supplement contains the final terms of the Perpetual Securities and must be read in conjunction with the Offering Circular dated [current date] [and the supplemental Offering Circular dated [●]], save in respect of the Perpetual Security Conditions which are extracted from the Offering Circular dated [●] and are attached hereto.]

[The following language applies if the Notes are intended to be Qualifying Debt Securities for the purposes of the Income Tax Act, Chapter 134 of Singapore in which case reference to the term “interest” shall be construed to mean distribution (including Arrears of Distribution and Additional Distribution Amounts, if applicable) in relation to Perpetual Securities:]

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the “**ITA**”), shall not apply if such person acquires such Notes using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]

- | | | |
|----|--|--|
| 1. | Issuer | [Olam International Limited/Olam Treasury Pte. Ltd.] |
| 2. | [Guarantor] | [Olam International Limited] |
| 3. | (i) [Series Number:] | [●] |
| | (ii) [Tranche Number: <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes became fungible.)</i>] | [●] |
| 4. | Specified Currency or Currencies: | [●] |

5. Aggregate Principal Amount:
 - (i) [Series:] [●]
 - (ii) [Tranche:] [●]
6. (i) Issue Price: [●] per cent. of the Aggregate Principal Amount
[plus accrued distribution from *[insert date]* (*in the case of fungible issues only, if applicable*)]
 - (ii) Net Proceeds: [●]
7. (i) Specified Denominations: [●]
 - (ii) Calculation Amount: [●]
8. (i) Issue Date: [●]
 - (ii) Distribution Commencement Date: [●]
9. Distributions:
 - (i) Distribution Rate: [[●] per cent. Fixed Rate]
[[*specify reference rate*] +/- [●] per cent. Floating Rate]

[Index Linked Interest]

[Other (*specify*)]

(further particulars specified below)
 - (ii) Distribution Deferral: [●]
 - (iii) Cumulative Deferral: [●]
 - (iv) Additional Distribution: [●]
 - (v) Dividend Stopper: [●]
10. Redemption/Payment Basis: [Call Option Redemption]
[Redemption for Accounting Reasons]
[Redemption for Tax Deductibility Reasons]
[Redemption in the case of Minimal Outstanding Amount]
[Others]
11. Early Redemption Amount: [*Applicable/Not Applicable*]
[*If not applicable, delete the remaining sub-paragraphs of this paragraph*]
 - (i) Early Redemption Amount(s) per Calculation Amount payable on redemption and/or the method of calculating the same: [●]
 - (ii) Make-Whole Amount: [●]
 - (iii) Reference Rate(s): [U.S. Treasuries]

[Singapore Dollar Swap Offer Rate] [*Specify in any other case*]
12. Change of Distribution or Redemption/Payment Basis: [*Specify details of any provision for convertibility of Notes into another distribution or redemption/payment basis*]

13. Call Option: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) First Call Date: [●]
- (ii) [Additional Call Dates:] [●]
14. Status of the Perpetual Securities: [Senior Perpetual Securities/Subordinated Perpetual Securities]
15. Parity Obligations: [Not Applicable/give details]
16. Junior Obligations: [Not Applicable/give details]
17. Listing and admission to trading: [[●] (specify)/None]
18. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO DISTRIBUTIONS (IF ANY) PAYABLE

19. Fixed Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Distribution Rate: [●] per cent. per annum [[subject to Condition 4(h),] payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Distribution Payment Date(s): [●] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Center(s) for the definition of “Relevant Business Day”]/[not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount⁴
- (iv) Broken Amount(s): [●] per Calculation Amount, [subject to Condition 4(h),] payable on the Distribution Payment Date falling [in/on] [●]
- (v) Day Count Fraction: [30/360/Actual/Actual(ICMA/ISDA)/other]
- (vi) [Distribution Determination Dates: [●] in each year (insert regular distribution payment dates, ignoring issue date in the case of a long or short first coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))]
- (vii) Other terms (including step-up and reset mechanisms) relating to the method of calculating distribution for Fixed Rate Notes: [Not Applicable/give details]
20. Floating Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Distribution Period(s): [●]

4 For Renminbi or Hong Kong Dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate: “Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005 for the case of Renminbi denominated Fixed Rate Notes to the nearest HK\$0.01, HK\$0.005 for the case of Hong Kong Dollar denominated Fixed Rate Notes, being rounded upwards”.

- (ii) Specified Distribution Payment Dates: [●]
- (iii) Distribution Period Date: [●]
(*Not applicable unless different from Distribution Payment Date*)
- (iv) Business Day Convention: [Floating Rate Business Day Convention/
Following Business Day Convention/Modified
Following Business Day Convention/Preceding
Business Day Convention/ other (*give details*)]
- (v) Business Centre(s): [●]
- (vi) Manner in which the Distribution Rate(s)
is/are to be determined: [Screen Rate Determination/ISDA Determination/
other (*give details*)]
- (vii) Party responsible for calculating the
Distribution Rate(s) and Distribution
Amount(s) (if not the Calculation Agent): [●]
- (viii) Screen Rate Determination:
- Reference Rate: [●]
(*Either LIBOR, EURIBOR, HIBOR, SIBOR, SOR
or other, although additional information is
required if other*)
 - Distribution Determination Date(s): (*the day falling two Business Days in London for
the Specified Currency prior to the first day of
such Distribution Accrual Period if the Specified
Currency is not Sterling, euro or Hong Kong
Dollars or Renminbi or first day of each
Distribution Accrual Period if the Specified
Currency is Sterling or Hong Kong Dollars or
Renminbi or the day falling two TARGET
Business Days prior to the first day of such
Distribution Accrual Period if the Specified
Currency is euro*)
 - Relevant Screen Page: [●]

(*[In the case of EURIBOR, if not Reuters page
EURIBOR 01 ensure it is a page which shows a
composite rate or amend the fallback provisions
appropriately]*)
- (ix) ISDA Determination:
- Floating Rate Option: [●]
 - Designated Maturity: [●]
 - Reset Date: [●]
 - ISDA Definitions: 2006 (if different to those set out in the
Conditions, please specify)
- (x) Margin(s): [+/-] [●] per cent. per annum
- (xi) Minimum Rate of Distribution: [●] per cent. per annum
- (xii) Maximum Rate of Distribution: [●] per cent. per annum
- (xiii) Day Count Fraction: [●]

- (xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating distributions on Floating Rate Notes, if different from those set out in the Conditions: [●]
21. Index Linked Distribution Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Index/Formula: [give or annex details]
- (ii) Party responsible for calculating the Distribution Rate(s) and/or Distribution Amount(s) (if not the Calculation Agent): [●]
- (iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted: [●]
- (iv) Distribution Period(s): [●]
- (v) Specified Distribution Payment Dates: [●]
- (vi) Business Day Convention: [Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (vii) Business Centre(s): [●]
- (viii) Minimum Rate of [●] percent. per annum Distribution: [●]
- (ix) Maximum Rate of [●] percent. per annum Distribution: [●]
- (x) Day Count Fraction: [●]
22. Dual Currency Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/method of calculating Rate of Exchange: [●]
- (ii) Party, if any, responsible for calculating the Distribution Rate(s) and Distribution Amount(s) (if not the Agent): [●]
- (iii) Provisions applicable where [●] calculation by reference to Rate of Exchange impossible or impracticable:
- (iv) Person at whose option [●] Specified Currency(ies) is/are payable:

GENERAL PROVISIONS APPLICABLE TO THE PERPETUAL SECURITIES

23. Form of Perpetual Securities: [Bearer Notes/Registered Notes]
[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
[Temporary Global Note exchangeable for Definitive Notes on [●] days' notice] (*For this option to be available, such Perpetual Securities shall only be issued in denominations that are equal to, or greater than, EUR100,000 (or its equivalent in other currencies)*)
[Permanent Global Note/Global Certificate exchangeable for Definitive Notes in the limited circumstances specified in the permanent Global Note/Global Certificate]
[Definitive Notes]
24. Financial Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/give details] (*Note that this paragraph relates to the date and place of payment*)
25. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
26. Redenomination renominatisation and reconventioning provisions: [Not Applicable/The provisions [annexed to this Pricing Supplement] apply]
27. Consolidation provisions: [Not Applicable/The provisions [in Perpetual Security Condition [●]] [annexed to this Pricing Supplement] apply]
28. Other terms or special conditions: [Not Applicable/give name]

DISTRIBUTION

29. (i) If syndicated, names of Managers: [Not Applicable/give name]
(ii) Stabilising Manager (if any): [Not Applicable/give name]
30. If non-syndicated, name of Dealer: [Not Applicable/give name]
31. U.S. selling restrictions: [Reg. S Category 1/2; TEFRA D/TEFRA C/TEFRA Not Applicable] The Perpetual Securities are being offered and sold only in accordance with Regulation S
32. Additional selling restrictions: [Not Applicable/give details]
33. Total commission and concession: [Not Applicable/give details]
34. Private banking commission: [Not Applicable/give details]

OPERATIONAL INFORMATION

35. [ISIN Code: ☐]
36. Common Code: ☐
37. [CMU Instrument Number: ☐]
38. Any clearing system(s) other than Euroclear Bank, Clearstream, CDP and the CMU and the relevant identification number(s): ☐ [Not Applicable/*give name(s) and number(s)*]
39. Delivery: Delivery [against/free of] payment
40. Additional Paying Agent(s) (if any): ☐

GENERAL

41. The aggregate principal amount of Perpetual Securities in the Specified Currency issued has been translated into U.S. Dollars at the rate specified, producing a sum of: ☐ [Not applicable/Exchange rate of Specified Currency: U.S. Dollar/U.S. Dollar equivalent: ☐]
42. In the case of Registered Notes, specify the location of the office of the Registrar: ☐
43. In the case of Bearer Notes, specify the location of the office of the Issuing and Paying Agent if other than London: ☐
44. Ratings: ☐ [The Perpetual Securities to be issued are unrated]

PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue and admission to trading on the *[specify relevant stock exchange/market]* of the Perpetual Securities described herein pursuant to the U.S.\$5,000,000,000 Euro Medium Term Note Programme.

[STABILISATION

In connection with this issue, [insert name(s) of Stabilising Manager(s)] (or persons acting on behalf of the Stabilising Manager(s) (the “**Stabilising Manager(s)**”) may over-allot Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail for a limited period after the Issue Date. However, there is no obligation on such Stabilising Manager(s) to do this. Such stabilising, if commenced, may be discontinued at any time, and must be brought to an end after a limited period. Such stabilising shall be in compliance with all applicable laws, regulations and rules.)

[INVESTMENT CONSIDERATIONS

There are significant risks associated with the Perpetual Securities including, but not limited to, counterparty risk, country risk, price risk and liquidity risk. Investors should contact their own financial, legal, accounting and tax advisers about the risks associated with an investment in these Perpetual Securities, the appropriate tools to analyse that investment, and the suitability of the investment in each investor’s particular circumstances. No investor should purchase the Perpetual Securities unless that investor understands and has sufficient financial resources to bear the price, market liquidity, structure and other risks associated with an investment in these Perpetual Securities.

Before entering into any transaction, investors should ensure that they fully understand the potential risks and rewards of that transaction and independently determine that the transaction is appropriate given their objectives, experience, financial and operational resources and other relevant circumstances. Investors should consider consulting with such advisers as they deem necessary to assist them in making these determinations.]

RESPONSIBILITY

[The Issuer/Each of the Issuer and the Guarantor] accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of [**OLAM INTERNATIONAL LIMITED/OLAM TREASURY PTE. LTD.**]:

By: _____
Duly authorised

GENERAL INFORMATION

- (1) Application has been made to the SGX-ST for permission to deal in and the quotation for any Notes that may be issued pursuant to the Programme and which are agreed at or prior to the time of issue thereof to be so listed on the Official List of the SGX-ST. There is no assurance that the application to the SGX-ST for permission to deal in and quotation of the Notes of any Series (as defined herein) will be approved. The approval in-principle from, and admission to the Official List of, the SGX-ST is not to be taken as an indication of the merits of the Company, Olam Treasury, their subsidiaries, its associated companies, the Programme and/or the Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein.
- (2) Each of the Company and Olam Treasury has obtained all necessary consents, approvals and authorisations in Singapore in connection with the establishment of the Programme. The update of the Programme was authorised by resolutions of the Board of Directors of the Company passed on 12 July 2012, 3 July 2014, 18 November 2016 and 8 March 2018. The update of the Programme was authorised by resolutions of the Board of Directors of Olam Treasury was passed on 8 March 2018. The giving of the Guarantee was authorised by resolutions of the Board of Directors of the Guarantor passed on 8 March 2018.
- (3) Except as disclosed in this Offering Circular, each of the Company and Olam Treasury is not involved in any litigation or arbitration proceedings that may have, a material adverse effect on the financial position of the Group, nor is the Company or Olam Treasury aware that any such proceedings are pending or threatened.
- (4) Except as disclosed in this Offering Circular, there has been no significant change in the financial position of the Group since 31 December 2017 and no material adverse change in the financial position of the Group since 31 December 2017.
- (5) Each Bearer Note having a maturity of more than one year, Receipt, Coupon and Talon will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code”.
- (6) Notes have been accepted for clearance through Euroclear and Clearstream (which are the entities in charge of keeping the records) and CDP. The Company and Olam Treasury may also apply to have Notes accepted for clearance through the CMU. The relevant CMU instrument number will be set out in the relevant Pricing Supplement. The relevant ISIN, the Common Code and (where applicable) the identification number for any other relevant clearing system for each series of Notes will be specified in the relevant Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be set out in the relevant Pricing Supplement.

The address of CDP is 11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of the CMU is 55th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong. The address of any alternative clearing system will be specified in the relevant Pricing Supplement.

- (7) The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Pricing Supplement of each Tranche, based on the prevailing market conditions.

- (8) For so long as Notes may be issued pursuant to this Offering Circular, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the Issuing and Paying Agent's office:
- (i) the Trust Deed (which includes the form of the Global Notes, the Global Certificates, the definitive Bearer Notes, the Certificates, the Coupons, the Receipts and the Talons) and the Agency Agreement;
 - (ii) the Constitution of each of the Company and Olam Treasury;
 - (iii) a copy of this Offering Circular together with any supplement to this Offering Circular or further Offering Circular and any documents incorporated by reference in the Offering Circular or such supplement or further Offering Circular.
- (9) Copies of the Company's latest published annual report and accounts may be obtained, and copies of the Trust Deed will be available for inspection, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding.
- (10) Ernst & Young LLP has audited, and rendered unqualified audit reports on, the consolidated financial statements of the Company for the year ended 31 December 2016. Ernst & Young LLP has given and has not withdrawn its written consent to the issue of this Offering Circular for the inclusion herein of (i) its name; and (ii) the independent auditor's report on the consolidated financial statements of the Company for the year ended 31 December 2016, in the form and context in which they appear in this Offering Circular, and reference to its name and such report in the form and context which they appear in this Offering Circular.

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OLAM INTERNATIONAL LIMITED

Financial Statements for the twelve months ended 31 December 2017

PART I: Information required for announcements of Quarterly (Q1, Q2, Q3 & Q4), Half-Year and Full Year Results.

- 1(a)(i) An income statement and statement of comprehensive income or a statement of comprehensive income for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year.

Profit & Loss Statement – Twelve Months FY 2017

(in S\$'000)	Group					
	12 Months Ended			3 Months Ended		
	31-Dec-17	31-Dec-16	% change	31-Dec-17	31-Dec-16	% change
Sale of goods & services	26,272,529	20,587,032	27.6	7,235,204	6,106,303	18.5
Other income	207,531	47,265	339.1	176,014	18,304	861.6
Cost of goods sold	(23,757,685)	(18,363,777)	29.4	(6,520,667)	(5,510,140)	18.3
Net (loss)/gain from changes in fair value of biological assets	(15,250)	14,141	n.m.	(14,170)	17,835	n.m.
Depreciation & amortisation	(380,680)	(353,481)	7.7	(93,615)	(106,661)	(12.2)
Other expenses	(1,297,602)	(1,103,939)	17.5	(454,695)	(295,290)	54.0
Finance income	65,597	30,248	116.9	32,014	9,539	235.6
Finance costs	(531,178)	(446,248)	19.0	(124,089)	(121,669)	2.0
Share of results from jointly controlled entities and associates	67,631	22,160	205.2	46,485	11,990	287.7
Profit before tax	630,893	433,401	45.6	282,481	130,211	116.9
Income tax expense	(79,248)	(94,314)	(16.0)	(26,308)	(27,084)	(2.9)
Profit for the period	551,645	339,087	62.7	256,173	103,127	148.4
Attributable to:						
Owners of the Company	580,743	351,312	65.3	265,147	102,237	159.3
Non-controlling Interests	(29,098)	(12,225)	138.0	(8,974)	890	n.m.
	551,645	339,087	62.7	256,173	103,127	148.4

1(a)(ii) A statement of comprehensive income for the ("Group") - Olam International Limited ("Company") and its subsidiaries together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Comprehensive Income – Twelve Months FY 2017

(in S\$'000)	Group		Group	
	12 Months Ended		3 Months Ended	
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
Profit for the period	551,645	339,087	256,173	103,127
Other Comprehensive Income:				
Net gain/(loss) on fair value changes during the period	336,076	(44,170)	22,622	(111,058)
Recognised in the profit and loss account on occurrence of hedged transactions	(68,037)	(54,111)	(19,267)	(12,943)
Foreign currency translation adjustment	(357,694)	(306,122)	(99,959)	202,896
Share of other comprehensive income of jointly controlled entities and associates	65,520	(19,616)	44,144	1,964
Other comprehensive income	(24,135)	(424,019)	(52,460)	80,859
Total comprehensive income	527,510	(84,932)	203,713	183,986
Attributable to:				
Owners of the Company	560,419	(80,320)	213,826	171,922
Non-controlling Interests	(32,909)	(4,612)	(10,113)	12,064
	527,510	(84,932)	203,713	183,986

1(b)(i) A statement of financial position (for the Issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

Statement of financial position as at 31 December 2017

(in S\$'000)	Group		Company	
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
Non-current assets				
Property, plant and equipment	5,625,837	5,367,039	13,285	12,581
Intangible assets	1,207,283	1,313,608	280,547	304,573
Biological assets	471,656	450,564	-	-
Investment in subsidiary companies	-	-	6,043,511	5,550,460
Interests in jointly controlled entities and associates	1,070,940	889,838	780,557	724,826
Long term investments	257,519	148,492	257,519	136,321
Deferred tax assets	95,871	95,735	-	-
Other non-current assets	25,852	30,400	-	-
	8,754,958	8,295,676	7,375,419	6,728,761
Current assets				
Amounts due from subsidiary companies	-	-	1,926,416	3,583,148
Trade receivables	1,901,925	1,656,457	965,592	385,620
Margin accounts with brokers	399,680	164,958	304,862	153,544
Inventories	6,044,681	7,414,311	1,405,000	1,144,986
Advance payments to suppliers	743,516	880,602	116,243	142,456
Advance payments to subsidiary companies	-	-	852,001	2,196,193
Cash and short-term fixed deposits	1,986,351	2,144,051	1,137,011	1,274,672
Derivative financial instruments	1,619,249	1,926,151	1,098,147	1,118,686
Other current assets	848,187	986,678	168,061	151,116
	13,543,589	15,173,208	7,973,333	10,150,421
Current liabilities				
Trade payables and accruals	(2,184,352)	(2,201,494)	(1,087,350)	(949,283)
Borrowings	(4,660,209)	(5,983,035)	(2,309,058)	(3,632,631)
Derivative financial instruments	(851,947)	(987,942)	(685,128)	(681,162)
Provision for taxation	(162,977)	(84,949)	(81,343)	(24,739)
Other current liabilities	(473,313)	(383,731)	(111,131)	(115,176)
	(8,332,798)	(9,641,151)	(4,274,010)	(5,402,991)
Net current assets	5,210,791	5,532,057	3,699,323	4,747,430
Non-current liabilities				
Deferred tax liabilities	(416,991)	(505,876)	(6,662)	(8,103)
Borrowings	(6,927,729)	(7,687,553)	(4,985,786)	(6,435,337)
	(7,344,720)	(8,193,429)	(4,992,448)	(6,443,440)
Net assets	6,621,029	5,634,304	6,082,294	5,032,751
Equity attributable to owners of the Company				
Share capital	3,674,206	3,087,894	3,674,206	3,087,894
Treasury shares	(187,276)	(190,465)	(187,276)	(190,465)
Capital securities	1,045,773	930,416	1,045,773	930,416
Reserves	1,910,878	1,570,498	1,549,591	1,204,906
	6,443,581	5,398,343	6,082,294	5,032,751
Non-controlling interests	177,448	235,961	-	-
Total equity	6,621,029	5,634,304	6,082,294	5,032,751

1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

Amounts repayable in one year or less or on demand

	31-Dec-17		31-Dec-16	
	Secured (in S\$'000)	Unsecured (in S\$'000)	Secured (in S\$'000)	Unsecured (in S\$'000)
Overdrafts	-	104,544	-	190,165
Loans	17,885	4,269,984	24,079	5,039,102
Medium term notes	-	249,863	-	719,659
Finance lease	-	17,933	-	10,030
Total	17,885	4,642,324	24,079	5,958,956

Amounts repayable after one year

	31-Dec-17		31-Dec-16	
	Secured (in S\$'000)	Unsecured (in S\$'000)	Secured (in S\$'000)	Unsecured (in S\$'000)
Medium / long term loans	101,141	2,641,945	93,992	4,128,943
Medium term notes	-	3,778,652	-	2,983,926
Bonds	-	332,122	-	359,396
Long term loans from third party	-	7,457	-	9,595
Finance lease	-	66,412	-	111,701
Total	101,141	6,826,588	93,992	7,593,561

1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year is as follows:-

(in S\$'000)	Group		Group	
	12 Months Ended		3 Months Ended	
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
Cash flow from operating activities				
Profit before taxation	630,893	433,401	282,481	130,211
Adjustments for:				
Allowance for doubtful debts	43,911	39,403	38,315	37,136
Amortisation of intangible assets and depreciation of property, plant	380,680	353,481	93,615	106,661
Cost of share-based payment	20,184	13,282	5,476	3,849
Fair value of biological assets	15,250	(14,141)	14,170	(17,835)
Gain on disposal of subsidiary	(121,188)	-	(121,188)	-
(Gain)/ loss on disposal of property, plant and equipment and intangible assets	(29,205)	5,405	(27,647)	(630)
Interest income	(65,597)	(30,248)	(32,014)	(9,539)
Interest expense	531,178	446,248	124,089	121,669
Inventories written down	30,718	18,910	30,718	18,910
Share of results from jointly controlled entities and associates	(67,631)	(22,160)	(46,485)	(11,990)
Operating cash flow before reinvestment in working capital	1,369,193	1,243,581	361,530	378,442
Decrease/ (increase) in inventories	856,220	(259,677)	(132,565)	(792,338)
(Increase)/ decrease in receivables and other current assets	(35,655)	(132,885)	(53,500)	441,860
Decrease/ (increase) in advance payments to suppliers	86,083	(119,522)	(119,591)	(209,105)
(Increase)/ decrease in margin account with brokers	(196,761)	14,061	(202,034)	21,620
Increase in payables and other current liabilities	124,835	270,258	504,241	362,657
Cash flow generated from operations	2,203,915	1,015,816	358,081	203,136
Interest income received	65,597	30,248	32,014	9,539
Interest expense paid	(529,581)	(378,028)	(99,808)	(41,591)
Tax paid	(82,098)	(48,420)	(12,616)	13,359
Net cash flow from operating activities	1,657,833	619,616	277,671	184,443
Cash flow from investing activities				
Proceeds from disposal of property, plant and equipment	197,359	31,981	151,369	4,309
Purchase of property, plant and equipment	(951,086)	(751,793)	(318,620)	(266,349)
Purchase of intangible assets	(7,163)	(11,686)	(3,033)	(3,998)
Acquisition of subsidiaries, net of cash acquired	-	(588,137)	-	(113,727)
Investment/loan to associates, net	(12,374)	(65,863)	63,972	(104,326)
Dividends received from associate	22,278	-	22,278	-
Proceeds on disposal of intangible asset	-	10	-	-
Proceeds from partial divestment of subsidiary	113,539	-	113,539	-
Net cash flow (used in)/ by investing activities	(637,447)	(1,385,488)	29,505	(484,091)
Cash flow from financing activities				
Dividends paid on ordinary shares by the Company	(180,399)	(184,036)	-	-
(Repayment)/Proceeds from borrowings, net	(1,385,209)	831,556	(513,579)	139,526
Proceeds from issuance of shares on exercise of share options	770	299	629	158
Proceeds from conversion of warrants	585,542	5,096	576,894	2,071
Proceeds from capital securities, net of distribution	58,722	659,323	-	-
Payment for bond buy back	-	(318,401)	-	-
Purchase of treasury shares	-	(94,384)	-	(18,632)
Net cash flow provided (used in)/by financing activities	(920,574)	899,453	63,944	123,123
Net effect of exchange rate changes on cash and cash	(157,423)	(112,924)	(69,461)	61,212
Net (decrease)/increase in cash and cash equivalents	(57,611)	20,657	301,659	(115,313)
Cash and cash equivalents at the beginning of the period	1,939,418	1,918,761	1,580,148	2,054,731
Cash and cash equivalents* at the end of the period	1,881,807	1,939,418	1,881,807	1,939,418

*Cash and cash equivalents include cash and bank balances, fixed deposits less overdrafts and deposits committed.

1(d)(i) A statement (for the Issuer and Group) showing either (i) all changes in equity, or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

12 months Group	Attributable to owners of the Company										Non-Controlling Interests \$'000	Total Equity \$'000
	Share capital \$'000	Treasury shares \$'000	Capital securities \$'000	Capital reserves \$'000	Foreign currency translation reserves \$'000	Fair value adjustment reserves \$'000	Share-based compensation reserves \$'000	Revenue reserves \$'000	Total reserves \$'000	Total \$'000		
At 1 January 2017	3,087,894	(190,465)	930,416	280,647	(703,306)	(398,824)	119,520	2,272,461	1,570,498	5,393,343	235,981	5,634,304
Profit for the period	-	-	-	-	-	-	-	580,743	580,743	580,743	(29,098)	551,645
Other comprehensive income												
Net gain on fair value changes during the financial period	-	-	-	-	-	336,076	-	-	336,076	336,076	-	336,076
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	-	-	(68,037)	-	-	(68,037)	(68,037)	-	(68,037)
Foreign currency translation adjustment	-	-	-	-	(353,883)	-	-	-	(353,883)	(353,883)	(3,811)	(357,694)
Share of other comprehensive income of jointly controlled entities and associates	-	-	-	14,916	50,604	-	-	-	65,520	65,520	-	65,520
Other comprehensive income for the financial period, net of tax	-	-	-	14,916	(303,279)	268,039	-	-	(20,324)	(20,324)	(3,811)	(24,135)
Total comprehensive income for the period	-	-	-	14,916	(303,279)	268,039	-	580,743	560,419	560,419	(32,909)	527,510
Contributions by and distributions to owners												
Buy back of capital securities	-	-	(235,800)	-	-	-	-	-	-	(235,800)	-	(235,800)
Issue of shares on exercise of warrants	585,542	-	-	-	-	-	-	-	-	585,542	-	585,542
Issue of shares on exercise of share options	770	-	-	-	-	-	-	-	-	770	-	770
Issue of treasury shares for restricted share awards	-	3,189	-	-	-	-	(3,189)	-	(3,189)	-	-	-
Issue of capital securities, net of transaction costs	-	-	347,727	-	-	-	-	-	-	347,727	-	347,727
Share-based expense	-	-	-	-	-	-	20,184	-	20,184	20,184	-	20,184
Dividends on ordinary shares	-	-	-	-	-	-	-	(180,399)	(180,399)	(180,399)	-	(180,399)
Accrued capital securities distribution	-	-	56,635	-	-	-	-	(56,635)	(56,635)	-	-	-
Payment of capital securities distribution	-	-	(53,205)	-	-	-	-	-	-	(53,205)	-	(53,205)
Total contributions by and distributions to owners	586,312	3,189	115,357	-	-	-	16,995	(237,034)	(220,039)	484,819	-	484,819
Changes in ownership interests in subsidiaries that do not result in loss of control												
Capital reduction in subsidiary without change in ownership	-	-	-	-	-	-	-	-	-	-	(25,604)	(25,604)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	(25,604)	(25,604)
Total transactions with owners in their capacity as owners	586,312	3,189	115,357	-	-	-	16,995	(237,034)	(220,039)	484,819	(25,604)	459,215
At 31 December 2017	3,674,206	(187,276)	1,045,773	295,563	(1,006,595)	(130,785)	136,515	2,616,170	1,910,878	6,443,581	177,448	6,621,029

12 months Group	Attributable to owners of the Company										Non-Controlling Interests \$'000	Total Equity \$'000
	Share capital \$'000	Treasury shares \$'000	Capital securities \$'000	Capital reserves \$'000	Foreign currency translation reserves \$'000	Fair value adjustment reserves \$'000	Share-based compensation reserves \$'000	Revenue reserves \$'000	Total reserves \$'000	Total \$'000		
At 1 January 2016 (as previously stated)	3,062,499	(96,081)	237,525	280,647	(375,058)	(107,931)	106,238	1,990,671	1,894,567	5,116,510	240,573	5,359,083
Effects of Biological assets adjustment (FRS 16, FRS 41)	-	-	-	-	5,103	-	-	(44,530)	(39,427)	(39,427)	-	(39,427)
Effects of FRS 109 early adoption	-	-	-	-	-	(192,612)	-	192,612	-	-	-	-
At 1 January 2016 (restated)	3,062,499	(96,081)	237,525	280,647	(369,955)	(300,543)	106,238	2,138,753	1,855,140	5,075,083	240,573	5,319,656
Profit for the period	-	-	-	-	-	-	-	351,312	351,312	351,312	(12,225)	339,087
Other comprehensive income												
Net loss on fair value changes during the financial period	-	-	-	-	-	(44,170)	-	-	(44,170)	(44,170)	-	(44,170)
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	-	-	(54,111)	-	-	(54,111)	(54,111)	-	(54,111)
Foreign currency translation adjustment	-	-	-	-	(313,735)	-	-	-	(313,735)	(313,735)	7,613	(306,122)
Share of other comprehensive income of jointly controlled entities and associates	-	-	-	-	(19,616)	-	-	-	(19,616)	(19,616)	-	(19,616)
Other comprehensive income for the financial period, net of tax	-	-	-	-	(333,351)	(98,281)	-	-	(431,632)	(431,632)	7,613	(424,019)
Total comprehensive income for the period	-	-	-	-	(333,351)	(98,281)	-	351,312	(80,320)	(80,320)	(4,612)	(84,932)
Contributions by and distributions to owners												
Buy back of shares	-	(94,384)	-	-	-	-	-	-	-	(94,384)	-	(94,384)
Issue of shares on exercise of warrants	5,096	-	-	-	-	-	-	-	-	5,096	-	5,096
Issue of shares on exercise of share options	299	-	-	-	-	-	-	-	-	299	-	299
Issue of capital securities, net of transaction cost	-	-	675,874	-	-	-	-	-	-	675,874	-	675,874
Share-based expense	-	-	-	-	-	-	13,282	-	13,282	13,282	-	13,282
Dividends on ordinary shares	-	-	-	-	-	-	-	(184,036)	(184,036)	(184,036)	-	(184,036)
Accrued capital securities distribution	-	-	33,568	-	-	-	-	-	-	-	-	-
Payment of capital securities distribution	-	-	(16,551)	-	-	-	-	(33,568)	(33,568)	(16,551)	-	(16,551)
Total contributions by and distributions to owners	5,395	(94,384)	692,891	-	-	-	13,282	(217,604)	(204,322)	399,580	-	399,580
Total transactions with owners in their capacity as owners	5,395	(94,384)	692,891	-	-	-	13,282	(217,604)	(204,322)	399,580	-	399,580
At 31 December 2016	3,067,894	(190,465)	930,416	280,647	(703,306)	(398,824)	119,520	2,272,461	1,570,498	5,396,343	235,961	5,634,304

