



OLAM GROUP LIMITED
(Incorporated in Singapore)
(Company Registration Number: 202180000W)

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN OR INTO THE UNITED STATES, THE UNITED KINGDOM, EUROPEAN ECONOMIC AREA, CANADA, AUSTRALIA OR JAPAN.

These materials are not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia). These materials are not an offer of securities for sale into the United States, the United Kingdom, European Economic Area, Canada, Australia or Japan. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act), except pursuant to a registration or an applicable exemption from registration under the U.S. Securities Act. No public offering of securities is being made in the United States.

This communication does not constitute an offer of the Instruments (as defined below) to the public in the United Kingdom. No prospectus has been or will be approved in the United Kingdom in respect of the Instruments. This communication is being distributed to and is directed only at (i) persons who are outside the United Kingdom or (ii) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") and (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "Relevant Persons"). Any investment activity to which this communication relates will only be available to and will only be engaged with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

UK MiFIR professionals/ECPs-only – Manufacturer target market (UK MiFIR product governance) is eligible counterparties and professional clients only (all distribution channels).

PROPOSED SPIN-OFFS, AND LISTING AND DEMERGER OF OLAM AGRI HOLDINGS PTE. LTD.

1. INTRODUCTION

1.1 The board of directors (the "**Board**", and each director, a "**Director**") of Olam Group Limited (the "**Company**", and together with its subsidiaries, the "**Olam Group**") refers to:

- (a) the announcement by Olam International Limited ("**OIL**") dated 14 December 2021 entitled "Proposed Restructuring by way of a Scheme of Arrangement under Section 210 of the Companies Act, Chapter 50 Of Singapore, Proposed Listing of OFI Group Limited, and Proposed Demerger of the Olam Food Ingredients Business" (the "**Scheme**");

Not for distribution in the United States, the United Kingdom, European Economic Area, Canada, Australia or Japan.

UK MiFIR professionals/ECPs-only.

- (b) the composite scheme document of OIL dated 27 January 2022 (the "**OIL Circular**");
- (c) the announcement by OIL dated 18 February 2022 relating to the results of the Scheme meeting and extraordinary general meeting ("**EGM**") of OIL;
- (d) the announcement by OIL dated 11 March 2022 entitled "Delisting of Security" (the "**OIL Delisting Announcement**"); and
- (e) the announcement by OIL dated 15 March 2022 entitled "Effective Date of the Scheme and Listing of Olam Group Limited ("**OG**")" (the "**OIL Scheme Effective Announcement**").

1.2 As referred to in the OIL Delisting Announcement and the OIL Scheme Effective Announcement, the Scheme became effective and binding in accordance with its terms on 15 March 2022 (the "**Scheme Effective Date**"), and pursuant to the Scheme, on 16 March 2022, OIL was delisted from the Official List of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the Company's shares ("**Shares**") were listed and quoted on the Mainboard of the SGX-ST (the "**Mainboard**"). As a result of the Scheme, the Company became the listed holding company of the Olam Group in place of OIL.

Status of OFIGL IPO and ofi Demerger

1.3 At the EGM of OIL on 18 February 2022, the shareholders of OIL had approved the three resolutions tabled at the EGM in respect of the listing of the Olam Food Ingredients ("**ofi**") business and demerger (the "**ofi Demerger**"). In the Company's announcement of 12 August 2022 relating to its financial results for the six (6) months ended 30 June 2022 ("**1H2022**"), the Company had stated, *inter alia*, that the listing and initial public offering ("**IPO**") of OFI Group Limited ("**OFIGL**", and such IPO, the "**OFIGL IPO**") is still intended to proceed, pending favourable market conditions.

OAHPL IPO and Proposed Olam Agri Demerger

1.4 In the same announcement as referred to in paragraph 1.3 above, it was also mentioned that the Olam Group would look to prepare the Olam Agri business held under Olam Agri Holdings Pte. Ltd. ("**OAHPL**") for an IPO (the "**OAHPL IPO**") and demerger (the "**Proposed Olam Agri Demerger**", and together with the ofi Demerger, the "**Demergers**") based on market conditions.

1.5 In light of favourable global agri-business industry trends, rising concerns relating to food security and the financial performance of the Olam Agri business, the Company is targeting the OAHPL IPO and Proposed Olam Agri Demerger to take place as early as the first half of 2023, with the implication that the OFIGL IPO and ofi Demerger will take place on a sequential basis thereafter. The Company continues to be fully committed to the listing and Demerger of both ofi and Olam Agri subject to prevailing market conditions, in the interests of Shareholders.

Not for distribution in the United States, the United Kingdom, European Economic Area, Canada, Australia or Japan.

UK MiFIR professionals/ECPs-only.

- 1.6 The Company is working towards a primary listing of OAHPL on the Mainboard of the SGX-ST and is exploring a possible concurrent listing of OAHPL on the Saudi Arabia Stock Exchange (the "**Saudi Exchange**").

Regulatory clearance from the SGX-ST

- 1.7 The Company is pleased to announce that, following an application made by the Company to the SGX-ST, the SGX-ST has by way of a letter dated 7 January 2023, advised that, based on the Company's submissions and representations to the SGX-ST, the SGX-ST has no objection to the proposed spin-off of the businesses of ofi and Olam Agri (each a "**Proposed Spin-off Listing**", and collectively, the "**Proposed Spin-off Listings**"), subject to the following conditions:

- (a) compliance with the SGX-ST's listing requirements;
- (b) approval of the dilution of interest in OAHPL and the Proposed Olam Agri Demerger by the Shareholders at an EGM to be convened; and
- (c) disclosure of valuation undertaken by KPMG Services Pte. Ltd. ("**KPMG**") via an SGXNet announcement.

