



Management Discussion and Analysis

August 12, 2022

Group Results for Half-Year ended June 30, 2022



Cocoa
Indon
Olam

MANAGEMENT DISCUSSION AND ANALYSIS

Results for the Half-Year ended June 30, 2022 (“H1 2022”)

Contents

Re-organisation of Olam Group: Progress Update.....	3
H1 2022 Key Highlights	5
Financial Highlights	5
Strategic Investments and Divestments	6
Business Prospects and Outlook	7
Summary of Financial and Operating Results	9
Profit and Loss Analysis.....	9
Balance Sheet Analysis	13
Debt, Liquidity and Gearing.....	14
Cash Flow Analysis.....	16
Segmental Review and Analysis.....	17
Overview of Operating Groups: ofi, Olam Agri and Remaining Olam Group	18
ofi: Operating Group Level Highlights	19
Olam Agri: Operating Group Level Highlights	22
Remaining Olam Group: Operating Group Level Highlights	26
Annexures	28
Annex 1: SGXNET Financial Statements and MD&A Reconciliation	28
Annex 2: Olam Group Segmentals and Consolidated Financials (2019-H1 2022).....	29
Annex 3: Description of Operating Groups	32
Annex 4: Key Definitions	33

This **Management Discussion and Analysis (MD&A)** should be read and understood only in conjunction with the full text of “Olam Group Limited’s Financial Statements for the Half-Year ended June 30, 2022” lodged on SGXNET on August 12, 2022.

www.olamgroup.com/investors.html

ir@olamnet.com

Re-organisation of Olam Group: Progress Update

In January 2020, Olam had announced a transformational Re-organisation Plan to re-organise its diverse business portfolio into three distinct operating groups that are Purpose-led and future ready in order to maximise Olam's long-term value on a sustained basis. During H1 2022, the Group continued to make significant progress in executing the Plan.

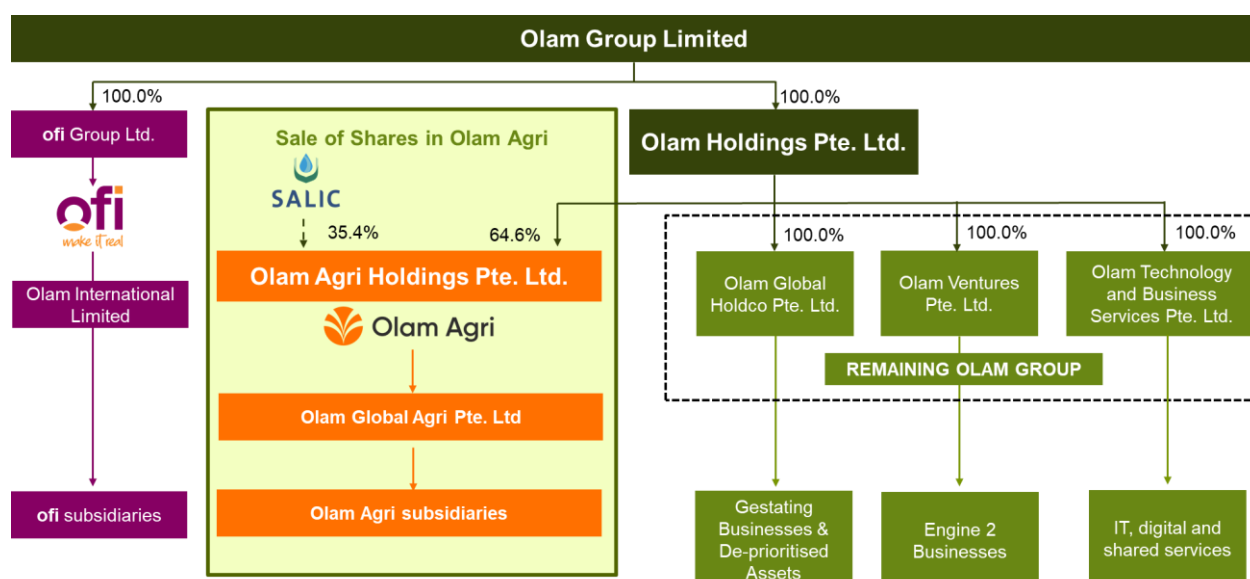
On January 1, 2022, the Group substantially completed the carve-out and separation of its businesses into the three operating groups – **ofi** (olam food ingredients), Olam Agri and the Remaining Olam Group, which comprises Olam Global Holdco ("OGH"), Olam Ventures and Olam Technology and Business Services ("OTBS").

On February 18, 2022, the Company's shareholders approved the proposed restructuring of the Group by way of a Scheme of Arrangement ("the Scheme") as well as the proposed listing of **ofi** Group Ltd, the company incorporated to hold the **ofi** business, and the proposed demerger of **ofi** from the Group.

On March 15, 2022, the Scheme became effective with Olam Group Limited as new parent company holding 100.0% each of **ofi** Group Ltd, Olam Agri Holdings, Olam Global Holdco, Olam Ventures and OTBS. Shares of Olam Group Limited was listed on the Mainboard of the SGX-ST on March 16, 2022 with Olam International Limited delisted at the same time.

On March 24, 2022, the Group announced that in light of the market conditions as a result of the ongoing Russia-Ukraine war, the IPO of **ofi** was therefore not expected to take place in Q2 2022 as previously planned. Notwithstanding this development, the Group remains prepared and committed to pursuing the **ofi** listing on the premium segment of the London Stock Exchange, with a concurrent listing in Singapore. The timing of such a listing and simultaneous demerger from the Group will be dependent on market conditions.

On March 25, 2022, the Group announced a strategic partnership for Olam Agri with Saudi Agricultural and Livestock Investment Company ("SALIC") with the sale of a substantial minority stake of 35.4% in Olam Agri for US\$1.24 billion (approximately S\$1.72 billion), valuing Olam Agri at an equity valuation of US\$3.5 billion. On completion of the transaction, Olam Agri Holdings will hold the remaining 64.6% of Olam Agri. (See new Group structure assuming this transaction is completed.)



SALIC is a wholly-owned subsidiary of the Public Investment Fund, the sovereign wealth fund of the Kingdom of Saudi Arabia, which ranks among one of the largest sovereign wealth funds globally. This transaction delivers four outcomes: (i) Illuminate and unlock value in Olam Agri, (ii) Crystallise a benchmark valuation and create a strong shareholder base ahead of a potential future IPO and demerger of Olam Agri; (iii) Right-size Olam Group's capital structure and reduce its leverage and (iv) Capitalise on partnership synergies to support growth including access to new markets.

On June 20, 2022, shareholders of the Company approved the proposed sale as well as the potential additional sale of shares in Olam Agri of up to 10.0%. To date, no definitive agreements have yet been entered into in relation to the potential additional sale.

The Group will also look to prepare Olam Agri for an IPO and demerger based on market conditions.

2021 Key Highlights

Financial Highlights

Consolidated Olam Group

S\$ million	H1 2022	H1 2021	% Change
Volume ('000 MT)	22,490.0	22,367.4	0.5
Revenue [^]	28,445.1	22,833.4	24.6
EBITDA [^]	1,148.0	935.5	22.7
EBIT [^]	802.1	641.6	25.0
PAT	394.4	382.7	3.1
PATMI	429.1	421.5	1.8
Operational PATMI[^]	472.5	436.6	8.2

[^]Excluding exceptional items

Performance by Operating Group¹

S\$ million	Sales Volume ('000 MT)			EBIT (S\$ million)		
	H1 2022	H1 2021 Restated	% Change	H1 2022	H1 2021 Restated	% Change
Olam Group	22,490.0	22,367.4	0.5%	802.1	641.6	25.0%
- ofi	1,796.6	1,741.8	3.1%	265.0	300.5	-11.8%
- Olam Agri	20,206.6	20,106.7	0.5%	608.8	407.5	49.4%
- Remaining Olam Group	486.9	518.9	-6.2%	(71.8)	(66.4)	8.1%

- Olam Group's reported net profit or **Group Profit After Tax and Minority Interests (PATMI)** increased marginally by 1.8% to **S\$429.1 million** (H1 2021: S\$421.5 million) as strong operating profit growth was partly offset by higher net finance costs, taxes and one-off exceptional losses in H1 2022 compared with the prior first-half.
- Excluding the non-recurring items, underlying net profit or **Operational Profit After Tax and Minority Interests** grew by 8.2% to **S\$472.5 million** (H1 2021: S\$436.6 million).

¹ Post H1 2021, certain businesses were transferred between operating groups. The Coffee plantation business was transferred from OGH to **ofi** (as part of Global Sourcing) and **ofi**'s Russian operations (primarily comprising the Rusmolco dairy farming operations, also a part of Global Sourcing) were transferred from **ofi** to OGH. The results for **ofi** and Remaining Olam Group for H1 2022 and H1 2021 are presented after incorporating these changes and for 2019-2021 on a retrospective basis (See Annexure 2).