3 months Group	Attributable to owners of the Company										Non-Controlling Interests \$'000	Total Equity \$'000
	Share capital \$'000	Treasury shares \$'000	Capital securities \$'000	Capital reserves \$'000	Foreign currency translation reserves \$'000	Fair value adjustment reserves \$'000	Share-based compensation reserves \$'000	Revenue reserves \$'000	Total reserves \$'000	Total \$'000		
At 1 October 2017	3,096,683	(187,841)	1,031,726	298,034	(954,380)	(134,140)	131,604	2,365,070	1,706,188	5,646,756	213,165	5,859,921
Profit for the period	-	-	-	-	-	-	-	265,147	265,147	265,147	(8,974)	256,173
Other comprehensive income												
Net gain on fair value changes during the financial period	-	-	-	-	-	22,622	-	-	22,622	22,622	-	22,622
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	-	-	(19,267)	-	-	(19,267)	(19,267)	-	(19,267)
Foreign currency translation adjustment	-	-	-	-	(98,820)	-	-	-	(98,820)	(98,820)	(1,139)	(99,959)
Share of other comprehensive income of jointly controlled entities and associates	-	-	-	(2,471)	46,615	-	-	-	44,144	44,144	-	44,144
Other comprehensive income for the financial period, net of tax	-	-	-	(2,471)	(52,205)	3,355	-	-	(51,321)	(51,321)	(1,139)	(52,460)
Total comprehensive income for the period	-	-	-	(2,471)	(52,205)	3,355	-	265,147	213,826	213,826	(10,113)	203,713
Contributions by and distributions to owners												
Issue of shares on exercise of warrants	576,894	-	-	-	-	-	-	-	-	576,894	-	576,894
Issue of shares on exercise of share options	629	-	-	-	-	-	-	-	-	629	-	629
Issue of treasury shares for restricted share awards	-	565	-	-	-	-	(565)	-	(565)	-	-	-
Share-based expense	-	-	-	-	-	-	5,476	-	5,476	5,476	-	5,476
Accrued capital securities distribution	-	-	14,047	-	-	-	-	(14,047)	(14,047)	-	-	-
Payment of capital securities distribution	-	-	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners	577,523	565	14,047	-	-	-	4,911	(14,047)	(9,136)	582,999	-	582,999
Changes in ownership interests in subsidiaries that do not result in loss of control												
Capital reduction in subsidiary without change in ownership	-	-	-	-	-	-	-	-	-	-	(25,604)	(25,604)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	(25,604)	(25,604)
Total transactions with owners in their capacity as owners	577,523	565	14,047	-	-	-	4,911	(14,047)	(9,136)	582,999	(25,604)	557,395
At 31 December 2017	3,674,206	(187,276)	1,045,773	295,563	(1,005,585)	(130,785)	136,515	2,616,170	1,910,878	6,443,581	177,448	6,621,029

3 months Group	Attributable to owners of the Company										Non-Controlling Interests \$'000	Total Equity \$'000
	Share capital \$'000	Treasury shares \$'000	Capital securities \$'000	Capital reserves \$'000	Foreign currency translation reserves \$'000	Fair value adjustment reserves \$'000	Share-based compensation reserves \$'000	Revenue reserves \$'000	Total reserves \$'000	Total \$'000		
At 1 October 2016	3,085,665	(171,833)	916,683	280,647	(896,991)	(274,823)	115,671	2,183,956	1,408,460	5,238,975	223,897	5,462,872
Profit for the period	-	-	-	-	-	-	-	102,237	102,237	102,237	890	103,127
Other comprehensive income												
Net loss on fair value changes during the financial period	-	-	-	-	-	(111,058)	-	-	(111,058)	(111,058)	-	(111,058)
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	-	-	(12,943)	-	-	(12,943)	(12,943)	-	(12,943)
Foreign currency translation adjustment	-	-	-	-	191,722	-	-	-	191,722	191,722	11,174	202,896
Share of other comprehensive income of jointly controlled entities and associates	-	-	-	-	1,964	-	-	-	1,964	1,964	-	1,964
Other comprehensive income for the financial period, net of tax	-	-	-	-	193,686	(124,001)	-	-	69,685	69,685	11,174	80,859
Total comprehensive income for the period	-	-	-	-	193,686	(124,001)	-	102,237	171,922	171,922	12,064	183,986
Contributions by and distributions to owners												
Buy back of shares	-	(18,632)	-	-	-	-	-	-	-	(18,632)	-	(18,632)
Issue of shares on exercise of warrants	2,071	-	-	-	-	-	-	-	-	2,071	-	2,071
Issue of shares on exercise of share options	158	-	-	-	-	-	-	-	-	158	-	158
Share-based expense	-	-	-	-	-	-	3,849	-	3,849	3,849	-	3,849
Accrued capital securities distribution	-	-	13,733	-	-	-	-	(13,733)	(13,733)	-	-	-
Total contributions by and distributions to owners	2,229	(18,632)	13,733	-	-	-	3,849	(13,733)	(9,884)	(12,554)	-	(12,554)
Total transactions with owners in their capacity as owners	2,229	(18,632)	13,733	-	-	-	3,849	(13,733)	(9,884)	(12,554)	-	(12,554)
At 31 December 2016	3,087,894	(190,465)	930,416	280,647	(703,305)	(398,824)	119,520	2,272,460	1,570,498	5,398,343	235,961	5,634,304

12 months Company	Attributable to owners of the Company									
	Share capital \$'000	Treasury shares \$'000	Capital securities \$'000	Capital reserves \$'000	Foreign currency translation reserves \$'000	Fair value adjustment reserves \$'000	Share-based compensation reserves \$'000	Revenue reserves \$'000	Total reserves \$'000	Total \$'000
At 1 January 2017	3,087,894	(190,465)	930,416	140,486	298,656	(398,818)	119,520	1,045,062	1,204,906	5,032,751
Profit for the period	-	-	-	-	-	-	-	736,368	736,368	736,368
Other comprehensive income										
Net gain on fair value changes during the financial period	-	-	-	-	-	336,076	-	-	336,076	336,076
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	-	-	(68,037)	-	-	(68,037)	(68,037)
Foreign currency translation adjustment	-	-	-	-	(439,683)	-	-	-	(439,683)	(439,683)
Other comprehensive income for the financial period, net of tax	-	-	-	-	(439,683)	268,039	-	-	(171,644)	(171,644)
Total comprehensive income for the period	-	-	-	-	(439,683)	268,039	-	736,368	564,724	564,724
Contributions by and distributions to owners										
Buy back of capital securities	-	-	(235,800)	-	-	-	-	-	-	(235,800)
Issue of treasury shares for restricted share awards	-	3,189	-	-	-	-	(3,189)	-	(3,189)	-
Issue of shares on exercise of warrants	585,542	-	-	-	-	-	-	-	-	585,542
Issue of shares on exercise of share options	770	-	-	-	-	-	-	-	-	770
Issue of capital securities, net of transaction costs	-	-	347,727	-	-	-	-	-	-	347,727
Share-based expense	-	-	-	-	-	-	20,184	-	20,184	20,184
Dividends on ordinary shares	-	-	-	-	-	-	-	(180,399)	(180,399)	(180,399)
Accrued capital securities distribution	-	-	56,635	-	-	-	-	(56,635)	(56,635)	-
Payment of capital securities distribution	-	-	(53,205)	-	-	-	-	-	-	(53,205)
Total contributions by and distributions to owners	586,312	3,189	115,357	-	-	-	16,995	(237,034)	(220,039)	484,819
Total transactions with owners in their capacity as owners	586,312	3,189	115,357	-	-	-	16,995	(237,034)	(220,039)	484,819
At 31 December 2017:	3,674,206	(187,276)	1,045,773	140,486	(141,027)	(130,779)	136,515	1,544,396	1,549,591	6,082,294

12 months Company	Attributable to owners of the Company									
	Share capital \$'000	Treasury shares \$'000	Capital securities \$'000	Capital reserves \$'000	Foreign currency translation reserves \$'000	Fair value adjustment reserves \$'000	Share-based compensation reserves \$'000	Revenue reserves \$'000	Total \$'000	Total \$'000
At 1 January 2016 (as previously stated)	3,082,499	(96,081)	237,525	140,486	175,744	(107,925)	106,238	829,337	1,143,880	4,367,823
Effects of FRS 109 early adoption	-	-	-	-	-	(192,612)	-	192,612	-	-
At 1 January 2016 (restated)	3,082,499	(96,081)	237,525	140,486	175,744	(300,537)	106,238	1,021,949	1,143,880	4,367,823
Profit for the period	-	-	-	-	-	-	-	240,717	240,717	240,717
<u>Other comprehensive income</u>										
Net loss on fair value changes during the financial period	-	-	-	-	-	(44,170)	-	-	(44,170)	(44,170)
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	-	-	(54,111)	-	-	(54,111)	(54,111)
Foreign currency translation adjustment	-	-	-	-	122,912	-	-	-	122,912	122,912
Other comprehensive income for the financial period, net of tax	-	-	-	-	122,912	(98,281)	-	-	24,631	24,631
Total comprehensive income for the period	-	-	-	-	122,912	(98,281)	-	240,717	265,348	265,348
<u>Contributions by and distributions to owners</u>										
Buy back of shares	-	(94,384)	-	-	-	-	-	-	-	(94,384)
Issue of capital securities, net of transaction costs	-	-	675,874	-	-	-	-	-	-	675,874
Issue of shares on exercise of warrants	5,096	-	-	-	-	-	-	-	-	5,096
Issue of shares on exercise of share options	299	-	-	-	-	-	-	-	-	299
Share-based expense	-	-	-	-	-	-	13,282	-	13,282	13,282
Dividends on ordinary shares	-	-	-	-	-	-	-	(184,036)	(184,036)	(184,036)
Accrued capital securities distribution	-	-	33,568	-	-	-	-	(33,568)	(33,568)	-
Payment of capital securities distribution	-	-	(16,551)	-	-	-	-	-	-	(16,551)
Total contributions by and distributions to owners	5,395	(94,384)	692,891	-	-	-	13,282	(217,604)	(204,322)	399,580
Total transactions with owners in their capacity as owners	5,395	(94,384)	692,891	-	-	-	13,282	(217,604)	(204,322)	399,580
At 31 December 2016	3,087,894	(190,465)	930,416	140,486	298,656	(398,818)	119,520	1,045,062	1,204,906	5,032,751

3 months Company	Attributable to owners of the Company								
	Share capital \$'000	Treasury shares \$'000	Capital securities \$'000	Capital reserves \$'000	Foreign currency translation reserves \$'000	Fair value adjustment reserves \$'000	Share-based compensation reserves \$'000	Revenue reserves \$'000	Total reserves \$'000
At 1 October 2017	3,096,683	(187,841)	1,031,726	140,486	(46,759)	(134,134)	131,604	1,581,250	1,672,447
Profit for the period	-	-	-	-	-	-	-	(22,807)	(22,807)
Other comprehensive income									
Net gain on fair value changes during the financial period	-	-	-	-	-	22,622	-	-	22,622
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	-	-	(19,267)	-	-	(19,267)
Foreign currency translation adjustment	-	-	-	-	(94,268)	-	-	-	(94,268)
Other comprehensive income for the financial period, net of tax	-	-	-	-	(94,268)	3,355	-	-	(90,913)
Total comprehensive income for the period	-	-	-	-	(94,268)	3,355	-	(22,807)	(113,720)
Contributions by and distributions to owners									
Issue of treasury shares for restricted share awards	-	565	-	-	-	-	(565)	-	(565)
Issue of shares on exercise of warrants	576,894	-	-	-	-	-	-	-	576,894
Issue of shares on exercise of share options	629	-	-	-	-	-	-	-	629
Share-based expense	-	-	-	-	-	-	5,476	-	5,476
Accrued capital securities distribution	-	-	14,047	-	-	-	-	(14,047)	-
Total contributions by and distributions to owners	577,523	565	14,047	-	-	-	4,911	(14,047)	582,999
Total transactions with owners in their capacity as owners	577,523	565	14,047	-	-	-	4,911	(14,047)	582,999
At 31 December 2017	3,674,206	(187,276)	1,045,773	140,486	(141,027)	(130,779)	136,515	1,544,396	6,082,294

3 months Company	Attributable to owners of the Company									
	Share capital \$'000	Treasury shares \$'000	Capital securities \$'000	Capital reserves \$'000	Foreign currency translation reserves \$'000	Fair value adjustment reserves \$'000	Share-based compensation reserves \$'000	Revenue reserves \$'000	Total reserves \$'000	Total \$'000
At 1 October 2016	3,085,665	(171,833)	916,683	140,486	5,167	(274,820)	115,671	1,037,130	1,023,634	4,854,149
Profit for the period	-	-	-	-	-	-	-	21,665	21,665	21,665
Other comprehensive income										
Net loss on fair value changes during the financial period	-	-	-	-	-	(111,055)	-	-	(111,055)	(111,055)
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	-	-	(12,943)	-	-	(12,943)	(12,943)
Foreign currency translation adjustment	-	-	-	-	293,489	-	-	-	293,489	293,489
Other comprehensive income for the financial period, net of tax	-	-	-	-	293,489	(123,998)	-	-	169,491	169,491
Total comprehensive income for the period	-	-	-	-	293,489	(123,998)	-	21,665	191,156	191,156
Contributions by and distributions to owners										
Buy back of shares	-	(18,632)	-	-	-	-	-	-	-	(18,632)
Issue of shares on exercise of warrants	2,071	-	-	-	-	-	-	-	-	2,071
Issue of shares on exercise of share options	158	-	-	-	-	-	-	-	-	158
Share-based expense	-	-	-	-	-	-	3,849	-	3,849	3,849
Accrued capital securities distribution	-	-	13,733	-	-	-	-	(13,733)	(13,733)	-
Total contributions by and distributions to owners	2,229	(18,632)	13,733	-	-	-	3,849	(13,733)	(9,884)	(12,554)
Total transactions with owners in their capacity as owners	2,229	(18,632)	13,733	-	-	-	3,849	(13,733)	(9,884)	(12,554)
At 31 December 2016	3,087,894	(190,465)	930,416	140,486	298,656	(398,818)	119,520	1,045,062	1,204,906	5,032,751

- 1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	31-Dec-17	31-Dec-16
Shares to be issued upon exercise of:		
Warrants	51,077,331	428,934,252
Share options	71,267,000	72,742,000
Share Grant Plan*	38,897,596	27,637,500
Total number of shares	161,241,927	529,313,752

**Share Grant Plan:* The above grant of shares includes 20,904,500 (2016: 22,214,500) and 9,656,173 shares (2016: Nil) which will be governed by the terms and conditions of the plan, including the achievement of pre-determined targets during the three-year performance period. The number of shares delivered pursuant to the award granted will range from 0% to 192.5% and 0% to 200.0% respectively, of the base award.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	31-Dec-17	31-Dec-16
Issued, fully paid shares :		
Balance number of shares as at the beginning of period	2,829,036,837	2,825,645,142
Issue of shares on exercise of warrants	391,928,073	3,221,695
Issue of shares on exercise of share options	80,000	170,000
Total no. of shares outstanding as at the end of period	3,221,044,910	2,829,036,837
Total no. of shares held as treasury shares	(99,533,600)	(101,165,100)
Total no. of shares outstanding as at the end of period net of treasury shares	3,121,511,310	2,727,871,737

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

The Company used 1,631,500 treasury shares during the current financial period towards the release of 1,321,500 restricted share grants and issuance of 310,000 shares on exercise of share options.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The financial statements presented above have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

N. A.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The adoption of the new and revised accounting standards that became applicable from 1 January 2017 did not result in substantial changes to the Group accounting policies, which are consistent with those used in the audited financial statements as at 31 December 2016.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the changes.

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 31 December 2016.

6. Earnings per ordinary share of the Group for the current financial period reported and for the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Reported earnings per ordinary share

Reported EPS	Group			
	12 Months Ended		3 Months Ended	
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
(a) Based on weighted average no. of shares (cents/share)	18.62	11.54	8.20	3.24
(b) Based on fully diluted basis (cents/share)	17.92	11.14	8.05	3.10
Weighted average no. of shares applicable to basic earnings per share	2,814,058,047	2,753,842,602	3,060,888,456	2,729,271,533
Weighted average no. of shares based on fully diluted basis	2,924,188,686	2,851,145,001	3,119,800,203	2,856,628,820

7. Net asset value (for the Issuer and Group) per ordinary share based on the total number of issued shares of the issuer at the end of the:

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	As at 31-Dec-17	As at 31-Dec-16	As at 31-Dec-17	As at 31-Dec-16
(In cents per share)				
Net asset value (NAV) per ordinary share based on issued share capital as at end of the period	200.05	190.82	188.83	177.90

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

Please refer to the Management Discussion and Analysis ("MDA"), lodged on SGXNET along with the Financial Results statement, for a review of financial and operational performance.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There was no forecast made by the Company.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

Please refer to the MDA for a review of financial and operational performance.

11. Dividend

- (a) Current Financial Period Reported on 31 December 2017.

Any dividend recommended for the current financial period reported on?

Name of Dividend	Interim Dividend	Second & Final Dividend
Dividend Type	Cash	Cash
Dividend rate (in cents)	3.50	4.00
Tax rate	One-tier tax exempt	One-tier tax exempt

- (b) Corresponding Period of the immediately preceding Financial Year.

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of Dividend	Interim Dividend	Second & Final Dividend
Dividend Type	Cash	Cash
Dividend rate (in cents)	3.00	3.00
Tax rate	One-tier tax exempt	One-tier tax exempt

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

The dividend paid is tax exempt in the hands of the shareholders.

- (d) Date Payable

11 May 2018

- (e) Books closure date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of OLAM INTERNATIONAL LIMITED (the "Company") will be closed at **5.00 pm on 4 May 2018** for the preparation of dividend warrants.

Duly completed registerable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services (Pte) Ltd, at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 **up to 5.00 p.m. on 4 May 2018** will be registered to determine shareholders' entitlements to the said dividend. Members whose Securities Accounts with The Central Depository Pte. Ltd. are credited with shares **at 5.00 p.m. on 4 May 2018** will be entitled to the proposed dividend.

Payment of the dividend, if approved by the members at the Annual General Meeting to be held on 25 April 2018, will be made on **11 May 2018**.

12. If no dividend has been declared/recommended, a statement to that effect.

N.A

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.

14. Confirmation of directors and executive officers' undertakings pursuant Listing Rule 720(1).

The Company has procured undertakings from all its directors and executive officers in compliance with Listing Rule 720(1).

15. Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

(in S\$000's)	Edible Nuts, Spices & Vegetable Ingredients		Confectionery & Beverage Ingredients		Food Staples & Packaged Foods		Industrial Raw Materials, Ag Logistics & Infrastructure		Commodity Financial Services		Consolidated	
	12M Ended 31-Dec-17	12M Ended 31-Dec-16	12M Ended 31-Dec-17	12M Ended 31-Dec-16	12M Ended 31-Dec-17	12M Ended 31-Dec-16	12M Ended 31-Dec-17	12M Ended 31-Dec-16	12M Ended 31-Dec-17	12M Ended 31-Dec-16	12M Ended 31-Dec-17	12M Ended 31-Dec-16
Segmental revenue	4,491,982	3,981,093	8,136,794	7,710,975	9,767,124	6,110,760	3,876,629	2,784,204	-	-	26,272,529	20,587,032
Segmental results (EBITDA)	438,403	331,790	327,709	407,288	359,670	330,230	197,287	135,182	4,896	(1,608)	1,327,965	1,202,882
Depreciation & amortisation											(380,680)	(353,481)
Finance costs*											(531,178)	(433,744)
Finance income											65,597	30,248
Exceptional items (gross of tax)											149,189	(12,504)
Profit before tax											630,893	433,401
Taxation											(79,248)	(94,314)
Profit for the period											551,645	339,087

*Excluding exceptional items. For details on exceptional items, refer to MDA page 24.

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to the MDA for a review of financial and operational performance.

17. A breakdown of sales and net profit.

(in S\$000's)	FY 2017 (12 Months)	FY 2016 (12 Months)	% Change
Sales for 1st 6M (Jan - Jun)	12,324,691	9,742,775	26.5%
Net Profit 1st 6M (Jan - Jun)	270,068	220,910	22.3%
Sales for 2nd 6M (Jul - Dec)	13,947,838	10,844,257	28.6%
Net Profit 2nd 6M (Jul - Dec)	281,577	118,177	138.3%

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

(in S\$000's)	FY 2017	FY 2016
Ordinary	180,399	184,036
Preference	-	-
Total	180,399	184,036

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>

There are no persons occupying managerial positions in the Company or any of its principal subsidiaries who are relatives of a director or chief executive officer or substantial shareholder of the Company.

On behalf of the Board of Directors

Lim Ah Doo
Chairman

Sunny George Verghese
Co-founder & Group CEO

BY ORDER OF THE BOARD

Sunny George Verghese
Co-founder & Group CEO

27 February 2018

Directors' Statement

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Olam International Limited (the 'Company') and its subsidiary companies (the 'Group') and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2016.

1. Opinion of the directors

In the opinion of the directors,

- (i) the financial statements set out on pages 10 to 86 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2016 and the financial performance, changes in equity of the Group and of the Company, and the cash flows of the Group for the financial year ended on that date; and
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The directors of the Company in office at the date of this statement are:-

Lim Ah Doo (Appointed on 1 November 2016)

Sunny George Verghese

Jean-Paul Pinard

Sanjiv Misra

Nihal Vijaya Devadas Kaviratne CBE

Yap Chee Keong

Marie Elaine Teo

Yutaka Kyoya

Katsuhiro Ito

Rachel Eng Yaag Ngee (Appointed on 25 April 2016)

Shekhar Anantharaman

In accordance with the Company's Articles of Association comprising part of the Constitution of the Company, Messrs. Jean-Paul Pinard, Sanjiv Misra, Sunny George Verghese and Shekhar Anantharaman will retire under Article 103 and Mr. Lim Ah Doo will retire under Article 109. They being eligible, offer themselves for re-election.

3. Arrangements to enable directors to acquire shares and debentures

Except as disclosed in this report, neither at the end of nor at any time during the financial year ended 31 December 2016 was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' Statement continued

4. Directors' interests in shares and debentures

According to the register of the directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

Name of directors	Held in the name of the director or nominee			Deemed interest		
	As at 1.1.2016 or date of appointment, if later	As at 31.12.2016	As at 21.1.2017	As at 1.1.2016 or date of appointment, if later	As at 31.12.2016	As at 21.1.2017
The Company						
Olam International Limited						
(a) Ordinary shares						
Sunny George Verghese	111,646,477	111,646,477	111,646,477	—	—	—
Shekhar Anantharaman	12,619,672	12,619,672	12,619,672	—	—	—
(b) \$275,000,000 7.0% Perpetual Capital Securities ('Capital Securities') issued in denominations of \$250,000 and in higher integral multiples of \$1,000 in excess thereof						
Jean-Paul Pinard	\$250,000	\$250,000	\$250,000	—	—	—
(c) 428,934,252 Warrants issued at an exercise price of US\$1.14 for each new share¹						
Sunny George Verghese	19,421,192	20,178,230	20,178,230	—	—	—
Shekhar Anantharaman	2,684,452	2,789,093	2,789,093	—	—	—
Jean-Paul Pinard	751,647	780,949	780,949	—	—	—
(d) Euro Medium Term Note Programme						
Nihal Vijaya Devadas Kaviratne, CBE ²	US\$200,000	US\$200,000	US\$200,000	—	—	—
(e) Options to subscribe for ordinary shares						
Sunny George Verghese	15,000,000	15,000,000	15,000,000	—	—	—
Shekhar Anantharaman	5,000,000	5,000,000	5,000,000	—	—	—
Subsidiaries of the Company's holding company						
Temasek Group of companies						
(a) Mapletree Greater China Commercial Trust Management Ltd						
(Unit holdings in Mapletree Greater China Commercial Trust)						
Sunny George Verghese	—	510,000	510,000	—	—	—
(b) Mapletree Logistics Trust Management Ltd						
(Unit holdings in Mapletree Logistics Trust)						
Sunny George Verghese	—	505,000	505,000	—	—	—
Lim Ah Doo ³	185,000	185,000	185,000	—	—	—
(c) Mapletree Commercial Trust Management Ltd.						
(3.25% Bonds Maturity 3 February 2023)						
Yap Chee Keong	\$250,000	\$250,000	\$250,000	—	—	—
(d) Singapore Technologies Engineering Ltd						
Lim Ah Doo ³	31,300	31,300	31,300	—	—	—
(e) Starhub Ltd						
(Ordinary Shares)						
Nihal Vijaya Devadas Kaviratne, CBE ⁴	37,900	19,000	19,000	—	—	—
Sanjiv Misra ⁵	60,000	60,000	60,000	—	—	—
Rachel Eng Yaag Ngee	6,900	6,900	6,900	—	—	—

- On 29 January 2013, the Company undertook a renounceable underwritten rights issue (the 'Rights Issue') of US\$750,000,000 6.75 per cent. Bonds due 2018 (the 'Bonds'), with 387,365,079 free detachable warrants (the 'Warrants'). The Warrants were listed and quoted on the Official List of the Singapore Exchange Securities Trading Limited ('SGX-ST'). Each Warrant carries the right to subscribe for 1 new ordinary share in the capital of the Company (the 'New Share') at an original exercise price of US\$1.291 for each New Share. These Warrants are exercisable from 29 January 2016 to 28 January 2018. The Company has fully redeemed the Bonds. These Warrants are exercisable from 29 January 2016 to 29 January 2018. Under the terms and conditions of the Warrants, the exercise price of the Warrants and the number of Warrants may be adjusted as a result of certain events. At the end of the financial year, the exercise price of the Warrants was adjusted to US\$1.14 and a total of 428,934,252 Warrants were outstanding.
- This refers to the Notes issued under Series 006 of the US\$5,000,000,000 Euro Medium Term Note Programme ('EMTN') established by the Company on 6 July 2012 and subsequently updated on 14 July 2014 and 21 August 2015, comprising US\$300,000,000 in principal amount of 4.50 per cent fixed rate notes due 2020.
- Lim Ah Doo was appointed as director of the Company on 1 November 2016.
- Partial interest held through The Kaviratne Family Trust which was disposed in the course of the year.
- Held in trust by Windsor Castle Holding Ltd for Sanjiv Misra and spouse.

5. Olam employee share option scheme and Olam share grant plan

The Company offers the following share plans to its employees:

- (a) Olam Employee Share Option Scheme, and
- (b) Olam Share Grant Plan.

These share plans are administered by the Human Resource & Compensation Committee ('HRCC'), which comprises the following directors:-

Lim Ah Doo (Appointed on 1 November 2016)
Yutaka Kyoya
Jean-Paul Pinard
Sanjiv Misra
Rachel Eng Yaag Ngee (Appointed 25 April 2016)

Olam Employee Share Option Scheme

The Olam Employee Share Option Scheme ('the ESOS') was approved by the shareholders on 4 January 2005 at the Extraordinary General Meeting of the Company. The ESOS Rules were amended on 29 October 2008 at the Extraordinary General Meeting of the Company. Under the amended rules, the directors (including Non-Executive directors and Independent directors) and employees of the Group are eligible to participate in the ESOS, and all subsequent options issued to the Group's employees and Executive directors shall have a life of ten years instead of five. For options granted to the Company's Non-Executive directors and Independent directors, the option period shall be no longer than five years. Controlling Shareholders and associates of Controlling Shareholders are not eligible to participate in the ESOS.

Pursuant to the voluntary conditional cash offer by Breedens International Pte Ltd approval was sought and granted on 8 April 2014 such that all outstanding options which have not been exercised at the expiry of the accelerated exercise period shall not automatically lapse and become null and void but will expire in accordance with their original terms. The ESOS has expired on 3 January 2015. The terms of the ESOS continue to apply to outstanding options granted under the ESOS. The ESOS rules amended on 29 October 2008 may be read in the Appendix 1 of the Company's circular dated 13 October 2008.

Details of all the options to subscribe for ordinary shares of the Company pursuant to the ESOS outstanding as at 31 December 2016 are as follows:-

Expiry date	Exercise price (\$)	Number of options
21 July 2019	2.28	33,010,000
17 February 2020	2.35	15,000,000
23 July 2020	2.64	3,425,000
17 December 2020	3.10	650,000
14 March 2021	2.70	1,295,000
30 December 2021	2.16	2,690,000
15 June 2022	1.76	16,672,000
Total		72,742,000

The details of options granted to the directors, are as follows:-

Name of Participant	Options granted during financial year under review	Exercise Price for options granted during the financial year under review	Aggregate options granted since the commencement of the scheme to the end of financial year under review	Aggregate options exercised since the commencement of the scheme to the end of financial year under review	Aggregate options outstanding as at the end of financial year under review
Sunny George Verghese	—	—	30,000,000	15,000,000	15,000,000
Shekhar Anantharaman	—	—	5,800,000	800,000	5,000,000

The 15,000,000 options granted to Sunny George Verghese in financial year 2010 were exercisable in three equal tranches of 5,000,000 each on or after the first, second and third anniversaries of the grant date (17 February 2010) at the exercise price of \$2.35 where the vesting conditions were met. The options will expire ten years after the date of grant.

The 1,750,000 options granted to Shekhar Anantharaman in financial year 2010 were exercisable in tranches of 25% and 75% at the end of the third and fourth anniversary from the date of grant (21 July 2009) at the exercise price of \$2.28 where the vesting conditions were met. The 3,250,000 options granted to Shekhar Anantharaman in financial year 2012 are exercisable in tranches of 25% and 75% at the end of the third and fourth anniversary respectively from the date of grant (15 June 2012) at the exercise price of \$1.76 if the vesting conditions are met. The options will expire ten years after the date of grant.

Directors' Statement continued

5. Olam employee share option scheme and Olam share grant plan continued

Olam Share Grant Plan

The Company had adopted the Olam Share Grant Plan ('OSGP') at the 2014 Annual General Meeting.