The SGX-ST reserves the right to amend and/or vary the above decision and such decision is subject to changes in the SGX-ST's policies.

Financial adviser

- 1.8 The Company has appointed Rothschild & Co Singapore Limited as its financial adviser for the Proposed Spin-Off Listings.

Shareholders' approvals to be sought

- 1.9 The Company will be proceeding to seek approval from Shareholders for various resolutions relating to the OAHPL IPO and the Proposed Olam Agri Demerger, as set out in paragraph 4 of this announcement.
- 1.10 Separately and at an appropriate later time, where applicable, the Company will seek fresh approval from Shareholders for various resolutions relating to the OFIGL IPO and the ofi Demerger. The Company will update Shareholders as required in accordance with its obligations under the Listing Manual of the Mainboard (the "**Listing Manual**").
- 1.11 As the intention (as stated in paragraph 1.5 of this announcement) is that the OAHPL IPO and the Proposed Olam Agri Demerger are targeted to take place as early as the first half of 2023, with the implication that the OFIGL IPO and ofi Demerger will take place on a sequential basis thereafter, paragraphs 4 to 9 of this announcement pertain to the OAHPL IPO and the Proposed Olam Agri Demerger. Relevant and/or similar information will be provided in relation to the

Not for distribution in the United States, the United Kingdom, European Economic Area, Canada, Australia or Japan.

UK MiFIR professionals/ECPs-only.

OFIGL IPO and the ofi Demerger in due course, where applicable, in accordance with the requirements of the Listing Manual. The Company wishes to reiterate that it remains fully committed to the listing and Demerger of both ofi and Olam Agri, subject to prevailing market conditions, in the interests of Shareholders.

2. INFORMATION ON THE OLAM GROUP

The Company

2.1 The Company was incorporated in Singapore on 26 August 2021 as a private limited company and was converted into a public company limited by shares on 8 December 2021. The Olam Group is a leading food and agri-business supplying food, ingredients, feed and fibre. The Company currently ranks among the top 30 largest primary listed companies (in terms of market capitalisation) on the Mainboard of the SGX-ST. As at the date hereof, the issued and paid-up share capital of the Company is S\$6,233,595,001.3556, comprising 3,842,625,185 Shares (including 4,868,700 treasury shares).

The Olam Agri business and OAHPL

2.2 Pursuant to the Reorganisation Exercise of the Olam Group as described in the OIL Circular, the Olam Agri business was carved out into a separate corporate group with OAHPL as the holding company of the Olam Agri business within the Olam Group. Olam Agri is a differentiated food, feed and fibre agri-business with a global origination footprint. It has a presence in emerging markets and products across grains and oilseeds, animal feed and protein, rice, edible oils, specialty grains & seeds, cotton, wood products, rubber and commodity financial services.

2.3 OAHPL was incorporated in Singapore on 30 April 2021 as a private company limited by shares. As announced by the Company on 23 December 2022, the sale by Olam Holdings Pte. Ltd. ("**OHPL**"), a wholly-owned subsidiary of the Company, to SALIC International Investment Company ("**SALIC**"), a wholly-owned subsidiary of the Saudi Agricultural and Livestock Investment Company, of an approximately 35.4% stake in OAHPL was completed on 23 December 2022. As at the date of this announcement, the issued and paid-up share capital of OAHPL is US\$896,740,954 (which comprises 1,002,699,769 ordinary shares) and S\$1 (which comprises 1 ordinary share) (collectively the "**OAHPL Shares**"), held as follows:

Name of Shareholder	Number of OAHPL Shares	Shareholding Proportion (%)
OHPL	482,699,670	48.14
Olam Agri Pte Ltd (" OAPL "), a wholly-owned subsidiary of OHPL	164,757,896	16.43
SALIC	355,242,204	35.43

Not for distribution in the United States, the United Kingdom, European Economic Area, Canada, Australia or Japan.

UK MiFIR professionals/ECPs-only.

2.4 OAHPL will be converted into a public company prior to the OAHPL IPO. In addition, it is intended that, in preparation for the Proposed Olam Agri Demerger, the Company will take steps to restructure the Olam Group such that the OAHPL Shares held by OHPL and OAPL will be moved to be held directly by the Company prior to the OAHPL IPO and Proposed Olam Agri Demerger.

The ofi business

2.5 ofi is an industry-leading business offering sustainable, natural, value-added food products and ingredients, consisting of cocoa, coffee, dairy, nuts and spices. ofi has built a unique global value chain presence including its own farming operations, farm-gate origination and manufacturing facilities. ofi partners with customers, leveraging its complementary and 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.