- **H1 2022 recorded net exceptional losses of S\$43.4 million**, which comprised mainly the share-based expenses arising from the accelerated vesting of the employee performance share awards due to the completion of the Scheme process and costs related to the Re-organisation.
- **Group Sales Volume grew by a slower rate of 0.5% to 22.5 million metric tonnes (MT)** in H1 2022 as the recovery in demand post the pandemic slowed down in response to the Russia-Ukraine crisis and hard lockdowns in China. Both **ofi** and Olam Agri contributed to the increase in volumes.
- **Group Earnings Before Interest and Tax (EBIT) rose by a healthy 25.0% to S\$802.1 million**. Olam Agri achieved a strong EBIT growth of 49.4% to S\$608.8 million (H1 2021: S\$407.5 million) with increased contributions from all its segments. **ofi** reported lower EBIT of S\$265.0 million (H1 2021: S\$300.5 million) against a very strong comparative prior period, impacted by increased depreciation and amortisation from new investments and inflationary pressures, especially the sudden surge in energy costs. Remaining Olam Group's losses stood at S\$71.8 million (H1 2021: -\$66.4 million).
- The Group generated strong free cash flows in H1 2022 with **Free Cash Flow to Firm (FCFF) and Free Cash Flow to Equity (FCFE) swinging back to positive at S\$719.7 million (H1 2021: -\$206.0 million) and S\$465.7 million (H1 2021: -\$398.3 million)** respectively on a strong EBITDA growth and a much lower capital expenditure (Capex) during H1 2022.
- Compared to a year ago (June 30, 2021: 1.60 times), **net gearing as at June 30, 2022 increased to 1.73 times** with adjusted gearing net of readily marketable inventories (RMI) and secured receivables at 0.66 times (June 30, 2021: 0.56 times). This was marginally higher than the nominal 1.72 times but lower than the adjusted level of 0.75 times recorded at December 31, 2021.
- The Board of Directors has declared an **interim dividend of 4.0 cents** per share for H1 2022 (H1 2021: 4.0 cents).

Strategic Investments and Divestments

Investments

- **ofi** completed the acquisition of Club Coffee L.P. ("Club Coffee"), one of Canada's largest roasters and packaging solutions providers to the 'At Home' segment, serving private label customers and retail brands. **ofi** acquired Club Coffee at an enterprise value of CA\$150 million, subject to post-closing adjustments. The acquisition is aligned with **ofi**'s growth strategy in which the private label and co-manufactured channel is an attractive, high value and growing part of its portfolio.
- **ofi** completed the acquisition of Märsch Importhandels GmbH ("Märsch"), one of Europe's leading private label nuts manufacturers, with manufacturing facilities in Germany at an enterprise value of EUR93.0 million. The acquisition complements **ofi**'s current footprint in private label and manufacturing operations in the US and Asia and provides **ofi**'s nuts business with a solid platform for an accelerated entry into Europe.
- **ofi** is currently developing new greenfield facilities for soluble coffee manufacturing in Brazil and dairy ingredient manufacturing in New Zealand, which remain on track and are expected to complete in H1 2023.
- Olam Agri expanded its fish feed milling capacity in Nigeria, which is expected to be commissioned later this month.

Divestments

- Sale of its remaining equity stakes in ARISE Integrated Industrial Platforms ("ARISE IIP") and ARISE Infrastructure Services ("ARISE IS"), part of the ARISE group, for US\$189.0 million to Africa Transformation and Industrialization Fund ("ATIF"), an equity investment fund set up by the management team of the ARISE group to invest in assets supporting Africa's industrialisation, decarbonisation and economic development. The cash consideration was received in H1 2022 but the sale completion will take place in Q3 2022.
- Sale of its entire long-term investment in PureCircle made up of 26,408,751 ordinary shares, which represents an interest of 5.9% in Ingredion SRSS, to Ingredion Inc. in a tender offer for a cash consideration of approximately US\$23.0 million.

Business Prospects and Outlook

Impact of Russia-Ukraine War

The Group continues to operate its dairy farming operations in Russia and supply milk to its customers in the domestic market. This is consistent with one of the key objectives of our

Purpose to strive for food security for all and with our duty of care to our employees, herd population, customers and farmers who deliver these food staple crops to us.

The Olam Agri operations in the Black Sea were impacted in H1 2022 by shipment disruptions from both Russia and Ukraine. The recent agreement between Russia and Ukraine brokered by the UN and Turkey to reopen the Ukraine grains shipment corridor is expected to gradually ease future shipments of essential food staples and grains from Ukraine and Russia to improve the current global food security crisis and restore global trade flows.

Outlook for H2 2022

The significant demand growth rate and pick-up seen in H2 2021 has slowed down in H1 2022 after the geopolitical crisis, accompanied by the hard pandemic lockdowns in China.

ofi continues to make targeted investments across its portfolio to support its private label thrust and is well-positioned for 2022 as the revised sales pricing and margin recovery gathers pace in H2 2022. It has received broad-based support from its customers for appropriate revisions in pricing against inputs cost increases – a further validation of their confidence in its ability to deliver surety of supply and cost competitiveness even in this challenging environment. This also demonstrates the strength of its integrated platforms and the resilience of the portfolio.

Riding on its strong growth and outperformance in H1 2022, Olam Agri expects to deliver a better year-on-year performance for 2022 while navigating the heightened geopolitical and macroeconomic risks. Olam Agri is poised to build on its track record by taking advantage of the rising demand for food staples and agri-industrials raw materials as well as the shift to protein-based diets in high-growth emerging end-consumption markets. Its Strategic Supply and Cooperation agreement with its strategic partner SALIC will also catalyse its growth in the Gulf region.

In light of the current high commodity price and rising interest rates environment, the Group will continue to focus on managing its working capital in a disciplined manner.

The Group expects to incur additional one-off and non-recurring expenses associated with the Re-organisation Plan in H2 2022 although these expenses for the full year are expected to be lower than the total recorded for 2021.

Overall, given the H1 2022 results and barring any unforeseen circumstances or unfavourable geopolitical, macroeconomic and pandemic developments, the Group is cautiously optimistic about its prospects for the rest of 2022, even as the industry continues to see strong underlying demand amid tight supplies.

Summary of Financial and Operating Results

Profit and Loss Analysis

S\$ million	H1 2022	H1 2021	% Change
Volume ('000 MT)	22,490.0	22,367.4	0.5
Revenue ^	28,445.1	22,833.4	24.6
Other income ^	35.8	32.6	9.6
Cost of sales ^	(26,361.7)	(21,131.9)	24.7
Selling, general and administrative expenses ^	(911.6)	(802.0)	13.7
Other operating expenses ^	(51.5)	4.0	n.m.
Net gain/(loss) in fair value of biological assets	(24.7)	(6.3)	292.1
Share of results from joint ventures and associates	16.6	5.7	192.1
EBITDA ^	1,148.0	935.5	22.7
EBITDA %	4.0%	4.1%	
Depreciation & amortisation ^	(345.9)	(293.9)	17.7
EBIT ^	802.1	641.6	25.0
EBIT %	2.8%	2.8%	
Exceptional items	(43.4)	(15.1)	187.4
Net Finance costs ^	(270.1)	(197.2)	37.0
PBT	488.6	429.3	13.8
Taxation ^	(94.2)	(46.6)	102.1
PAT	394.4	382.7	3.1
PAT %	1.4%	1.7%	
Non-controlling interests	(34.7)	(38.8)	(10.7)
PATMI	429.1	421.5	1.8
PATMI %	1.5%	1.8%	
Operational PATMI ^	472.5	436.6	8.2
Operational PATMI %	1.7%	1.9%	

^Excluding exceptional items

Sales Volume

Sales volume grew marginally by 0.5% to 22.5 million MT (H1 2021: 22.4 million MT) as the pick-up in demand from H2 2021 slowed down in response to the Russia-Ukraine war and hard lockdowns in China. Both **ofi** and Olam Agri contributed to the growth during H1 2022.

Revenue

Revenue increased by 24.6% to S\$28.4 billion (H1 2021: S\$22.8 billion) on higher selling prices across many products and commodities, including grains and oilseeds, cotton, edible oils, coffee and dairy in H1 2022.

Other Income

Other income was marginally higher at S\$35.8 million (H1 2021: S\$32.6 million).

Cost of Sales

The change in cost of sales normally follows the corresponding change in revenue for a given period net of any impact from fair value changes due to foreign exchange movements. In H1 2022, cost of sales increased by 24.7% in tandem with the growth in revenue net of corresponding offsets from currency movements.

Selling, General & Administrative Expenses

Selling, General & Administrative Expenses rose by 13.7% or S\$109.6 million to S\$911.6 million in H1 2022 (H1 2021: S\$802.0 million). This was a result of acquisitions and organic growth initiatives, including corporate growth initiatives, such as digitalisation, co-manufacturing, food service, e-commerce and sustainability-based solutions. The increase was also due to a larger headcount, adjustments for inflationary effects and dis-synergies associated with the carve-out and separation of the Group's businesses into the three operating groups.

Other Operating Expenses

Other Operating Expenses amounted to S\$51.5 million in the current period due to significant unrealised foreign exchange losses on the devaluation of emerging market currencies, such as the Ghanaian cedi and the Egyptian pound, against the strengthening US dollar. This compares with a gain of S\$4.0 million in H1 2021 arising from unrealised foreign exchange gains.

Net Changes in Fair Value of Biological Assets

The period under review recorded a net loss on the fair value of biological assets of S\$24.7 million in H1 2022 compared with a net loss of S\$6.3 million in H1 2021. This was a direct result of the reduction in fair value from the dairy farms in Rusmolco, offset partially by gains from NZFSU.

Share of Results from Joint Ventures and Associates

Joint ventures and associates included Guzman Coffee & Nuts, MC Agri Alliance (MCAA – our joint venture with Mitsubishi Corporation), Stamford Panasia, a 49.0% joint venture with Stamford Shipping for freight management, ARISE Ports & Logistics ("ARISE P&L"), ARISE IIP and ARISE IS. The share of results from joint ventures and associates increased from S\$5.7 million in H1 2021 to S\$16.6 million in H1 2022 as Stamford Panasia and the ARISE group contributed higher income than in the previous first-half.

Depreciation and Amortisation

Depreciation and amortisation expenses increased 17.7% to S\$345.9 million in H1 2022 (H1 2021: S\$293.9 million) on account of the acquisitions and organic Capex completed last year.