The OSGP helps retain staff whose contributions are essential to the well-being and prosperity of the Group and to give recognition to outstanding employees and executive directors of the Group who have contributed to the growth of the Group. The OSGP gives participants an opportunity to have a personal equity interest in the Company and will help to achieve the following positive objectives:

- motivate participants to optimise their performance standards and efficiency, maintain a high level of contribution to the Group and strive to deliver long-term shareholder value;
- align the interests of employees with the interests of the Shareholders of the Company;
- retain key employees and executive directors of the Group whose contributions are key to the long-term growth and profitability of the Group;
- instill loyalty to, and a stronger identification by employees with the long-term prosperity of, the Company; and
- attract potential employees with relevant skills to contribute to the Group and to create value for the Shareholders of the Company.

An employee's Award under the OSGP will be determined at the absolute discretion of the HRCC. In considering an Award to be granted to an employee, the HRCC may take into account, inter alia, the employee's performance during the relevant period, and his capability, entrepreneurship, scope of responsibility and skills set. The OSGP contemplates the award of fully-paid Shares, when and after pre-determined performance or service conditions are accomplished. Any performance targets set under the OSGP are intended to be based on longer-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. Examples of performance targets include targets based on criteria such as total shareholders' return, return on invested capital, economic value added, or on the Company meeting certain specified corporate target(s). It is also currently intended that a Retention Period, during which the Shares awarded may not be transferred or otherwise disposed of (except to the extent set out in the Award Letter or with the prior approval of the HRCC), may be imposed in respect of Shares awarded to the employees under the OSGP.

Details of the Awards granted to the directors, are as follows:-

Type of Grant	Performance share awards ('PSA')		Restricted share awards ('RSA')
Date of Grant	7 April 2015	15 April 2016	15 April 2016
Number of Shares which are subject of the Awards granted(*)	11,817,500	10,397,000	5,423,000
Number of employees receiving Shares Awards	280	297	294
Market Value of Olam Shares on the Date of Grant	\$1.985	\$1.72	\$1.72
Number of Shares awarded Granted to directors and Controlling Shareholders (and their Associates) of the Company, if any.	Sunny George Verghese 400,000 Shekhar Anantharaman 250,000	Sunny George Verghese 410,000 Shekhar Anantharaman 350,000	Sunny George Verghese 410,000 Shekhar Anantharaman 232,000
Vesting Date of Shares awarded	April 2018	April 2019	Tranche 1 – 25%: 1 April 2017 Tranche 2 – 25%: 1 April 2018 Tranche 3 – 25%: 1 April 2019 Tranche 4 – 25%: 1 April 2020

The actual number of shares to be delivered pursuant to the PSA granted will range from 0% to 192.5% of the base award and is contingent on the achievement of pre-determined targets set out in the three year performance period and other terms and conditions being met.

Apart from that which is disclosed above, no directors or employees of the Group received 5% or more of the total number of options/shares available under the ESOS/OSGP.

The options/shares granted by the Company do not entitle the holder of the options, by virtue of such holding, to any right to participate in any share issue of any other company.

There were no incentive options/shares granted from commencement of ESOS/OSGP to the financial year end under review.

There were no options/shares granted at a discount.

There were no options/shares granted to controlling shareholders of the Company and their associates.

6. Audit Committee

The Audit Committee (the 'AC') comprises three Independent directors and a Non-Executive director. The members of the AC are Yap Chee Keong (Chairman), Katsuhiro Ito, Nihal Vijaya Devadas Kaviratne CBE and Rachel Eng Yaag Ngee (appointed on 25 April 2016). The AC performed the functions specified in section 201B(5) of the Singapore Companies Act, Chapter 50, the Singapore Code of Corporate Governance and the Listing Manual of the SGX-ST.

The AC held five meetings during the year under review. The AC met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and their evaluation of the Company's internal accounting control systems.

The AC reviewed the following:

- audit plans of the internal and external auditors of the Company, and ensured the adequacy of the Company's system of accounting controls and the cooperation given by the Company's management to the external and internal auditors;
- quarterly and annual financial statements of the Group and the Company prior to their submission to the board of directors for adoption;
- the Company's material internal controls, including financial, operational, compliance controls and risk management via reviews carried out by the internal auditors;
- legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes, and any reports received from regulators;
- independence and objectivity of the external auditors;
- interested person transactions (as defined in Chapter 9 of the Listing Manual of the SGX-ST); and
- the scope and results of the audit.

Further, the AC

- held meetings with the external auditors and the management in separate executive sessions to discuss any matters that these groups believed should be discussed privately with the AC;
- made recommendations to the board of directors in relation to the external auditor's reappointment and their compensation for the renewed period; and
- reported actions and minutes of the AC meetings to the board of directors with such recommendations as the AC considered appropriate.

The AC had full access and cooperation of the management and full discretion to invite any director or executive officer to attend its meetings.

The AC also reviewed the cost effectiveness of the audit conducted by the external auditors and the nature and extent of all non-audit services performed by the external auditors, and has confirmed that such services would not affect their independence.

The AC has recommended to the Board that Ernst & Young LLP be nominated for re-appointment as independent auditor of the Company at the forthcoming Annual General Meeting. In appointing the auditors of the Company and its subsidiaries, the Company has complied with Rule 712 and Rule 715 of the Listing Manual of the SGX-ST.

Further details regarding the functions of the AC are disclosed in the Corporate Governance Report in the Company's Annual Report to shareholders.

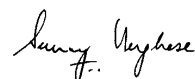
7. Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as independent auditor.

On behalf of the board of directors,



Lim Ah Doo
Director



Sunny George Verghese
Director

20 March 2017

Independent Auditor's Report

For the financial year ended 31 December 2016

To the Members of Olam International Limited

Report on the financial statements

We have audited the accompanying financial statements of Olam International Limited (the 'Company') and its subsidiaries (collectively, the 'Group') set out on pages 10 to 86, which comprise the balance sheets of the Group and the Company as at 31 December 2016, the statements of changes in equity of the Group and the Company and the consolidated profit and loss account, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2016 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

1 Valuation of goodwill, intangible assets and tangible assets/liabilities through business combinations

During the year, the Group completed various acquisitions as disclosed in Note 11. The Group has determined these acquisitions to be business combinations for which the purchase price is to be allocated between acquired assets and liabilities, identified intangible assets and contingent liabilities, and leading to the resultant recognition of goodwill at their respective fair values. As a policy, for significant acquisitions, independent professional valuers were engaged by the Group to perform purchase price allocation exercise, fair valuation of acquired assets and liabilities and/or identification and valuation of intangible assets. The identification of such assets and liabilities, including contingent assets and liabilities and their measurement at fair value is inherently judgemental, thus we considered this area to be a key audit matter.

We have obtained the valuations prepared by management or independent valuers engaged by the Group. We, together with our valuation specialists, assessed the competence and capabilities of the valuers and objectivity of the valuers, and assessed the reasonableness of their conclusions having regard to the key assumptions including forecast cash flows focusing on revenues and earnings before interest, tax depreciation and amortisation ('EBITDA'), appropriateness of discount and growth rates and cross-checking valuation calculations against comparable companies, whilst considering the risk of management bias.

We have also assessed the Group's determination of the fair value of the remaining assets and liabilities having regard to the completeness of assets and liabilities identified and the reasonableness of any underlying assumptions in their respective valuations and this would also include assessment on the reasonableness of the useful lives of the intangible and tangible assets and the consideration given. We also considered the adequacy of disclosures on contingent liabilities and assets in relation to the acquisition.

Key audit matters continued

2 Impairment assessment of goodwill, indefinite life intangible assets and fixed assets

The Group makes and has significant investments in fixed assets, goodwill and intangible assets that are associated with its operations and business units around the world. Management performs an annual impairment review of goodwill and intangible assets with indefinite life and performs an impairment assessment of the identified fixed assets when there are indicators of impairment. These valuations of the fixed assets, goodwill and indefinite life intangible assets are performed by management with the help of independent professional valuers where applicable. Valuation models based on the business units' cash flow forecast are used to determine the realisable values for the purposes of the impairment assessments. Due to the element of judgement exercised in forecasting and discounting future cash flows, we have considered this to be a key audit matter. Details of fixed assets and goodwill and indefinite life intangible assets are disclosed in Notes 10 and 11 respectively.

We have obtained the value in use assessment prepared by management and assessed the reasonableness of management's conclusions having regard to the key assumptions including forecast cash flows focusing on revenues and earnings before interest, tax depreciation and amortisation ('EBITDA'), appropriateness of discount and growth rates to historical trends to assess the reliability of management's forecast, in addition to comparing forecast assumptions to external market analysis and confirming the mathematical accuracy of the underlying calculations, whilst considering the risk of management bias.

We also reviewed the Group's disclosures of the application of judgement in estimating cash-generating units cash flows and the sensitivity of the results of those estimates adequately reflect the risks associated with goodwill, indefinite life intangible assets and fixed assets impairment.

3 Valuation of biological assets

The Group operates various farms and plantations for which either the livestock, agricultural produce ('fruits on trees') or annual crops are subject to valuation. These biological assets, where significant, are fair valued by professional independent valuers engaged by the Group using industry/ market accepted valuation methodology and approaches. Due to the measurement of fair value being inherently judgemental, we have considered this to be a key audit matter.

We had obtained the valuations of biological assets prepared by management and independent professional valuers engaged by the Group. The fair value reports are reviewed by us together with our valuation specialists for appropriateness of the fair value methodology used and reasonableness of the assumptions used which include forecast cash flows, discount rates and yield rates for the plantations and market prices of the fruits or nuts/crop and livestock. We assessed the competence, capabilities and objectivity of the independent professional valuers and assessed the reasonableness of their conclusions having regard to the key assumptions mentioned above.

We also reviewed the Group's disclosures of the application of judgement in estimating cash-generating units cash flows and the sensitivity of the results of those estimates adequately reflect the risks associated with biological assets valuation.

4 Valuation of financial instruments

In the ordinary course of business, the Group enter into various financial instruments which are required to be carried at fair value. The fair value of financial instruments which are not measured by quoted prices (unadjusted) in active market are determined through the application of valuation techniques which often involve the exercise of judgement by management and the use of assumptions and estimates. Due to the significance of financial instruments and the related judgement in estimation, this is considered a key audit matter.

We have reviewed and assessed the controls over identification, measurement and management of valuation risk, and evaluating the methodologies, inputs and assumptions used by the Group in determining fair values. The review also included comparisons of observable inputs against independent sources and externally available market data.

For financial instruments with significant unobservable valuation inputs and with the assistance of our own valuation specialists, we have reviewed and assessed the assumptions and models used or re-performed an independent valuation assessment to assess the reasonableness of the computed fair value. Additionally, we reviewed the appropriateness and adequacy of disclosures of fair value risks and sensitivities in Note 34 and 35 to the financial statement to reflect the Group's exposure to valuation risk.

Independent Auditor's Report continued

For the financial year ended 31 December 2016

To the Members of Olam International Limited

Information other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information in the Annual Report 2016 comprises the information included in (i) Strategy Report, (ii) Governance Report and (iii) Shareholding Information (within the Financial Report) sections, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We have nothing to report in this regard.

Responsibilities of Management and Directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Vincent Toong.

The logo for Ernst & Young LLP, featuring the company name in a stylized, handwritten-style script.

Ernst & Young LLP
Public Accountants and Chartered Accountants
Singapore
20 March 2017

Consolidated Profit and Loss Account

For the financial year ended 31 December 2016

	Note	Group	
		1 January 2016 to 31 December 2016 \$'000	1 July 2014 to 31 December 2015 (As restated) \$'000
Sale of goods and services	4	20,587,032	28,230,586
Other income	5	47,265	142,237
Cost of goods sold	6	(18,363,777)	(25,045,117)
Net gain/(loss) from changes in fair value of biological assets	12	14,141	(101,980)
Depreciation and amortisation	10, 11	(353,481)	(387,058)
Other expenses	7	(1,103,939)	(1,877,463)
Finance income		30,248	49,992
Finance costs	8	(446,248)	(835,733)
Share of results from jointly controlled entities and associates	14	22,160	2,285
Profit before taxation		433,401	177,749
Income tax expense	9	(94,314)	(125,808)
Profit for the financial year		339,087	51,941
Attributable to:			
Owners of the Company		351,312	54,193
Non-controlling interests		(12,225)	(2,252)
		339,087	51,941
Earnings per share attributable to owners of the Company (cents)			
Basic	25	11.54	1.17
Diluted	25	11.14	1.12

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Statement of Comprehensive Income
For the financial year ended 31 December 2016

	Group	
	1 January 2016 to 31 December 2016 \$'000	1 July 2014 to 31 December 2015 (As restated) \$'000
Profit for the financial year	339,087	51,941
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Net loss on fair value changes during the financial year	(44,170)	(189,049)
Reclassification of fair value changes from equity to profit and loss account (Note 15)	–	192,612
Recognised in the profit and loss account on occurrence of hedged transactions	(54,111)	(51,290)
Foreign currency translation adjustments	(306,122)	97,953
Share of other comprehensive income of jointly controlled entities and associates	(19,616)	(12,839)
Other comprehensive income for the year, net of tax	(424,019)	37,387
Total comprehensive income for the year	(84,932)	89,328
Attributable to:		
Owners of the Company	(80,320)	86,649
Non-controlling interests	(4,612)	2,679
	(84,932)	89,328

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Balance Sheets

For the financial year ended 31 December 2016

	Note	Group			Company	
		31 December 2016 \$'000	31 December 2015 (As restated) \$'000	1 July 2014 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 (As restated) \$'000
Non-current assets						
Property, plant and equipment	10	5,367,039	4,721,980	3,910,125	12,581	19,172
Intangible assets	11	1,313,608	1,114,339	648,758	304,573	218,851
Biological assets	12	450,564	336,146	341,923	—	—
Subsidiary companies	13	—	—	—	5,550,460	4,731,656
Deferred tax assets	9	95,735	62,219	22,983	—	2,622
Investments in jointly controlled entities and associates	14	889,838	898,895	835,393	724,826	740,663
Long-term investments	15	148,492	269,207	407,685	136,321	257,146
Other non-current assets	21	30,400	30,966	23,148	—	—
		8,295,676	7,433,752	6,190,015	6,728,761	5,970,110
Current assets						
Amounts due from subsidiary companies	16	—	—	—	3,583,148	1,789,599
Trade receivables	17	1,656,457	1,495,246	1,613,223	385,620	447,430
Margin accounts with brokers	18	164,958	189,724	225,499	153,544	122,589
Inventories	19	7,414,311	6,691,668	4,685,698	1,144,986	827,397
Advance payments to suppliers	20	880,602	714,972	706,652	142,456	128,680
Advance payments to subsidiary companies	20	—	—	—	2,196,193	3,084,849
Cash and short-term deposits	33	2,144,051	2,143,172	1,590,075	1,274,672	1,418,255
Derivative financial instruments	34	1,926,151	783,864	554,617	1,118,686	442,400
Other current assets	21	986,678	1,402,495	740,814	151,116	173,144
		15,173,208	13,421,141	10,116,578	10,150,421	8,434,343
Current liabilities						
Trade payables and accruals	22	(2,201,494)	(1,753,711)	(1,587,626)	(949,283)	(505,829)
Borrowings	24	(5,983,035)	(5,512,179)	(4,503,756)	(3,632,631)	(4,212,428)
Derivative financial instruments	34	(987,942)	(540,094)	(382,163)	(681,162)	(368,303)
Provision for taxation		(84,949)	(82,030)	(80,213)	(24,739)	(17,289)
Other current liabilities	23	(383,731)	(444,705)	(428,322)	(115,176)	(107,873)
		(9,641,151)	(8,332,719)	(6,982,080)	(5,402,991)	(5,211,722)
Net current assets		5,532,057	5,088,422	3,134,498	4,747,430	3,222,621
Non-current liabilities						
Deferred tax liabilities	9	(505,876)	(420,782)	(266,035)	(8,103)	(6,817)
Borrowings	24	(7,687,553)	(6,781,736)	(4,836,150)	(6,435,337)	(4,818,091)
		(8,193,429)	(7,202,518)	(5,102,185)	(6,443,440)	(4,824,908)
Net assets		5,634,304	5,319,656	4,222,328	5,032,751	4,367,823
Equity attributable to owners of the Company						
Share capital	26	3,087,894	3,082,499	2,162,642	3,087,894	3,082,499
Treasury shares	26	(190,465)	(96,081)	(96,081)	(190,465)	(96,081)
Perpetual capital securities	26	930,416	237,525	237,379	930,416	237,525
Reserves		1,570,498	1,855,140	1,896,246	1,204,906	1,143,880
		5,398,343	5,079,083	4,200,186	5,032,751	4,367,823
Non-controlling interests		235,961	240,573	22,142	—	—
Total equity		5,634,304	5,319,656	4,222,328	5,032,751	4,367,823

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Changes in Equity

For the financial year ended 31 December 2016

Attributable to owners of the Company												
31 December 2016 Group	Share capital (Note 26) \$'000	Treasury shares (Note 26) \$'000	Perpetual capital securities (Note 26) \$'000	Capital reserves ¹ \$'000	Foreign currency translation reserves ² \$'000	Fair value adjustment reserves ³ \$'000	Share-based compensation reserves ⁴ \$'000	Revenue reserves \$'000	Total reserves \$'000	Total \$'000	Total non- controlling interests \$'000	Total equity \$'000
At 1 January 2016	3,082,499	(96,081)	237,525	280,647	(375,057)	(107,931)	106,238	1,990,670	1,894,567	5,118,510	240,573	5,359,083
Effects of Biological assets adjustment (FRS 16, FRS 41) (Note 2.2)	–	–	–	–	5,103	–	–	(44,530)	(39,427)	(39,427)	–	(39,427)
Effects of FRS 109 early adoption	–	–	–	–	–	(192,612)	–	192,612	–	–	–	–
At 1 January 2016, as restated	3,082,499	(96,081)	237,525	280,647	(369,954)	(300,543)	106,238	2,138,752	1,855,140	5,079,083	240,573	5,319,656
Profit for the financial year	–	–	–	–	–	–	–	351,312	351,312	351,312	(12,225)	339,087
Other comprehensive income												
Net loss on fair value changes during the financial year	–	–	–	–	–	(44,170)	–	–	(44,170)	(44,170)	–	(44,170)
Recognised in the profit and loss account on occurrence of hedged transactions	–	–	–	–	–	(54,111)	–	–	(54,111)	(54,111)	–	(54,111)
Foreign currency translation adjustments	–	–	–	–	(313,735)	–	–	–	(313,735)	(313,735)	7,613	(306,122)
Share of other comprehensive income of jointly controlled entities and associates	–	–	–	–	(19,616)	–	–	–	(19,616)	(19,616)	–	(19,616)
Other comprehensive income for the financial year, net of tax	–	–	–	–	(333,351)	(98,281)	–	–	(431,632)	(431,632)	7,613	(424,019)
Total comprehensive income for the year	–	–	–	–	(333,351)	(98,281)	–	351,312	(80,320)	(80,320)	(4,612)	(84,932)
Contributions by and distributions to owners												
Buy back of shares (Note 26)	–	(94,384)	–	–	–	–	–	–	–	(94,384)	–	(94,384)
Issue of shares on exercise of warrants (Note 26)	5,096	–	–	–	–	–	–	–	–	5,096	–	5,096
Issue of shares on exercise of share options (Note 26)	299	–	–	–	–	–	–	–	–	299	–	299
Issue of capital securities, net of transaction costs (Note 26)	–	–	675,874	–	–	–	–	–	–	675,874	–	675,874
Share-based expense	–	–	–	–	–	–	13,282	–	13,282	13,282	–	13,282
Dividends on ordinary shares (Note 27)	–	–	–	–	–	–	–	(184,036)	(184,036)	(184,036)	–	(184,036)
Accrued capital securities distribution	–	–	33,568	–	–	–	–	(33,568)	(33,568)	–	–	–
Payment of capital securities distribution	–	–	(16,551)	–	–	–	–	–	–	(16,551)	–	(16,551)
Total contributions by and distributions to owners	5,395	(94,384)	692,891	–	–	–	13,282	(217,604)	(204,322)	399,580	–	399,580
Total transactions with owners in their capacity as owners	5,395	(94,384)	692,891	–	–	–	13,282	(217,604)	(204,322)	399,580	–	399,580
At 31 December 2016	3,087,894	(190,465)	930,416	280,647	(703,305)	(398,824)	119,520	2,272,460	1,570,498	5,398,343	235,961	5,634,304

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Changes in Equity continued

For the financial year ended 31 December 2016

Attributable to owners of the Company												
31 December 2015 (As restated) Group	Share capital (Note 26) \$'000	Treasury shares (Note 26) \$'000	Perpetual capital securities (Note 26) \$'000	Capital reserves ¹ \$'000	Foreign currency translation reserves ² \$'000	Fair value adjustment reserves ³ \$'000	Share-based compensation reserves ⁴ \$'000	Revenue reserves \$'000	Total reserves \$'000	Total \$'000	Total non- controlling interests \$'000	Total equity \$'000
At 1 July 2014	2,162,642	(96,081)	237,379	142,525	(450,137)	(60,204)	99,846	2,164,216	1,896,246	4,200,186	22,142	4,222,328
Profit for the financial year, as previously restated	–	–	–	–	–	–	–	98,723	98,723	98,723	(2,252)	96,471
Effects of Biological assets adjustment (FRS 16, FRS 41) (Note 2.2)	–	–	–	–	–	–	–	(44,530)	(44,530)	(44,530)	–	(44,530)
Profit for the financial year, as restated	–	–	–	–	–	–	–	54,193	54,193	54,193	(2,252)	51,941
Other comprehensive income												
Net loss on fair value changes during the financial year	–	–	–	–	–	3,563	–	–	3,563	3,563	–	3,563
Recognised in the profit and loss account on occurrence of hedged transactions	–	–	–	–	–	(51,290)	–	–	(51,290)	(51,290)	–	(51,290)
Foreign currency translation adjustments	–	–	–	–	93,022	–	–	–	93,022	93,022	4,931	97,953
Share of other comprehensive income of jointly controlled entities and associates	–	–	–	–	(12,839)	–	–	–	(12,839)	(12,839)	–	(12,839)
Other comprehensive income for the financial year, net of tax	–	–	–	–	80,183	(47,727)	–	–	32,456	32,456	4,931	37,387
Total comprehensive income for the year	–	–	–	–	80,183	(47,727)	–	54,193	86,649	86,649	2,679	89,328
Contributions by and distributions to owners												
Issue of shares for cash (Note 26)	915,000	–	–	–	–	–	–	–	–	915,000	–	915,000
Issue of shares on exercise of share options (Note 26)	4,857	–	–	–	–	–	–	–	–	4,857	–	4,857
Share-based expense	–	–	–	–	–	–	6,392	–	6,392	6,392	–	6,392
Dividends on ordinary shares (Note 27)	–	–	–	–	–	–	–	(247,297)	(247,297)	(247,297)	–	(247,297)
Accrued capital securities distribution	–	–	24,972	–	–	–	–	(24,972)	(24,972)	–	–	–
Payment of capital securities distribution	–	–	(24,826)	–	–	–	–	–	–	(24,826)	–	(24,826)
Total contributions by and distributions to owners	919,857	–	146	–	–	–	6,392	(272,269)	(265,877)	654,126	–	654,126
Changes in ownership interests in subsidiaries												
Capital injection from non-controlling interest	–	–	–	31,913 ¹	–	–	–	–	31,913	31,913	102,904	134,817
Partial divestment of subsidiary	–	–	–	106,209 ²	–	–	–	–	106,209	106,209	112,848	219,057
Total changes in ownership interests in subsidiaries	–	–	–	138,122	–	–	–	–	138,122	138,122	215,752	353,874
Total transactions with owners in their capacity as owners	919,857	–	146	138,122	–	–	6,392	(272,269)	(127,755)	792,248	215,752	1,008,000
At 31 December 2015, as restated	3,082,499	(96,081)	237,525	280,647	(369,954)	(107,931)	106,238	1,946,140	1,855,140	5,079,083	240,573	5,319,656

1. In the previous financial year, the completion of the dilution exercise of the Company's stake in both Olam Palm Gabon SA and Olam Rubber Gabon SA resulted in a gain of \$31,913,000 that has been recorded to capital reserves in the statement of changes in equity.
2. In the previous financial year, the completion of the sale of 25.0% stake in Olam's Packaged Foods business to Sanyo Foods Co. Ltd. resulted in a gain of \$106,209,000 that has been recorded to capital reserves in the statement of changes in equity.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Attributable to owners of the Company										
31 December 2016 Company	Share capital (Note 26) \$'000	Treasury shares (Note 26) \$'000	Perpetual capital securities (Note 26) \$'000	Capital reserves ¹ \$'000	Foreign currency translation reserves ² \$'000	Fair value adjustment reserves ³ \$'000	Share-based compensation reserves ⁴ \$'000	Revenue reserves \$'000	Total reserves \$'000	Total \$'000
At 1 January 2016	3,082,499	(96,081)	237,525	140,486	175,744	(107,925)	106,238	829,337	1,143,880	4,367,823
Effects of FRS 109 early adoption	—	—	—	—	—	(192,612)	—	192,612	—	—
At 1 January 2016, as restated	3,082,499	(96,081)	237,525	140,486	175,744	(300,537)	106,238	1,021,949	1,143,880	4,367,823
Profit for the financial year	—	—	—	—	—	—	—	240,717	240,717	240,717
<i>Other comprehensive income</i>										
Net loss on fair value changes during the financial year	—	—	—	—	—	(44,170)	—	—	(44,170)	(44,170)
Recognised in the profit and loss account on occurrence of hedged transactions	—	—	—	—	—	(54,111)	—	—	(54,111)	(54,111)
Foreign currency translation adjustments	—	—	—	—	122,912	—	—	—	122,912	122,912
Other comprehensive income for the financial year, net of tax	—	—	—	—	122,912	(98,281)	—	—	24,631	24,631
Total comprehensive income for the year	—	—	—	—	122,912	(98,281)	—	240,717	265,348	265,348
<i>Contributions by and distributions to owners</i>										
Buy back of shares (Note 26)	—	(94,384)	—	—	—	—	—	—	—	(94,384)
Issue of shares on exercise of warrants (Note 26)	5,096	—	—	—	—	—	—	—	—	5,096
Issue of shares on exercise of share options (Note 26)	299	—	—	—	—	—	—	—	—	299
Issue of capital securities, net of transaction costs (Note 26)	—	—	675,874	—	—	—	—	—	—	675,874
Share-based expense	—	—	—	—	—	—	13,282	—	13,282	13,282
Dividends on ordinary shares (Note 27)	—	—	—	—	—	—	—	(184,036)	(184,036)	(184,036)
Accrued capital securities distribution	—	—	33,568	—	—	—	—	(33,568)	(33,568)	—
Payment of capital securities distribution	—	—	(16,551)	—	—	—	—	—	—	(16,551)
Total contributions by and distributions to owners	5,395	(94,384)	692,891	—	—	—	13,282	(217,604)	(204,322)	399,580
Total transactions with owners in their capacity as owners	5,395	(94,384)	692,891	—	—	—	13,282	(217,604)	(204,322)	399,580
At 31 December 2016	3,087,894	(190,465)	930,416	140,486	298,656	(398,818)	119,520	1,045,062	1,204,906	5,032,751

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Changes in Equity continued

For the financial year ended 31 December 2016

Attributable to owners of the Company										
31 December 2015 Company	Share capital (Note 26) \$'000	Treasury shares (Note 26) \$'000	Capital securities (Note 26) \$'000	Capital reserves ¹ \$'000	Foreign currency translation reserves ² \$'000	Fair value adjustment reserves ³ \$'000	Share-based compensation reserves ⁴ \$'000	Revenue reserves \$'000	Total reserves \$'000	Total \$'000
At 1 July 2014	2,162,642	(96,081)	237,379	140,486	(266,611)	(67,116)	99,846	1,046,139	952,744	3,256,684
Profit for the financial year	–	–	–	–	–	–	–	55,467	55,467	55,467
<i>Other comprehensive income</i>										
Net gain on fair value changes during the financial year	–	–	–	–	–	10,481	–	–	10,481	10,481
Recognised in the profit and loss account on occurrence of hedged transactions	–	–	–	–	–	(51,290)	–	–	(51,290)	(51,290)
Foreign currency translation adjustments	–	–	–	–	442,355	–	–	–	442,355	442,355
Other comprehensive income for the financial year, net of tax	–	–	–	–	442,355	(40,809)	–	–	401,546	401,546
Total comprehensive income for the year	–	–	–	–	442,355	(40,809)	–	55,467	457,013	457,013
<i>Contributions by and distributions to owners</i>										
Issue of shares for cash (Note 26)	915,000	–	–	–	–	–	–	–	–	915,000
Issue of shares on exercise of share options (Note 26)	4,857	–	–	–	–	–	–	–	–	4,857
Share-based expense	–	–	–	–	–	–	6,392	–	6,392	6,392
Dividends on ordinary shares (Note 27)	–	–	–	–	–	–	–	(247,297)	(247,297)	(247,297)
Accrued capital securities distribution	–	–	24,972	–	–	–	–	(24,972)	(24,972)	–
Payment of capital securities distribution	–	–	(24,826)	–	–	–	–	–	–	(24,826)
Total contributions by and distributions to owners	919,857	–	146	–	–	–	6,392	(272,269)	(265,877)	654,126
Total transactions with owners in their capacity as owners	919,857	–	146	–	–	–	6,392	(272,269)	(265,877)	654,126
At 31 December 2015	3,082,499	(96,081)	237,525	140,486	175,744	(107,925)	106,238	829,337	1,143,880	4,367,823

1 Capital reserves

Capital reserves represent the premium paid and discounts on acquisition of non-controlling interests, gain on partial disposal of subsidiary which did not result in loss of control, residual amount of convertible bonds net of proportionate share of transaction costs, after deducting the fair value of the debt and derivative component on the date of issuance, the share of capital reserve of a jointly controlled entity and warrants arising from the Rights Issue (Note 26).

2 Foreign currency translation reserves

The foreign currency translation reserves are used to record exchange differences arising from the translation of the financial statements of the Company and the Group's foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the share of foreign currency translation reserves of jointly controlled entities and associates.

3 Fair value adjustment reserves

Fair value adjustment reserves record the portion of the fair value changes on derivative financial instruments designated as hedging instruments in cash flow hedges that are determined to be effective hedges as well as fair value changes of available-for-sale financial assets.