The New OGL Business

2.6 The remaining businesses of the Company (collectively, the "**New OGL Business**"), apart from the Olam Agri business and the ofi business, comprise:

- (a) Olam Ventures Pte. Ltd., an independent incubator for the Company's Engine 2 businesses and start-up growth initiatives focused on the Company's leading edge digital and sustainability capabilities;
- (b) MindSprint Pte. Ltd. (formerly known as Olam Technology and Business Services Pte. Ltd.) which delivers digital and technology services to each operating group within the Olam Group and which will utilise its capabilities to offer services to third parties in the future; and
- (c) Olam Global Holdco Pte. Ltd. which is invested in and developing the Olam Group's three up-stream plantation/farming assets, and which holds and develops the Olam Group's gestating assets with a view to partially and/or fully monetise them over time and oversee the responsible divestment of the Olam Group's de-prioritised businesses and assets.

3. RATIONALE FOR AND BENEFITS OF THE PROPOSED SPIN-OFF LISTINGS

3.1 The rationale for and the benefits to the Company and its Shareholders of the Proposed Spin-off Listings are as follows:

- (a) the Proposed Spin-off Listings will strengthen the balance sheet, enhance the credit profile, optimise capital structure, and provide financial flexibility for the Olam Agri business and the ofi business (each, a "**Spin-off Business**" and collectively, the "**Spin-**

UK MiFIR professionals/ECPs-only.

off Businesses") to capture future growth opportunities;

- (b) the Proposed Spin-off Listings will provide transparent valuation benchmarks for the Spin-off Businesses and allow them to be assessed and valued more distinctly. Shareholders will be able to participate in the growth of each of OFIGL and OAHPL directly as a result of the respective Demergers. Having OFIGL and OAHPL separately listed will allow investors more flexibility for diversification of their investments;
- (c) the Proposed Spin-off Listings will allow OFIGL and OAHPL to each have direct access to a wider pool of investors. It may also attract new investors who are seeking investment opportunities in a more focused business model. This is expected to result in a wider, deeper and more diverse investor base than the Olam Group has presently; and
- (d) the Proposed Spin-off Listings will allow OFIGL and OAHPL to each have direct access to debt and equity capital markets with additional funding options as a separately-listed entity to fund its existing operations and future business expansion plans.

3.2 As the contribution of ofi and Olam Agri to the Olam Group as a whole is substantial, KPMG was commissioned to undertake a valuation as at 30 June 2022, to determine the enterprise value of the New OGL Business, comprising specific businesses under the entities listed in paragraphs 2.6(a), (b) and (c) of this announcement¹. Taking into account the valuation undertaken by KPMG, and after deducting the aggregate estimated net debt of the New OGL Business as at 31 December 2022 of US\$1,004 million (equivalent to S\$1,336 million based on an exchange rate of US\$1.0000: S\$1.3310 as at 9 January 2023), the net equity value ("**EV**") of the New OGL Business based on the Company's shareholding of the various businesses and assets of the New OGL Business, would be in the range of US\$875.4 million to US\$1,127.5 million (equivalent to S\$1,165.2 million to S\$1,500.7 million based on an exchange rate of US\$1.0000: S\$1.3310 as at 9 January 2023). As the *pro forma* revenue of the New OGL Business in the financial year ended 31 December 2021 ("**FY2021**")² was S\$1,508,153,662 and taking the EV of the New OGL Business as a reference for the likely market capitalisation of the New OGL Business, the New OGL Business would *prima facie* satisfy the Mainboard listing quantitative criteria in Rule 210(2)(c) of the Listing Manual, being a consideration for the grant of spin-off approval by the SGX-ST³. With the disclosure in this paragraph 3.2, the condition for the SGX-ST's approval of the Proposed Spin-off Listings set out in paragraph 1.7(c) of this announcement is satisfied.

3.3 The Board believes that the Proposed Spin-off Listings and Demergers will allow the Company,

¹ Apart from Arise Ports & Logistics and Gabon Fertilizer Company (GFC). Arise Ports & Logistics is presently undergoing a sale process and GFC was independently valued by Jones Lang LaSalle (Pty) Ltd in December 2021.

² Calculated by taking the difference between (a) the revenue set out in the audited consolidated financial statements of the Olam Group for FY2021; and (b) the sum of the revenue for OAHPL and OFIGL, as set out in the unaudited historical financial information of OAHPL for FY2021 and the unaudited historical financial information of OFIGL for FY2021 respectively.

³ As stated in the SGX-ST Regulator's Column dated 3 February 2010 entitled "SGX Provides Guidance on Proposals for Restructuring or Spin-Offs".

Not for distribution in the United States, the United Kingdom, European Economic Area, Canada, Australia or Japan.

UK MiFIR professionals/ECPs-only.

OAHPL and OFIGL respectively to each focus on their respective core businesses, and implement strategies to grow and expand their businesses independently, as well as to gain financial autonomy. The Proposed Spin-off Listings and Demergers will also provide markets and investors with greater visibility and business understanding of the businesses of Olam Agri and ofi, as well as the New OGL Business, thus benefiting Shareholders as a whole.