EBIT

EBIT grew by 25.0% to S\$802.1 million in H1 2022 (H1 2021: S\$641.6 million) mainly due to the strong earnings contribution from Olam Agri, which offset the lower contribution from **ofi** and Remaining Olam Group. Olam Agri's EBIT were 49.4% higher at S\$608.8 million. **ofi**'s EBIT declined 11.8% to S\$265.0 million (H1 2021: S\$300.5 million) while Remaining Olam Group had a loss of S\$71.8 million (H1 2021: -S\$66.4 million).

Finance Costs

Net finance costs were up by a significant 37.0 % from S\$197.2 million in H1 2021 to S\$270.1 million in H1 2022 due to higher average borrowings from the increase in both fixed and working capital as well as a sharp increase in interest rates as compared to the prior corresponding period.

Taxation

Tax expenses also increased significantly from S\$46.6 million in H1 2021 to S\$94.2 million in H1 2022 mainly because of the higher pre-tax income from Olam Agri and the changes in the earnings composition in terms of business and geographical contribution.

Non-controlling Interest

Non-controlling interest, which comprises mainly the minority share of results from Olam Palm Gabon ("OPG"), Olam Rubber Gabon ("ORG"), Caraway (Packaged Foods), BT Cocoa, Cotontchad and Nouvelle Société Cotonnière du Togo, stood at a negative S\$34.7 million in H1 2022, slightly improved from a year ago (H1 2021: -S\$38.8 million) as OPG sustained lower losses during this period.

Exceptional Items

The period under review recorded a net exceptional loss of S\$43.4 million in H1 2022 mainly on the share-based expenses of S\$25.6 million arising from the accelerated vesting of the employee performance share awards due to the completion of the Scheme process and charges of S\$23.7 million related to the Group's Re-organisation. These charges were partly offset by a net monetary gain of S\$5.9 million from the restatement of financial statements of our subsidiaries in Turkey due to changes in the general purchasing power of the Turkish lira by using the country's consumer price index². Based on IAS 29 - 'Financial Reporting in Hyperinflationary Economies' criteria, Turkey is classified as a hyperinflationary economy for reporting periods starting from January 1, 2022.

² Issued by the Turkish Statistical Institute

S\$ million	H1 2022	H1 2021
Acquisition related cost (Olde Thompson)	-	(6.2)
Net monetary gain arising from hyperinflationary economies	5.9	-
Profit on sale of stake in Subsidiary, net	-	5.0
Share-based expenses on accelerated vesting of employee share award	(25.6)	-
Re-organisation cost	(23.7)	-
Exit/Closure costs	-	(13.9)
Exceptional Items	(43.4)	(15.1)

PATMI

PATMI was up 1.8% to S\$429.1 million (H1 2021: S\$421.5 million) as the growth in EBIT was partly offset by the higher net finance costs, taxes and exceptional losses in H1 2022.

Operational PATMI

Excluding the exceptional items in both years, Operational PATMI grew 8.2 % to S\$472.5 million in H1 2022 (H1 2021: S\$436.6 million).

Balance Sheet Analysis

S\$ million	30-Jun-2022	31-Dec-21	Change vs Dec 21	30-Jun-2021	Change vs Jun 21
Uses of Capital					
Fixed Capital	9,689.3	9,538.0	151.3	9,724.1	(34.8)
Right-of-use assets	882.5	782.7	99.8	746.7	135.8
Working Capital	7,791.8	8,115.6	(323.8)	7,319.9	471.9
Cash	6,395.3	4,317.5	2,077.8	3,542.3	2,853.0
Others	1,525.9	735.0	790.9	502.0	1,023.9
Total	26,284.8	23,488.8	2,796.0	21,835.0	4,449.8
Sources of Capital					
Equity & Reserves	7,296.2	7,210.5	85.7	7,193.8	102.4
Non-controlling interests	(3.4)	7.4	(10.8)	42.0	(45.4)
Short term debt	9,844.4	6,937.6	2,906.8	6,623.5	3,220.9
Long term debt	8,134.9	8,794.8	(659.9)	7,485.1	649.8
Short term lease liabilities	175.6	138.0	37.6	121.2	54.4
Long term lease liabilities	885.5	839.8	45.7	819.6	65.9
Fair value reserve	(48.4)	(439.3)	390.9	(450.2)	401.8
Total	26,284.8	23,488.8	2,796.0	21,835.0	4,449.8

"Others" are deferred tax assets and liabilities, other non-current assets and liabilities, derivative financial instruments (assets and liabilities) and provision for taxation.

The Group's total assets³ as at June 30, 2022 were S\$26.3 billion, comprising S\$9.7 billion of fixed capital, S\$882.5 million of right-of-use assets, S\$7.8 billion of working capital and S\$6.4 billion of cash.

The total assets were funded by S\$7.3 billion of equity, S\$9.8 billion of short-term debt, S\$8.1 billion of long-term debt, as well as short-term and long-term lease liabilities of S\$175.6 million and S\$885.5 million respectively.

Compared with a year ago, the overall balance sheet as at June 30, 2022 grew by S\$4.4 billion mainly from the increase in cash position and derivative financial instruments. The cash balance was increased to S\$6.4 billion (June 30, 2021: S\$3.5 billion) to meet potentially higher working capital and operating costs as well as to manage near-term repayment obligations on borrowings. Net derivative financial instruments were up by S\$1.1 billion compared with June 30, 2021. Working capital also rose by S\$471.9 million on higher commodity prices.

Against end-December 2021, the total balance sheet as at June 30, 2022 increased by S\$2.8 billion for similar reasons – cash position and net derivatives financial instruments were higher by S\$2.1 billion and S\$804.2 million respectively. Working capital fell from the end-December peak by S\$323.8 million.

³ Total assets are net of trade payables and accruals, derivative financial instruments (current liabilities), provision for taxation, other current liabilities and non-current liabilities, and deferred tax liabilities.

Working Capital

S\$ million	30-Jun-2022	31-Dec-21	Change vs Dec 21	30-Jun-2021	Change vs Jun 21
Stock	9,861.2	8,857.2	1,004.0	8,046.2	1,815.0
Advance to suppliers	597.8	543.5	54.3	642.4	(44.6)
Receivables	3,819.8	2,441.4	1,378.4	3,303.8	516.0
Trade creditors	(6,736.1)	(4,679.7)	(2,056.4)	(5,750.8)	(985.3)
Others	249.1	953.2	(704.1)	1,078.3	(829.2)
Working Capital	7,791.8	8,115.6	(323.8)	7,319.9	471.9

Others" include other current assets, non-current assets held for sale, changes to margin accounts with brokers and other current liabilities.

The increase in working capital between June 30, 2021 and June 30, 2022 was largely due to the higher inventory value, partly driven by the rise in commodity prices, but mitigated by the improvement in supplier credit and a significant reduction in margin accounts. We remained disciplined in our capital management by keeping the working capital cycle relatively constant at 50 days (June 30, 2021: 51 days).

Compared with December 31, 2021, working capital fell as higher supplier credit and the reduction in margin accounts more than offset the impact from the increase in stock and receivables. Consequently, working capital cycle tightened from 58 days as of end-December 2021 to 50 days for the current period.

Days	30-Jun-2022	31-Dec-21	Change vs Dec 21	30-Jun-2021	Change vs Jun 21
Stock	68	75	(7)	69	(1)
Advance to suppliers	4	4	-	5	(1)
Receivables	24	18	6	26	(2)
Trade creditors	(46)	(39)	(7)	(49)	3
Total cash cycle	50	58	(8)	51	(1)

Debt, Liquidity and Gearing

S\$ million	30-Jun-2022	31-Dec-21	Change vs Dec 21	30-Jun-2021	Change vs Jun 21
Gross debt	19,040.4	16,710.2	2,330.2	15,049.4	3,991.0
Less: Cash	6,395.3	4,317.5	2,077.8	3,542.3	2,853.0
Net debt	12,645.1	12,392.7	252.4	11,507.1	1,138.0
Less: Readily marketable inventory (RMI)	6,565.3	5,937.9	627.4	5,547.0	1,018.3
Less: Secured receivables	1,270.5	1,064.7	205.8	1,910.1	(639.6)
Adjusted net debt	4,809.3	5,390.1	(580.8)	4,050.0	759.3
Equity (before FV adj reserves)	7,296.2	7,210.5	85.7	7,193.8	102.4
Net debt / Equity (Basic)	1.73	1.72	0.01	1.60	0.13
Net debt / Equity (Adjusted)	0.66	0.75	(0.09)	0.56	0.10

Compared with June 30, 2021, net debt was up S\$1.1 billion over the past year primarily due to the increase in right-of-use assets, working capital and net derivative instruments. Net gearing was therefore higher at 1.73 times (June 30, 2021: 1.60 times).

Against December 31, 2021, net gearing held steady at 1.73 times (December 31, 2021: 1.72 times) as working capital requirements eased and moderated the impact on net debt.

Of the S\$9.9 billion inventory position, approximately 66.6% or S\$6.6 billion were RMI that were liquid, hedged and/or sold forward, operating as near-cash assets on our balance sheet. In addition, approximately 33.3% of the S\$3.8 billion in trade receivables were secured. Adjusting for RMI and secured receivables, our net gearing as at June 30, 2022 would be 0.66 times (December 31, 2021: 0.75 times; June 30, 2021: 0.56 times), reflecting the true indebtedness of our Group.

Financing

We maintained sufficient liquidity to support our working capital and Capex requirements, with a total of S\$24.3 billion in available liquidity as at June 30, 2022, including unutilised bank lines of S\$10.1 billion.