4 Share-based compensation reserves

Share-based compensation reserves represent the equity-settled shares and share options granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled shares and share options and is reduced by the expiry of the share options.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Cash Flow Statement

For the financial year ended 31 December 2016

	1 January 2016 to 31 December 2016 \$'000	1 July 2014 to 31 December 2015 (As restated) \$'000
Cash flows from operating activities		
Profit before taxation	433,401	177,749
Adjustments for:-		
Allowance for doubtful debts	39,403	47,991
Amortisation of intangible assets and depreciation of property, plant and equipment	353,481	387,055
Share-based expense	13,282	6,392
Fair value of biological assets (Note 12)	(14,141)	101,983
Loss/(gain) on disposal of property, plant and equipment and intangible assets	5,405	(25,359)
Fixed asset written off	—	4,115
Impairment of property, plant and equipment, goodwill and intangible assets	—	2,664
Interest income	(30,248)	(49,992)
Interest expense	446,248	835,733
Inventories written down, net	18,910	13,389
Net measurement of derivative instruments	—	(4,220)
Reclassification of fair value changes from equity to profit and loss account	—	192,612
Share of results from jointly controlled entities and associates	(22,160)	(2,285)
Loss on bond buy-back	—	18,060
Operating cash flows before reinvestment in working capital	1,243,581	1,705,887
Increase in inventories	(259,677)	(1,019,243)
Increase in receivables and other current assets	(132,885)	(443,772)
Increase in advance payments to suppliers	(119,522)	(3,950)
Decrease in margin account with brokers	14,061	53,473
Increase in payables and other current liabilities	270,258	21,011
Cash flows from operations	1,015,816	313,406
Interest income received	30,248	49,992
Interest expense paid	(378,028)	(715,286)
Tax paid	(48,420)	(166,861)
Net cash flows generated from/(used in) operating activities	619,616	(518,749)
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	31,981	121,904
Purchase of property, plant and equipment (Note 10)	(751,793)	(565,944)
Purchase of intangibles (Note 11)	(11,686)	(11,739)
Acquisition of subsidiaries, net of cash acquired (Note 11)	(588,137)	(1,958,778)
Net proceeds from associates and jointly controlled entities	(65,863)	38,368
Proceeds on disposal of intangible asset	10	11
Capital injection from non-controlling interests	—	23,681
Proceeds from sale of partial divestment in subsidiary	—	219,040
Net cash flows used in investing activities	(1,385,488)	(2,133,457)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Cash Flow Statement continued

For the financial year ended 31 December 2016

	1 January 2016 to 31 December 2016 \$'000	1 July 2014 to 31 December 2015 (As restated) \$'000
Cash flows from financing activities		
Dividends paid on ordinary shares by the Company	(184,036)	(247,297)
Proceeds from borrowings, net	831,556	4,008,021
Proceeds from issuance of shares on exercise of share options	299	4,857
Proceeds from conversion of warrants	5,096	–
Proceeds from/(payment) of capital securities, net of distribution	659,323	(24,826)
Proceeds from issuance of shares for cash	–	915,000
Payment for bond buy-back	(318,401)	(1,451,581)
Purchase of treasury shares	(94,384)	–
Net cash flows from financing activities	899,453	3,204,174
Net effect of exchange rate changes on cash and cash equivalents	(112,924)	118,521
Net increase in cash and cash equivalents	20,657	670,489
Cash and cash equivalents at beginning of period	1,918,761	1,248,272
Cash and cash equivalents at end of period (Note 33)	1,939,418	1,918,761

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2016

These notes form an integral part of the financial statements.

The financial statements for the financial year ended 31 December 2016 were authorised for issue by the Board of Directors on 20 March 2017.

1. Corporate information

Olam International Limited ('the Company') is a limited liability company, which is domiciled and incorporated in Singapore. The Company is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The Company's ultimate holding company is Temasek Holdings (Private) Limited, a company incorporated in Singapore.

The principal activities of the Company are those of sourcing, processing, packaging and merchandising of agricultural products. The principal activities of the subsidiaries are disclosed in Note 13 to the financial statements.

The registered office and principal place of business of the Company is at 9 Temasek Boulevard, #11-02 Suntec Tower Two, Singapore 038989.

2. Summary of significant accounting policies

2.1 Basis of preparation

In 2015, the Group changed its fiscal year end from 30 June to 31 December. Accordingly, the previous financial year numbers presented in the financial statements for the Group and Company are for an 18-month period from 1 July 2014 to 31 December 2015.

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ('FRS').

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

The financial statements are presented in Singapore Dollars (\$) or SGD) and all values in the tables are rounded to the nearest thousand (\$'000) as indicated.

The Accounting Standards Council announced on 29 May 2014 that Singapore incorporated companies listed on the Singapore Exchange will apply a new financial reporting framework identical to the International Financial Reporting Standards. The Group will adopt the new financial reporting framework on 1 January 2018.

2.2 Changes in accounting policies and restatements

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2016. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company except for FRS 109 Financial Instruments and Amendments to FRS 16 and FRS 41 Agriculture: Bearer Plants as described in Note 2.2.1 and 2.2.2.

2.2.1 FRS 109 Financial Instruments

On 1 January 2016, the Group early adopted FRS 109 Financial instruments, which is effective for annual periods beginning on or after 1 January 2018. The main impacts of the new standard were on the classification and measurement of financial assets, impairment of financial assets and hedge accounting. The Group has elected to apply the limited exemption in FRS 109 and has not restated comparative periods in the year of initial application. The impact arising from FRS 109 adoption were included in the opening retained earnings at the date of initial application, 1 January 2016.

(a) Classification and measurement

As a result of the early adoption of FRS 109, the Group has classified its financial assets as measured at amortised cost, fair value through profit or loss or fair value through other comprehensive income, depending on its business model for managing those financial assets and the assets' contractual cash flow characteristics. The previous classification at 'fair value through profit or loss', 'loans and receivables', 'available-for-sale' and 'financial liabilities at amortised cost' was discontinued from 1 January 2016.

Based on the new classification, the Group will account the quoted available-for-sale asset as 'fair value through other comprehensive income'. This has resulted in a restatement of \$192,612,000 from Retained Earnings at 31 December 2015 to Fair Value Adjustment Reserves at 1 January 2016. The amount relates to the impairment recorded in the previous financial year due to a prolonged decline in the share price of the quoted available-for-sale asset. The unquoted available-for-sale asset continues to be accounted for as 'fair value through profit or loss'.

In accordance with the transitional provisions of FRS 109, the Group has not restated prior periods other than the above, but has classified the financial assets held at 1 January 2016 retrospectively according to the business model and based on facts and circumstances under which the assets were held at that date as disclosed in the tables in the next two pages and there are no further restatements.

The classification of financial liabilities remained unchanged for the Group.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

2. Summary of significant accounting policies continued

2.2 Changes in accounting policies and restatements continued

2.2.1 FRS 109 Financial Instruments continued

(a) Classification and measurement continued

The following table summarises the classification and measurement changes for the Group and Company's financial assets and financial liabilities on initial application of FRS 109 (1 January 2016):

	Original measurement category and carrying amount under FRS 39					New measurement category and carrying Amount under FRS 109				
	Loans and receivables \$'000	Carried at amortised cost \$'000	Held for hedging \$'000	Available-for-sale \$'000	Fair value through profit or loss/held for trading \$'000	Remeasurements upon application of FRS 109 (1 January 2016) \$'000	Amortised cost \$'000	Fair value through Other Comprehensive Income \$'000	Fair value through Profit and Loss \$'000	Retained earnings effect on 1 January 2016 \$'000
Group										
31 December 2015										
Financial assets:										
Loans to jointly controlled entities (Note 14(a))	121,757	—	—	—	—	—	121,757	—	—	—
Loan to associate (Note 14(b))	334,658	—	—	—	—	—	334,658	—	—	—
Long-term investments (Note 15)	—	—	—	269,207	—	—	—	257,146	12,061	(192,612)
Trade receivables (Note 17)	1,495,246	—	—	—	—	—	1,495,246	—	—	—
Margin accounts with brokers (Note 18)	189,724	—	—	—	—	—	189,724	—	—	—
Advance payments to suppliers (Note 20)	714,972	—	—	—	—	—	—	—	—	—
Other current assets (Note 21)	894,841	—	—	—	791	—	894,841	—	791	—
Cash and short-term deposits (Note 33)	2,114,805	—	—	—	28,367	—	2,114,805	—	28,367	—
Derivative financial instruments (Note 35)	—	—	733,767	—	50,097	—	—	27,518	756,346	—
Other non-current assets, as restated (Note 21)	20,370	—	—	—	10,596	—	20,370	—	10,596	—
	5,886,373	—	733,767	269,207	89,851	—	5,171,401	284,664	808,161	(192,612)
Financial liabilities:										
Trade payables and accruals (Note 22)	—	1,753,711	—	—	—	—	1,753,711	—	—	—
Other current liabilities (Note 23)	—	438,160	—	—	—	—	438,160	—	—	—
Borrowings (Note 24)	—	12,293,915	—	—	—	—	12,293,915	—	—	—
Derivative financial instruments (Note 35)	—	—	537,069	—	3,025	—	—	—	540,094	—
	—	14,485,786	537,069	—	3,025	—	14,485,786	—	540,094	—

2. Summary of significant accounting policies continued

2.2 Changes in accounting policies and restatements continued

2.2.1 FRS 109 Financial Instruments continued

(a) Classification and measurement continued

Company	Original measurement category and carrying amount under FRS 39					New measurement category and carrying Amount under FRS 109				
	Loans and receivables \$'000	Carried at amortised cost \$'000	Held for hedging \$'000	Available-for-sale \$'000	Fair value through profit or loss/held for trading \$'000	Remeasurements upon application of FRS 109 (1 January 2016) \$'000	Amortised cost \$'000	Fair value through Other Comprehensive Income \$'000	Fair value through Profit and Loss \$'000	Retained earnings effect on 1 January 2016 \$'000
31 December 2015										
Financial assets:										
Loans to subsidiary companies (Note 13)	1,013,096	—	—	—	—	—	—	—	—	—
Loans to jointly controlled entities (Note 14(a))	121,826	—	—	—	—	—	121,826	—	—	—
Loan to associate (Note 14(b))	334,658	—	—	—	—	—	334,658	—	—	—
Long-term investments (Note 15)	—	—	—	257,146	—	—	—	257,146	—	(192,612)
Amounts due from subsidiary companies (Note 16)	1,789,599	—	—	—	—	—	1,789,599	—	—	—
Trade receivables (Note 17)	447,430	—	—	—	—	—	447,430	—	—	—
Margin accounts with brokers (Note 18)	122,589	—	—	—	—	—	122,589	—	—	—
Advance payments to suppliers (Note 20)	3,213,529	—	—	—	—	—	—	—	—	—
Other current assets (Note 21)	89,448	—	—	—	—	—	89,448	—	—	—
Cash and short-term deposits (Note 33)	1,389,889	—	—	—	28,367	—	1,389,889	—	28,367	—
Derivative financial instruments (Note 35)	—	—	392,303	—	50,097	—	—	27,518	414,882	—
	8,522,064	—	392,303	257,146	78,464	—	4,295,439	284,664	443,249	(192,612)
Financial liabilities:										
Trade payables and accruals (Note 22)	—	505,829	—	—	—	—	505,829	—	—	—
Other current liabilities (Note 23)	—	107,873	—	—	—	—	107,873	—	—	—
Borrowings (Note 24)	—	9,030,519	—	—	—	—	9,030,519	—	—	—
Derivative financial instruments (Note 35)	—	—	365,278	—	3,025	—	—	—	368,303	—
	—	9,644,221	365,278	—	3,025	—	9,644,221	—	368,303	—

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

2. Summary of significant accounting policies continued

2.2 Changes in accounting policies and restatements continued

2.2.1 FRS 109 Financial Instruments continued

(b) Impairment of financial assets

On 1 January 2016, the Group adjusted the impairment of its financial assets from the incurred loss model under FRS 39 to the expected credit loss concept under FRS 109. Until 31 December 2015, the Group estimated the incurred losses arising from the failure or inability of customers to make payments when due. These estimates were assessed on an individual basis, taking into account the aging of customers' balances, specific credit circumstances and the Group's historical default experience. Under the new approach, it is no longer necessary for a loss event to occur before an impairment loss is recognised. Impairment is made on expected credit losses, which are present value of the cash shortfalls over the expected life of the financial assets. As at 31 December 2015, the impairment made on expected credit losses did not have any impact on the Profit and Loss Account.

(c) Hedge accounting

On early adoption of FRS 109, starting from 1 January 2016, the Group adopted fair value hedge accounting model with respect to certain commodity price risk. The model under FRS 109 facilitates better alignment of hedge accounting with risk management as it makes it possible to apply hedge accounting for specific risk components of non-financial items. Under the new model, the Group applies the fair value option for its executory forward purchase and sale contracts (available under FRS 109) in the processing environment. This fair value option is applied for those specific contracts where the measurement eliminates or significantly reduces an accounting mismatch that would otherwise occur on own use contracts. Contracts accounted for as derivatives and commodity futures are designated as hedging instruments under the fair value hedge accounting model. This designation is done in order to hedge the commodity price risk components embedded in the processed commodity inventories (being the hedged items).

The new hedge accounting model primarily affected the amounts recognised for inventories on the balance sheet (as more inventories have become eligible for hedge accounting) and did not have a major impact on the Profit and Loss Accounts.

2.2.2 Amendments to FRS 16 and FRS 41 Agriculture: Bearer Plants

Amendments to FRS 16 and FRS 41 Agriculture: Bearer Plants, distinguishes bearer plants from other biological assets. Bearer plants solely used to grow produce over their productive lives will be accounted for under FRS 16. However, the fruits on trees growing on bearer plants will remain within scope of FRS 41 and continue to be measured at fair value less cost to sell.

The Group's bearer plants include palm oil, rubber, coffee, walnut, pistachio and almond trees and as required under the standards, the change in accounting policy has been applied retrospectively to the beginning of the earliest period presented, which is 1 July 2014 and prior year financial statements have been restated as shown in the table on Page 23.

The bearer plants are now measured at cost and first depreciated from maturity to end of useful lives as disclosed in Note 2.9. As permitted under the transitional rules, the fair value of the bearer plants at 1 July 2014 were deemed to be their cost at that date.

2.2.3 Completion of purchase price allocation exercise of ADM Cocoa business acquisition ('ADM Cocoa')

In the current financial year, the purchase price allocation exercise of ADM Cocoa business that was acquired in the prior financial year was completed within one year from the acquisition date as allowed under FRS 103 Business Combinations.

The completion of the purchase price allocation exercise resulted in the fair values of the assets acquired to be re-classified and residual goodwill to be recognised as this was previously provisional and recorded as 'Other non-current assets' in Note 21. Accordingly, comparative financial statements of the Group and Company for year ended 31 December 2015 have been restated as shown in the table on Page 23.

There is no change in the balance sheet of the Company as at 1 July 2014.

2. Summary of significant accounting policies continued

2.2 Changes in accounting policies and restatements continued

The following table show all adjustments recognised for each individual line item as a result of all changes discussed in Note 2.2.2 and 2.2.3 in the Group. Line items that were not affected by the change have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided.

Group				
Prior year restatements				
	1 July 2014 to 31 December 2015 (Previously stated) \$'000	Effects of FRS 16 and 41 restatement Increase/ (decrease) \$'000	Effects of ADM Cocoa restatement Increase/ (decrease) \$'000	1 July 2014 to 31 December 2015 (Restated) \$'000
Consolidated Profit and Loss Accounts (extract):				
Net loss from changes in fair value of biological assets	(86,762)	(15,218)	–	(101,980)
Depreciation and amortisation	(341,977)	(45,081)	–	(387,058)
Profit before taxation	238,048	(60,299)	–	177,749
Income tax expense	(141,577)	15,769	–	(125,808)
Profit after taxation attributable to owners of the Company	96,471	(44,530)	–	51,941
Earnings per share attributable to owners of the Company (cents)				
Basic	2.94	–	–	1.17
Diluted	2.83	–	–	1.12
Consolidated Balance Sheets (extract):				
Property, plant and equipment	3,366,434	994,738	360,808	4,721,980
Intangible assets	809,321	–	305,018	1,114,339
Biological assets	1,386,654	(1,050,508)	–	336,146
Other non-current assets	557,005	–	(526,039)	30,966
Other current assets	1,423,973	–	(21,478)	1,402,495
Total assets	20,792,354	(55,770)	118,309	20,854,893
Deferred tax liabilities	(318,816)	16,343	(118,309)	(420,782)
Net assets	5,359,083	(39,427)	–	5,319,656
Reserves	1,894,567	(39,427)	–	1,855,140
Total equity	5,359,083	(39,427)	–	5,319,656
Statement of Changes in Equity (extract):				
Foreign currency translation reserves	(375,057)	5,103	–	(369,954)
Revenue reserves	1,990,670	(44,530)	–	1,946,140
Total reserves	1,894,567	(39,427)	–	1,855,140
Total equity	5,359,083	(39,427)	–	5,319,656

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

2. Summary of significant accounting policies continued**2.3 Standards issued but not yet effective**

The Group has not adopted the following standards and interpretations that have been issued but are not yet effective:

Description	Effective for financial year beginning on
Amendments to FRS 7: Disclosure Initiative	1 January 2017
Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Improvements to FRSs (December 2016) – Amendments to FRS 28: Measuring an Associate or Joint Venture at fair value	1 January 2018
Amendments to FRS 40: Transfers of Investment Property	1 January 2018
FRS 115 Revenue from Contracts with Customers	1 January 2018
Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	1 January 2018
Amendments to FRS 102: Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to FRS 104: Applying FRS 109 Financial Instruments with FRS 104 Insurance Contracts	1 January 2018
FRS 116 Leases	1 January 2019
Amendments to FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined
INT FRS 122 Foreign Currency Transactions and Advance Consideration	1 January 2018

Except for FRS 115 Revenue from Contracts with Customers, Amendments to FRS 115 and FRS 116 Leases, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 115 Revenue from Contracts with Customers, Amendments to FRS 115 and FRS 116 Leases is described below.

FRS 115 Revenue from Contracts with Customers and Amendments to FRS 115

FRS 115 establishes a five-step model that will apply to revenue arising from contracts with customers. Under FRS 115, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in FRS 115 provide a more structured approach to measuring and recognising revenue when the promised goods and services are transferred to the customer i.e. when performance obligations are satisfied.

Key issues for the Group include identifying performance obligations, accounting for contract modifications, applying the constraint to variable consideration, evaluating significant financing components, measuring progress toward satisfaction of a performance obligation, recognising contract cost assets and addressing disclosure requirements.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Group is currently evaluating the impact of the changes and assessing whether the adoption of FRS 115 will have an impact on the Group and plans to adopt the standard on the required effective date.

FRS 116 Leases

FRS 116 requires lessees to recognise for most leases, a liability to pay rentals with a corresponding asset, and recognise interest expense and depreciation separately. The new standard is effective for annual periods beginning on or after 1 January 2019. The Company is currently assessing the impact of the new standard and plans to adopt the new standard on the required effective date.

2. Summary of significant accounting policies continued

2.4 Functional and foreign currency

The Group's consolidated financial statements are presented in Singapore Dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The Company's functional currency is the United States Dollar ('USD'), which reflects the economic substance of the underlying events and circumstances of the Company. Although the Company is domiciled in Singapore, most of the Company's transactions are denominated in USD and the selling prices for the Company's products are sensitive to movements in the foreign exchange rate with the USD.

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the balance sheet date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

(b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into USD at the rate of exchange ruling at the balance sheet date and their profit or loss are translated at the weighted average exchange rates for the year. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in profit or loss. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

(c) Translation to the presentation currency

The financial statements are presented in Singapore Dollar ('SGD') as the Company's principal place of business is in Singapore.

The financial statements are translated from USD to SGD as follows:-

- Assets and liabilities for each balance sheet presented are translated at the closing rate ruling at that balance sheet date;
- Income and expenses for each profit and loss account are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and

All exchange differences arising on the translation are included in the foreign currency translation reserves.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

2. Summary of significant accounting policies continued

2.5 Subsidiary companies, basis of consolidation and business combinations

(a) Subsidiary companies

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

A list of the Group's significant subsidiary companies is shown in Note 13.

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

(c) Business combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any) and the fair value of the Group's previously held equity interest in the acquiree (if any) over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date. The accounting policy for goodwill is set out in Note 2.10(a).

2. Summary of significant accounting policies continued

2.6 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated balance sheet, separately from equity attributable to owners of the Company.

Changes in the Company's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.7 Jointly controlled entities

The Group has interests in joint ventures that are jointly controlled entities. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves the establishment of a separate entity in which each venturer has an interest.

The consolidated financial statements include the Group's share of the total recognised gains and losses of its jointly controlled entities on an equity accounted basis from the date that joint control commences until the date that joint control ceases. When the Group's share of losses exceeds the carrying amount of the investment, the investment is reported as nil and recognition of losses is discontinued except to the extent of the Group's commitment.

In the Company's separate financial statements, investments in jointly controlled entities are stated at cost less impairment loss. The carrying amounts of the jointly controlled entities are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated and any impairment loss is recognised whenever the carrying amount exceeds the recoverable amount. The impairment loss is charged to profit or loss.

Upon loss of joint control, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the former joint venture entity upon loss of joint venture control and the aggregate of the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.8 Associates

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in the associate is measured in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to an associate is included in the carrying amount of the investment and is neither amortised nor tested individually for impairment. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is included as income in the determination of the Group's share of results of the associate in the period in which the investment is acquired.

The profit or loss reflects the share of the results of operations of the associates. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associates.

The Group's share of the profit or loss of its associates is shown on the face of profit or loss after tax and non-controlling interests in the subsidiaries of associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each balance sheet date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the profit or loss.

The financial statements of the associates are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in profit or loss.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

2. Summary of significant accounting policies continued**2.9 Property, plant and equipment**

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2.17. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, all items of property, plant and equipment (except for freehold land) are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land has an unlimited useful life and therefore is not depreciated. Leasehold land and buildings are depreciable over the shorter of the estimated useful life of the asset or the lease period.

Depreciation of an asset begins when it is available for use and is computed on a straight line basis over the estimated useful life except for ginning assets of Queensland Cotton Holdings, which are depreciated using the units of use method. The estimated useful life of the assets is as follows:-

Bearer plants	• 15 to 30 years
Leasehold land and buildings	• 5 to 50 years
Plant and machinery	• 3 to 25 years; 30 years for ginning assets
Motor vehicles	• 3 to 5 years
Furniture and fittings	• 5 years
Office equipment	• 5 years
Computers	• 3 years

Other assets in Note 10 comprise motor vehicles, furniture and fittings, office equipment and computers.

Bearer plants - Immature plantations are stated at acquisition cost which includes costs incurred for field preparation, planting, farming inputs and maintenance, capitalisation of borrowing costs incurred on loans used to finance the development of immature plantations and an allocation of other indirect costs based on planted hectareage.

Capital work-in-progress is not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit and loss account in the year the asset is derecognised.

2.10 Intangible assets**(a) Goodwill**

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit and loss account. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss of disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit retained.

Goodwill and fair value adjustments arising on the acquisition of foreign operations on or after 1 January 2005 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated in accordance with the accounting policy set out in Note 2.4.

2. Summary of significant accounting policies continued

2.10 Intangible assets continued

(b) Other intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised on a straight-line basis over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives or that are not yet available for use are not subject to amortisation and they are tested for impairment annually or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the asset is derecognised.

2.11 Biological assets

Biological assets mainly include annual crops and livestock.

(a) Annual crops

The fruits on trees are valued in accordance with FRS 41 Agriculture. The fair value amount is an aggregate of the fair valuation of the current financial year and the reversal of the prior year's fair valuation. The fair valuation takes into account current selling prices and related costs. The calculated value is then discounted by a suitable factor to take into account the agricultural risk until maturity.

The annual crops have been valued using adjusted cost, which is the estimate of the yield and cost of the crop at harvest discounted for the remaining time to harvest, which approximate fair value.

(b) Livestock

Livestock are stated at fair value less estimated point-of-sale costs, with any resultant gain or loss recognised in the profit or loss. Point-of-sale costs include all costs that would be necessary to sell the assets. The fair value of livestock is determined based on valuations by an independent professional value using the market prices of livestock of similar age, breed and generic merit.

2.12 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for assets that have been previously revalued and where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

2. Summary of significant accounting policies continued**2.12 Impairment of non-financial assets continued**

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in the profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.13 Financial instruments**(a) Financial assets****Initial recognition and measurement**

Financial assets are recognised when, only when the Group becomes a party to the contractual provisions of the instruments. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement**Debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

(ii) Fair value through other comprehensive income ('FVOCI')

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss statement in the period in which it arises. Interest income from these financial assets is included in the finance income.

Equity instruments

The Group subsequently measures all equity instruments at fair value. On initial recognition of an equity instruments that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established.

Changes in fair value of financial assets at fair value through profit or loss are recognised in profit or loss.

Changes in fair value of financial assets at FVOCI are recognised in OCI.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

2. Summary of significant accounting policies continued

2.13 Financial instruments continued

(a) Financial assets continued

Subsequent measurement continued

Impairment

The Group assesses on a forward looking basis the expected credit losses ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI. For trade receivables only, the Group measures the loss allowance at an amount equal to the lifetime expected credit losses.

Derecognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability and the difference in the respective carrying amounts are recognised in profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances and short-term fixed bank deposits that are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

Cash and cash equivalents carried in the balance sheets are classified and accounted as measured at amortised cost under FRS 109. The accounting policy for this category of financial assets is stated in Note 2.13.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

2. Summary of significant accounting policies continued**2.15 Impairment of financial assets**

On 1 January 2016, the Group adjusted the impairment of its financial assets from the incurred loss model under FRS 39 to the expected credit loss model FRS 109. Until 31 December 2015, Group assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment, and for which an impairment loss is or continues to be recognised, are not included in a collective assessment of impairment. When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Under the new approach, impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of the financial assets.

Trade receivables

The Group measures the loss allowance for its trade receivables at an amount equal to lifetime expected credit losses.

Other financial assets

Accordingly, other financial assets are classified as measured at amortised cost less expected impairment losses. The Group's other financial assets have contractual cash flows that are solely principal, and interest and the business model's objective is to hold these assets to collect contractual cash flows. Impairment allowances for other financial assets are determined based on the 12-month expected credit loss model.

2.16 Inventories

Inventories principally comprise commodities held for trading and inventories that form part of the Group's expected purchase, sale or usage requirements.

Inventories for commodity trading businesses are measured at fair value less costs to sell, with changes in fair value less costs to sell recognised in the profit or loss in the period of the change.

Inventories that form part of the Group's expected purchase, sale or usage requirements are stated at the lower of cost and net realisable value and are valued on a first-in-first-out basis or weighted average cost method, depending on the underlying business activity. Net realisable value represents the estimated selling price in the ordinary course of business, less anticipated cost of disposal and after making allowance for damages and slow-moving items.

For fruits on trees that are harvested, are stated at fair value less estimated point-of-sale costs at the time of harvest (the 'initial cost'). Thereafter these inventories are carried at the lower of initial cost and net realisable value.

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

2.17 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.18 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. Summary of significant accounting policies continued

2.19 Employee benefits

(a) Defined contribution plan

The Group participates in the national pension schemes as defined by the laws of countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to the balance sheet date.

(c) Employee share options scheme/share grant plan

Employees (including senior executives) of the Group receive remuneration in the form of share-based payment for services rendered ('equity-settled transactions').

The cost of these equity-settled share-based payment transactions with employees is measured with reference to the fair value at the date on which the share subscriptions/options are granted which takes into account market conditions and non-vesting conditions.

This cost is recognised in the profit or loss, with a corresponding increase in the share-based compensation reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to the profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market condition or non-vesting condition, which are treated as vested irrespective of whether or not the market condition or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. In the case where the option does not vest as the result of a failure to meet a non-vesting condition that is within the control of the Group or the employee, it is accounted for as a cancellation. In such case, the amount of the compensation cost that otherwise would be recognised over the remainder of the vesting period is recognised immediately in profit or loss upon cancellation.

In situations where equity instruments are issued and some or all of the goods or services received by the entity as consideration cannot be specifically identified, the unidentified goods or services received (or to be received) are measured as the difference between the fair value of the share-based payment and the fair value of any identifiable goods or services received at the grant date. This is then capitalised or expensed as appropriate.

Where the terms of an equity-settled award are modified, an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for a modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it has vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

2. Summary of significant accounting policies continued

2.20 Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

(a) Operating lease

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(b) Finance lease

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

2.21 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, excluding discounts, rebates and sales taxes or duty. The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must be met before revenue is recognised:

(a) Sale of goods

Revenue from the sale of goods is recognised upon passage of title to the customer, which generally coincides with their delivery and acceptance. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(b) Sale of services

Revenue from services rendered is recognised upon services performed.

(c) Interest income

Interest income is recognised using the effective interest method.

2.22 Government grants, export incentives and subsidies

Government grants, export incentives and subsidies are recognised at their fair values when there is reasonable assurance that the grant will be received and all conditions attached will be complied with. When the grant relates to an expense item, it is recognised in the profit or loss over the period necessary to match it on a systematic basis to the costs that it is intended to compensate. When the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to the profit or loss over the expected useful life of the relevant asset by equal annual instalments.

2.23 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. Summary of significant accounting policies continued

2.23 Taxes continued

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would be treated either as a reduction to goodwill (as long as it does not exceed goodwill) if incurred during the measurement period or in profit or loss.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the assets or as part of the expense item as applicable; and
- where receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from or payable to the taxation authority is included as part of receivables or payables in the balance sheet.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

2. Summary of significant accounting policies continued

2.24 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services, which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge.

The segment managers report directly to the management of the Company which regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 38, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.25 Share capital and share issue expenses

Proceeds from issuance of ordinary shares net of directly attributable expenses are recognised as share capital in equity.

2.26 Treasury shares

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost (including directly attributable expenses) and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

2.27 Perpetual capital securities

The perpetual capital securities do not have a maturity date and the Company is able to elect to defer making a distribution subject to the term and conditions of the securities issue. Accordingly, the Company is not considered to have a contractual obligation to make principal repayments or distributions in respect of its perpetual capital securities issue and the perpetual capital securities are presented within equity. Distributions are treated as dividends which will be directly debited from equity. Incremental costs directly attributable to the issue of the perpetual capital securities are deducted against the proceeds from the issue.

2.28 Contingencies

A contingent liability is:-

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and for which the fair values can be reliably determined.

2.29 Derivative financial instruments and hedging activities

Derivative financial instruments include forward currency contracts, commodity futures, options, over-the-counter ('OTC') structured products, commodity physical forwards, foreign currency swap and interest rate contracts. These are used to manage the Group's exposure to risks associated with foreign currency, commodity price and interest rate fluctuations. Certain derivatives are also used for trading purposes. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivative financial instruments are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of forward currency contracts and interest rate derivatives are calculated by reference to current forward exchange rates and interest rates respectively for contracts with similar maturity profiles. The fair values of commodity futures, options, OTC structured products and physical forwards are determined by reference to available market information and market valuation methodology. Where the quoted market prices are not available, fair values are based on management's best estimates, which are arrived at by reference to market prices.