4. SHAREHOLDERS' APPROVALS TO BE SOUGHT IN RELATION TO THE OAHPL IPO AND PROPOSED OLAM AGRI DEMERGER

The Proposed OA Disposal, the Proposed OA Dilution and the Proposed OA Capital Reduction

- 4.1 It is presently contemplated that the OAHPL IPO may involve an offering in Singapore and globally via an issuance of new OAHPL Shares⁴ ("**New OA Issue**") as well as a vendor sale component whereby the Olam Group will sell a certain number of the OAHPL Shares held by it ("**Proposed OA Disposal**") in the OAHPL IPO. At this stage, no final decision has been made of the offer structure, but it is contemplated that the New OA Issue could result in an aggregate dilution of the Company's interest in OAHPL by 20% or more (the "**Proposed OA Dilution**").
- 4.2 Concurrently with the OAHPL IPO, the Company intends to undertake the Proposed Olam Agri Demerger by way of a capital reduction exercise under Section 78G of the Companies Act 1967 of Singapore (the "**Companies Act**") under which the Company will distribute all of the remaining OAHPL Shares held by the Olam Group after the Proposed OA Disposal (the "**Remaining OAHPL Shares**") to the Distribution Entitled Shareholders (as defined in paragraph 5.4 below) (the "**Proposed OA Capital Reduction**").
- 4.3 An EGM will be convened by the Company in due course, and in relation thereto, the Company will be releasing to Shareholders a circular (the "**Circular**") to seek the approval of Shareholders to carry out the following transactions (collectively, the "**Proposed Transactions**"):
- (a) the Proposed OA Disposal;
 - (b) the Proposed OA Dilution; and
 - (c) the Proposed OA Capital Reduction.

The Proposed OA Disposal under Chapter 10 of the Listing Manual

⁴ Part of the offering could take the form of depository receipts representing OAHPL Shares (such depository receipts, together with the OAHPL Shares, "**Instruments**") to be listed on the Saudi Exchange. As stated in paragraph 1.6 of this announcement, the Company is presently exploring a possible concurrent listing on the Saudi Exchange. The listing on the Saudi Exchange and the offer structure are still subject to finalisation.

Not for distribution in the United States, the United Kingdom, European Economic Area, Canada, Australia or Japan.

UK MiFIR professionals/ECPs-only.

- 4.4 Depending on, *inter alia*, the size of the Proposed OA Disposal and the offer price for each OAHPL Share being offered in the OAHPL IPO ("**Offer Price**"), the Proposed OA Disposal may constitute a major transaction under Chapter 10 of the Listing Manual, should any of the relative figures computed under Rule 1006(a) to (d) of the Listing Manual exceed 20%. Rule 1007(2) of the Listing Manual provides that where the disposal of an issuer's interest in a subsidiary is undertaken in conjunction with an issue of shares by that subsidiary, the relative figures in Rule 1006 must be computed based on the disposal and the issue of shares.

The Proposed OA Dilution under Chapter 8 of the Listing Manual

- 4.5 Further, pursuant to Rule 805(2)(b) of the Listing Manual, as OAHPL is a principal subsidiary (as defined in the Listing Manual) of the Company, and the New OA Issue could result in an aggregate dilution of the Company's interest in OAHPL by 20% or more, the Company will be required to seek approval from Shareholders in a general meeting for the Proposed OA Dilution.
- 4.6 Accordingly, the approval of Shareholders will be sought at the EGM to be convened, for both the Proposed OA Disposal as well as the Proposed OA Dilution, in order to ensure that the Company and the Directors will have the necessary authority and sufficient flexibility in order to effect the OAHPL IPO based on the finalised offer structure.

Calculation of the relative figures under Chapter 10 of the Listing Manual, and cautionary statements

- 4.7 The Company will determine the offer structure for the OAHPL IPO in due course, taking into account relevant prevailing factors, conditions and circumstances. **As this decision will only be made in due course having regard to Shareholders' and investors' interests and responses at the material time and taking into consideration prevailing economic and/or market conditions and/or any other relevant factors, conditions and circumstances, the relative figures below have been provided for illustrative purposes only. For purely illustrative purposes, the Company has assumed the following: (a) the Proposed OA Disposal will involve the Olam Group selling approximately 25.00% of the issued share capital of OAHPL that it holds ("Sale Shares") in the OAHPL IPO (i.e. the Company's interest in OAHPL will drop from 64.57% to approximately 48.43%); (b) the Proposed OA Dilution will involve OAHPL undertaking the New OA Issue which on its own will result in an aggregate dilution of the Company's interest in OAHPL by a further 20% (such number of newly-issued OAHPL Shares resulting in such 20% dilution of the Company's interest in OAHPL, the "Dilution Shares") (i.e. the Company's interest in OAHPL will drop further from approximately 48.43% (post-the Proposed OA Disposal) to approximately 38.74%); and (c) as a result of the Proposed OA Disposal and the Proposed OA Dilution, there will be a total effective dilution/reduction of the Company's interest in OAHPL of approximately 40.00% (i.e. the Company's interest in OAHPL will drop by approximately 40.00% (the "Aggregate Dilution") from 64.57% to approximately 38.74%). Shareholders should note that the sale by the Olam Group of OAHPL Shares in the OAHPL IPO may not be equivalent to or indeed have any correlation with the number of or percentage stake represented by the Sale Shares as has been assumed for the purposes of this paragraph 4. Shareholders should also note that OAHPL may in the OAHPL IPO issue**

UK MiFIR professionals/ECPs-only.

such number of new OAHPL Shares that may be greater or fewer than the number of Dilution Shares.