In H1 2022, the Company and its operating groups refinanced their borrowing facilities by securing revolving credit facilities (RCF) and loans that also align with their Purpose:

- **ofi** through its subsidiary priced a US\$275.0 million fixed rate notes via a private placement, which comprised US\$200.0 million of five-year fixed rate notes at a coupon of 3.05% and US\$75.0 million of seven-year fixed rate notes at a coupon of 3.25%.
- Olam Agri secured a financing facility from banks in the United Arab Emirates of approximately US\$745.0 million, which builds upon its increasing activity in the Gulf Cooperation Council region, and diversifies its funding mix.
- Olam Agri obtained a loan of US\$200.0 million from the International Finance Corporation Olam Agri to finance the purchase of essential food staples for delivery to its processing operations in developing markets, thereby ensuring food security to some of the most populous countries in Asia and Africa most at risk of global food inflation.

The Company also obtained relevant consents for the novation of existing bank facilities to the new operating groups, including those required from bondholders and perpetual securities holders.

On July 12, 2022, the Company redeemed and cancelled all outstanding 5.5% S\$350 million perpetual securities.

Cash Flow Analysis

S\$ Million	H1 2022	H1 2021	YoY
Operating Cash flow (before Interest & Tax)	1,150.7	926.8	223.9
Changes in Working Capital	(238.4)	355.0	(593.4)
Net Operating Cash Flow	912.3	1,281.8	(369.5)
Tax paid	(114.2)	(94.5)	(19.7)
Capex/ Investments	(78.4)	(1,393.3)	1,314.9
Free cash flow to firm (FCFF)	719.7	(206.0)	925.7
Net interest paid	(254.0)	(192.3)	(61.7)
Free cash flow to equity (FCFE)	465.7	(398.3)	864.0

Net operating cash flow for H1 2022 declined by S\$369.5 million to S\$912.3 million as cash outflow on working capital requirements grew during the period compared to the previous first-half. Gross Capex was significantly lower at S\$379.8 million compared with H1 2021 when sizeable, strategic acquisitions were completed during that time (H1 2021: S\$1.5 billion). Net Capex after disposals and divestments amounted to S\$78.4 million in H1 2022 (H1 2021: S\$1.4 billion). Both FCFF and FCFE returned to positive territory at S\$719.7 million (H1 2021: -\$206.0 million) and S\$465.7 million (H1 2021: -\$398.3 million) respectively.

Segmental Review and Analysis⁴

H1 2022

Segment	Sales Volume ('000 MT)		Revenue		EBIT		Invested Capital (IC)	
S\$ million	H1 2022	H1 2021 Restated	H1 2022	H1 2021 Restated	H1 2022	H1 2021 Restated	30-Jun-2022	30-Jun-2021 Restated
ofi	1,796.6	1,741.8	8,112.7	6,645.3	265.0	300.5	11,652.4	10,913.6
Global Sourcing	1,540.6	1,430.3	5,774.5	4,559.4	127.7	108.6	4,956.0	4,889.4
Ingredients & Solutions	629.4	611.2	3,589.0	3,179.9	137.4	191.9	6,696.4	6,024.2
Inter-segmental sales	(373.4)	(299.7)	(1,250.8)	(1,093.9)	-	-	-	-
Olam Agri	20,206.6	20,106.7	19,556.3	15,491.2	608.8	407.5	5,055.4	3,523.9
Food & Feed - Origination & Merchandising	16,910.6	16,653.4	13,367.5	10,930.8	229.3	145.3	861.6	283.2
Food & Feed - Processing & Value-added	2,080.3	2,266.6	2,343.1	1,883.4	176.5	130.0	2,466.7	1,697.6
Fibre, Industrial & Ag Services	1,215.6	1,186.7	3,845.7	2,676.9	202.9	132.2	1,727.0	1,543.1
Remaining Olam Group	486.9	519.0	776.1	696.9	(71.8)	(66.4)	3,216.2	3,500.7
De-prioritised/Exiting Assets	105.1	90.5	159.2	143.7	3.9	(12.6)	552.3	855.3
Continuing/Gestating Businesses	284.5	419.3	575.1	548.9	(45.9)	(16.0)	2,656.5	2,642.3
Incubating Businesses (including corporate adjustments)	97.2	9.2	41.8	4.3	(29.7)	(37.8)	7.5	3.1
Total	22,490.0	22,367.4	28,445.1	22,833.4	802.1	641.6	19,924.1	17,938.2

Note: IC excludes:

(a) Gabon Fertiliser Project (30-Jun-22: S\$242.1 million; 30-Jun-21: S\$262.4 million), and

(b) Long Term Investment (30-Jun-22: nil; 30-Jun-21: S\$26.4 million)

⁴ Post H1 2021, certain businesses were transferred between operating groups. The Coffee plantation business was transferred from OGH to ofi (as part of Global Sourcing) and ofi's Russian operations (primarily comprising the Rusmolco dairy farming operations, also a part of Global Sourcing) were transferred from ofi to OGH. The results for ofi and Remaining Olam Group for H1 2022 and H1 2021 are presented after incorporating these changes and for 2019-2021 on retrospective basis (See Annexure 2).

Overview of Operating Groups: ofi, Olam Agri and Remaining Olam Group

Sales Volume

In H1 2022, Olam Agri accounted for the largest share of the Group's sales volume at 89.8% while **ofi** and Remaining Olam Group accounted for 8.0% and 2.2% respectively.

Revenue

In H1 2022, Olam Agri's share of Group revenue was 68.8% while **ofi** and Remaining Olam Group accounted for the balance at 28.5% and 2.7% respectively.

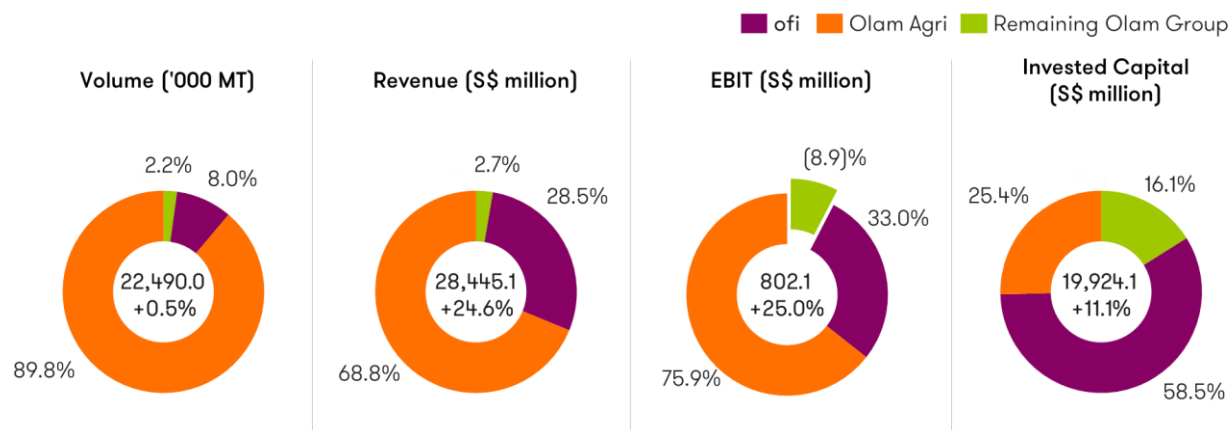
EBIT

In H1 2022, Olam Agri's share of the earnings was 75.9% while **ofi**'s share was 33.0%. Remaining Olam Group's share was a negative 8.9% due to the nature of its role of carrying de-prioritised, gestating and incubating businesses and assets.

Invested Capital

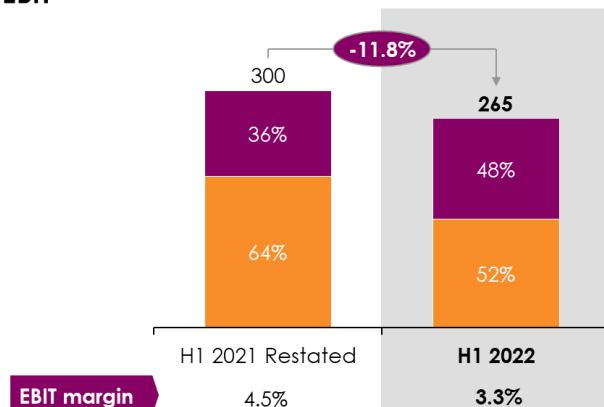
For H1 2022, **ofi**'s share of Invested Capital was 58.5% while Olam Agri's share was 25.4%. Remaining Olam Group accounted for the balance of 16.1%.