2. Summary of significant accounting policies continued

2.29 Derivative financial instruments and hedging activities continued

Hedge accounting

The Group applies hedge accounting for certain hedging relationships which qualify for hedge accounting. For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment; and
- cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

(a) Fair value hedges

Fair value hedge accounting is applied to hedge the Group's exposure to change in fair value portion of such an asset or liability or an identified portion of such an asset or liability that is attributable to a particular risk – commodity price risk that could affect the Consolidated Profit and Loss Accounts. For fair value hedges, the carrying amount of the hedged item (inventories) is adjusted for gains and losses attributable to the risk being hedged, the derivative (hedging instrument) is remeasured at fair value, gains and losses from both are taken to the Consolidated Profit and Loss Accounts.

When inventories are designated as a hedged item, the subsequent cumulative change in the fair value of these inventories attributable to the hedged commodity price risk is recognised as part of inventories with a corresponding gain or loss in the Consolidated Profit and Loss Accounts. The hedging instrument is recorded at fair value as an asset or liability and the changes in the fair value of the hedging instrument are also recognised in the Consolidated Profit and Loss Accounts.

The application of hedge accounting is discontinued in cases where the Group revokes the hedging relationship. Effective from FRS 109, hedging relationships may not be voluntarily revoked unless there is a change in risk management objective. Accordingly, in cases where a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective remains unchanged, the Group adjusts the hedging ratio to re-establish the effectiveness of the hedging relationship. Furthermore, the Group discontinues the application of hedge accounting in cases where there is a change in the risk management objective for the hedging relationship. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is expensed to profit from the date on which the Company discontinues hedge accounting.

(b) Cash flow hedges

For each cash flow hedge relationship, the effective part of any gain or loss on the derivative financial instrument is recognised directly in other comprehensive income. Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss. The ineffective part of any gain or loss is recognised immediately in the Consolidated Profit and Loss Accounts at the time hedge effectiveness is tested.

When a cash flow hedge is discontinued, any cumulative gain or loss previously recognised in other comprehensive income will remain in the cash flow hedge reserve until the future cash flows occur. If the hedged future cash flows no longer expected to occur, the net cumulative gain or loss is immediately reclassified to profit or loss.

2.30 Convertible bonds

When convertible bonds are issued, the total proceeds net of transaction costs are allocated to the debt component, the fair value of derivative financial instruments component and the equity component, which are separately presented on the balance sheet.

The debt component is recognised initially at its fair value, determined using a market interest rate for equivalent non-convertible bonds. It is subsequently carried at amortised cost using the effective interest method until the debt is extinguished on conversion or redemption of the bonds.

The derivative financial instruments component is determined by the fair value of the embedded derivatives on the date of issue. The fair value is reassessed at every balance sheet date and the difference is recognised in the profit and loss account.

The balance after reducing the debt component and the fair value of the embedded derivatives component from the net proceeds is presented as capital reserve under equity. The carrying amount of the equity component is not adjusted in subsequent periods. When the conversion option is exercised, the carrying amount of the equity component will be transferred to the share capital account. When the conversion option lapses, its carrying amount will be transferred to retained earnings.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

2. Summary of significant accounting policies continued

2.31 Related parties

A related party is defined as follows:-

- (a) A person or a close member of that person's family is related to the Group and Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (b) An entity is related to the Group and the Company if any of the following conditions applies:-
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimating uncertainty as at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Valuation of goodwill, intangible and tangible assets/liabilities through business combinations

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The fair value of such assets and liabilities are estimated by independent professional valuers where significant, or using the discounted cash flow model, which requires the Group to make an estimate of the expected future cash flows of the acquired business and choosing a suitable discount rate. The business combinations completed during the current financial year are disclosed in Note 11 to the financial statements.

(b) Impairment of goodwill and intangible assets with indefinite useful life

Goodwill and intangible assets with indefinite useful life are tested for impairment annually and whenever there is an indication of impairment, the Group estimates the value in use of the cash-generating units to which the goodwill and intangible asset with indefinite useful life is allocated. Estimating the value in use requires the Group, with the help of independent professional valuers where applicable, to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The impairment tests are sensitive to growth rates and discount rates. Changes in these assumptions may result in changes in recoverable values. The carrying amount of the Group's goodwill and indefinite life intangible assets at the balance sheet date is disclosed in Note 11 to the financial statements.

3. Significant accounting judgements and estimates continued

Key sources of estimation uncertainty continued

(c) Impairment of property, plant and equipment

An impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model and requires the Group, with the help of independent professional valuers where applicable, to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the Group's property, plant and equipment at the balance sheet date is disclosed in Note 10 to the financial statements.

(d) Biological assets

The fair value of biological assets (other than annual crops and livestock) is estimated using the discounted cash flow model, which requires the Group to make an estimate of the expected future cash flows from the biological assets and also to choose a suitable discount rate in order to calculate the present value of those cash flows, which is referenced to professional valuations or fair valued by independent professional valuers where significant. The valuation of these biological assets is particularly sensitive to discount rates and they are disclosed in Note 12.

(e) Fair value of financial instruments

Where the fair values of financial instruments recorded on the balance sheet cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flow model. The inputs to these models are derived from observable market data where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of model inputs regarding forward prices, credit risk, volatility and counterparty risk that are not supported by observable market data. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The valuation of financial instruments is described in more detail in Note 35.

4. Sale of goods and services

	Group	
	1 January 2016 to 31 December 2016 \$'000	1 July 2014 to 31 December 2015 \$'000
Sale of goods	20,422,256	27,959,167
Sale of services	164,776	271,419
	20,587,032	28,230,586

Revenue from sale of goods is stated net of discounts and returns. It excludes interest income, realised gains or losses on derivatives and intra-group transactions.

Revenue from sale of services mainly represents ginning and toll processing income and freight charter income.

5. Other income

Other income included the following:-

	Group	
	1 January 2016 to 31 December 2016 \$'000	1 July 2014 to 31 December 2015 \$'000
Gain on disposal of property, plant and equipment and intangible assets, net ¹	–	25,359
Commissions and claims, sale of packaging materials, sales of scrap and others	47,265	116,878
	47,265	142,237

1. Net gain on disposal of property, plant and equipment in the prior financial year includes the gain on sale and leaseback of the Awala palm plantations and Uruguay farmland. The lease is for a period of 21 years which is divided in two terms of 9 years and one year of 3 years and 12 years for Uruguay farmland. The annual rent for Awala is fixed during the first nine years and after that an increase of 2.5% of the rental every two years, and for Uruguay it is fixed for first three years and thereafter linked to 10 year USD SWAP rate. There was no such gain arising from any sale and leaseback transactions in the current financial year.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

6. Cost of goods sold

The significant portion of the cost of goods sold pertains to the purchase costs of inventories sold. There are other directly attributable costs associated with cost of goods sold and these include:-

	Group	
	1 January 2016 to 31 December 2016 \$'000	1 July 2014 to 31 December 2015 \$'000
Shipping, logistics, commission and claims	(2,682,495)	(2,815,924)
Foreign exchange on cost of goods sold ¹	179,348	(231,281)
Gains on derivatives net of fair value changes	63,609	610,344
Inventories (written down)/written back, net (Note 19)	(18,911)	(13,389)
Export incentives, subsidies and grant income received ²	51,384	40,627
Net measurement of derivative instruments	-	(13,840)
Net measurement of derivative instruments is stated after crediting/(charging):		
• Convertible and other bonds	-	(18,591)
• Derivatives held for trading	-	4,751
	-	(13,840)

1. Foreign exchange on cost of goods sold relate to foreign exchange movement arising between the time of purchase of goods and the time of sale of such goods.

2. Export incentives and subsidies relate to income from government agencies of various countries for the export of agricultural products.

7. Other expenses

Other expenses are stated after (charging)/crediting:-

	Group	
	1 January 2016 to 31 December 2016 \$'000	1 July 2014 to 31 December 2015 \$'000
Employee benefits expenses (Note 30)	(617,887)	(824,136)
Reclassification of fair value changes from equity to profit and loss account	-	(192,612)
Gain/(loss) on foreign exchange, net	21,566	(150,456)
Bank charges	(57,530)	(79,343)
Travelling expenses	(55,829)	(78,303)
Transaction costs incurred in business combinations	(3,257)	(35,125)
Impairment loss on financial assets:		
• Trade receivables (Note 17)	(37,016)	(42,020)
• Advance payments to suppliers (Note 20)	(2,387)	(5,971)
Bad debts written back:		
• Trade receivables	35,083	4,736
• Advance payments to suppliers	756	653
Impairment of property, plant and equipment/ written off (Note 10)	-	(4,115)
Impairment of intangible assets (Note 11)	-	(2,664)
Audit fees:		
• Auditor of the Company	(2,000)	(2,863)
• Other auditors	(8,207)	(12,691)
Non-audit fees:		
• Auditor of the Company	(586)	(1,892)
• Other auditors	(1,351)	(3,217)

8. Finance costs

Finance costs include the following:-

	Group	
	1 January 2016 to 31 December 2016 \$'000	1 July 2014 to 31 December 2015 \$'000
Interest expense:		
• On bank overdrafts	44,390	71,864
• On bank loans	207,896	266,492
• On medium-term notes	174,899	221,711
• On bonds	40,213	292,740
• Others	35,419	49,537
	502,817	902,344
Less: interest expense capitalised in:		
• Property, plant and equipment and biological assets	(56,569)	(66,611)
	446,248	835,733

Interest was capitalised to capital work-in-progress, plant and machinery, buildings and biological assets by various subsidiaries of the Group at rates ranging from 5.00% to 7.50% (31 December 2015: from 5.50% to 7.50%) per annum.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

9. Income tax

(a) Major components of income tax expense

	Group	
	1 January 2016 to 31 December 2016 \$'000	1 July 2014 to 31 December 2015 (As restated) \$'000
Profit and loss account		
Current income tax:		
• Singapore	29,493	9,383
• Foreign	54,218	104,525
(Over)/under provision in respect of prior years	(1,527)	890
	82,184	114,798
Deferred income tax:		
• Singapore	(347)	709
• Foreign	12,477	10,301
Income tax expense	94,314	125,808

	Group	
	1 January 2016 to 31 December 2016 \$'000	1 July 2014 to 31 December 2015 \$'000
Statement of comprehensive income:		
Deferred income tax related to items credited directly to other comprehensive income:		
Net change in fair value adjustment reserves for derivative financial instruments designated as hedging instruments in cash flow hedges	(1,457)	2,348
Deferred tax recorded in other comprehensive income	(1,457)	2,348

(b) Relationship between tax expense and accounting profit

A reconciliation of the statutory tax rate to the Group's effective tax rate is as follows:-

	Group	
	1 January 2016 to 31 December 2016 %	1 July 2014 to 31 December 2015 (As restated) %
Statutory tax rate	17.0	17.0
Tax effect of non-deductible expenses	5.7	65.4
Higher statutory tax rates of other countries ¹	10.4	20.3
Tax effect on (over)/under provision in respect of prior years	(0.4)	2.0
Tax effect of income taxed at concessionary rate ²	(0.2)	(42.7)
Tax effect on non-taxable/ exempt income ³	(9.4)	(16.2)
Tax effect of jointly controlled entities/associates	(0.9)	(0.2)
Tax effect of deferred tax assets not recognised	6.7	21.3
Tax effect of others, net	(7.1)	3.9
	21.8	70.8

1. The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

2. The Company is an approved company under the Global Trader Programme ('GTP') of International Enterprise Singapore and Development and Expansion Incentive ('DEI') under the International Headquarters ('IHQ') award of Singapore Economic Development Board. By virtue of this, the Company is entitled to a concessionary income tax rate of 5% for a period of 5 years from 1 July 2013 to 30 June 2018 on qualifying activities, products and income.

3. There are seven (31 December 2015: seven) subsidiaries within the Group that are taxed at the preferential tax rate of 0% (as opposed to the local headline/ statutory tax rates ranging from 20% to 35%) by the local tax authorities for periods ranging from 1.5 to 4 years, except one subsidiary which does not have an expiry date on preferential tax rate.

9. Income tax continued

(c) Deferred income tax

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The amounts, after such offsets, are disclosed on the balance sheet as follows:-

	Group		Company	
	31 December 2016 \$'000	31 December 2015 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 (As restated) \$'000
Deferred tax assets	95,735	62,219	–	2,622
Deferred tax liabilities	(505,876)	(420,782)	(8,103)	(6,817)
Net deferred tax liabilities	(410,141)	(358,563)	(8,103)	(4,195)

Detail of deferred tax assets and liabilities before offsetting is as follows:-

	Group				Company	
	Consolidated balance sheet		Consolidated profit and loss account		Balance sheet	
	31 December 2016 \$'000	31 December 2015 (As restated) \$'000	1 January 2016 to 31 December 2016 \$'000	1 July 2014 to 31 December 2015 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 (As restated) \$'000
Deferred tax liabilities:						
Differences in depreciation	207,620	170,372	39,267	(25,158)	680	990
Fair value adjustment on business combinations	198,461	207,138	(16,319)	(4,785)	9,634	6,817
Biological assets	63,814	65,330	(13,289)	25,499	—	—
Convertible bonds	483	475	323	(350)	483	475
Others	—	—	13,695	(11,158)	—	—
Gross deferred tax liabilities	470,378	443,315			10,797	8,282
Deferred tax assets:						
Allowance for doubtful debts	(3,467)	544	(649)	1,682	76	—
Inventories written down	76	92	—	(87)	—	92
Revaluation of financial instruments to fair value	2,618	3,995	(2,420)	2,623	2,618	3,995
Unabsorbed losses	43,912	51,492	(22,316)	58,934	—	—
Others	17,098	28,629	13,838	(36,190)	—	—
Gross deferred tax assets	60,237	84,752			2,694	4,087
Net deferred tax liabilities	(410,141)	(358,563)			(8,103)	(4,195)
Deferred income tax expense			12,130	11,010		

Unrecognised tax losses and capital allowances for which no deferred tax assets have been recognised

The Group has tax losses of \$320,957,000 (31 December 2015: \$198,618,000) and capital allowances of \$99,149,000 (31 December 2015: \$126,689,000) that are available for offset against future taxable profits of the companies in which the losses arose for which no deferred tax asset has been recognised. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate and there is no expiry date on the utilisation of such tax losses and capital allowances for offset against future taxable profits, except for amounts of \$272,996,000 (31 December 2015: \$162,059,000) which will expire over financial years 2016 to 2022.

Unrecognised temporary differences relating to investments in subsidiaries and jointly controlled entities

At the end of the financial years ended 31 December 2016 and 31 December 2015, there is no deferred tax liability that needs to be recognised for taxes that would be payable on the undistributed earnings of certain of the Group's subsidiaries and jointly controlled entities as the Group has determined that if any undistributed earnings of its subsidiaries and jointly controlled entities are distributed in the foreseeable future, there will be no material tax impact.

Tax consequences of proposed dividends

There are no income tax consequences attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements in respect of the current and previous financial year (Note 27).

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

10. Property, plant and equipment

Group	Freehold land \$'000	Leasehold land and buildings \$'000	Plant and machinery \$'000	Other assets \$'000	Capital work-in- progress \$'000	Bearer plants \$'000	Total \$'000
Cost							
As at 1 July 2014	397,018	1,103,464	1,585,758	223,213	471,255	–	3,780,708
Effects of Biological assets adjustment (FRS 41) (Note 2.2)	–	–	–	–	–	766,239	766,239
As at 1 July 2014, as restated	397,018	1,103,464	1,585,758	223,213	471,255	766,239	4,546,947
Additions	47,992	83,431	115,133	58,033	261,355	–	565,944
Acquired through business combination	50,748	33,421	267,550	1,147	11	–	352,877
Disposals	(51,842)	(59,409)	(49,622)	(14,070)	(12,457)	–	(187,400)
Reclassification	(1,645)	264,073	61,204	(2,185)	(321,447)	–	–
Impairment loss/ written off	–	(37)	(5,986)	(1)	–	–	(6,024)
Foreign currency translation adjustments	7,509	(102,812)	(51,936)	(8,079)	(74,107)	–	(229,425)
As at 31 December 2015, as restated	449,780	1,322,131	1,922,101	258,058	324,610	766,239	5,042,919
Effects of ADM acquisition (Note 2.2)	3,199	215,287	122,633	12,033	7,656	–	360,808
Effects of Biological assets adjustment (FRS 41) (Note 2.2)	–	–	–	–	–	273,577	273,577
As at 1 January 2016, as restated	452,979	1,537,418	2,044,734	270,091	332,266	1,039,816	5,677,304
Additions	13,146	96,630	81,504	34,206	312,137	214,170	751,793
Acquired through business combination	58	186,215	181,611	4,685	76,489	2,607	451,665
Disposals	(6,986)	(19,395)	(39,539)	(8,512)	(1,344)	–	(75,776)
Reclassification	(23,616)	83,808	51,843	(14,402)	(110,492)	12,859	–
Foreign currency translation adjustments	(12,927)	(110,360)	(141,105)	(13,150)	27,063	23,803	(226,676)
As at 31 December 2016	422,654	1,774,316	2,179,048	272,918	636,119	1,293,255	6,578,310
Accumulated depreciation and impairment loss:							
As at 1 July 2014	7,262	154,186	384,724	90,650	–	–	636,822
Charge for the year	–	74,663	191,923	42,100	–	–	308,686
Disposals	–	(3,878)	(13,107)	(9,881)	–	–	(26,866)
Reclassification	(6,840)	8,527	(918)	(769)	–	–	–
Impairment loss/ written off	–	–	(1,909)	–	–	–	(1,909)
Foreign currency translation adjustments	(422)	(13,708)	4,943	2,700	–	–	(6,487)
As at 31 December 2015	–	219,790	565,656	124,800	–	–	910,246
Effects of Biological assets adjustment (FRS 41) (Note 2.2)	–	–	–	–	–	45,078	45,078
As at 1 January 2016, as restated	–	219,790	565,656	124,800	–	45,078	955,324
Charge for the year	–	67,347	162,300	38,946	–	53,192	321,785
Disposals	–	(2,386)	(14,068)	(6,762)	–	–	(23,216)
Reclassification	–	(8,055)	8,494	(439)	–	–	–
Foreign currency translation adjustments	–	(14,395)	(27,683)	(7,107)	–	6,563	(42,622)
As at 31 December 2016	–	262,301	694,699	149,438	–	104,833	1,211,271
Net carrying value							
As at 31 December 2016	422,654	1,512,015	1,484,349	123,480	636,119	1,188,422	5,367,039
As at 31 December 2015, as restated	452,979	1,317,628	1,479,078	145,291	332,266	994,738	4,721,980
As at 30 June 2014, as restated	389,756	949,278	1,201,034	132,563	471,255	766,239	3,910,125

10. Property, plant and equipment continued

Company	Buildings \$'000	Plant and machinery \$'000	Motor vehicles \$'000	Furniture and fittings \$'000	Office equipment \$'000	Computers \$'000	Total \$'000
Cost							
As at 1 July 2014	514	472	1,180	1,857	864	7,853	12,740
Additions	—	365	537	34	164	18,363	19,463
Disposal	—	—	(350)	—	—	(2)	(352)
Foreign currency translation adjustments	71	85	173	259	128	2,073	2,789
As at 31 December 2015 and 1 January 2016	585	922	1,540	2,150	1,156	28,287	34,640
Additions	—	11	—	4	—	185	200
Disposal	—	—	(285)	(8)	(21)	(17)	(331)
Foreign currency translation adjustments	12	19	20	42	22	571	686
As at 31 December 2016	597	952	1,275	2,188	1,157	29,026	35,195
Accumulated depreciation							
As at 1 July 2014	194	121	967	1,837	837	6,996	10,952
Charge for the year	72	144	215	22	97	2,648	3,198
Disposal	—	—	(334)	—	—	(2)	(336)
Foreign currency translation adjustments	30	25	127	244	120	1,108	1,654
As at 31 December 2015 and 1 January 2016	296	290	975	2,103	1,054	10,750	15,468
Charge for the period	49	128	166	16	33	6,461	6,853
Disposal	—	—	(271)	(8)	(21)	(13)	(313)
Foreign currency translation adjustments	9	11	15	42	21	508	606
As at 31 December 2016	354	429	885	2,153	1,087	17,706	22,614
Net carrying value							
As at 31 December 2016	243	523	390	35	70	11,320	12,581
As at 31 December 2015	289	632	565	47	102	17,537	19,172

The carrying amount of freehold land, leasehold buildings, plant and machinery and bearer plant of the Group held under financial lease at the end of the reporting period was \$124,600,000 (31 December 2015: \$8,844,000). The Group's land, buildings, plant and machinery with a carrying amount of \$201,931,000 (31 December 2015: \$224,889,000) have been pledged to secure the Group's borrowings as set out in Note 24 to the financial statements.

Bearer plants consist of mature and immature almond orchards, coffee, cocoa, palm and rubber plantations.

The almond orchards and coffee plantations presently consist of trees aged between 1 and 27 years and 1 and 15 years respectively (31 December 2015: 1 and 26 years and 1 and 14 years respectively). The cocoa plantations presently consist of trees aged between 13 and 15 years (31 December 2015: 12 and 14 years).

Immature plantations mainly consist of palm and rubber trees aged between 1 and 5 years amounting to \$509,965,000 (31 December 2015, as restated: \$346,114,000).

At the end of the financial year, the Group's total planted area of plantations is approximately 78,324 (31 December 2015: 59,678) hectares, excluding hectares for those commodities whose plantations are not managed by the Group.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

11. Intangible assets

Group	Goodwill \$'000	Customer relationships \$'000	Brands and trademarks ¹ \$'000	Software \$'000	Water, Rights ² \$'000	Concession Rights ³ \$'000	Others ⁴ \$'000	Total \$'000
Cost								
As at 1 July 2014	192,234	49,128	113,111	55,735	209,284	77,054	42,635	739,181
Acquired through business combinations	73,575	53,577	–	–	–	–	21,336	148,488
Additions	–	–	–	9,909	–	–	1,830	11,739
Disposal	–	–	–	(2,610)	–	(420)	(627)	(3,657)
Foreign currency translation adjustments	26,980	10,938	15,617	4,997	(25,143)	4,703	2,929	41,021
As at 31 December 2015	292,789	113,643	128,728	68,031	184,141	81,337	68,103	936,772
Effects of ADM acquisition (Note 2.2)	246,150	1,985	–	–	–	–	56,883	305,018
As at 1 January 2016, as restated	538,939	115,628	128,728	68,031	184,141	81,337	124,986	1,241,790
Acquired through business combinations	139,022	17,650	24,144	–	–	–	13,064	193,880
Additions	–	–	–	10,872	–	–	814	11,686
Disposal	–	–	–	(1,973)	–	–	(758)	(2,731)
Foreign currency translation adjustments	16,606	3,586	3,755	1,513	1,670	(486)	2,646	29,290
As at 31 December 2016	694,567	136,864	156,627	78,443	185,811	80,851	140,752	1,473,915
Accumulated amortisation and impairment								
As at 1 July 2014	3,250	18,415	–	22,275	–	30,549	15,934	90,423
Amortisation	–	12,031	–	7,785	–	6,275	7,200	33,291
Disposals	–	–	–	(725)	–	(420)	(622)	(1,767)
Impairment	2,611	–	–	–	–	–	53	2,664
Foreign currency translation adjustments	(1,349)	3,190	–	818	–	(505)	686	2,840
As at 31 December 2015 and 1 January 2016	4,512	33,636	–	30,153	–	35,899	23,251	127,451
Amortisation	–	12,537	–	5,632	–	4,301	9,226	31,696
Disposals	–	–	–	(746)	–	–	(570)	(1,316)
Foreign currency translation adjustments	(789)	1,232	–	617	–	729	687	2,476
As at 31 December 2016	3,723	47,405	–	35,656	–	40,929	32,594	160,307
Net carrying value								
As at 31 December 2016	690,844	89,459	156,627	42,787	185,811	39,922	108,158	1,313,608
As at 31 December 2015, as restated	534,427	81,992	128,728	37,878	184,141	45,438	101,735	1,114,339
Average remaining amortisation period (years) – 31 December 2016	–	1–15	–	1–8	–	10–20	1–49	
Average remaining amortisation period (years) – 31 December 2015	–	3–12	–	1–8	–	11–21	4–32	

11. Intangible assets continued

Company	Goodwill \$'000	Brands and trademarks \$'000	Software \$'000	Others ⁴ \$'000	Total \$'000
Cost					
As at 1 July 2014	5,486	3,890	24,403	10,931	44,710
Additions	–	–	9,009	–	9,009
Disposal	–	(3,083)	(2,269)	(31)	(5,383)
Reclassification	–	(268)	120	148	–
Foreign currency translation adjustments	758	358	3,738	1,511	6,365
As at 31 December 2015	6,244	897	35,001	12,559	54,701
Effects of ADM acquisition	141,083	–	–	40,101	181,184
As at 1 January 2016	147,327	897	35,001	52,660	235,885
Additions	–	–	10,295	443	10,738
Disposal	–	–	(1,907)	–	(1,907)
Reclassification	44,837	–	–	12,744	57,581
Foreign currency translation adjustments	18,324	18	1,079	5,444	24,865
As at 31 December 2016	210,488	915	44,468	71,291	327,162
Accumulated amortisation					
As at 1 July 2014	–	–	5,329	4,701	10,030
Amortisation	–	–	4,094	1,683	5,777
Disposal	–	–	(443)	–	(443)
Foreign currency translation adjustments	–	–	931	739	1,670
As at 31 December 2015 and 1 January 2016	–	–	9,911	7,123	17,034
Amortisation	–	–	3,211	2,494	5,705
Disposal	–	–	(718)	–	(718)
Foreign currency translation adjustments	–	–	311	257	568
As at 31 December 2016	–	–	12,715	9,874	22,589
Net carrying amount					
As at 31 December 2016	210,488	915	31,753	61,417	304,573
As at 31 December 2015 (restated)	147,327	897	25,090	45,537	218,851
Average remaining amortisation period (years)					
– 31 December 2016	–	–	1–10	3–49	
Average remaining amortisation period (years)					
– 31 December 2015	–	–	1–8	4–12	

- Brands and trademarks include 'Dona', 'OK Foods' and 'OK Sweets' brands. The useful lives of the brands are estimated to be indefinite as management believes there is no foreseeable limit to the period over which the brands are expected to generate net cash flows for the Group.
- Water rights relate to perpetual access to share of water from a specified consumptive pool.
- Concession rights consist of rights to harvest trees in designated areas. Amortisation is charged over the estimated useful life of the concession rights.
- Others comprise land use rights, trade names, marketing agreements and non-compete fees. Land use rights relate to rights to land where the Group has acquired plantations. Amortisation is charged over the estimated useful lives of the land use rights.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

11. Intangible assets continued

Impairment testing of goodwill and other intangible assets

Goodwill and intangible assets with indefinite lives arising from business combinations have been allocated to the following cash-generating units ("CGU"), for impairment testing:-

	Goodwill		Brands and trademark		Water rights	
	31 December 2016 \$'000	31 December 2015 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Olam Orchards Australia Pty Ltd	—	—	—	—	185,811	184,141
ADM Cocoa	251,062	246,150	—	—	—	—
Amber Foods Limited	80,947	—	—	—	—	—
McCleskey Mills Inc.	80,864	79,283	—	—	—	—
Packaged Foods brands	34,108	33,440	130,130	127,830	—	—
Kayass Enterprise S.A. (Ranona Limited)	46,599	45,687	—	—	—	—
Universal Blanchers	71,684	70,281	—	—	—	—
Brooks Peanuts Company	52,694	—	—	—	—	—
Progida Group	13,535	13,272	—	—	—	—
Acacia Investments Limited	12,562	—	25,608	—	—	—
Olam Spices & Vegetables Ingredients	9,965	9,777	889	898	—	—
Olam Food Ingredients Holdings UK Limited	8,226	8,309	—	—	—	—
Olam International – Brazilian Cotton (Queensland Cotton Holdings)	6,367	6,243	—	—	—	—
Olam Food Ingredients Spain, S.L. (formerly known as 'Olam Macao Spain, S.L.')	6,323	6,199	—	—	—	—
Dehydro Foods S.A.E.	5,086	4,987	—	—	—	—
Queensland Cotton Holdings:						
• Australian Cotton	5,021	4,976	—	—	—	—
• Australian Pulses	1,437	1,424	—	—	—	—
• USA Cotton	2,154	2,135	—	—	—	—
Hemarus Industries Limited	1,410	1,479	—	—	—	—
Usicam S.A.	800	785	—	—	—	—
	690,844	534,427	156,627	128,728	185,811	184,141

11. Intangible assets continued

Impairment testing of goodwill and other intangible assets

The recoverable amounts of the CGUs have been determined based on value in use calculations using cash flow projections from financial budgets approved by management covering a five year period. The discount rates applied to the cash flow projections and the forecasted growth rates used to extrapolate cash flows beyond the five year period are as follows:-

	Growth rates		Discount rates	
	31 December 2016 %	31 December 2015 %	31 December 2016 %	31 December 2015 %
ADM Cocoa	2.00	–	10.00	–
Amber Foods Limited	–	–	11.40	–
Brooks Peanuts Company	1.50	–	10.00	–
Acacia Investment Limited	3.00	–	17.70	–
Universal Blanchers	2.00	2.00	10.00	10.00
McCleskey Mills Inc.	1.50	1.50	14.00	14.00
Olam Food Ingredients Holdings UK Limited (formerly known as 'Britannia Food Ingredients Holdings Limited')	–	–	12.50	12.50
Queensland Cotton Holdings ¹	–	–	13.00	13.00
Olam International – Brazilian Cotton (Queensland Cotton Holdings)	2.00	2.00	13.00	13.00
Olam Orchards Australia Pty Ltd	–	–	13.00	13.00
Olam Spices and Vegetables Ingredients	2.00	2.00	12.00	12.00
Packaged Foods brands	3.00	3.00	12.50	12.50
Kayass Enterprise S.A. (Ranona Limited)	3.00	3.00	12.50	12.50
Olam Food Ingredients Spain, S.L. (formerly known as 'Olam Macao Spain, S.L.')	–	–	12.00	12.00
Progida Group	2.00	2.00	12.50	12.50
Hemarus Industries Limited	–	–	11.50	11.50
Dehydro Foods S.A.E.	2.00	2.00	12.90	12.90
Usicam S.A.	2.00	2.00	12.00	12.00

1. The growth rates and discount rates used are the same for all CGUs relating to Queensland Cotton Holdings.

The calculations of value in use for the CGUs are most sensitive to the following assumptions:-

Budgeted gross margins – Gross margins are based on average values achieved at prevailing market conditions at the start of the budget period.

Growth rates – The growth rates indicated are as estimated by the management based on published industry research and do not exceed the long-term average growth rate for the industries relevant to the CGUs.