- 4.8 The Offer Price will be arrived at following a book building exercise to be conducted by the underwriter(s) of the OAHPL IPO in consultation with the Company and OAHPL, and will take into account multiple factors, conditions and circumstances, including without limitation the economic and/or market conditions, prevailing at the relevant time. As the exercise to arrive at the Offer Price will only take place much closer to the date of the OAHPL IPO, the relative figures below have been provided on the conservative and purely indicative assumption that the offer price is the net asset value ("NAV") per OAHPL Share based on the unaudited consolidated financial statements of OAHPL for 1H2022. Shareholders should note that the Offer Price finally determined for the OAHPL IPO may be higher or lower than, and may have no correlation whatsoever to, the assumed offer price in this paragraph 4.
- 4.9 The Rule 1006 relative figures (set out in paragraph 4.10) are prepared on the basis of the Aggregate Dilution (as explained in paragraph 4.7 above). The NAV of OAHPL, based on the unaudited consolidated financial statements of OAHPL for 1H2022, is S\$1,708,435,740. The aggregate net tangible asset ("NTA") value of the Sale Shares, based on the unaudited consolidated financial statements of OAHPL for 1H2022, is S\$212,948,049.
- 4.10 Based on the latest announced financial statements of the Company, being the unaudited consolidated financial statements of the Olam Group for 1H2022, and the assumptions in paragraphs 4.7 and 4.8 above and in the Notes below, the relative figures for the Proposed OA Disposal of the Sale Shares and the Proposed OA Dilution through the issue of the Dilution Shares taken together, computed on the bases set out in Rule 1006 (read with Rule 1007(2)) of the Listing Manual, are as follows:

Rule 1006 ⁽¹⁾	Bases	Relative Figures (%)
(a)	NAV of the Sale Shares and the Dilution Shares based on the Aggregate Dilution, compared with the Olam Group's NAV	6.09 ⁽²⁾⁽³⁾
(b)	Net profits attributable to the Sale Shares and the Dilution Shares based on the Aggregate Dilution, compared with the Olam Group's net profits	26.84 ⁽²⁾⁽⁴⁾⁽⁵⁾
(c)	Aggregate value of the consideration to be received for the Sale Shares, compared with the Company's market capitalisation	4.62 ⁽⁶⁾⁽⁷⁾

Notes:

- (1) Rules 1006(d) and 1006(e) of the Listing Manual are not relevant to the Proposed OA Disposal.

UK MiFIR professionals/ECPs-only.

- (2) For purposes of calculating the NAV of the Dilution Shares and the net profits attributable to the Dilution Shares, it has been assumed that the NAV per Dilution Share and the net profits attributable to one Dilution Share are the same as the NAV per Sale Share and the net profits attributable to one Sale Share respectively.
- (3) Computed by dividing the aggregate NAV of the Sale Shares and the Dilution Shares based on the Aggregate Dilution as at 30 June 2022 (based on the unaudited consolidated financial statements of OAHPL for 1H2022) of S\$441,254,783 by the Olam Group's NAV as at 30 June 2022 of S\$7,247,786,580. Please note that the computation does not factor in the increase in the NAV of OAHPL that would result from OAHPL's issuance of the Dilution Shares and/or receipt of the subscription monies therefor.
- (4) Computed by dividing the aggregate net profits attributable to the Sale Shares and the Dilution Shares based on the Aggregate Dilution for 1H2022 (based on the unaudited consolidated financial statements of OAHPL for 1H2022) of S\$115,194,323 by the Olam Group's consolidated net profits for 1H2022 of S\$429,115,319.
- (5) For purposes of calculating the net profits attributable to the Sale Shares and Dilution Shares, it has been assumed that the net profits of OAHPL after the Proposed OA Disposal and Proposed OA Dilution will be the same as that of OAHPL before the Proposed OA Disposal and Proposed OA Dilution.
- (6) Based on the assumption that the consideration for each Sale Share is the NAV per OAHPL Share based on the unaudited consolidated financial statements of OAHPL for 1H2022, the aggregate value of the consideration to be received for the Sale Shares is S\$275,784,239. Subscription monies received by OAHPL for the issuance of the Dilution Shares are not taken into account in the calculation of the consideration.
- (7) The market capitalisation of the Company as at 9 January 2023, being the last market day on which the Shares were traded preceding the date of this announcement, was approximately S\$5.97 billion which was computed based on the total of 3,837,756,485 issued Shares (excluding treasury shares) multiplied by the volume weighted average price of each Share on the SGX-ST of approximately S\$1.5556 per Share.

4.11 We would like to highlight and reiterate the following:

- (a) The NAV per share of the Sale Shares and the Dilution Shares based on the Aggregate Dilution is purely for the purpose of illustrating the relative figures under Chapter 10 of the Listing Manual relating to the Proposed OA Disposal and the Proposed OA Dilution and is not to be taken as indicative of the Offer Price. Please refer to paragraph 4.8 above for more information.
- (b) The amount and price of OAHPL Shares to be sold by the Olam Group in the Proposed OA Disposal and new OAHPL Shares to be issued by OAHPL in the OAHPL IPO will only be determined following a book building exercise to be conducted by the underwriter(s) of the OAHPL IPO in consultation with the Company and OAHPL. The number of OAHPL Shares to be sold by the Olam Group in the Proposed OA Disposal and new OAHPL Shares to be issued by OAHPL in the OAHPL IPO will depend on

UK MiFIR professionals/ECPs-only.

multiple factors, conditions and circumstances, including without limitation, the eventual Offer Price and the prevailing market conditions. Please see paragraphs 4.7 and 4.8 above for more information. It also follows that the Company is unable to specify the excess or deficit of the sale proceeds over the book value or the amount of gain or loss arising out of the Proposed OA Disposal at this stage.