Overview of ofi, Olam Agri and Remaining Olam Group in H1 2022

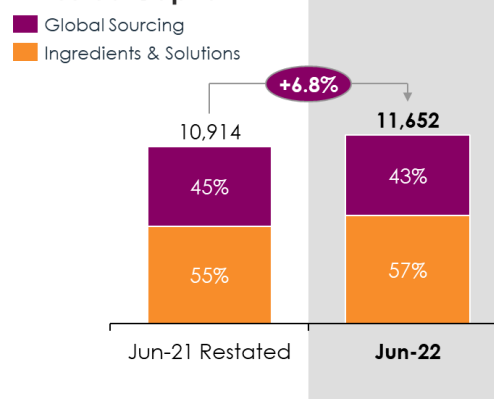


ofi: Operating Group Level Highlights

S\$ Million EBIT



S\$ Million Invested Capital

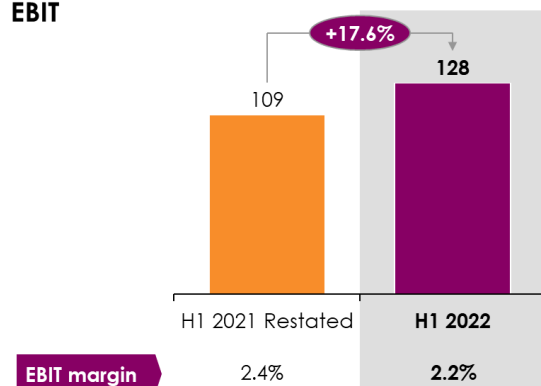
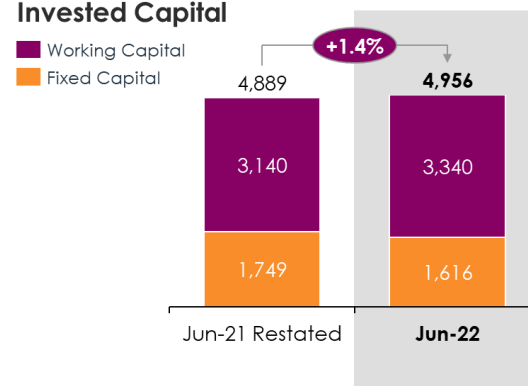


In H1 2022, overall sales volume in **ofi** grew 3.1% with strong growth in Global Sourcing and steady growth in Ingredients & Solutions as well. Revenues grew 22.1% to S\$8.1 billion driven by higher sales prices in both Global Sourcing and Ingredients & Solutions.

ofi EBIT in H1 2022 decreased 11.8% to S\$265.0 million against the very strong comparative period performance. This was after absorbing the inflationary pressures especially the sudden surge in energy costs, as well as additional depreciation and amortisation due to various acquisitions concluded last year. Pricing changes incorporating revised costs are already underway and flowing through with some lag.

The Ingredients & Solutions segment has borne most of the adverse inflationary pressures and the increased depreciation and amortisation. However, the strength of the integrated platforms and the resilience of the portfolio is reflected in the strong EBIT performance in Global Sourcing, partly offsetting the near-term and unexpected headwinds in Ingredients & Solutions.

Invested capital increased by 6.8% or S\$738.8 million, driven by higher input price led working capital deployment and ongoing investments into new capabilities and greenfield ingredient manufacturing facilities.

ofi Segmental Level Highlights: 1) Global Sourcing⁵
**S\$ Million
EBIT**

**S\$ Million
Invested Capital**


Global Sourcing reported 7.7% growth in sales volumes and a sales revenue growth of 26.7% in H1 2022 due to increased sales prices across most of our products, reflecting the inflationary impact of higher raw material prices and other input costs.

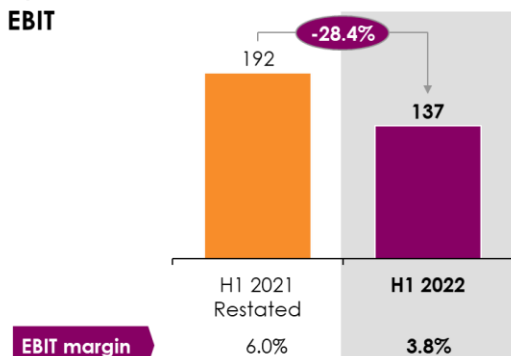
EBIT growth of 17.6% to S\$127.7 million was driven by strong performances from Dairy and Coffee, whilst all the businesses successfully navigated the significant volatility in input raw material pricing and other costs.

Invested capital was broadly flat over the prior corresponding year despite higher input prices, demonstrating the strong operational focus and on-ground capability in managing working capital, despite the significant supply chain disruptions and challenges.

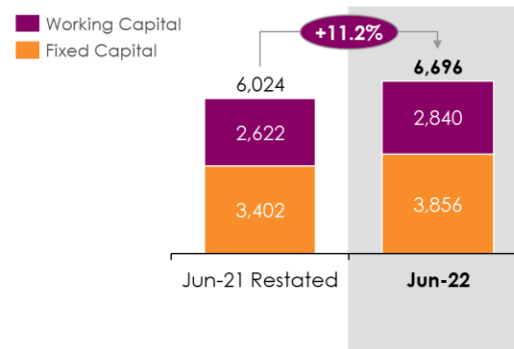
⁵ Post H1 2021, certain businesses were transferred between operating groups. The Coffee plantation business was transferred from Olam Global Holdco ("OGH") to **ofi** (as part of Global Sourcing) and **ofi**'s Russian operations (primarily comprising the Rusmolco dairy farming operations, also a part of Global Sourcing) were transferred from **ofi** to OGH.

ofi Segmental Level Highlights: 2) Ingredients & Solutions

S\$ Million
EBIT



Invested Capital



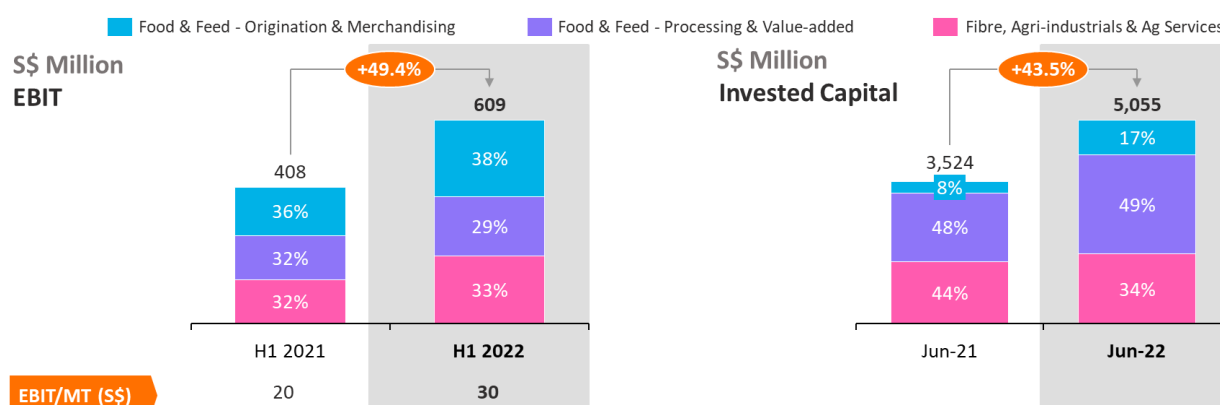
Ingredients & Solutions reported a 3.0% growth in sales volumes and a sales revenue growth of 12.9% in H1 2022, driven by strong performances from the Spices, Dairy and Nut Ingredients as compared to the prior corresponding period.

The segment reported an EBIT decrease of 28.4% to S\$137.4 million, driven by the adverse impact of input costs, particularly the sharp and unexpected rise in energy costs in this period. Pricing changes are already underway, which are flowing through with some lag. The EBIT drop in H1 2022, also reflects the increased and full depreciation and amortisation costs on account of the recent acquisitions which were not in the comparative period.

Invested capital increased S\$672.2 million over the prior year on higher fixed capital in ongoing greenfield investments as well as higher acquisition and input-price led working capital deployment.

The segment is well positioned for 2022 and beyond as the revised pricing and margin recovery gathers pace in H2 2022.

Olam Agri: Operating Group Level Highlights



Olam Agri delivered yet another strong first-half in 2022 with broad-based growth across its business segments. Revenue grew by 26.2% to S\$19.6 billion arising from higher prices across many food staples and industrial agri-products, including grains and oilseeds, cotton, edible oils and rubber. Notwithstanding the closure of seaports and the cessation of grains export as a result of the Russia-Ukraine war and supply chain disruptions from port congestions, particularly in the Asia-Africa route and vice-versa, total sales volume grew albeit at a modest rate of 0.5% to 20.2 million metric tonnes in H1 2022.

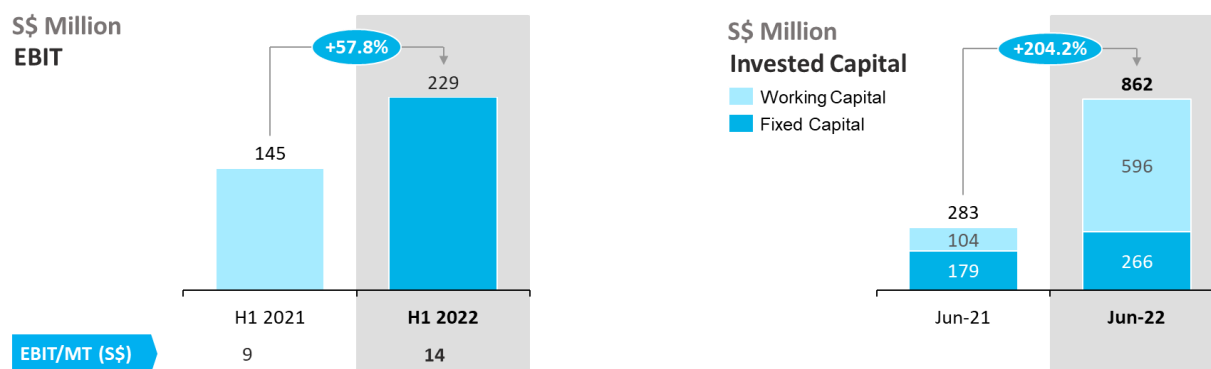
EBIT grew by a robust 49.4% to S\$608.8 million in H1 2022 with contribution by all three segments. The growth was led by the Food & Feed – Origination & Merchandising segment, and followed by the Fibre, Agri-industrials & Ag Services and Food & Feed – Processing & Value-added segments. Overall margin per tonne rose from S\$20 in H1 2021 to S\$30 in H1 2022.

In the Food & Feed segments, the Grains & Oilseeds, Integrated Feed & Proteins business grew substantially year-on-year on higher contribution from the freight business, wheat milling and pasta manufacturing.