Discount rates – Discount rates reflect management's estimate of risks specific to each CGU. This is the benchmark used by management to assess operating performance and to evaluate future investment proposals.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

11. Intangible assets continued

Business combinations

During the current financial year, the Group entered into the following business combinations:-

	Amber Foods Limited \$'000	Acacia Investment Limited \$'000	SIAT Gabon \$'000	Brooks Peanuts Company \$'000	Others \$'000	Total \$'000
Fair value of assets and liabilities						
Property, plant and equipment (Note 10)	297,479	65,233	31,237	42,869	14,847	451,665
Intangible assets (Note 11)	5,945	37,783	—	11,130	—	54,858
Inventories	—	1,805	3,082	17,593	7,272	29,752
Trade and other receivables	—	2,739	—	17,238	1,969	21,946
Other current assets	2	434	—	3,954	528	4,918
Other non-current assets	—	—	—	98	—	98
Cash and bank balances	5	7,371	—	—	1,774	9,150
Advance payment to suppliers	—	—	—	74	56	130
	303,431	115,365	34,319	92,956	26,446	572,517
Trade and other creditors	—	16,091	—	2,816	1,098	20,005
Amount due to Bankers	—	—	—	—	8,602	8,602
Deferred Tax liabilities	—	30,554	—	—	—	30,554
Other Current Liabilities	—	—	1,404	596	684	2,684
	—	46,645	1,404	3,412	10,384	61,845
Total identifiable net assets at fair value	303,431	68,720	32,915	89,544	16,062	510,672
Net identifiable assets	303,431	68,720	32,915	89,544	16,062	510,672
Goodwill arising from acquisitions (Note 11)	77,499	11,844	—	49,679	—	139,022
	380,930	80,564	32,915	139,223	16,062	649,694
Consideration transferred for the acquisitions						
Cash paid	380,930	32,824	32,915	139,223	16,062	601,954
Fair value of previously held equity	—	47,740	—	—	—	47,740
	380,930	80,564	32,915	139,223	16,062	649,694
Total consideration	380,930	80,564	32,915	139,223	16,062	649,694
Less: Cash and cash equivalents acquired	5	7,371	—	—	1,774	9,150
Less: Non-cash items	—	39,556	—	—	—	39,556
Less: Deferred consideration	6,926	1,364	—	—	4,561	12,851
Net cash outflow on acquisition of subsidiaries	373,999	32,273	32,915	139,223	9,727	588,137

11. Intangible assets continued

Business combinations continued

Acquisition of subsidiaries

(i) Amber Foods Limited

On 9 January 2016, the Company acquired Amber Foods Limited ('Amber'), which through its 100% owned subsidiary Quintessential Foods Nigeria Limited owns the wheat milling and pasta manufacturing assets of the BUA Group in Nigeria. The assets acquired include wheat mills and pasta manufacturing facilities in various parts of Nigeria.

(ii) Acacia Investment Limited

On 1 April 2016, the Company acquired the remaining 50.0% interest in Acacia Investments Limited ('Acacia') from its joint venture partner and Acacia has since become a wholly-owned subsidiary of the Company. The acquisition of the remaining 50.0% interest in Acacia allows the Company to consolidate all edible oils operations in Mozambique and realise synergies in distribution and brands.

Trade and other receivables acquired

Trade and other receivables acquired comprise gross trade and other receivables amounting to \$2,739,000 which approximates fair value. It is expected that the full contractual amount of the receivables can be collected.

(iii) SIAT Gabon

On 8 June 2016, Olam Palm Gabon, a wholly owned subsidiary of the Company acquired a 100% stake in SIAT Gabon. SIAT Gabon is in the business of development and operation of palm operations, and production and sale of palm oil.

(iv) Brooks Peanuts Company ('Brooks')

On 8 June 2016, the Company acquired a 100% stake in Brooks. Brooks has been the sixth largest peanut sheller in the US and the largest Alabama-based sheller, processing approximately 110,000 Farmer Stock Tons (FST) with an annual capacity at 175,000 FST.

Trade and other receivables acquired

Trade and other receivables acquired comprise gross trade and other receivables amounting to \$17,238,000 which approximates fair value. It is expected that the full contractual amount of the receivables can be collected.

Other acquisitions

(i) Soceite Agro Industrielle de la Comoe ('SAIC')

On 26 January 2016, the Company acquired a 90% stake in SAIC. SAIC is an Ivorian Rubber Processor of crumb rubber with rated capacity of 20,700 MT of natural rubber per annum.

(ii) Schluter S.A.

On 21 October 2016, the Company acquired a 100% stake in East African coffee specialist, Schluter S.A. ('Schluter'). Schluter is an independent coffee company which specialises in trading East African specialty and premium Arabica coffees.

Transaction costs

Total transaction costs related to all acquisitions of \$3,257,000 have been recognised in the 'Other operating expenses' line item in the Group's profit and loss account for the financial year from 1 January 2016 to 31 December 2016.

Goodwill arising from acquisitions

Goodwill of \$139,022,000 represents the synergies expected to be achieved from integrating the value-added midstream processing business of the subsidiaries into the Group's existing supply chain business. Goodwill of \$246,150,000 arising from acquisition of ADM Cocoa in the prior financial year, whose purchase price allocation exercise was completed in the current financial year has been recognised retrospectively (Note 2.2).

Impact of the acquisitions on profit and loss

From acquisition date, subsidiaries acquired during the financial year would have increased by 0.76% to the Group's sales of goods and services and increased the Group's profits by 4.17% for the financial year. Had the acquisitions taken place at the beginning of the financial year, the sales of goods and services for the financial year would have increased by 1.33% and the Group's profit for the financial year, net of tax would have increased by 5.91%.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

12. Biological assets

Group	Fruits on trees and annual crops \$'000	Livestock \$'000	Total \$'000
As at 30 June 2014 and 1 July 2014	905,111	203,051	1,108,162
Effects of Biological assets (FRS 41) (Note 2.2)	(766,239)	–	(766,239)
As at 1 July 2014, as previously stated	138,872	203,051	341,923
As at 30 June 2014 and 1 July 2014	905,111	203,051	1,108,162
Net additions/ (reductions)	106,798	(87,835)	18,963
Capitalisation of expenses	348,028	94,153	442,181
Net change in fair value less estimated costs to sell	(5,192)	(81,570)	(86,762)
Foreign currency translation adjustments	(76,647)	(19,243)	(95,890)
As at 31 December 2015, as previously stated	1,278,098	108,556	1,386,654
Effects of Biological assets (FRS 41) (Note 2.2)	(1,050,508)	–	(1,050,508)
As at 31 December 2015 and 1 January 2016, as restated	227,590	108,556	336,146
Net additions/ (reductions)	41,687	(52,351)	(10,664)
Capitalisation of expenses	32,029	62,637	94,666
Net change in fair value less estimated costs to sell	18,160	(4,019)	14,141
Foreign currency translation adjustments	4,733	11,542	16,275
As at 31 December 2016	324,199	126,365	450,564

Fruits on trees and annual crops

During the financial year, the Group harvested approximately 44,071 metric tonnes (31 December 2015: 45,989 metric tonnes) of almonds, which had a fair value less estimated point-of-sale costs of approximately \$463,805,000 (31 December 2015: \$518,460,000). The fair value of almonds was determined with reference to the market prices at the date of harvest.

Annual crops consist of various commodities such as cotton, onions, tomatoes and other vegetables, rice and grains. For cotton, onions, tomatoes and other vegetables, the Group provides seeds to farmers to sow and grow while for rice and grains, the Group manages its own farms. For annual crops where seeds are provided, the farmers take all the harvest risks and bear all the farming costs. However, the Group has the first right to buy the produce from these farmers, when these annual crops are harvested.

At the end of the financial year, the Group's total planted area of annual crops is approximately 111,712 (31 December 2015: 111,239) hectares, excluding for those commodities where farms are not managed by the Group.

Fair value determination

The fair value of fruits on trees is estimated with reference to an independent professional valuation using the present value of expected net cash flows from the biological assets.

The following table shows the key inputs used:-

Key inputs	Inter-relationship between key inputs and fair value measurement
Discount rates of 15% (31 December 2015: 15%) per annum	The estimated fair value increases as the estimated discount rate per annum decreases, and vice versa.
Market prices approximating \$9,500 (31 December 2015: \$12,000) per metric tonne	The estimated fair value increases as the respective inputs increase, and vice versa.

The annual crops have been valued using adjusted cost, based on the estimate of the yield and cost of the crop at harvest discounted for the remaining time to harvest, which approximates fair value.

Livestock

Livestock relates mainly to dairy cattle in Uruguay and Russia. At the end of the financial year, the Group held 32,290 (31 December 2015: 33,954) cows, which are able to produce milk (mature assets) and 39,579 (31 December 2015: 41,227) heifers and calves, being raised to produce milk in the future (immature assets). The cows produced 166 million litres (31 December 2015: 336 million litres) of milk with a fair value less estimated point-of-sale costs of \$94,051,000 (31 December 2015: \$176,757,000) during the financial year.

Fair value determination

The fair value of livestock is determined based on valuations by an independent professional valuer using market prices ranging from \$69 to \$3,796 (31 December 2015: \$384 to \$4,667) of livestock of similar age, breed and generic merit.

Financial risk management strategies related to agricultural activities

The Group is exposed to financial risk in respect of agricultural activity. The agricultural activity of the Group consists of the management of biological assets to produce marketable output. The primary financial risk associated with this activity occurs due to the length of time between expending cash on the purchase or planting and maintenance of biological assets and on harvesting and ultimately receiving cash from the sale of the marketable output. The Group plans for cash flow requirements for such activities and manages its debt and equity portfolio actively.

13. Subsidiary companies

	Company	
	31 December 2016 \$'000	31 December 2015 (As restated) \$'000
Unquoted equity shares at cost	3,101,835	3,484,888
Less: Impairment loss	(16,130)	(16,130)
Foreign currency translation adjustments	314,602	249,802
	3,400,307	3,718,560
Loans to subsidiary companies	2,150,153	1,013,096
	5,550,460	4,731,656

Loans to subsidiary companies denominated in currencies other than functional currency of the Company are as follows:-

	Company	
	31 December 2016 \$'000	31 December 2015 \$'000
Euro	513,596	397,419

The Company has recognised impairment loss during the financial year of \$Nil (31 December 2015: \$Nil) on the investment in the subsidiaries as the carrying amount exceeds the fair value based on the net asset value of the subsidiaries.

Loans to subsidiary companies are unsecured and are not repayable within the next 12 months. The loans are non-interest bearing, except for amounts of \$722,690,000 (31 December 2015: \$430,702,000) which bear interest ranging from 1.0% to 7.5% (31 December 2015: 1.5% to 7.5%) per annum.

The Group did not have any material non-controlling interests as at the balance sheet dates.

Composition of the Group

Details of significant subsidiary companies are as follows:-

Name of company	Country of incorporation	Principal activities	Effective percentage of equity held by the Group	
			31 December 2016 %	31 December 2015 %
Olam Ghana Limited ¹	Ghana	(a)	100	100
Olam Ivoire SA ¹	Ivory Coast	(a)	100	100
Olam Nigeria Limited ¹	Nigeria	(a)	100	100
Outspan Ivoire SA ¹	Ivory Coast	(a)	100	100
Olam Moçambique, Limitada ¹	Mozambique	(a)	100	100
Olam Vietnam Limited ¹	Vietnam	(a)	100	100
Olam South Africa (Proprietary) Limited ¹	South Africa	(a)	100	100
Olam Brasil Ltda ¹	Brazil	(a)	100	100
Olam Europe Limited ¹	United Kingdom	(a)	100	100
PT Olam Indonesia ¹	Indonesia	(a)	100	100
Olam Agricola Ltda. ^{1,4}	Brazil	(a)	100	100
Olam Argentina S.A. ¹	Argentina	(a)	100	100
Café Outspan Vietnam Limited ¹	Vietnam	(a)	100	100
LLC Outspan International ¹	Russia	(a)	100	100
Olam Enterprises India Limited (formerly known as 'Olam Agro India Limited') ¹	India	(a)	100	100
Crown Flour Mills Limited ¹	Nigeria	(a)	100	100
Olam Orchards Australia Pty Ltd ¹	Australia	(a) & (c)	100	100
tt Timber International AG ²	Switzerland	(a) & (b)	100	100
Congolaise Industrielle des Bois SA ¹	Republic of Congo	(a)	100	100
NZ Farming Systems Uruguay Limited ¹	New Zealand	(a), (b) & (c)	100	100
Olam Palm Gabon SA ¹	Gabon	(a) & (c)	60	60

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

13. Subsidiary companies continued

Composition of the Group continued

Details of significant subsidiary companies are as follows:-

Name of company	Country of incorporation	Principal activities	Effective percentage of equity held by the Group	
			31 December 2016 %	31 December 2015 %
OK Foods Limited ¹	Nigeria	(a) & (b)	75	75
Olam Cocoa Processing Cote d'Ivoire ¹	Ivory Coast	(a)	100	100
Seda Outspan Iberia S.L. ¹	Spain	(a)	100	100
Ranona Limited ¹	Nigeria	(a)	75	75
Nutrifoods Ghana Limited ¹	Ghana	(a)	100	100
Dehydro Foods S.A.E. ¹	Egypt	(a)	100	100
Queensland Cotton Holdings Pty Ltd ¹	Australia	(a) & (b)	100	100
Olam Holdings Partnership ¹	The United States of America	(a), (b) & (c)	100	100
Progida Findik Sanayi ve Ticaret A.Ş. ¹	Turkey	(a)	100	100
Progida Pazarlama A.Ş. ¹	Turkey	(a)	100	100
Progida Tarım Ürünleri Sanayi ve Ticaret A.Ş. ¹	Turkey	(a)	100	100
LLC Russian Dairy Company ¹	Russia	(c)	93	93
Gabon Fertilizer Company SA ¹	Gabon	(a)	80	80
Olam Rubber Gabon SA ¹	Gabon	(a)	60	60
Olam Cam SA ¹	Cameroon	(a)	100	100
Panasia International FZCO ²	United Arab Emirates	(a)	100	100
Olam Sanyo Foods Limited ¹	Nigeria	(a)	75	75
Olam International UK Limited ²	United Kingdom	(b)	100	100
Caraway Pte Ltd ¹	Singapore	(a)	75	75
Olam Cocoa Processing Ghana Limited ²	Ghana	(a)	100	100
Olam Cocoa Ivoire SA ²	Ivory Coast	(a)	100	100
Olam Cocoa B.V. ²	Netherlands	(a)	100	100
Olam Cocoa Deutschland GmbH ²	Germany	(a)	100	100
Olam Suisse Sarl ¹	Switzerland	(a)	100	100
Olam Cocoa Pte Limited ²	Singapore	(a)	100	100
Acacia Investment Limited ³	United Arab Emirates	(b)	100	50
Fasorel Sarl ²	Mozambique	(a)	100	50
Quintessential Foods Nigeria Limited ¹	Nigeria	(a)	100	—

(a) Sourcing, processing, packaging and merchandising of agricultural products and inputs.

(b) Investment holding.

(c) Agricultural operations.

1. Audited by associated firms of Ernst & Young Global Limited.

2. Audited by other Certified Public Accounting ('CPA') firms.

3. No statutory audit is required.

4. There was a merger between Outspan Brasil Importação e Exportação Ltda. ('Outspan Brasil') and Joanes Industrial Ltda. (a subsidiary of Outspan Brasil) during the current financial year and has been renamed as Olam Agrícola Ltda.

14. Investments in jointly controlled entities and associates

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Jointly controlled entities (Note 14(a))	247,748	290,334	124,256	172,375
Associates (Note 14(b))	642,090	608,561	600,570	568,288
	889,838	898,895	724,826	740,663

(a) Investments in jointly controlled entities

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Unquoted equity shares at cost ¹	1,551	60,011	—	45,135
Share of post-acquisition reserves	102,376	91,072	—	—
Loans to jointly controlled entities ²	124,256	121,826	124,256	121,826
Foreign currency translation adjustments	19,565	17,425	—	5,414
	247,748	290,334	124,256	172,375

- During the current financial year, the Group has acquired the remaining 50% stake in Acacia Investment Limited (Note 11) and is now accounted for as a wholly-owned subsidiary. Accordingly, cost of investment in Acacia Investment Limited amounting to \$45,135,000 (31 December 2015: \$Nil) has been reclassified to Investment in subsidiaries (Note 13).
- Loans to jointly controlled entities include a loan to Nauvu Investments Pte Ltd amounting to \$123,563,000 (31 December 2015: \$121,147,000). The loans are unsecured, non-interest bearing and not expected to be repayable within the next 12 months.

As of 31 December 2016 and 31 December 2015, no jointly controlled entity was individually material to the Group. Details of significant jointly controlled entities at end of financial year are as follows:-

Name of company	Country of incorporation	Principal activities	Percentage of equity held	
			31 December 2016 %	31 December 2015 %
Held by the Company				
Nauvu Investments Pte Ltd ¹	Singapore	(a)/(b)	50	50
Acacia Investment Limited	United Arab Emirates	(a)/(b)	—	50

(a) Sourcing, processing, packaging and merchandising of agricultural products.

(b) Technical services.

- Audited by Ernst & Young LLP, Singapore.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

14. Investments in jointly controlled entities and associates continued**(a) Investments in jointly controlled entities continued**

The summarised financial information in respect of the jointly controlled entities, based on its FRS financial statements and reconciliation with the carrying amount of the investments in the combined financial statements are as follows:-

	Group	
	31 December 2016 \$'000	31 December 2015 \$'000
Summarised balance sheet		
Non-current assets	563,044	646,516
Current assets	62,261	97,888
Total assets	625,305	744,404
Non-current liabilities	368,685	365,418
Current liabilities	7,387	59,642
Total liabilities	376,072	425,060
Net assets	249,233	319,344
Proportion of the Group's ownership:		
Group's share of net assets	123,492	158,578
Goodwill on acquisition	–	9,930
Loan to jointly-controlled entities	124,256	121,826
Carrying amount of the investments	247,748	290,334
Summarised statement of comprehensive income		
Revenue	13,535	64,058
Profit/(Loss) after tax	10,026	(31,384)
Other comprehensive income	–	(12,839)
Total comprehensive income	10,026	(44,223)

14. Investments in jointly controlled entities and associates continued

(b) Investments in associates

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Unquoted equity shares at cost	350,714	249,709	373,424	257,488
Share of post-acquisition reserves	42,797	44,379	—	—
Loan to associates ¹	258,794	334,658	256,683	334,658
Less: Impairment loss	(35,596)	(35,596)	(35,596)	(35,596)
Foreign currency translation adjustments	25,381	15,411	6,059	11,738
	642,090	608,561	600,570	568,288

1. Loan to associates are unsecured, not expected to be repayable within the next 12 months and are interest-free except for an amount of \$256,683,000 (31 December 2015: \$334,658,000) that bears interest ranging from 5.00% to 7.50% (31 December 2015: 5.50%) per annum.

As of 31 December 2016 and 31 December 2015, no associate was individually material to the Group. Details of significant associates are as follows:-

			Percentage of equity held	
Name of company	Country of incorporation	Principal activities	31 December 2016 %	31 December 2015 %
Held by the Company				
Gabon Special Economic Zone SA ¹	Gabon	Infrastructure development	40.49	40.00
Open Country Dairy Limited ²	New Zealand	Processing and trading of agricultural commodities	15.19	15.19

1. Audited by associated firms of Ernst & Young Global Limited.

2. Audited by other CPA firms.

Management has assessed and is satisfied that the Group retains significant influence over Open Country Dairy Limited as the Group continues to hold positions in the Board of Directors of the entity and actively participates in all board meetings.

The summarised financial information in respect of the material associates based on its FRS financial statements and reconciliation with the carrying amount of the investment in the combined financial statements are as follows:-

	Group	
	31 December 2016 \$'000	31 December 2015 \$'000
Summarised balance sheet		
Non-current assets	1,335,418	950,811
Current assets	1,026,082	740,106
Total assets	2,361,500	1,690,917
Non-current liabilities	838,299	466,539
Current liabilities	377,695	346,839
Total liabilities	1,215,994	813,378
Net assets	1,145,506	877,539
Proportion of the Group's ownership:		
Group's share of net assets	364,688	256,352
Goodwill on acquisition	18,608	17,551
Loan to associates	258,794	334,658
Carrying amount of the investments	642,090	608,561
Summarised statement of comprehensive income		
Revenue	1,072,362	1,071,388
Profit after tax	87,785	75,332
Other comprehensive income	(19,616)	—
Total comprehensive income	68,169	75,332

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

15. Long-term investments

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Quoted equity shares	136,321	257,146	136,321	257,146
Unquoted equity shares	12,171	12,061	–	–
	148,492	269,207	136,321	257,146

The Group's investment in quoted equity shares relates to a 18.56% investment in PureCircle Limited ('PureCircle'), while the investment in unquoted equity shares relates to a 20% investment in Olam Grains Australia Pty Ltd. Management has assessed and is of the view that the Group does not retain significant influence over PureCircle or Olam Grains Australia Pty Ltd. PureCircle is accounted for as fair value through other comprehensive income whilst Olam Grains Australia Pty Ltd is accounted for as fair value through profit or loss in accordance to FRS 109.

16. Amounts due from subsidiary companies

	Company	
	31 December 2016 \$'000	31 December 2015 \$'000
Trade receivables	1,886,313	811,788
Loans to subsidiaries	1,790,805	945,354
Non-trade (payables)/ receivables	(93,970)	32,457
	3,583,148	1,789,599

Loans to subsidiaries include amounts totalling \$1,479,030,000 (31 December 2015: \$324,498,000) which are unsecured and bear interest ranging from 0.60% to 7.50% (31 December 2015: 2.58% to 7.50%) per annum, repayable on demand and are to be settled in cash. The remaining amounts are non-interest bearing, unsecured, repayable on demand and are to be settled in cash.

The other amounts are non-interest bearing, unsecured, subject to trade terms or repayable on demand, and are to be settled in cash.

Amounts due from subsidiary companies denominated in currencies other than functional currency of the Company are as follows:-

	Company	
	31 December 2016 \$'000	31 December 2015 \$'000
Euro	1,504,480	453,568
India Rupee	877,662	–
Great Britain Pounds	508,675	227,843
Amounts due from subsidiary companies are stated after deducting impairment loss:		
• Trade	8,261	8,140
• Non-trade	24,506	24,027
	32,767	32,167

17. Trade receivables

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Trade receivables	1,407,854	1,312,718	385,144	446,071
Indirect tax receivables	248,603	182,528	476	1,359
	1,656,457	1,495,246	385,620	447,430

Trade receivables are non-interest bearing and are subject to trade terms of 30 to 60 days' terms. They are recognised at their original invoice amounts, which represent their fair values on initial recognition. Indirect tax receivables comprise goods and services, value-added taxes and other indirect forms of taxes.

Trade receivables denominated in currencies other than functional currencies of Group companies are as follows:-

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
United States Dollar	165,922	120,913	—	—
Great Britain Pounds	87,844	48,854	—	46,205
Euro	24,619	32,973	12,337	14,473

Trade receivables include amounts of \$295,000, \$Nil and \$2,318,000 (31 December 2015: \$484,000, \$9,797,000 and \$Nil) due from associates, a jointly controlled entity and a shareholder related company, respectively.

The Group provides for lifetime expected credit losses for trade receivables. The loss allowance provision as at 31 December 2016 is determined as follows: -

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Trade receivables measured at amortised cost	1,458,774	1,373,439	414,387	488,511
Less: Lifetime expected credit loss for trade receivables	(50,920)	(60,721)	(29,243)	(42,440)
Total trade receivables measured at amortised cost	1,407,854	1,312,718	385,144	446,071
Movement in allowance accounts:-				
As at beginning of year	60,721	34,188	42,440	17,487
Charge for the year	37,016	42,020	27,972	32,025
Written off	(542)	(2,526)	—	—
Written back	(44,319)	(15,021)	(41,405)	(10,636)
Foreign currency translation adjustments	(1,956)	2,060	236	3,564
As at end of year	50,920	60,721	29,243	42,440

Receivables that are past due but not impaired

The analysis of the Group and Company's ageing for receivables that are past due but not impaired is as follows: -

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Trade receivables past due but not impaired:-				
Less than 30 days	346,694	323,765	56,932	101,303
30 to 60 days	194,829	49,382	9,584	5,275
61 to 90 days	38,006	70,039	10,832	51,175
91 to 120 days	20,578	11,278	813	4,787
121 to 180 days	8,459	18,848	1,880	7,099
More than 180 days	39,961	54,396	6,234	9,753
Total trade receivables measured at amortised cost	648,527	527,708	86,275	179,392

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

18. Margin accounts with brokers

Margin accounts are maintained with recognised futures dealers and brokers for trades done on the futures exchanges. These margin accounts move in relation to trades done on futures, variation margins required and prices of the commodities traded.

These amounts reflect the payments made to futures dealers as initial and variation margins depending on the volume of trades done and price movements.

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Margin deposits with brokers	1,037,352	294,096	970,574	224,847
Amounts due to brokers	(872,394)	(104,372)	(817,030)	(102,258)
	164,958	189,724	153,544	122,589

19. Inventories

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Balance sheets:				
Commodity inventories at fair value	5,365,835	4,644,101	1,038,380	573,962
Commodity inventories at the lower of cost and net realisable value	2,048,476	2,047,567	106,606	253,435
	7,414,311	6,691,668	1,144,986	827,397
Profit and loss account:				
Inventories recognised as an expense in cost of goods sold inclusive of the following (charge)/credit	(15,940,068)	(22,241,472)	(11,875,179)	(18,962,725)
• Inventories written down/ off	(38,664)	(25,679)	(11,435)	(10,083)
• Reversal of write-down of inventories ¹	19,754	12,290	10,366	10,780

1. The reversal of write-down of inventories is made when the related inventories are sold above their carrying amounts.

20. Advance payments to suppliers/subsidiary companies

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Third parties	880,602	714,972	142,456	128,680
Subsidiary companies	—	—	2,196,193	3,084,849
	880,602	714,972	2,338,649	3,213,529

These represent advance payments to suppliers and subsidiary companies for procurement of physical commodities.

Advance payments to suppliers and subsidiary companies denominated in currencies other than functional currencies of Group companies are as follows:-

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Euro	30,269	43,204	613,857	600,792
United States Dollar	67,803	15,048	—	—
Great Britain Pounds	168	2,289	62,596	37,106

20. Advance payments to suppliers/subsidiary companies continued

Advance payments to subsidiary companies are stated after deducting allowance for doubtful debts of \$43,482,960 (31 December 2015: \$42,785,000).

Advance payments to suppliers (third parties) for the Group and Company are stated after deducting allowance for doubtful debts of \$12,450,000 and \$472,000 (31 December 2015: \$17,337,000 and \$6,561,000) respectively.

The movement in the allowance accounts for advance payment to suppliers is as follows:-

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Movement in allowance accounts:-				
As at beginning of year	17,337	16,819	6,561	5,402
Charge for the year	2,387	5,971	452	926
Written off	(7,285)	(2,600)	(5,956)	-
Written back	(756)	(653)	(446)	(534)
Foreign currency translation adjustments	767	(2,200)	(139)	767
As at end of year	12,450	17,337	472	6,561

21. Other current/non-current assets

	Group		Company	
	31 December 2016 \$'000	31 December 2015 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Current:				
Sundry receivables ¹	362,123	583,388	1,189	1,386
Export incentives and subsidies receivable ²	69,983	145,786	-	-
Amounts due from jointly-controlled entity, associates and a shareholder related company	29,425	70,290	23,314	68,831
Deposits	59,772	42,541	2,565	1,602
Option premium receivable	3,632	15,343	3,632	15,343
Staff advances ³	8,182	10,177	492	309
Insurance receivables ⁴	32,493	5,838	3,548	1,977
Short-term investment	4,478	791	-	-
	570,088	874,154	34,740	89,448
Prepayments ⁵	356,819	431,819	116,376	83,696
Advance corporate tax paid	35,633	60,628	-	-
Taxes recoverable	24,138	35,894	-	-
	986,678	1,402,495	151,116	173,144
Non-current:				
Other non-current assets ⁶	30,400	30,966	-	-

- Sundry receivables include receivables amounting to \$162,449,000 (31 December 2015: \$184,461,000) which relate to the sale-and-leaseback of the Awala palm plantations in the prior financial year.
- These relate to incentives and subsidies receivable from the Government agencies of various countries for export of agricultural products. There are no unfulfilled conditions or contingencies attached to these incentives and subsidies.
- Staff advances are interest-free, unsecured, repayable within the next 12 months and are to be settled in cash.
- Insurance receivables pertain to pending marine and inventories insurance claims. The outstanding claims are currently being processed by the insurance companies for final settlement.
- Prepayments mainly pertain to prepaid expenses incurred for sourcing, processing, packaging and merchandising of agricultural products and inputs.
- Other non-current assets include an investment in a dairy co-operative in Uruguay, which is accounted at cost amounting to \$11,978,000 (31 December 2015: \$10,596,000). In the prior financial year, included in other non-current assets was the provisional goodwill arising from the acquisition of ADM Cocoa of \$499,190,000, of which has been re-classified and restated upon completion of the purchase price allocation exercise in the current financial year (Note 2.2).

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

22. Trade payables and accruals

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Trade payables	1,538,786	1,208,275	799,160	364,132
Accruals	567,802	492,588	150,123	135,424
Advances received from customers	51,459	37,708	–	6,273
GST payable and equivalent	43,447	15,140	–	–
	2,201,494	1,753,711	949,283	505,829

Trade payables are non-interest bearing. Trade payables are subject to trade terms of 30 to 60 days' terms while other payables have an average term of two months.

Trade payables and accruals denominated in currencies other than functional currencies of Group companies are as follows:-

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Great Britain Pounds	340,044	224,046	293,772	223,998
Euro	124,705	46,195	121,564	44,726
New Zealand Dollar	–	36,526	–	36,526
United States Dollar	37,336	10,585	–	–

Trade payables include amounts of \$Nil (31 December 2015: \$29,125,800) and \$18,000 (31 December 2015: \$Nil) due to an associate and a jointly controlled entity respectively.

Accruals mainly relate to provisions for operating costs such as logistics, insurance premiums and employee benefits.

23. Other current liabilities

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Interest payable on bank loans	81,355	80,157	75,110	70,079
Sundry payables	261,081	320,209	6,647	–
Option premium payable	33,419	37,794	33,419	37,794
	375,855	438,160	115,176	107,873
Withholding tax payable	7,876	6,545	–	–
	383,731	444,705	115,176	107,873

24. Borrowings

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Current:				
Bank overdrafts (Note 33)	190,165	196,044	–	–
Bank loans	3,220,351	3,661,987	1,694,362	2,603,010
Term loans from banks	1,842,830	1,319,412	1,218,610	1,288,252
Medium-term notes	719,659	–	719,659	–
Obligation under finance leases (Note 28(c))	10,030	5,936	–	–
Convertible bonds, unsecured	–	321,166	–	321,166
Other bonds	–	7,634	–	–
	5,983,035	5,512,179	3,632,631	4,212,428
Non-current:				
Term loans from banks	4,232,530	3,380,997	3,092,015	1,519,483
Medium-term notes	2,983,926	2,946,507	2,983,926	2,946,507
Obligation under finance leases (Note 28(c))	111,701	102,131	–	–
Other bonds	359,396	352,101	359,396	352,101
	7,687,553	6,781,736	6,435,337	4,818,091
	13,670,588	12,293,915	10,067,968	9,030,519

Borrowings denominated in currencies other than functional currencies of Group companies are as follows:-

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Singapore Dollar	1,480,199	1,478,663	1,480,199	1,478,663
United States Dollar	253,992	382,295	–	–
Australian Dollar	200,279	196,168	200,279	196,168
Japanese Yen	146,690	72,343	146,690	72,343
Great Britain Pound	18,703	–	–	–
Euro	–	62,255	–	–

Bank overdrafts and bank loans

The bank loans to the Company are repayable within 12 months and bear interest in a range from 1.26% to 1.61% (31 December 2015: 0.89% to 1.52%) per annum.