- (c) The consideration which would be paid to the Company for the Proposed OA Disposal will be in cash in the OAHPL IPO. The sale proceeds from the Proposed OA Disposal are expected to be applied in or towards payment or satisfaction of the debts or liabilities of the Olam Group after payment of the costs of the Proposed Transactions.
- (d) The OAHPL IPO is subject to, *inter alia*, the approval of the Board, the approval of the OAHPL board, execution of underwriting agreements/placement agreements, appropriate market conditions and all applicable regulatory approvals in Singapore and, where applicable, Saudi Arabia, being obtained.
- (e) The resolutions relating to the Proposed OA Disposal, the Proposed OA Dilution and the Proposed Olam Agri Demerger to be put before Shareholders at the EGM to be convened by the Company will be inter-conditional on each other.
- (f) **Shareholders should note that the Board may, notwithstanding that all approvals have been or will be obtained in due course, decide not to proceed with the OAHPL IPO and the Proposed Olam Agri Demerger if, having regard to Shareholders' and investors' interests and responses at the material time and taking into consideration prevailing economic and/or market conditions and/or any other relevant factors, conditions and circumstances, the Board deems it not in the interests of the Company to proceed with the same. Accordingly, Shareholders should note that there is no certainty or assurance that the OAHPL IPO and the Proposed Olam Agri Demerger will materialise in due course or in any form as described in this announcement.** Shareholders and potential investors are advised to exercise caution at all times and seek appropriate professional advice when dealing in the Shares and securities of the Company, and to refrain from taking any action in respect of their investments which may be prejudicial to their interests.
- (g) A further announcement on the updated relative figures of the Proposed OA Disposal and the Proposed OA Dilution and confirmation of the excess or deficit of the sale proceeds over the book value and the amount of gain or loss arising out of the Proposed OA Disposal, based on the finalised aggregate dilution of the Company's interest and the finalised Offer Price, will be made by the Company in due course if and when the Offer Price has been determined.

Not for distribution in the United States, the United Kingdom, European Economic Area, Canada, Australia or Japan.

UK MiFIR professionals/ECPs-only.

5. MORE INFORMATION ON THE PROPOSED OA CAPITAL REDUCTION

- 5.1 The Proposed OA Capital Reduction will be subject to, *inter alia*: (a) the approval of Shareholders by way of a special resolution at the EGM to be convened; (b) the Court making an order approving the Proposed OA Capital Reduction ("**Proposed OA Capital Reduction Court Order**"); and (c) the Company lodging with the Registrar of Companies a copy of the Proposed OA Capital Reduction Court Order and a notice containing the reduction information within 90 days beginning with the date the Proposed OA Capital Reduction Court Order is made or within such longer period as the Registrar of Companies may, on the application of the Company, allow.
- 5.2 The Proposed Olam Agri Demerger will involve the distribution by the Company of the Remaining OAHPL Shares to the Distribution Entitled Shareholders on a *pro rata* basis based on the number of Shares held by them as at the Distribution Record Date (as defined below) and a distribution ratio to be determined by the Board in its absolute discretion. The Board reserves the discretion to decide on all relevant matters relating to the Proposed Olam Agri Demerger, including without limitation the treatment (including dealing, cancellation or forfeiture) of fractional entitlements, unclaimed OAHPL Shares and distribution or otherwise to Distribution Overseas Shareholders (as defined in paragraph 5.6 below) (see paragraph 5.5 below).
- 5.3 No payment will be required from Shareholders for the OAHPL Shares to be received by them in the Proposed Olam Agri Demerger. The Remaining OAHPL Shares will be distributed free of encumbrances and together with all rights attaching thereto on and from such date to be determined by the Company. **The Distribution Entitled Shareholders will, upon the completion of the Proposed Olam Agri Demerger, hold shares in two separate listed companies, namely, the Company and OAHPL.**
- 5.4 In this announcement, "**Distribution Entitled Shareholders**" refers to the depositors who have Shares in their securities accounts maintained by the said depositors with the Central Depository (Pte) Limited ("**CDP**"), as at the Distribution Record Date, and "**Distribution Record Date**" refers to the record date to be separately announced, for the purpose of determining entitlements of Shareholders to receive OAHPL Shares under the Proposed Olam Agri Demerger.

Distribution to overseas Shareholders and cautionary statement

- 5.5 Where the Board is of the view that the distribution of the OAHPL Shares to any Distribution Overseas Shareholder may infringe any relevant foreign law or regulation or may necessitate compliance with conditions or requirements which they, in their sole discretion, regard as onerous by reason of costs, delay or otherwise, the OAHPL Shares which such Distribution Overseas Shareholders would have been entitled to under the Proposed Olam Agri Demerger will not be distributed to such Distribution Overseas Shareholders.

Not for distribution in the United States, the United Kingdom, European Economic Area, Canada, Australia or Japan.

UK MiFIR professionals/ECPs-only.

