



**OLAM INTERNATIONAL LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199504676H)

## **ANNOUNCEMENT**

### **2019-2024 STRATEGIC PLAN UPDATE**

The Board of Directors (the Board) of Olam International Limited (“Olam” or the “Company”) wishes to announce a one-off impact on its unaudited financial results for the quarter and year ended 31 December 2019 arising from the execution of various restructuring initiatives under the Strategic Plan for 2019-2024.

On January 25, 2019, the Company had announced its 2019-2024 Strategic Plan, to capitalise on key trends shaping the sector. The Company had also announced its intention to invest US\$3.5 billion (including maintenance Capex) to strengthen businesses with high growth potential, while releasing US\$1.6 billion by de-prioritising and divesting four businesses – Sugar, Rubber, Wood Products, Fertiliser and other assets which were de-prioritised or no longer aligned with Olam’s strategic goals.

By the end of Q3 2019, the Company had closed the Sugar, Rubber and Fertiliser trading desks, the Fundamental Fund and the Wood Products business in Latin America. In addition, it had also completed the sale of Olam Argentina S.A. and Collymongle Ginning Pty Ltd. These divestments and closures had reduced the Company’s invested capital by S\$212.3 million and generated a cumulative one-off loss of S\$17.8 million till Q3 2019.

The Board has now completed its review of restructuring and/or divestment actions for some of the other de-prioritised assets which were identified in the Strategic Plan including NZFSU (Uruguay), Olam Tomato Processors (USA), Coffee plantations (Zambia, Brazil, Tanzania and Laos) and Edible Oils processing (Mozambique). Following the review and as a result of the periodic assessment of the recoverable amounts of its assets, the Company will be recognizing one-off exit costs, losses on disposal/sale and/or impairment on these assets of approximately S\$300.0 million in the financial statements for Q4 2019.

In Q4 2019, the Company had also announced the sale of real estate assets of its onion and garlic processing facility in Gilroy, California, sale of permanent water rights in Australia and a divestment of 10.0% stake in GSEZ SA (a subsidiary of ARISE IIP, which is an associate company). These transactions have generated a one-time post-tax capital gain of approximately S\$372.0 million in Q4 2019.

Therefore, the Company will record a net one-time post tax gain of approximately S\$72.0 million arising from exceptional / one-off items in the unaudited financial statements for Q4 2019.



In the meantime, shareholders of the Company should keep this disclosure in mind when dealing in the shares of the Company.

**By Order of the Board**

Shekhar Anantharaman  
Executive Director

Singapore, 10 February 2020



## About Olam International Limited

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Olam International is a leading food and agri-business supplying food, ingredients, feed and fibre to 19,800 customers worldwide. Our value chain spans over 60 countries and includes farming, processing and distribution operations, as well as a sourcing network of an estimated 4.8 million farmers.

Through our purpose to 'Re-imagine Global Agriculture and Food Systems', Olam aims to address the many challenges involved in meeting the needs of a growing global population, while achieving positive impact for farming communities, our planet and all our stakeholders.

Headquartered and listed in Singapore, Olam currently ranks among the top 30 largest primary listed companies in terms of market capitalisation on SGX-ST.

More information on Olam can be found at [www.olamgroup.com](http://www.olamgroup.com). Follow @olam:



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### Contacts for Olam Investor Relations

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