The bank loans and bank overdrafts to the subsidiary companies are repayable within 12 months and bear interest in a range from 0.80% to 26.00% (31 December 2015: 0.50% to 36.00%) per annum.

Bank loans include an amount of \$24,079,000 (31 December 2015: \$20,107,000) secured by the assets of subsidiaries. The remaining amounts of bank loans are unsecured.

Term loans from banks

Term loans from banks to the Company bear interest at floating interest rates ranging from 1.56% to 2.76% (31 December 2015: 1.34% to 2.05%) per annum. Term loans to the Company are unsecured and are repayable within five years.

Term loans from banks to the subsidiary companies bear interest at floating interest rates ranging from 1.20% to 12.00% (31 December 2015: 1.00% to 13.00%) per annum. Term loans to the subsidiary companies are unsecured and are repayable between two and seven years.

Term loans from banks include an amount of \$93,992,000 (31 December 2015: \$75,402,000) secured by the assets of subsidiaries. The remaining amounts of term loans from banks are unsecured.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

24. Borrowings continued

Medium-term notes

The Company has a \$800,000,000 multicurrency medium-term notes ('MTN') programme and a US\$5,000,000,000 Euro medium-term notes ('EMTN') programme. The drawdowns from the MTN and EMTN are unsecured.

The MTN and EMTN are as follows:-

Group and Company			
	Maturity	31 December 2016 \$'000	31 December 2015 \$'000
Current:			
Multicurrency medium term note programme:			
• 5.75% fixed rate notes	2017	719,659	–
Non-current:			
Multicurrency medium term note programme:			
• 6.00% fixed rate notes	2018	249,638	249,413
Euro medium term note programme:			
• 5.75% fixed rate notes	2017	–	707,418
• 4.25% fixed rate notes	2019	398,484	397,889
• 5.80% fixed rate notes	2019	349,047	348,671
• 4.50% fixed rate notes	2020	430,748	421,278
• 4.875% fixed rate notes	2020	200,279	196,168
• 1.375% fixed rate notes	2020	73,860	72,343
• 4.00% fixed rate notes	2020	72,119	70,637
• 6.00% fixed rate notes	2022	483,030	482,690
• 4.50% fixed rate notes	2021	653,891	–
• 1.427% fixed rate notes	2021	72,830	–
		2,983,926	2,946,507

Obligations under finance leases

Obligations under finance leases amounting to \$19,602,000 (31 December 2015: \$19,219,000) are guaranteed by a subsidiary company.

Obligations under finance leases bear interest ranging from 0.96% to 9.22% (31 December 2015: 0.96% to 9.22%) per annum and are repayable between 1 and 20 years.

Convertible bonds, unsecured

The liability portion of the convertible bonds is as follows:-

Group and Company		
	31 December 2016 \$'000	31 December 2015 \$'000
Current:		
• 6.00% convertible bonds ¹	–	321,166

1. On 2 September 2009, the Company issued 6.00% interest bearing convertible bonds of US\$400,000,000. The bonds will mature in seven years from the issue date and have an initial conversion price of \$3.0853 per share with a fixed exchange rate of \$1.4400 to US\$1.00. On 1 October 2009, the Company increased the issue size of the bonds by an additional US\$100,000,000 bringing the total issue size to US\$500,000,000. On 23 December 2015, the Company redeemed the convertible bonds up to US\$269,500,000 (approximate \$382,286,000) at a premium of 102.50% and the loss on redemption amounting to \$21,797,000 has been recorded in the profit and loss account. As at 31 December 2015, the remaining balance of the bonds has been classified as current as the bonds will mature in September 2016.

The remaining balance of the bonds were redeemed on 22 February 2016 and following such redemption, all of the outstanding bonds have been cancelled as at 31 December 2016.

24. Borrowings continued

Convertible bonds, unsecured continued

The carrying amount of the liability component of the above convertible bonds at the balance sheet date is derived as follows:-

	Group and Company	
	31 December 2016 \$'000	31 December 2015 \$'000
Balance at the beginning of the period	321,166	575,528
Less: Redemption of convertible bonds	(313,626)	(355,971)
Less: Foreign currency translation adjustments	(7,540)	60,323
Add: Accretion of interest	–	41,286
	–	321,166

Other bonds

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Current:				
Outspan Ivoire SA bonds ¹	–	7,634	–	–
Non-current:				
7.50% unsecured senior bonds ²	359,396	352,101	359,396	352,101

1. Outspan Ivoire SA issued unsecured bonds of XOF 13.0 billion with a fixed annual interest rate of 7.00% per annum on the reducing principal. The interest is payable annually on 1 July each year. The principal is payable in four equal instalments of XOF 3.25 billion starting from 1 July 2013 annually. The bond has been fully repaid as at 31 December 2016.
2. On 7 August 2010, the Company issued 7.50% interest bearing unsecured senior bonds of US\$250,000,000 due in 2020. The interest is payable semi-annually. On 9 July 2014, the Company repurchased US\$917,000 of the senior bonds. Upon settlement, the repurchased portion was cancelled and the aggregate outstanding principal amount following such cancellation is US\$249,083,000.

25. Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding (excluding treasury shares) during the year.

Diluted earnings per share is calculated by dividing the adjusted net profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding (excluding treasury shares) during the year adjusted for the effects of dilutive shares and options.

The following reflects the profit and share data used in the basic and diluted earnings per share computations for the financial years ended 31 December:-

	Group	
	31 December 2016 \$'000	31 December 2015, as restated \$'000
Net profit attributable to owners of the Company	351,312	54,193
Less: Accrued capital securities distribution	(33,568)	(24,972)
Adjusted net profit attributable to owners of the Company for basic and dilutive earnings per share	317,744	29,221

	No. of shares	No. of shares
Weighted average number of ordinary shares on issue applicable to basic earnings per share	2,753,842,602	2,504,813,055
Dilutive effect of convertible bonds	6,332,446	–
Dilutive effect of share options	1,035,086	2,493,763
Dilutive effect of performance share plan	23,098,975	5,790,360
Dilutive effect of warrants	66,835,892	91,697,250
Adjusted weighted average number of ordinary shares applicable to diluted earnings per share	2,851,145,001	2,604,794,428

The incremental shares relating to the outstanding convertible bonds have not been included in the calculation of diluted earnings per share as they are anti-dilutive.

There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and the date of these financial statements.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

26. Share capital, treasury shares, perpetual capital securities and warrants

(a) Share capital

	Group and Company			
	31 December 2016		31 December 2015	
	No. of shares	\$'000	No. of shares	\$'000
Ordinary shares issued and fully paid ¹				
Balance at beginning of year	2,825,645,142	3,082,499	2,490,857,869	2,162,642
Issue of shares for cash	–	–	332,727,273	915,000
Issue of shares on exercise of warrants	3,221,695	5,096	–	–
Issue of shares on exercise of share options	170,000	299	2,060,000	4,857
Balance at end of year	2,829,036,837	3,087,894	2,825,645,142	3,082,499

1. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

(b) Treasury shares

	Group and Company			
	31 December 2016		31 December 2015	
	No. of shares	\$'000	No. of shares	\$'000
Ordinary shares issued and fully paid ¹				
Balance at beginning of year	52,196,000	96,081	52,196,000	96,081
Share buyback during the year	48,969,100	94,384	–	–
Balance at end of year	101,165,100	190,465	52,196,000	96,081

During the current financial year, the Company bought back a total of 48,969,100 shares for cash of \$94,384,000.

(c) Perpetual capital securities

On 1 March 2012, the Company issued perpetual capital securities (the 'perpetual securities') with an aggregate principal amount of S\$275,000,000. Issuance costs incurred amounting to \$4,549,000 were recognised in equity as a deduction from proceeds.

Such perpetual securities bear distributions at a rate of 7% per annum, payable semi-annually. Subject to the relevant terms and conditions in the offering circular, the Company may elect to defer making distribution on the perpetual securities, and is not subject to any limits as to the number of times a distribution can be deferred.

As a result, the Company is considered to have no contractual obligations to repay its principal or to pay any distributions, and the perpetual securities do not meet the definition for classification as a financial liability under FRS 32 Financial Instruments: Disclosure and Presentation. The whole instrument is presented within equity, and distributions are treated as dividends.

On 22 January 2014, the Company repurchased S\$39,200,000 of the S\$275,000,000 7% Perpetual Capital Securities issued on 1 March 2012 (the 'Perpetual Bonds'). The repurchase was made by way of on-market purchases. Upon settlement, the repurchased portion was cancelled and the aggregate outstanding principal amount following such cancellation is S\$235,800,000.

Current financial year:

On 20 July 2016, the Company issued subordinated perpetual capital securities (the 'capital securities') with an aggregate principal amount of US\$500,000,000 under the S\$5,000,000,000 EMTN Programme. Issuance costs incurred amounting to \$6,126,000 were recognised in equity as a deduction from proceeds.

The capital securities were priced at par and bear a distribution rate of 5.35% for the first five years. The distribution rate will then be reset at the end of five years from the issue date of the capital securities and each date falling every 5 years thereafter. Additionally, Olam may choose to redeem in whole the capital securities on or after the fifth anniversary of the issuance of the capital securities.

As a result, the Company is considered to have no contractual obligations to repay its principal or to pay any distributions, and the perpetual securities do not meet the definition for classification as a financial liability under FRS 32 Financial Instruments: Disclosure and Presentation. The whole instrument is presented within equity, and distributions are treated as dividends.

26. Share capital, treasury shares, perpetual capital securities and warrants continued

(d) Warrants

On 29 January 2013, 387,365,079 Warrants were listed and quoted on the Official List of the Singapore Exchange Securities Trading Limited. Each Warrant carries the right to subscribe for 1 new ordinary share in the capital of the Company (the 'New Share') at an original exercise price of US\$1.291 for each New Share. These Warrants are exercisable from 29 January 2016 to 29 January 2018. The Warrants have been presented as capital reserves under equity.

In the previous financial year, as a result of the payment of the interim dividend in respect of the financial year ended 31 December 2016, the Company announced the issuance of 9,243,790 additional warrants with the exercise price adjusted to US\$1.16. Further, as a result of the payment of the final dividend in respect of the financial year ended 31 December 2016, the exercise price was adjusted to US\$1.14 with an additional 6,963,394 warrants issued. Consequent to the adjustments and the issuance of additional warrants, the total warrants outstanding were 430,788,918. Taking into consideration the conversion of warrants during the financial year, a total of 428,934,252 warrants remained outstanding as at 31 December 2016.

27. Dividends

	Group and Company	
	31 December 2016 \$'000	31 December 2015 ¹ \$'000
Declared and paid during the financial year ended:-		
Dividends on ordinary shares:		
• One tier tax exempted interim dividend for financial year ended 31 December 2016: \$0.030 (31 December 2015: \$0.025) per share	82,296	61,018
• One tier tax exempted second and final dividend for financial year ended 31 December 2015: \$0.035 (31 December 2014: \$Nil) per share	101,740	–
• One tier tax exempted special silver jubilee dividend for financial year ended 30 June 2014: \$0.025 (30 June 2013: \$Nil) per share	–	62,093
• One tier tax exempted first and final dividend for financial year ended 30 June 2014: \$0.05 (30 June 2013: \$0.04) per share	–	124,186
	184,036	247,297
Proposed but not recognised as a liability as at:-		
Dividends on ordinary shares, subject to shareholders' approval at the Annual General Meeting:		
• One tier tax exempted second and final dividend for financial year ended 31 December 2016: \$0.030 (31 December 2015: \$0.035) per share	81,836	97,071

1. Relates to dividends paid out for the 18 months period from 1 July 2014 to 31 December 2015.

28. Commitments

(a) Operating lease commitments

Operating lease expenses of the Group and Company (principally for land, offices, warehouses, employees' residences and vessels) were \$117,866,000 (31 December 2015: \$173,063,000) and \$37,536,000 (31 December 2015: \$44,732,000), respectively. These leases have an average tenure of between 1.0 and 20.0 years with no renewal option or contingent rent provision included in the contracts. Lease terms do not contain restrictions on the Group's activities concerning dividends, additional debt or further leasing.

Future minimum rental payable under non-cancellable operating leases are as follows:-

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Within one year	98,816	87,998	26,511	21,835
After one year but not more than five years	229,080	202,469	21,477	18,635
More than five years	581,424	536,642	1,398	–
	909,320	827,109	49,386	40,470

(b) Capital commitments

Capital expenditure contracted for as at the balance sheet date but not recognised in the financial statements is as follows:-

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Capital commitments in respect of property, plant and equipment	15,267	18,592	–	–

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

28. Commitments continued

(c) Finance lease commitments

The Group has finance leases for palm and almond plantations, land and buildings. These leases have terms of renewal but no purchase options and escalation clauses. Renewals are at the option of the specific entity that holds the lease.

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:-

	Group			
	31 December 2016 \$'000	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2015 \$'000
	Minimum lease payments	Present value of payments (Note 24)	Minimum lease payments	Present value of payments (Note 24)
Not later than one year	14,812	10,030	15,632	5,936
Later than one year but not later than five years	65,743	40,740	61,425	38,444
Later than five years	132,860	70,961	115,549	63,687
Total minimum lease payments	213,415	121,731	192,606	108,067
Less: Amounts representing finance charges	(91,684)	—	(84,539)	—
Present value of minimum lease payments	121,731	121,731	108,067	108,067

29. Contingent liabilities

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Contingent liabilities not provided for in the accounts: Financial guarantee contracts given on behalf of subsidiary companies ¹	—	—	6,954,277	5,669,519

1. Amounts utilised by subsidiary companies on the bank facilities secured by corporate guarantees amounted to \$1,089,198,008 (31 December 2015: \$1,150,568,538).

The Company has agreed to provide continuing financial support to certain subsidiary companies.

30. Employee benefits expenses

Employee benefits expenses (including executive directors):

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Salaries and employee benefits	571,963	774,145	135,572	249,666
Central Provident Fund contributions and equivalents	31,813	41,835	2,810	4,239
Retrenchment benefits	829	1,764	–	–
Share-based expense	13,282	6,392	5,667	2,582
	617,887	824,136	144,049	256,487

(a) Employee share option scheme

The Olam Employee Share Option Scheme (the 'ESOS') was approved by shareholders at an Extraordinary General Meeting held on 4 January 2005. The ESOS rules were amended on 29 October 2008 at the Extraordinary General Meeting of the Company. Under the amended rules, the directors (including Non-Executive Directors and Independent Directors) and employees of the Group are eligible to participate in the ESOS and all subsequent options issued to the Group's employees and Executive Directors shall have a life of 10 years, instead of 5 years. For Options granted to the Company's Non-Executive Directors and Independent Directors, the Option Period shall be no longer than 5 years.

The shares issued upon the options being exercised carry full dividend and voting rights.

Controlling Shareholders and associates of Controlling Shareholders are not eligible to participate in the ESOS.

All these options have a contractual life of 10 years with no cash settlement alternatives.

The fair value of share options as at the date of grant, is estimated by the Company using the Black Scholes Model, taking into account the terms and conditions upon which the options are granted. The expected life of the option is based on the assumption that the options would be exercised within six months of the vesting date. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

Pursuant to the voluntary conditional cash offer by Breedens International Pte Ltd approval was sought and granted on 8 April 2014 such that all outstanding options which have not been exercised at the expiry of the accelerated exercise period shall not automatically lapse and become null and void but will expire in accordance with their original terms.

The ESOS has expired on 3 January 2015. The terms of the ESOS continue to apply to outstanding options granted under the ESOS. The ESOS rules amended on 29 October 2008 may be read in the Appendix 1 of the Company's circular dated 13 October 2008.

The incremental fair value of outstanding share options as at the date of modification, is estimated by the Company using the Black Scholes Model, taking into account the fair value of the outstanding share options immediately before and after the modification. The range of inputs to the models used to fair value the outstanding share options immediately before and after the modification are shown below:-

Inputs	Before modification	After modification
Dividend yield (%)	–	2.02
Expected volatility (%)	28.00	28.00
Risk-free interest rate (%)	0.16	0.49 – 1.50
Expected life of the option (years)	0.50	1.78 – 5.00
Share price of underlying equity (\$)	2.22	2.22

Details of all the options granted to subscribe for ordinary shares of the Company pursuant to the ESOS which have not fully vested as at 31 December 2016 are as follows:-

Date of issue	No. of share options issued	Vesting period	In annual tranches of
21 July 2009	33,010,000	4 years	0, 0, 25, 75
17 February 2010	15,000,000	3 years	33, 33, 34
23 July 2010	3,425,000	4 years	0, 0, 25, 75
17 December 2010	650,000	4 years	0, 0, 25, 75
14 March 2011	1,295,000	4 years	0, 0, 25, 75
30 December 2011	2,690,000	4 years	0, 0, 25, 75
15 June 2012	16,672,000	4 years	0, 0, 25, 75
	72,742,000		

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

30. Employee benefits expenses continued

(a) Employee share option scheme continued

Movement of share options during the financial year

The following table illustrates the number and weighted average exercise price of, and movements in, share options during the financial year:-

	31 December 2016		31 December 2015	
	Number of share options	Weighted average exercise price \$	Number of share options	Weighted average exercise price \$
Outstanding at the beginning of the year	74,417,000	2.20	79,252,000	2.22
Granted during the year ¹	–	–	–	–
Forfeited during the year	(1,505,000)	2.66	(2,775,000)	2.66
Exercised during the year ²	(170,000)	2.28	(2,060,000)	2.28
Outstanding at the end of the year ³	72,742,000	2.20	74,417,000	2.20
Exercisable at end of year	60,238,000	2.29	61,785,500	2.29

1. There were no new options granted during the year.

2. The weighted average share price when the options were exercised in the current financial year was \$2.28 (31 December 2015: \$2.51).

3. The range of exercise prices for options outstanding at the end of the financial year was \$1.76 to \$3.10 (31 December 2015: \$1.76 to \$3.10). The weighted average remaining contractual life for these options is 4.52 years (31 December 2015: 4.51 years).

(b) Olam Share Plans

Olam Share Grant Plan ('OSGP')

On 30 October 2014, the Company had adopted the new Share Grant Plan ('OSGP'). The OSGP is a share-based incentive plan which involves the award of fully-paid shares, when and after pre-determined performance or service conditions are accomplished. Any performance targets set under the OSGP are intended to be based on longer-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The actual number of shares to be delivered pursuant to the award granted will range from 0% to 192.5% of the base award and is contingent on the achievement of pre-determined targets set out in the three year performance period and other terms and conditions being met.

The details of OSGP are described below:-

Olam Share Grant Plan ('OSGP') – Performance and Restricted Share Awards ('PSA' and 'RSA')

Plan Description	Award of fully-paid ordinary shares of the Company, conditional on performance targets set at the start of a three-year performance period based on stretched long-term corporate objectives	
Performance Conditions	<ul style="list-style-type: none"> Absolute Total Shareholder Return ('TSR') Relative Total Shareholder Return Return on Equity ('ROE') 	
Vesting Condition	Vesting based on meeting stated performance conditions over a three-year performance period	
Payout	0% – 192.5% depending on the achievement of pre-set performance targets over the performance period.	

Fair value of OSGP

The fair value of services received in return for shares awarded is measured by reference to the fair value of shares granted under the OSGP. The estimate of the fair value of the services received is measured based on a Monte Carlo simulation model, which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility of returns. The inputs to the model used for the shares granted are shown below:-

Plan:	RSA and PSA	PSA
Grant date:	15 April 2016	7 April 2015
Dividend yield (%)	2.753	2.87
Expected volatility (%)	22.747	7.82
Risk-free interest rate (%)	1.197	1.33
Expected term (years)	2.72	2.74
Index (for Relative TSR)	FTSE Straits Times Index	FTSE Straits Times Index
Index volatility (%)	14.081	7.82
Correlation with Index (%)	35.4	38.8
Share price at date of grant (\$)	1.720	1.985
Fair value at date of grant (\$)	1.400	1.848

30. Employee benefits expenses continued

(b) Olam Share Plans continued

Olam Share Grant Plan ('OSGP') continued

The number of contingent shares granted but not released for both PSA and RSA awards as at 31 December 2016 was 27,637,500 (31 December 2015: 11,817,500).

Based on the achievement factor, the actual release of the PSA awards could range from zero to maximum of 42,762,913 (31 December 2015: 22,748,688) fully-paid ordinary shares of the Company.

The total amount recognised in profit or loss for share-based transactions with employees can be summarised as follows:-

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Employee share option scheme	–	586	–	207
Olam share grant plan	13,282	5,806	5,667	2,375
	13,282	6,392	5,667	2,582

31. Related party disclosures

An entity or individual is considered a related party of the Group for the purposes of the financial statements if: i) it possesses the ability (directly or indirectly) to control or exercise significant influence over the operating and financial decisions of the Group or vice versa; ii) it is subject to common control or common significant influence.

The following are the significant related party transactions entered into by the Company and Group in the ordinary course of business on terms agreed between the parties:-

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Subsidiary companies:				
• Sales of goods	–	–	3,288,693	3,450,381
• Sales of services, net	–	–	29,125	–
• Purchases	–	–	7,113,429	10,086,559
• Insurance premiums paid	–	–	13,295	16,868
• Commissions paid	–	–	56,074	56,290
• Interest received on loan	–	–	80,824	67,559
• Consultancy fee paid	–	–	30,850	31,554
• Management fee received	–	–	35,049	53,823
• Trademark income	–	–	204,817	–
• Dividend received	–	–	101	–
Jointly controlled entity:				
• Sales of goods	–	24,702	–	24,702
• Management fee received	204	–	–	–
Associate:				
• Sales of goods	31,347	26,525	19,659	26,525
• Purchases	165,859	218,543	165,852	218,543
• Finance income	14,659	26,863	14,659	26,863
• Dividend received	12	–	12	–
• Management fee received	664	–	664	–
• Director Fees received	77	–	77	–
• Miscellaneous income	255	–	255	–
Shareholder related companies:				
• Purchase of motor vehicles and other assets	–	991	–	–
• Sale of goods	58,002	–	48,585	–
• Purchases	1,278	–	485	–
• Others	78	–	–	–

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

32. Compensation of directors and key management personnel

The remuneration of directors and key management personnel during the years is as follows:-

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Directors' fees	1,866	2,501	1,806	2,501
Salaries and employee benefits	19,581	39,561	16,629	34,064
Central Provident Fund contributions and equivalents	448	900	130	178
Share-based expense	2,803	1,100	2,279	884
	24,698	44,062	20,844	37,627
Comprising amounts paid to:-				
Directors of the Company	10,550	23,105	10,490	23,105
Key management personnel	14,148	20,957	10,354	14,522
	24,698	44,062	20,844	37,627

Directors' interests in employee share benefit plans

At the end of the reporting date, the total number of outstanding options/shares that were issued/allocated to the directors and key management personnel under existing employee benefit schemes is given below:-

	31 December 2016 Options/shares	31 December 2015 Options/shares
Employee Share Option Scheme:		
Directors	20,000,000	20,000,000
Key management personnel	16,800,000	19,900,000
Olam Share Grant Plan:		
Directors	2,052,000	650,000
Key management personnel	3,700,000	1,575,000

33. Cash and short-term deposits

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
Cash and bank balances	1,556,636	1,921,773	723,680	1,361,516
Deposits	587,415	221,399	550,992	56,740
	2,144,051	2,143,172	1,274,672	1,418,256

Cash at banks earns interest at floating rates based on daily bank deposit rates ranging from 0.00% to 12.50% (31 December 2015: 0.00% to 15.00%) per annum.

Deposits include short-term and capital guaranteed deposits. Short-term deposits are made for varying periods between 1 and 365 days (31 December 2015: 1 and 365 days) depending on the immediate cash requirements of the Group, and interest earned at floating rates ranging from 0.00% to 9.96% (31 December 2015: 0.10% to 11.00%) per annum.

Deposits amounting to \$1,545,000 (31 December 2015: \$Nil) have been pledged to secure the Group's borrowings as set out in Note 24 to the financial statements.

Deposits include capital guaranteed, non-interest bearing, index-linked structured deposits of \$14,468,000 (31 December 2015: \$28,367,000) with remaining maturity period of three months (31 December 2015: ranging one to two years) and may be withdrawn on demand.

Cash at banks and deposits denominated in currencies other than functional currencies of Group companies are as follows:-

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
United States Dollar	86,235	73,658	—	—
Great Britain Pounds	103,304	374,445	102,285	373,914
Euro	294,709	99,800	290,061	85,003
Australian Dollar	3,625	18,109	3,324	18,107
Swiss Franc	210,833	1,967	210,015	1,967
Japanese Yen	267,271	4,408	267,208	4,368
Singapore Dollar	49,808	9,696	49,806	9,447

33. Cash and short-term deposits continued

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following:-

	Group	
	31 December 2016 \$'000	31 December 2015 \$'000
Cash and bank balances	1,556,636	1,921,773
Deposits	587,415	221,399
Structured deposits	(14,468)	(28,367)
Bank overdrafts (Note 24)	(190,165)	(196,044)
	1,939,418	1,918,761

Bank overdrafts are included in the determination of cash and cash equivalents because they form an integral part of the Group's cash management.

34. Financial risk management policies and objectives

The Group and the Company are exposed to financial risks from its operations and the use of financial instruments. The board of directors and board risk committee reviews and agrees on policies and procedures for the management of these risks, which are executed by the Chief Financial Officer and Head of Risk. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

The Group's principal financial instruments, other than derivative financial instruments and investment in security, comprise bank loans, medium-term notes, term loans from banks, bonds, cash and bank balances, fixed deposits and bank overdrafts. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The Group also enters into derivative transactions, including interest rate swaps, commodity options, swaps and futures contracts and foreign currency forward contracts. The purpose is to manage the commodity price risk, foreign currency risk and interest rate risk arising from the Group's operations and its sources of financing.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

The main risks arising from the Group's financial instruments are commodity price risk, credit risk, foreign currency risk, liquidity risk and interest rate risk. The Board of Directors reviews and agrees on the policies for managing each of these risks and they are summarised below:-

(a) Commodity price risk

Commodities traded by the Group are subject to fluctuations due to a number of factors that result in price risk. The Group purchases and sells various derivative products, primarily exchange traded futures and options with the purpose of managing market exposure to adverse price movements in these commodities. The Group has established policies and exposure limits that restrict the amount of unhedged fixed price physical positions in each commodity.

The Group also enters into commodity derivatives for trading purposes. The Group's trading market risk appetite is determined by the Board of Directors, with detailed exposure limits recommended by the Executive Risk Committee and approved by the Board Risk Committee.

At balance sheet date, if the commodities price index moved by 1.0% with all other variables held constant, the Group's profit net of tax would have changed by \$22,991,000 (31 December 2015: \$13,947,000) arising as a result of fair value on Group's commodity futures, options contracts, physical sales and purchases commitments as well as the inventory held at balance sheet date.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

34. Financial risk management policies and objectives continued

(b) Credit risk

Credit risk is limited to the risk arising from the inability of a customer to make payment when due. It is the Group's policy to provide credit terms only to creditworthy customers. These debts are continually monitored and therefore, the Group does not expect to incur material credit losses.

For computation of impairment losses on financial assets, the Group uses a provision matrix as presented below:-

Balance Sheet	Expected credit loss
Trade receivables (Note 17)	
Loans to jointly-controlled entities and associates (Note 14) and Other current assets – Amount due from jointly-controlled entity, associates and a shareholder related company (Note 21)	A percentage of the financial asset calculated by taking the default rate of the counterparties based on external benchmarks
Amount due from subsidiary companies (Note 16)	
Other current assets – Sundry receivables, Export incentives and subsidies receivable, deposits, staff advances, insurance receivables (Note 21)	

The carrying amounts of trade receivables, other non-current and current assets, margin accounts with brokers, cash and short-term deposits payments, including derivatives with positive fair value represent the Group's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk. Deposits and cash balances are placed with reputable banks.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the operating segment profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the end of the reporting period is as follows:-

	Group		Company	
	31 December 2016 \$'000	31 December 2015 \$'000	31 December 2016 \$'000	31 December 2015 \$'000
By operating segments:				
Edible nuts, spices and vegetable ingredients	253,620	448,650	68,467	367,928
Confectionery and beverage ingredients	556,669	519,179	77,805	28,805
Industrial raw materials	79,105	129,214	47,890	33,889
Food staples and packaged food business	518,460	205,730	190,982	7,928
Commodity financial services	–	9,945	–	7,521
	1,407,854	1,312,718	385,144	446,071

The Group has no significant concentration of credit risk with any single customer.

34. Financial risk management policies and objectives continued

(c) Foreign currency risk

The Group trades its products globally and, as a result, is exposed to movements in foreign currency exchange rates. The primary purpose of the Group's foreign currency hedging activities is to protect against the volatility associated with foreign currency purchases and sales of raw materials and other assets and liabilities created in the normal course of business. The Group primarily utilises foreign currency forward exchange contracts to hedge firm commitments. The Group does not use foreign currency forward exchange contracts for trading purposes.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities. The foreign currencies in which these transactions are denominated are mainly United States Dollar (USD), Great Britain Pounds (GBP), Euro (EUR), Australian Dollar (AUD) and Singapore Dollar (SGD).

The following table demonstrates the sensitivity of the Group's profit net of tax and equity to a reasonably possible change in the USD, GBP, EUR, AUD and SGD exchange rates, with all other variables held constant.

	Group			
	31 December 2016		31 December 2015	
	Profit net of tax \$'000	Equity \$'000	Profit net of tax \$'000	Equity \$'000
	Increase/ (decrease)	Increase/ (decrease)	Increase/ (decrease)	Increase/ (decrease)
USD – strengthened 0.5%	689	–	(351)	–
GBP – strengthened 0.5%	(322)	(2,983)	(4,121)	(12,488)
EUR – strengthened 0.5%	(2,954)	(10,129)	(9,026)	(1,939)
AUD – strengthened 0.5%	(134)	2,609	172	984
SGD – strengthened 0.5%	(6,692)	6,275	(375)	8,113

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For the financial year ended 31 December 2016

34. Financial risk management policies and objectives continued

(d) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations associated with its financial liabilities or due to shortage of funds.

To ensure continuity of funding, the Group primarily uses short-term bank facilities that are transaction-linked and self-liquidating in nature. The Group also has a multicurrency medium-term notes programme, as well as term loans from banks, to fund its ongoing working capital requirement and growth needs.