- 5.6 A Shareholder will be regarded as a "**Distribution Overseas Shareholder**" if that Shareholder's registered address with CDP is outside Singapore as at the Distribution Record Date. Shareholders who wish to change their registered address with CDP to an address in Singapore in substitution thereof prior to the Distribution Record Date may do so by sending a notice in writing with the prescribed information to reach CDP no later than three market days (or such other period required by CDP) prior to the Distribution Record Date.
- 5.7 Further details relating to the Proposed Olam Agri Demerger and the Proposed OA Capital Reduction, including without limitation any distribution or otherwise to Distribution Overseas Shareholders, will be contained in the Circular.
- 5.8 Distribution Overseas Shareholders who are in doubt about their positions should consult their own professional advisers in the relevant jurisdictions.
- 5.9 For the avoidance of doubt, this announcement does not constitute or form part of an offer for sale or solicitation of an offer to purchase or subscribe for securities in the United States, the United Kingdom, European Economic Area, Canada, Australia, Japan or any other jurisdiction and the securities referred to herein have not been registered under the securities laws of any such jurisdiction. The OAHPL Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold, directly or indirectly, in the United States, absent registration under or an exemption from, or transaction not subject to, the registration requirements of, the U.S. Securities Act. No public offering of securities is being made in the United States. There shall not be any sale, issuance or transfer of any securities in any jurisdiction in contravention of applicable laws or regulations.
- 5.10 Following the completion of the Proposed Olam Agri Demerger, OAHPL and its subsidiaries will cease to be subsidiaries of the Company.

6. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED OA DISPOSAL, THE PROPOSED OA DILUTION AND THE PROPOSED OLAM AGRI DEMERGER (COLLECTIVELY, THE "COMBINED OA TRANSACTIONS")

- 6.1 The *pro forma* financial effects of the Combined OA Transactions have been prepared for purely illustrative purposes only and do not reflect the actual financial position of the Olam Group after the completion of the Combined OA Transactions. The *pro forma* financial effects of the Combined OA Transactions are provided on a collective basis, as the resolutions relating to the Proposed OA Dilution, the Proposed OA Disposal and the Proposed Olam Agri Demerger are inter-conditional upon each other. The *pro forma* financial effects are shown based on the audited consolidated financial statements of the Olam Group for FY2021⁵, and prepared on the following assumptions and bases:

⁵ The Company became the holding company of the Olam Group in place of OIL on the Scheme Effective Date. As such, the audited consolidated financial statements of the Olam Group for FY2021 comprise the audited consolidated financial statements of OIL for FY2021.

Not for distribution in the United States, the United Kingdom, European Economic Area, Canada, Australia or Japan.

UK MiFIR professionals/ECPs-only.

- (a) the Proposed OA Disposal relates to the Sale Shares, with a further dilution of the Company's interest in OAHPL following the Proposed OA Disposal by 20% as a result of the issuance of the Dilution Shares, all at the assumed offer price set out in paragraph 4.8 above, resulting in the Aggregate Dilution;
- (b) the Proposed Olam Agri Demerger involves the distribution in specie of the Remaining OAHPL Shares to the Distribution Entitled Shareholders;
- (c) the Combined OA Transactions were all completed on 31 December 2021, for the purposes of computing the effect on the *pro forma* NTA per Share of the Olam Group;
- (d) the Combined OA Transactions were all completed on 1 January 2021, for the purposes of computing the effect on the *pro forma* earnings per Share ("**EPS**") of the Olam Group; and
- (e) for the avoidance of doubt, the audited consolidated financial statements of the Olam Group for FY2021, based on which the *pro forma* financial effects are shown, do not take into account activities and transactions which occurred post-31 December 2021, including without limitation the sale to SALIC referred to in paragraph 2.3 of this announcement.

6.2 Shareholders should note that the actual level of dilution of the shareholding interest of the Company in OAHPL pursuant to the OAHPL IPO will depend on, among other things, the number of OAHPL Shares sold by the Olam Group in the Proposed OA Disposal (which may not be equivalent to or have any correlation with the number of or percentage stake represented by the Sale Shares) and the total number of new OAHPL Shares issued in connection with the OAHPL IPO, which have not yet been finalised. Accordingly, the actual extent of the dilution of the Company's shareholding interest in OAHPL prior to the Proposed Olam Agri Demerger is not fixed as at the date of this announcement, and will vary according to the offer structure.

6.3 Share Capital

The Combined OA Transactions will reduce the Company's share capital by approximately S\$987,037,558.

Before the completion of the Combined OA Transactions		Upon the completion of the Combined OA Transactions	
Number of Shares	Paid-up share capital (S\$)	Number of Shares	Paid-up share capital (S\$)
3,752,443,181	4,339,545,475	3,752,443,181	3,352,507,917

Notes:

UK MiFIR professionals/ECPs-only.

- (1) The paid-up share capital of the Company upon completion of the Combined OA Transactions is derived by taking the paid-up share capital of the Company less the NAV of the Remaining OAHPL Shares.
- (2) In calculating the NAV of the Remaining OAHPL Shares, besides the assumptions set out above, we have: (a) assumed the value of the OAHPL Shares to be issued by OAHPL and sold by the Olam Group in the OAHPL IPO to be the *pro rata* NAV of the OAHPL group as at 31 December 2021 based on the unaudited historical financial information of OAHPL for FY2021 (which is S\$343,703,905); (b) assumed the value of the Remaining OAHPL Shares to be distributed via the Proposed Olam Agri Demerger to be the *pro rata* NAV of the OAHPL group as at 31 December 2021 based on the unaudited historical financial information of OAHPL for FY2021 (which is S\$987,037,558); and (c) not factored in the increase in the NAV of OAHPL that would result from OAHPL's issuance of the Dilution Shares and/or receipt of the subscription monies therefor.