Edible Oils continued to experience growing demand in key markets even as prices rose. The Rice portfolio also recorded a strong performance as it participated and benefited from the burgeoning rice export trade out of India into Middle East and Africa.

Against a strong prior first-half, the Fibre, Agri-industrials & Ag Services segment had an exceptionally strong performance despite the cotton price volatility and supply chain disruptions. This was also due to the structural growth trends underpinning the demand for our certified wood products in Europe, and a consistent performance from the Rubber business.

Total invested capital increased by 43.5% or S\$1.5 billion in H1 2022 as working capital needs grew on account of higher prices in cotton and the grains and oilseeds complex.

Olam Agri Segmental Level Highlights: 1) Food & Feed - Origination & Merchandising


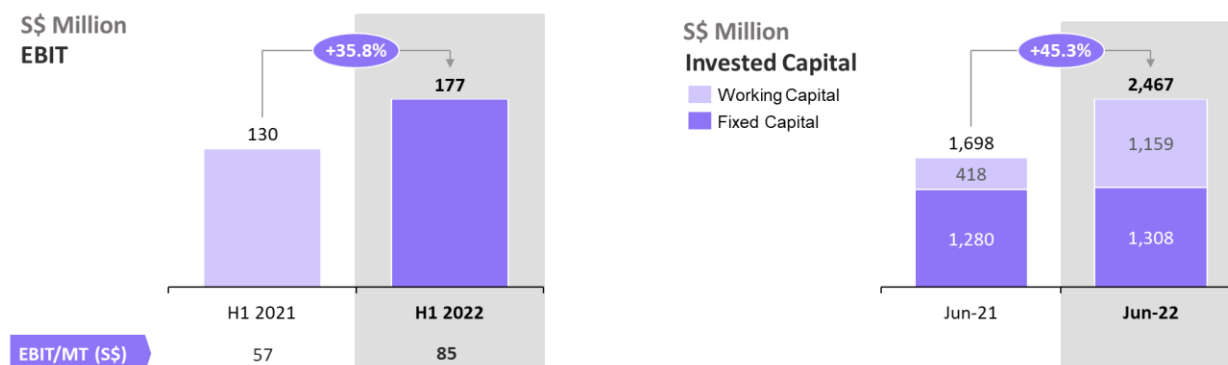
Revenues from the Food & Feed - Origination & Merchandising segment rose 22.3%, driven mainly by higher grains and edible oils prices even as sales volume grew marginally by 1.5% during H1 2022. Grains exports out of Russia and Ukraine were significantly lower during this period compared with the same time in 2021 since the war in Ukraine began in late February. However, the reduced sourcing volumes from this region was compensated by higher sales volumes out of other origins within our global origination network, including North and South America, India and Australia, to meet the surge in demand for grains.

Olam Agri's ability to manage such supply chain disruptions and increased market and operational risks caused by the war, strong customer relationships and good freight management capabilities on an expanded fleet size helped lift EBIT in this segment by 57.8% to S\$229.3 million. Margin per tonne was S\$14 in H1 2022, up from S\$9 in the prior corresponding period.

The Rice trading business also contributed to the strong performance in the segment. Having established strong footholds in new markets across North Africa and the Middle East where demand has been rising, we were well-positioned for the record volumes in rice exports from India, which is now the world's biggest exporter of rice.

Demand and sales for Edible Oils remained buoyant in the first-half despite elevated prices, which underpinned its improved performance during this period.

Invested capital rose to S\$861.6 million from S\$283.2 million a year ago. In addition to the increase in fixed capital due to the recognition of right-of-use assets on freight vessels, the segment recorded a significant increase in working capital on the steep rise in grains and oilseeds prices which hit all-time highs during this period due to a supply crunch arising from the Russia-Ukraine war and continuing supply chain disruptions.

Olam Agri Segmental Level Highlights: 2) Food & Feed - Processing & Value-added


The Food & Feed - Processing & Value-added segment posted a revenue increase of 24.4% on higher average selling prices despite volumes reducing by 8.2% as higher prices affected demand in H1 2022.

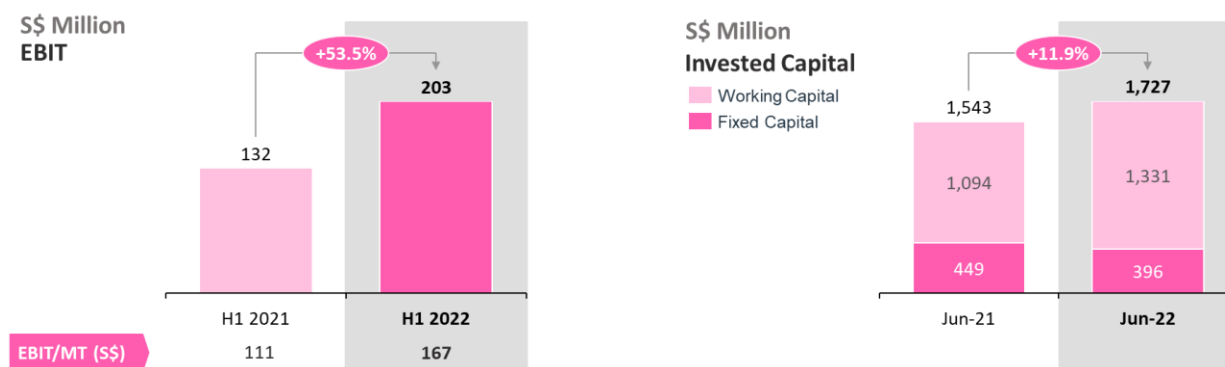
Despite escalating grains prices, Olam Agri was able to control its feedstock and processing costs through effective market risks management and local procurement of raw materials. As a result, the segment delivered a strong EBIT growth of 35.8% to S\$176.5 million in H1 2022. Margin per tonne also increased from S\$57 in H1 2021 to S\$85 in H1 2022.

The strong earnings growth was led by Grains' wheat milling and pasta manufacturing business as it continued to optimise capacity utilisation and improve its revenues mix by selling more B2C products, such as branded pasta. The Integrated Feed & Proteins business in Nigeria proved resilient as it battled the adverse impact of the avian influenza on the poultry industry, particularly the day-old-chicks segment, which was compensated by a healthy growth in the fish feed segment. The fish and broiler feed segments continued to expand and grow well due to our market leadership position in the country.

Contribution from the branded and premium Rice distribution business was lower against a strong first-half in 2021 when it had enjoyed an all-round growth across all its markets in Africa. In H1 2022, the severe depreciation of the cedi led to a weaker demand and added pressure on its margins in Ghana. The negative impact was partly mitigated by our distribution businesses in Cameroon, Mozambique and South Africa which continued to do well. The integrated Rice farming and milling operation in Nigeria also continued to deliver steadily.

Our Edible Oils processing business remained steady in the face of the continued ban on the import of CPO into Nigeria as it focused on sourcing and processing local CPO, and supplying more downstream products to cater to domestic demand.

Invested capital was up by 45.3% or S\$769.2 million in H1 2022 as working capital increased due to higher commodity prices.

Olam Agri Segmental Level Highlights: 3) Fibre, Agri-industrials & Ag Services


The Fibre, Industrial & Ag Services segment reported a 2.4% growth in sales volume on improved Cotton, Rubber and Wood Products volumes in H1 2022. Revenues increased significantly by 43.7% mainly due to higher prices across cotton and rubber.

EBIT was a solid S\$202.9 million performance for H1 2022 or 53.5% higher than the prior first-half. Consequently, margin per tonne reached S\$167 in H1 2022, up from S\$111 in H1 2021.

The Cotton business led the pack with a strong report card on its diversified business model. Demand remained firm in its domestic US operation and across textile mills in the major textile producing centres, including India, Pakistan, Vietnam, Indonesia and Turkey. Demand from mills in China was however affected by the lockdowns imposed to control Covid-19 outbreaks. Ginning income from Australia grew on the bumper crop this season. Integrated ginning output also improved as smallholder farmer production continued to expand across Cote d'Ivoire, Chad and Togo on better farming practices. We were also able to circumvent the lack of containers for shipping West Africa cotton into Asia through an innovative break-bulk solution. Rising cotton production yields in our Australia and Brazil leased farms also helped raise Cotton's overall contribution to the segment.

Our sustainable forestry concessions and saw milling business in the Republic of Congo achieved better results on increased shipments in this first-half, riding on the housing and construction boom in several European economies, including the Netherlands, UK and Germany. The Rubber processing business in Cote d'Ivoire continued to do well in H1 2022 on broad-based growth in demand witnessed in markets across Asia, Europe and the Americas. It also undertook an expansion of its production capacity to grow its value-added volumes. Commodity Financial Services reported strong growth from its quantitative fund management business.

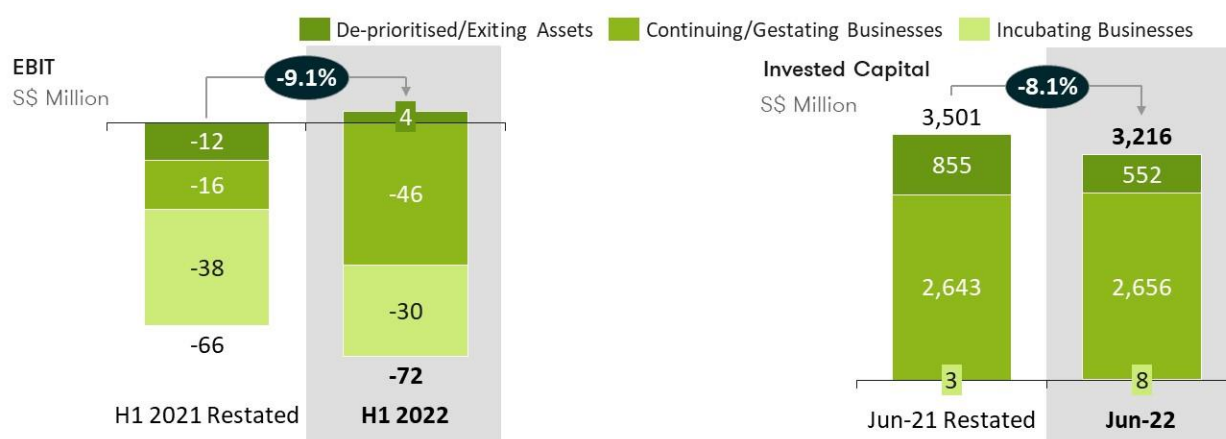
The segment incurred a higher invested capital of 11.9% or S\$183.9 million during H1 2022 mainly due to the rise in working capital on higher cotton prices and inventory levels.