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the balance sheet date based on contractual undiscounted repayment obligations.

	31 December 2016 \$'000				31 December 2015 \$'000			
	One year or less	One to five years	Over five years	Total	One year or less	One to five years	Over five years	Total
Group								
Financial liabilities:								
Trade payables and accruals (Note 22)	2,201,494	—	—	2,201,494	1,753,711	—	—	1,753,711
Other current liabilities (Note 23)	294,500	—	—	294,500	358,003	—	—	358,003
Borrowings	6,465,152	7,727,079	689,751	14,881,982	5,402,848	6,794,318	661,753	12,858,919
Derivative financial instruments (Note 34f)	987,942	—	—	987,942	540,094	—	—	540,094
Total undiscounted financial liabilities	9,949,088	7,727,079	689,751	18,365,918	8,054,656	6,794,318	661,753	15,510,727
Company								
Financial liabilities:								
Trade payables and accruals (Note 22)	949,283	—	—	949,283	505,829	—	—	505,829
Other current liabilities (Note 23)	40,066	—	—	40,066	37,794	—	—	37,794
Borrowings	4,010,284	6,492,154	508,758	11,011,196	4,030,044	4,850,012	537,858	9,417,914
Derivative financial instruments (Note 34f)	681,162	—	—	681,162	368,303	—	—	368,303
Total undiscounted financial liabilities	5,680,795	6,492,154	508,758	12,681,707	4,941,970	4,850,012	537,858	10,329,840

The table below shows the contractual expiry by maturity of the Group and Company's contingent liabilities and commitments. The maximum amount of the financial guarantee contracts are allocated to the earliest period in which the guarantee could be called.

	31 December 2016 \$'000				31 December 2015 \$'000			
	One year or less	One to five years	Over five years	Total	One year or less	One to five years	Over five years	Total
Group								
Financial guarantees	—	—	—	—	—	—	—	—
Company								
Financial guarantees	1,089,198	—	—	1,089,198	1,150,569	—	—	1,150,569

(e) Interest rate risk

The Company's and the Group's exposure to market risk for changes in interest rates relate primarily to its floating rate loans and borrowings. Interest rate risk is managed on an ongoing basis such as hedging the risk through interest rate derivatives with the primary objective of limiting the extent to which net interest exposure could be affected by adverse movements in interest rates. The details of the interest rates relating to the interest-earning financial assets and interest-bearing financial liabilities are disclosed in various notes to the financial statements.

At the balance sheet date, if interest rates had moved by 25 basis points with all other variables held constant, the Group's profit net of tax would have changed inversely by \$25,393,000 (31 December 2015: \$10,959,000).

34. Financial risk management policies and objectives continued

(f) Derivative financial instruments and hedge accounting

Derivative financial instruments are used to manage the Group's exposure to risks associated with foreign currency and commodity price. Certain derivatives are also used for trading purposes. The Group and Company have master netting arrangements with certain dealers and brokers to settle the net amount due to or from each other.

As at 31 December 2016, the settlement dates on open foreign exchange derivatives and commodity derivatives ranged between 1 and 24 months (31 December 2015: 1 and 24 months).

The Group's and Company's derivative financial instruments that are offset are as follows:-

	Group		Company	
	Fair value		Fair value	
	Assets \$'000	Liabilities \$'000	Assets \$'000	Liabilities \$'000
31 December 2016				
Derivatives held for hedging:				
Foreign exchange contracts	231,380	(195,339)	206,572	(154,642)
Foreign exchange contracts – Cash flow hedge	–	(41,305)	–	(41,305)
Commodity contracts	5,739,831	(4,846,050)	4,840,466	(4,463,259)
Total derivatives held for hedging	5,971,211	(5,082,694)	5,047,038	(4,659,206)
Derivatives held for trading:				
Foreign exchange contracts	6,224	(9,768)	6,224	(9,768)
Commodity contracts	305,170	(251,933)	305,170	(251,934)
Total derivatives held for trading	311,394	(261,701)	311,394	(261,702)
Total derivatives, gross	6,282,605	(5,344,395)	5,358,432	(4,920,908)
Gross amounts offset in the balance sheet	(4,356,454)	4,356,453	(4,239,746)	4,239,746
Net amounts in the balance sheet	1,926,151	(987,942)	1,118,686	(681,162)
31 December 2015				
Derivatives held for hedging:				
Foreign exchange contracts	157,218	(167,600)	133,077	(135,093)
Foreign exchange contracts – Cash flow hedge	27,518	–	27,518	–
Commodity contracts	1,954,385	(1,774,822)	1,637,062	(1,635,538)
Total derivatives held for hedging	2,139,121	(1,942,422)	1,797,657	(1,770,631)
Derivatives held for trading:				
Foreign exchange contracts	2,781	(1,892)	2,781	(1,892)
Commodity contracts	215,039	(168,857)	215,039	(168,857)
Total derivatives held for trading	217,820	(170,749)	217,820	(170,749)
Total derivatives, gross	2,356,941	(2,113,171)	2,015,477	(1,941,380)
Gross amounts offset in the balance sheet	(1,573,077)	1,573,077	(1,573,077)	1,573,077
Net amounts in the balance sheet	783,864	(540,094)	442,400	(368,303)

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

34. Financial risk management policies and objectives continued

(f) Derivative financial instruments and hedge accounting continued

From 1 January 2016, the Group applies hedge accounting in accordance with FRS 109 for certain hedging relationships which qualify for hedge accounting. The effects of applying hedge accounting for expected future sales and purchases on the Group's balance sheet and profit or loss are as follows:-

		Group 31 December 2016	
	Line item in the Balance Sheets where the hedging instrument is reported:	Assets \$'000	Liabilities \$'000
Fair value hedge			
Hedged item:			
Inventories	Inventories	767,870	–
Hedging instruments:			
Commodity contracts	Derivative assets/ (liabilities)	–	(225,817)
Cash flow hedge			
Hedged item:			
Forecasted transactions denominated in foreign currency	Fair value adjustment reserves	76,655	–
Hedging instruments:			
Foreign exchange contracts	Derivative assets/ (liabilities)	–	(41,305)

Fair value hedge

In order to calculate the price exposure for inventories, the Group uses hedging instruments which are based on input and output conversion factors; these conversion factors are also periodically adjusted where required.

For all the commodity derivatives used for hedging purposes, the forecasted transactions are expected to occur within 3 to 24 months. The commodity derivatives held for hedging are used to hedge the commodity price risk related to inventories. The accumulated amount of fair value hedge adjustments included in the carrying amount of the inventories amounts to \$276,553,000 in the current financial year.

Cash flow hedge

For all the foreign exchange and commodity derivatives used for hedging purposes, the forecasted transactions are expected to occur within 24 months (31 December 2015: 24 months). For all cases where the Group applies hedge accounting, the fair value of the derivative recorded in the fair value adjustment reserves will be recycled through the profit and loss account upon occurrence of the forecasted transactions and this amounts to \$54,111,000 for the current financial year. The net hedging loss recognised in the 'Other Comprehensive Income' in relation to such transactions amounts to \$41,305,000 in the current financial year.

Cash flow hedges of expected transactions that were assessed to be highly effective have resulted in a net fair value loss of \$277,999,000 for both the Group and Company as at 31 December 2016 (31 December 2015: loss of \$107,931,000). There was no hedge ineffectiveness recorded in Profit and Loss during the current financial year.

35. Fair values of assets and liabilities

(a) Fair value hierarchy

The Group classifies fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

(b) Fair value of assets and liabilities that are carried at fair value

The following table shows an analysis of assets and liabilities carried at fair value by level of fair value hierarchy:-

Group 31 December 2016				
	Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant other observable inputs (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000	Total \$'000
Recurring fair value measurements				
Financial assets:				
Long-term investment (Note 15)	136,321	–	12,171	148,492
Derivatives financial instruments				
• Foreign exchange contracts	–	237,604	–	237,604
• Commodity contracts	492,907	1,073,034	122,606	1,688,547
	629,228	1,310,638	134,777	2,074,643
Financial liabilities:				
Derivatives financial instruments				
• Foreign exchange contracts	–	205,108	–	205,108
• Foreign exchange contracts – Cash flow hedge	–	41,305	–	41,305
• Commodity contracts	129,122	599,632	12,775	741,529
	129,122	846,045	12,775	987,942
Non-financial assets:				
Biological assets (Note 12)	–	–	450,565	450,565
Inventories (Note 19)	–	4,550,262	815,573	5,365,835
	–	4,550,262	1,266,138	5,816,400
Group 31 December 2015				
	Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant other observable inputs (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000	Total \$'000
Recurring fair value measurements				
Financial assets:				
Long-term investment (Note 15)	257,146	–	12,061	269,207
Derivatives financial instruments				
• Foreign exchange contracts	–	159,999	–	159,999
• Foreign exchange contracts – Cash flow hedge	–	27,518	–	27,518
• Commodity contracts	122,272	421,666	52,409	596,347
	379,418	609,183	64,470	1,053,071
Financial liabilities:				
Derivatives financial instruments				
• Foreign exchange contracts	–	(169,491)	–	(169,491)
• Commodity contracts	(197,563)	(171,987)	(1,053)	(370,603)
	(197,563)	(341,478)	(1,053)	(540,094)
Non-financial assets:				
Biological assets, as restated (Note 12)	–	–	336,142	336,142
Inventories (Note 19)	–	4,307,608	336,493	4,644,101
	–	4,307,608	672,635	4,980,243

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35. Fair values of assets and liabilities continued

(b) Fair value of assets and liabilities that are carried fair value continued

Determination of fair value

Long-term investments relate to two investments, of which one is based on quoted closing prices at the balance sheet date; and the other being unquoted, is determined based on valuations using discounted cash flows of the underlying asset.

Foreign exchange contracts and interest rate swaps are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate curves.

Commodity contracts and inventories are valued based on the following:-

- Level 1 – Based on quoted closing prices at the balance sheet date;
- Level 2 – Valued using valuation techniques with market observable inputs. The models incorporate various inputs including the broker quotes for similar transactions, credit quality of counter-parties, foreign exchange spot and forward rates, interest rate curves and forward rate curves of the underlying commodities; and
- Level 3 – Valued using inputs that are not based on observable inputs such as historical transacted prices and estimates.

The fair value of biological assets (fruits on trees, annual crops and livestock) has been determined through various methods and assumptions. Please refer to Note 12 for more details.

(c) Level 3 fair value measurements

(i) Information about significant unobservable inputs used in Level 3 fair value measurements

The significant unobservable inputs used in the valuation of biological assets are disclosed in Note 12.

The following table shows the information about fair value measurements of other assets and liabilities using significant unobservable inputs (Level 3):-

Recurring fair value measurements	Valuation techniques	Unobservable inputs	Percentage
Financial assets/ liabilities:			
Long-term investment – unquoted	Discounted cash flow	Discount rate	14.6% (31 December 2015: 14.6%)
Commodity contracts	Comparable market approach	Premium on quality per metric tonne	0% to 17% (31 December 2015: 0% to 28%)
Commodity contracts	Comparable market approach	Discount on quality per metric tonne	0% to 21% (31 December 2015: 0% to 25%)
Non-financial assets:			
Inventories	Comparable market approach	Premium on quality per metric tonne	0% to 20% (31 December 2015: 0% to 29%)
Inventories	Comparable market approach	Discount on quality per metric tonne	0% to 20% (31 December 2015: 0% to 35%)

Impact of changes to key assumptions on fair value of Level 3 financial instruments

The following table shows the impact on the Level 3 fair value measurement of assets and liabilities that are sensitive to changes in unobservable inputs that reflect reasonably possible alternative assumptions. The positive and negative effects are approximately the same.

	31 December 2016		
	Effect of reasonably possible alternative assumptions		
	Carrying amount \$'000	Profit/(loss) \$'000	Other comprehensive income \$'000
Recurring fair value measurements			
Financial assets:			
Long-term investment – unquoted	12,171	–	61
Commodity contracts	122,606	6,666	–
Financial liabilities:			
Commodity contracts	(12,775)	612	–
Non-financial assets:			
Biological assets – increased by 0.5%	450,565	(1,853)	–
Biological assets – decreased by 0.5%	450,565	1,864	–
Inventories	815,573	7,801	–

35. Fair values of assets and liabilities continued

(c) Level 3 fair value measurements continued

(i) Information about significant unobservable inputs used in Level 3 fair value measurements continued

Impact of changes to key assumptions on fair value of Level 3 financial instruments continued

31 December 2015			
		Effect of reasonably possible alternative assumptions	
	Carrying amount \$'000	Profit/(loss) \$'000	Other comprehensive income \$'000
Recurring fair value measurements			
Financial assets:			
Long-term investment – unquoted	12,061	–	60
Commodity contracts	52,409	(1,823)	–
Financial liabilities:			
Commodity contracts	(1,053)	(184)	–
Non-financial assets:			
Biological assets, as restated – increased by 0.5%	336,142	(803)	–
Biological assets, as restated – decreased by 0.5%	336,142	796	–
Inventories	336,493	3,193	–

In order to determine the effect of the above reasonably possible alternative assumptions, the Group adjusted the following key unobservable inputs used in the fair value measurement:

- For certain commodity contracts and inventories, the Group adjusted the market prices of the valuation model by 1%.
- For long-term investment (unquoted), the Group adjusted the assumptions to the model inputs of the valuation model by 0.5%.
- For biological assets, the Group adjusted the estimated discount rate applied to discounted cash flow model by 0.5%.

(ii) Movements in Level 3 assets and liabilities measured at fair value

The following table presents the reconciliation for all assets and liabilities measured at fair value, except for biological assets (Note 12), based on significant unobservable inputs (Level 3):-

	Commodity contracts – assets \$'000	Commodity contracts – liabilities \$'000	Long-term investment – unquoted (Note 15) \$'000	Inventories \$'000
At 1 July 2014	26,216	(3,475)	13,709	14,787
Total gain/(loss) recognised in the profit and loss account				
• Net gain on fair value changes	26,193	2,422	–	51,314
• Purchases and sales, net	–	–	–	270,392
• Foreign currency translation adjustments	–	–	(1,648)	–
At 31 December 2015 and 1 January 2016	52,409	(1,053)	12,061	336,493
Total gain/(loss) recognised in the profit and loss account				
• Net gain/(loss) on fair value changes	70,197	(11,722)	–	53,154
• Purchases and sales, net	–	–	–	425,926
• Foreign currency translation adjustments	–	–	110	–
At 31 December 2016	122,606	(12,775)	12,171	815,573

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35. Fair values of assets and liabilities continued

(d) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

- (i) Cash and short-term deposits, trade receivables, advance payments to suppliers and subsidiary companies, other current assets, margin accounts with brokers, amounts due from subsidiary companies, trade payables and accruals, other current liabilities and bank overdrafts.

The fair values of these financial instruments approximate their carrying amounts at the balance sheet date because of their short-term maturity.

- (ii) Bank loans, term loans from banks and other bonds (current)

The carrying amount of the bank loans, term loans from banks and other bonds (current) are an approximation of fair values as they are subjected to frequent repricing (floating rates) and/ or because of their short-term maturity.

(e) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

- (i) Loans to subsidiary companies, loans to jointly controlled entities and loan to associate

Loans to subsidiary companies, loans to jointly controlled entities and loan to associate have no fixed terms of repayment and are repayable only when the cash flow of the entities permits. Accordingly, the fair value of these amounts is not determinable as the timing of the future cash flow arising from these balances cannot be estimated reliably.

- (ii) Other non-current assets – investment in dairy co-operative

The Group's investment in a dairy co-operative has been carried at cost because fair value cannot be measured reliably as the dairy co-operative is not listed and does not have any comparable industry peer that is listed. In addition, the variability in the range of reasonable fair value estimates derived from valuation techniques is significant. The Group does not intend to dispose of this investment in the foreseeable future.

- (iii) Convertible bonds, medium-term notes and other bonds

The fair value of financial assets and liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value are as follows:-

	Group		Company	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
31 December 2016				
Financial liabilities:				
Medium-term notes	3,703,585	3,700,546	3,703,585	3,700,546
Other bonds	359,396	390,468	359,396	390,468
31 December 2015				
Financial liabilities:				
Convertible bonds	321,166	334,321	321,166	334,321
Medium-term notes	2,946,507	2,986,593	2,946,507	2,986,593
Other bonds	352,101	390,741	352,101	390,741

The fair value of medium-term notes and all bonds is determined directly by reference to their published market bid price at the end of the respective financial years (Level 1).

36. Capital management

The Group manages the capital structure by a balanced mix of debt and equity. Necessary adjustments are made in the capital structure considering the factors vis-a-vis the changes in the general economic conditions, available options of financing and the impact of the same on the liquidity position. Higher leverage is used for funding more liquid working capital needs and conservative leverage is used for long-term capital investments. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2016 and 31 December 2015.

The Group calculates the level of debt capital required to finance the working capital requirements using traditional and modified financial metrics including leverage/gearing ratios and asset turnover ratios.

As of balance sheet date, leverage ratios are as follows:-

		Group	
	31 December 2016	31 December 2015 (As restated)	31 December 2015
Gross debt to equity:			
• Before fair value adjustment reserve	2.36 times	2.37 times	2.35 times
Net debt to equity:			
• Before fair value adjustment reserve	1.99 times	1.96 times	1.94 times

The Group assesses the level of debt capital used to finance capital investment in respect of the projected risk and returns of these investments using a number of traditional and modified investment and analytical models including discounted cash flows. It also assesses the use of debt capital to fund such investments relative to the impact on the Group's overall debt capital position and capital structure.

In order to manage its capital structure, the Group may issue debt of either a fixed or floating nature, arrange credit facilities, issue medium-term notes, issue new shares or convertible bonds and adjust dividend payments.

37. Classification of financial assets and liabilities

Group	Amortised cost \$'000	Fair value through Other Comprehensive Income \$'000	Fair value through Profit or Loss \$'000
31 December 2016			
Financial assets:			
Loans to jointly controlled entities (Note 14(a))	124,256	—	—
Loan to associate (Note 14(b))	258,794	—	—
Long-term investments (Note 15)	—	136,321	12,171
Trade receivables (Note 17)	1,656,457	—	—
Margin accounts with brokers (Note 18)	164,958	—	—
Other current assets (Note 21)	565,610	—	4,478
Cash and short-term deposits (Note 33)	2,129,583	—	14,468
Derivative financial instruments (Note 34f)	—	—	1,926,151
Other non-current assets (Note 21)	18,422	—	11,978
	4,918,080	136,321	1,969,246
Financial liabilities:			
Trade payables and accruals (Note 22)	2,201,494	—	—
Other current liabilities (Note 23)	375,855	—	—
Borrowings (Note 24)	13,670,588	—	—
Derivative financial instruments (Note 34f)	—	41,305	946,637
	16,247,937	41,305	946,637

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

37. Classification of financial assets and liabilities continued

Company	Amortised cost \$'000	Fair value through Other Comprehensive Income \$'000	Fair value through Profit or Loss \$'000
31 December 2016			
Financial assets:			
Loans to jointly controlled entities (Note 14(a))	124,256	–	–
Loan to associate (Note 14(b))	256,683	–	–
Long-term investments (Note 15)	–	136,321	–
Amounts due from subsidiary companies (Note 16)	3,583,148	–	–
Trade receivables (Note 17)	385,620	–	–
Margin accounts with brokers (Note 18)	153,544	–	–
Other current assets (Note 21)	34,740	–	–
Cash and short-term deposits (Note 33)	1,260,204	–	14,468
Derivative financial instruments (Note 34f)	–	–	1,118,686
	5,798,195	136,321	1,133,154
Financial liabilities:			
Trade payables and accruals (Note 22)	949,283	–	–
Other current liabilities (Note 23)	115,176	–	–
Borrowings (Note 24)	10,067,968	–	–
Derivative financial instruments (Note 34f)	–	41,305	639,857
	11,132,427	41,305	639,857

38. Segmental information

The Group's businesses are organised and managed as five broad segments grouped in relation to different types and nature of products traded. The Group's supply chain activities of sourcing, processing and merchandising span across a broad range of agricultural products.

The segmentation of products has been done in the following manner:-

- Edible Nuts, Spices and Vegetable Ingredients – Edible Nuts (cashew, peanuts, almonds, hazelnuts, pistachios, walnuts, sesame and beans including pulses, lentils and peas), spices and vegetable ingredients (including pepper, onion, garlic, capsicums and tomato).
- Confectionery and Beverage Ingredients – cocoa and coffee.
- Industrial Raw Materials, Ag Logistics and Infrastructure – cotton, wood products, rubber, fertiliser and Gabon Special Economic Zone (GSEZ including ports and infrastructure).
- Food Staples and Packaged Foods – rice, sugar and sweeteners, grains and animal feed, edible oils, dairy and packaged foods.
- Commodity Financial Services – risk management solutions, market-making, volatility and asset management, and trade and structured finance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate cash, fixed deposits, other receivables and corporate liabilities such as taxation, amounts due to bankers and medium-term notes. Assets which are unallocated are common and shared by segments and thus it is not practical to allocate them.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The measure used by management to evaluate segment performance is different from the operating profit or loss in the consolidated financial statements, as explained in the table in Note 38(a).

Group financing (including finance cost), which is managed on group basis, and income tax which is evaluated on group basis are not allocated to operating segments.

The turnover by geographical segments is based on the location of customers regardless of where the goods are produced. The assets and capital expenditure are attributed to the location of those assets.

38. Segmental information continued

(a) Business segments

	Edible nuts, spices and vegetable ingredients		Confectionery and beverage ingredients		Industrial raw Materials, Ag Logistics and Infrastructure		Food staples and packaged foods		Commodity financial services		Consolidated	
	31 December 2016 \$'000	31 December 2015 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 (As restated) \$'000
Segment revenue :												
Sales to external customers	3,981,093	6,073,053	7,710,976	9,569,240	2,784,204	3,902,286	6,110,759	8,686,007	—	—	20,587,032	28,230,586
Segment result (EBITDA)	331,790	566,942	407,288	428,247	135,182	255,382	330,230	351,228	(1,608)	8,430	1,202,882	1,610,229
Depreciation and amortisation	(134,707)	(158,630)	(97,192)	(66,332)	(24,271)	(34,362)	(96,996)	(127,282)	(315)	(452)	(353,481)	(387,058)
Finance costs	—	—	—	—	—	—	—	—	—	—	(446,248)	(835,733)
Finance income	—	—	—	—	—	—	—	—	—	—	30,248	49,992
Exceptional items ¹	—	(4,855)	—	(34,122)	—	(4,409)	—	(216,295)	—	—	—	(259,681)
Profit before taxation											433,401	177,749
Taxation expense											(94,314)	(125,808)
Profit for the financial year											339,087	51,941
Segment assets	4,185,983	4,058,249	7,212,619	6,932,779	2,794,927	2,350,998	5,642,221	3,604,061	260,835	88,156	20,096,585	17,034,243
Unallocated assets ²											3,372,299	3,820,650
											23,468,884	20,854,893
Segment liabilities	543,317	595,293	1,103,141	1,133,569	349,162	223,629	1,120,138	373,503	107,053	5,605	3,222,811	2,331,599
Unallocated liabilities ³											14,611,769	13,203,638
											17,834,580	15,535,237
Other segmental information:												
Share of results from jointly-controlled entities and associates	—	—	(232)	95	6,772	5,430	15,620	(3,240)	—	—	22,160	2,285
Investments in jointly-controlled entities and associates	1,245	—	2,726	1,275	495,865	587,369	390,002	310,251	—	—	889,838	898,895
Capital expenditure	139,153	136,080	132,139	105,309	129,561	84,971	350,480	238,899	460	685	751,793	565,944

(b) Geographical segments

	Asia, Middle East and Australia		Africa		Europe		Americas		Eliminations		Consolidated	
	31 December 2016 \$'000	31 December 2015 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 (As restated) \$'000	31 December 2016 \$'000	31 December 2015 (As restated) \$'000
Segment revenue:												
Sales to external customers	6,823,304	10,682,446	3,646,339	4,088,419	5,466,757	7,616,115	4,650,632	5,843,606	—	—	20,587,032	28,230,586
Intersegment sales	6,279,030	6,076,699	2,932,461	3,197,365	2,628,457	1,791,671	2,645,897	3,744,856	(14,485,845)	(14,810,591)	—	—
	13,102,334	16,759,145	6,578,800	7,285,784	8,095,214	9,407,786	7,296,529	9,588,462	(14,485,845)	(14,810,591)	20,587,032	28,230,586
Non-current assets ⁴	5,677,185	3,395,716	809,494	1,887,223	891,059	760,019	917,938	1,390,794	—	—	8,295,676	7,433,752

(c) Information on major customers

The Group has no single customer accounting for more than 10% of the turnover.

Notes to the Financial Statements continued

For the financial year ended 31 December 2016

38. Segmental information continued

- 1 Exceptional items included the following items of income/ (expenses):-

	Group	
	31 December 2016 \$'000	31 December 2015 \$'000
Loss on bond buy-back – fair value component	-	(18,591)
Sale-and-leaseback of palm plantations assets, Gabon	-	33,634
Sale-and-leaseback of dairy farm land, Uruguay	-	23,429
Sale of dairy processing plant, Ivory Coast	-	14,792
Fair valuation of investment in PureCircle Limited	-	(192,612)
Dairy restructuring costs, Uruguay	-	(76,946)
ADM Cocoa acquisition expenses	-	(34,123)
Sale of wool business, Australia	-	(2,739)
Closure of spices, vegetables ingredients dehydrates facility, USA	-	(4,855)
Impairment of cotton gins, USA	-	(1,670)
	-	(259,681)

Finance costs of \$446,248,000 includes an exceptional item amounting to \$12,504,000 in relation to the buy-back of the convertible bond in the current financial year (Note 24).

- 2 The following unallocated assets items are added to segment assets to arrive at total assets reported in the consolidated balance sheet:-

	Group	
	31 December 2016 \$'000	31 December 2015 \$'000
Cash and bank balances	1,556,636	1,921,773
Fixed deposits	587,415	221,399
Other current/non-current assets	984,021	1,346,052
Long-term investments	148,492	269,207
Deferred tax assets	95,735	62,219
	3,372,299	3,820,650

- 3 The following unallocated liabilities items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:-

	Group	
	31 December 2016 \$'000	31 December 2015 (As restated) \$'000
Borrowings	13,670,588	12,293,915
Deferred tax liabilities	505,876	420,782
Other liabilities	350,356	406,911
Provision for taxation	84,949	82,030
	14,611,769	13,203,638

- 4 Non-current assets mainly relate to property, plant and equipment, intangible assets, biological assets, investments in jointly controlled entities and associates and long-term investments.

39. Events occurring after the reporting period

- (a) On 8 February 2017, the Company announced its intention to repurchase up to S\$235,800,000 in aggregate principal amount of the S\$275,000,000 7 per cent. perpetual capital securities issued in 2012 for cash in the open market at 100% of the principal amount, together with distributions accrued to (but not excluding) the settlement date.
- (b) On 2 March 2017, the Company announced that it will be issuing US\$300,000,000 4.375 per cent. fix rate senior unsecured notes due 2023 (the 'Notes') at an issue price of 99.37 per cent. of the principal amount of the Notes under the US\$5,000,000,000 Euro Medium Term Note Programme. The Notes will bear interest at a fixed rate of 4.375 per cent. per annum payable semi-annually in arrears save for an additional interest payment on 9 July 2017. Proceeds from the issue of the Notes will be used by the Group and the Company for working capital purposes and general corporate purposes.

ISSUERS

COMPANY

Olam International Limited
9 Temasek Boulevard
#11-02 Suntec Tower Two
Singapore 038989

TREASURY CENTER

Olam Treasury Pte. Ltd.
7 Straits View
#20-01 Marina One East Tower
Singapore 018936

GUARANTOR

Olam International Limited
9 Temasek Boulevard
#11-02 Suntec Tower Two
Singapore 038989

ISSUING AND PAYING AGENT AND TRANSFER AGENT IN RESPECT OF REGISTERED NOTES OTHER THAN CMU NOTES AND CDP NOTES

TRUSTEE

The Bank of New York Mellon, London Branch
40th Floor
One Canada Square
London E14 5AL
United Kingdom

The Bank of New York Mellon, London Branch
40th Floor
One Canada Square
London E14 5AL
United Kingdom

REGISTRAR IN RESPECT OF NOTES OTHER THAN CMU NOTES AND CDP NOTES

**The Bank of New York Mellon,
Luxembourg Branch SA/NV**
Vertigo Building – Polaris
2-4 rue Eugene Ruppert
L-2453
Luxembourg

CMU LODGING AND PAYING AGENT, REGISTRAR AND TRANSFER AGENT IN RESPECT OF CMU NOTES

**The Bank of New York Mellon,
Hong Kong Branch**
Level 24, Three Pacific Place,
Queen's Road East
Hong Kong

CDP PAYING AGENT, REGISTRAR AND TRANSFER AGENT IN RESPECT OF CDP NOTES

The Bank of New York Mellon, Singapore Branch
One Temasek Avenue
#03-01 Millenia Tower
Singapore 039192

ARRANGERS

DBS Bank Ltd.
12 Marina Boulevard,
Level 42
DBS Asia Central
Marina Bay
Financial Centre
Tower 3
Singapore 018982

**The Hongkong and Shanghai
Banking Corporation Limited,
Singapore Branch**
21 Collyer Quay #10-01
HSBC Building
Singapore 049320

Standard Chartered Bank
Marina Bay Financial Centre
(Tower 1)
8 Marina Boulevard
Level 20
Singapore 018981

**Standard Chartered Bank
(Singapore) Limited**
Marina Bay Financial Centre
(Tower 1)
8 Marina Boulevard
Level 20
Singapore 018981

DEALERS

**Australia and New
Zealand Banking
Group Limited**
10 Collyer Quay
#22-00 Ocean Financial
Centre
Singapore 049315

DBS Bank Ltd.
12 Marina Boulevard,
Level 42
DBS Asia Central
Marina Bay Financial Centre
Tower 3
Singapore 018982

**The Hongkong and
Shanghai Banking
Corporation Limited,
Singapore Branch**
21 Collyer Quay #10-01
HSBC Building
Singapore 049320

Standard Chartered Bank
Marina Bay
Financial Centre
(Tower 1)
8 Marina Boulevard,
Level 20
Singapore 018981

**Standard Chartered Bank
(Singapore) Limited**
Marina Bay Financial Centre
(Tower 1)
8 Marina Boulevard
Level 20
Singapore 018981

AUDITORS TO THE COMPANY

Ernst & Young LLP
Level 18 North Tower One Raffles Quay
Singapore 048583

LEGAL ADVISERS

*To the Arrangers and Dealers in respect of
English law*

Clifford Chance Singapore Pte Ltd
12 Marina Boulevard, 25th Floor
Marina Bay Financial Centre Tower 3
Singapore 018982

*To the Issuers and the Guarantor in respect of
Singapore law*

WongPartnership LLP
12 Marina Boulevard Level 28
Marina Bay Financial Centre Tower 3
Singapore 018982