Remaining Olam Group: Operating Group Level Highlights

Remaining Olam Group continued to sales volumes drop by 6.2% in H1 2022 post the divestments and closures of de-prioritised assets. However, revenues were up 11.4%, supported by higher prices during the period.

The operating group incurred a higher EBIT loss of S\$71.8 million (H1 2021: -S\$66.4 million) mainly due to the increase in losses from Continuing/Gestating Assets during this period.

Invested capital decreased by 8.1% or S\$284.4 million primarily on divestments, closures and the related restructuring of the Continuing/Gestating Assets.



Remaining Olam Group Segmental Level Highlights: 1) De-prioritised/Exiting Assets

The De-prioritised/Exiting Assets segment reported EBIT of S\$3.9 million in H1 2022 (H1 2021: -S\$12.6 million).

Approximately S\$303.0 million less capital was held up in this segment as of June 30, 2022. Seven remaining assets are expected to be divested by end-2024.

Remaining Olam Group Segmental Level Highlights: 2) Continuing/Gestating Businesses⁶

Continuing/Gestating Assets booked higher EBIT losses of S\$45.9 million in H1 2022 (H1 2021: -S\$16.0 million) mainly because of the losses from Rusmolco arising from higher fair value losses on biological assets due to the appreciation of the Russian ruble. Part of these losses were offset by better results from OPG, which benefited from increased sales volumes and palm oil prices as well as higher production yields.

OTBS continues to provide IT, digital and shared services to the new operating groups under a long-term service agreement and is gearing up to develop third-party clients to offer similar services.

Invested Capital in Continuing/Gestating Businesses was slightly up by S\$14.2 million. The Group has sold its remaining equity stakes in ARISE IIP and ARISE IS for US\$189.0 million to the ARISE management led buy-out group ATIF. The cash consideration was received in H1 2022 but the sale completion will take place in Q3 2022. The Group will look to divest its remaining 32.4% stake in ARISE P&L.

Remaining Olam Group Segmental Level Highlights: 3) Incubating Businesses

We continued to invest and incubate the six Engine 2 growth initiatives through Olam Ventures, including a digital farmer services platform “Jiva”, a B2C sustainability lifestyles platform “Adva”, a B2B smart carbon management platform Terrascope (formerly “GreenPass”), a carbon trading and sustainable landscapes investment platform, the “Re-” B2C purpose brands, and a food and agri sector Digital and Sustainability platform.

⁶ **ofi**'s Russian operations (primarily comprising the Rusmolco dairy farming operations, also a part of Global Sourcing) were transferred from **ofi** to OGH (to be part of Continuing/Gestating Businesses). Results of the Remaining Olam Group for H1 2022 and H1 2021 are presented after incorporating these changes. Results of Continuing/Gestating Businesses also include those of OTBS.

Annexures

Annexure 1: SGXNET Financial Statements and MD&A Reconciliation

The table below summarises the differences between the financial statements on SGXNET and MD&A due to adjustments for exceptional items.

S\$ million	H1 2022	H1 2021
Revenue[^]	28,445.1	22,833.4
Revenue	28,446.8	22,833.4
Less: Exceptional items	1.7	-
Other Income[^]	35.8	32.6
Other Income	35.8	37.6
Less: Exceptional items	-	5.0
Cost of sales[^]	(26,361.7)	(21,131.9)
Cost of sales	(26,398.2)	(21,145.8)
Less: Exceptional items	(36.5)	(13.9)
Selling, general and administrative expenses[^]	(911.6)	(802.0)
Other operating expenses[^]	(51.5)	4.0
Other expenses	(961.6)	(804.2)
Less: Exceptional items	1.5	(6.2)
Depreciation & amortisation[^]	(345.9)	(293.9)
Depreciation & amortisation	(346.2)	(293.9)
Less: Exceptional items	(0.3)	-
Net Finance costs[^]	(270.1)	(197.2)
Finance income	49.3	42.2
Finance costs	(327.3)	(239.4)
Less: Exceptional items	(7.9)	-
Taxation[^]	(94.2)	(46.6)
Income tax expense	(96.1)	(46.6)
Less: Exceptional items	(1.9)	-

[^] as stated in MD&A

Annex 2: Olam Group Segmentals and Consolidated Financials (2019-H1 2022)⁷

	'000 MT / S\$ m				
Olam Food Ingredients (ofi)	2019	2020	2021	H1 2021	H1 2022
	Restated	Restated	Restated	Restated	Restated
Volume	3,193.0	3,265.1	3,676.9	1,741.8	1,796.6
Revenue	11,513.4	11,993.6	14,216.8	6,645.3	8,112.7
EBIT	739.7	692.1	820.7	300.5	265.0
EBIT Margin	6.4%	5.8%	5.8%	4.5%	3.3%
Fixed Capital	3,679.3	3,771.2	5,345.4	5,150.4	5,472.5
Working Capital	4,854.8	5,172.2	5,416.1	5,763.2	6,179.9
Invested Capital	8,534.0	8,943.4	10,761.5	10,913.6	11,652.4
EBIT/IC	8.8%	7.9%	8.3%	-	-
ofi - Global Sourcing	2019	2020	2021	H1 2021	H1 2022
	Restated	Restated	Restated	Restated	Restated
Volume*	3,062.7	3,039.8	2,991.4	1,430.3	1,540.6
Revenue*	9,158.7	9,534.0	9,645.0	4,559.4	5,774.5
EBIT	360.6	311.0	401.2	108.6	127.7
EBIT Margin	3.9%	3.3%	4.2%	2.4%	2.2%
Fixed Capital	1,937.0	1,916.6	1,881.7	1,748.7	1,615.9
Working Capital	3,207.0	3,217.7	2,791.7	3,140.7	3,340.1
Invested Capital	5,144.0	5,134.3	4,673.4	4,889.4	4,956.0
EBIT/IC	7.2%	6.1%	8.2%	-	-
*Includes inter-segmental sales volume and revenue					
ofi - Ingredients & Solutions	2019	2020	2021	H1 2021	H1 2022
	Restated	Restated	Restated	Restated	Restated
Volume*	918.0	988.5	1,256.5	611.2	629.4
Revenue*	4,797.5	5,227.7	6,644.1	3,179.9	3,589.0
EBIT	379.1	381.1	419.5	191.9	137.4
EBIT Margin	7.9%	7.3%	6.3%	6.0%	3.8%
Fixed Capital	1,742.3	1,854.6	3,463.7	3,401.7	3,856.6
Working Capital	1,647.8	1,954.5	2,624.4	2,622.6	2,839.8
Invested Capital	3,390.1	3,809.1	6,088.1	6,024.2	6,696.4
EBIT/IC	11.2%	10.6%	8.5%	-	-
*Includes inter-segmental sales volume and revenue					

⁷ The excel spreadsheet of the Olam Group segmentals and consolidated financials (2019-H1 2022) can be downloaded from <https://www.olamgroup.com/investors/financial-performance.html>.

'000 MT / \$S m

Olam Agri (Olam Agri)	2019	2020	2021	H1 2021	H1 2022
Volume	34,948.0	39,925.5	40,607.1	20,106.7	20,206.6
Revenue	19,862.2	22,407.9	31,276.9	15,491.2	19,556.3
EBIT	383.6	497.0	752.9	407.5	608.8
EBIT/MT	11	12	19	20	30
Fixed Capital	1,881.1	1,869.5	1,874.4	1,908.6	1,969.2
Working Capital	1,333.1	2,341.2	3,367.7	1,615.4	3,086.3
Invested Capital	3,214.2	4,210.7	5,242.1	3,523.9	5,055.4
EBIT/IC	13.2%	13.4%	15.9%	-	-

Olam Agri - Food & Feed - Origination & Merchandising	2019	2020	2021	H1 2021	H1 2022
Volume	29,639.4	33,617.8	33,878.1	16,653.4	16,910.6
Revenue	13,413.8	15,267.5	21,952.6	10,930.8	13,367.5
EBIT	150.4	187.0	266.9	145.3	229.3
EBIT/MT	5	6	8	9	14
Fixed Capital	134.1	136.2	193.5	179.3	265.6
Working Capital	130.5	677.0	657.6	103.9	596.0
Invested Capital	264.6	813.2	851.1	283.2	861.6
EBIT/IC	42.2%	34.7%	32.1%	-	-

Olam Agri - Food & Feed - Processing & Value-added	2019	2020	2021	H1 2021	H1 2022
Volume	3,326.1	4,294.9	4,500.2	2,266.6	2,080.3
Revenue	2,246.4	3,166.5	4,124.3	1,883.4	2,343.1
EBIT	139.1	250.9	275.1	130.0	176.5
EBIT/MT	42	58	61	57	85
Fixed Capital	1,398.0	1,267.7	1,257.7	1,280.0	1,308.0
Working Capital	513.6	590.8	816.3	417.6	1,158.8
Invested Capital	1,911.6	1,858.5	2,074.0	1,697.6	2,466.7
EBIT/IC	8.6%	13.3%	14.0%	-	-

Olam Agri - Fibre, Industrial & Ag Services	2019	2020	2021	H1 2021	H1 2022
Volume	1,982.5	2,012.8	2,228.8	1,186.7	1,215.6
Revenue	4,202.0	3,973.9	5,200.0	2,676.9	3,845.7
EBIT	94.1	59.1	210.9	132.2	202.9
EBIT/MT	47	29	95	111	167
Fixed Capital	349.0	465.6	423.2	449.3	395.6
Working Capital	689.0	1,073.4	1,893.8	1,093.9	1,331.5
Invested Capital	1,038.0	1,539.0	2,317.0	1,543.1	1,727.0
EBIT/IC	10.2%	4.6%	10.9%	-	-

'000 MT / S\$ m

Remaining Olam Group	2019 Restated	2020 Restated	2021 Restated	H1 2021 Restated	H1 2022 Restated
Volume	1,610.4	1,219.1	1,141.3	519.0	486.9
Revenue	1,617.1	1,418.6	1,508.1	696.9	776.1
EBIT	(65.6)	(119.7)	(151.0)	(66.4)	(71.8)
Fixed Capital	3,462.4	3,094.5	2,815.8	3,122.8	2,888.0
Working Capital	579.2	417.4	192.8	377.9	328.2
Invested Capital	4,041.6	3,511.9	3,008.6	3,500.7	3,216.2
EBIT/IC	-1.6%	-3.2%	-4.6%	-	-

Remaining Olam Group - De-prioritised/Exiting Assets	2019 Restated	2020 Restated	2021 Restated	H1 2021 Restated	H1 2022 Restated
Volume	902.3	473.1	195.7	90.5	105.1
Revenue	852.8	535.5	322.4	143.7	159.2
EBIT	(46.0)	(34.8)	(26.5)	(12.6)	3.9
Fixed Capital	936.8	794.0	532.4	764.1	519.2
Working Capital	313.8	129.7	31.6	91.2	33.1
Invested Capital	1,250.6	923.7	563.9	855.3	552.3
EBIT/IC	-3.1%	-3.2%	-3.6%	-	-

Remaining Olam Group - Continuing/Gestating Businesses	2019 Restated	2020 Restated	2021 Restated	H1 2021 Restated	H1 2022 Restated
Volume	708.1	733.8	898.2	419.3	284.5
Revenue	764.3	878.5	1,162.8	548.9	575.1
EBIT	25.0	(29.2)	(47.5)	(16.0)	(45.9)
Fixed Capital	2,525.6	2,299.8	2,268.2	2,357.6	2,349.6
Working Capital	265.4	287.7	162.2	284.7	306.9
Invested Capital	2,791.0	2,587.5	2,430.5	2,642.3	2,656.5
EBIT/IC	1.0%	-1.1%	-1.9%	-	-

Remaining Olam Group - Incubating Businesses (including corporate adjustments)	2019 Restated	2020 Restated	2021 Restated	H1 2021 Restated	H1 2022 Restated
Volume	-	12.2	47.4	9.2	97.2
Revenue	-	4.6	22.9	4.3	41.8
EBIT	(44.6)	(55.7)	(77.0)	(37.8)	(29.7)
Fixed Capital	-	0.7	15.2	1.1	19.3
Working Capital	-	-	(1.0)	2.0	(11.8)
Invested Capital	-	0.7	14.2	3.1	7.5
EBIT/IC	n.m	n.m	n.m	-	-

'000 MT / S\$ m

Olam Group Consolidated	2019	2020	2021	H1 2021	H1 2022
Volume	39,751.4	44,409.7	45,425.3	22,367.4	22,490.0
Revenue	32,992.7	35,820.1	47,001.8	22,833.4	28,445.1
EBIT	1,057.7	1,069.4	1,422.6	641.6	802.1
EBIT/MT	27	24	31	29	36
EBIT Margin	3.2%	3.0%	3.0%	2.8%	2.8%
Fixed Capital	9,022.8	8,735.2	10,035.6	10,181.7	10,329.7
Working Capital	6,767.1	7,930.8	8,976.6	7,756.5	9,594.4
Invested Capital	15,789.9	16,666.0	19,012.2	17,938.2	19,924.1
EBIT/IC	6.9%	6.6%	8.0%	-	-
ROIC	4.9%	3.7%	5.8%	-	-
Return on Beginning-of-period Equity	4.7%	3.4%	11.7%	-	-
Operational Return on Beginning-of-period Equity (ROE)	7.9%	11.2%	16.8%	-	-
Free cash flow before capex/ investments	1,200.5	161.3	868.3	1,133.9	845.7

Invested Capital excludes:

1. Gabon Fertiliser Project	240.7	262.6	253.7	262.4	242.1
2. Long Term Investment	71.5	24.3	31.3	26.4	-

Annex 3: Description of Operating Groups

ofi: Comprising industry-leading Cocoa, Coffee, Dairy, Nuts and Spices businesses, **ofi** is a global leader in ingredients at the forefront of food and beverage consumer trends offering sustainable, natural and plant-based ingredients and solutions and serving large, attractive and high growth end-use categories. **ofi** has built a unique and complementary portfolio across the full ingredients value chain, including its own farms, farm-gate origination, manufacturing facilities and innovation centres. It partners with customers, leveraging its differentiated portfolio of “on-trend” food products, to co-create solutions that anticipate and meet changing consumer preferences as demand increases for healthier food that is traceable and sustainable.

Olam Agri: Consisting of Grains & Oilseeds, Integrated Feed & Proteins, Edible Oils, Rice, Specialty Grains & Seeds, Cotton, Rubber, Wood Products and Commodity Financial Services businesses, Olam Agri is a market leading and differentiated food, feed, and fibre global agri-business focused on high-growth emerging end-consumption markets to meet the rising demand for food staples, agri-industrials raw materials and the shift to protein-based diets in these countries. It has built proprietary and differentiated operating capabilities including significant strengths in farming, global origination, processing, trading, logistics (inland and marine), distribution, risk management, and a deep understanding via its on-the-ground presence of these origins and markets over the last 30 years. It supports customers in addressing their growing needs, building on its proven track record, deep supply chain expertise, embedding sustainability and digitalising its business.

Remaining Olam Group: The Remaining Olam Group is responsible for the divestment of non-core assets and businesses (“De-prioritised/Exiting Assets”), nurturing and partially or fully monetising three gestating businesses Olam Palm Gabon, Packaged Foods, and ARISE Ports & Logistics (“Gestating businesses”) and developing Rusmolco, the Russian dairy farming business (“Continuing Business”). It is also responsible for incubating new sustainability and digital platforms for growth (Olam Ventures) and providing IT, digital and shared services to the operating groups as well as to third parties (Olam Technology and Business Services).

Currently Olam Ventures is working on six Engine 2 initiatives, including a digital farmer services platform “Jiva”, a B2C sustainability lifestyles platform “Adva”, a B2B smart carbon management platform Terrascope (formerly “GreenPass”), a carbon trading and sustainable landscapes investment platform, the “Re” B2C purpose brands business, and a food and agri sector Digital and Sustainability platform.

Annex 4: Key Definitions

Sales Volume: Sale of goods in metric tonne (MT) equivalent. There are no associated volumes for CFS and Infrastructure and Logistics businesses.

Revenue: Sale of goods and services

Other Income: Includes sale of scrap materials, commissions and claims income and fair value gain on investments held for trading. Negative goodwill, gain on sale of assets and other non-recurring, exceptional items which are part of Other Income in the Profit & Loss statement on SGXNet are classified as Exceptional Items in the MD&A.

Cost of Sales: Cost of goods sold, shipping and logistics, commissions and claims expenses and the net measurement of derivative assets

Overhead (Selling, General & Administrative) Expenses: Employee benefit costs, manufacturing overheads, travel expenses and other direct expenses

Other Operating Expenses: Unrealised foreign exchange gain/loss and other expenses

Net changes in fair value of biological assets: Records changes in the fair value of agricultural produce growing on bearer plants and livestock

Exceptional Items: One-off, non-recurring items, including negative goodwill and related transaction costs, gain/loss on sale of assets/business, gain/loss on buyback of bonds, impairment loss, finance charges on pre-payment of loans and non-recurring business restructuring expenses. Tax expenses associated with these items are also presented as Exceptional Items.

EBITDA: Earnings Before Interest, Tax, Depreciation and Amortisation, excludes Exceptional Items

EBIT: Earnings Before Interest and Tax, excludes Exceptional Items

PATMI: Net Profit After Tax (PAT) less minority interest

Operational PATMI: PATMI excluding Exceptional Items

Total Assets: Total assets are net of trade payables and accruals, derivative financial instruments (current liabilities), provision for taxation, other current liabilities and non-current liabilities, and deferred tax liabilities.

Invested Capital (IC): Excludes cash and bank balances, deferred tax assets, fixed deposits, other current/non-current assets and fair value of derivative assets on bonds

EBIT/IC: EBIT on average invested capital based on beginning and end-of-period invested capital

Net Gearing: Ratio of Net Debt (gross debt less cash) to Equity (before fair value adjustment reserves)

Net Gearing (adjusted): Net gearing adjusted for readily marketable inventories that are liquid, hedged and/or sold forward, operating as near-cash assets on the balance sheet, and secured receivables are supported by letters of credit or documents through banks

Free Cash Flow to Firm (FCFF): Operating cash flow less changes in working capital, cash taxes, capital expenditures and investments

Free Cash Flow to Equity (FCFE): FCFF less net interest paid

Note: Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.