6.4 EPS

The effect of the Combined OA Transactions on the EPS of the Olam Group is as follows:

	Before the completion of the Combined OA Transactions	Upon the completion of the Combined OA Transactions
Adjusted net profit⁽¹⁾ attributable to Shareholders for FY2021 (S\$)	628,839,683 ⁽¹⁾	63,226,512 ⁽³⁾
Weighted average number of shares	3,437,919,001	3,437,919,001
EPS (Singapore cents)⁽²⁾	18.29	1.84

Notes:

- (1) Adjusted net profit refers to profit after tax, non-controlling interests and accrued capital securities distribution.
- (2) EPS (Singapore cents) refers to adjusted net profit attributable to Shareholders for FY2021 (S\$) divided by the weighted average number of Shares.
- (3) Adjusted net profit⁽¹⁾ of the Olam Group upon completion of the Combined OA Transactions is computed as the adjusted net profit⁽¹⁾ of the Olam Group less the adjusted net profit⁽¹⁾ of the OAHPL group based on the unaudited historical financial information of OAHPL for FY2021.

The effect of the Combined OA Transactions on the Operational EPS (as defined below) of the Olam Group is as follows:

Not for distribution in the United States, the United Kingdom, European Economic Area, Canada, Australia or Japan.

UK MiFIR professionals/ECPs-only.

	Before the completion of the Combined OA Transactions	Upon the completion of the Combined OA Transactions
Adjusted operational net profit ⁽⁴⁾ attributable to Shareholders for FY2021 (S\$)	903,507,151 ⁽⁵⁾	337,893,980 ⁽⁵⁾⁽⁶⁾
Weighted average number of shares	3,437,919,001	3,437,919,001
Operational EPS (Singapore cents) ⁽⁷⁾	26.28	9.83

Notes:

- (4) Adjusted operational net profit refers to operational profit (i.e. excluding exceptional items) after tax, non-controlling interests and accrued capital securities distribution.
- (5) Adjusted net profit⁽¹⁾ (reflected in the preceding table) is lower than adjusted operational net profit⁽⁵⁾ (reflected in this table) because the former includes exceptional items, which mainly comprise the impairment of property, plant and equipment and intangible assets, closure and restructuring costs, acquisition related costs, group re-organisation costs, and gains on disposal of joint venture and subsidiaries.
- (6) Adjusted operational net profit⁽⁴⁾ of the Olam Group upon completion of the Combined OA Transactions is computed as adjusted operational net profit⁽⁴⁾ of the Olam Group less the adjusted operational net profit⁽⁴⁾ of the OAHPL group based on the unaudited historical financial information of OAHPL for FY2021.
- (7) Operational EPS (Singapore cents) refers to adjusted operational net profit⁽⁴⁾ attributable to Shareholders for FY2021 (S\$) divided by the weighted average number of shares.

6.5 NTA

The effect of the Combined OA Transactions on the NTA of the Olam Group is as follows:

	Before the completion of the Combined OA Transactions	Upon the completion of the Combined OA Transactions
NTA as at 31 December 2021 (S\$)	4,192,942,167	3,254,628,850
NTA per Share (Singapore cents)	111.74	86.73

Notes:

- (1) The NTA of the Olam Group upon completion of the Combined OA Transactions is computed as the NTA of the Olam Group less the NTA of the OAHPL group based on the unaudited historical financial information of OAHPL for FY2021.

UK MiFIR professionals/ECPs-only.

- (2) In calculating the NTA of the OAHPL group, besides the assumptions set out above, we have assumed: (a) the NTA of the OAHPL Shares to be issued by OAHPL and sold by the Olam Group in the OAHPL IPO to be the *pro rata* NTA of the OAHPL group as at 31 December 2021 based on the unaudited historical financial information of OAHPL for FY2021 (which is S\$242,347,563); and (b) the NTA of the Remaining OAHPL Shares to be distributed via the Proposed Olam Agri Demerger to be the *pro rata* NTA of the OAHPL group as at 31 December 2021 based on the unaudited historical financial information of OAHPL for FY2021 (which is S\$695,965,753).
- (3) The calculation of the effect of the Combined OA Transactions on the NTA of the Olam Group does not factor in the increase in the NTA of OAHPL that would result from OAHPL's issuance of the Dilution Shares and/or receipt of the subscription monies therefor.

6.6 Net gearing

The effect of the Combined OA Transactions on the net gearing of the Olam Group is as follows:

	Before the completion of the Combined OA Transactions	Upon the completion of the Combined OA Transactions⁽²⁾
Net borrowings (S\$)⁽¹⁾	12,392,670,845	8,418,224,290
Total equity (S\$)	7,210,484,667	5,879,688,757
Net gearing (times)	1.72	1.43

Notes:

- (1) Net borrowings refer to the total borrowings less cash.
- (2) The net borrowings of the Olam Group upon completion of the Combined OA Transactions is computed as the net borrowings of the Olam Group less the net borrowings attributable to the OAHPL group based on the unaudited historical financial information of OAHPL for FY2021.
- (3) The calculation of the effect of the Combined OA Transactions on the net gearing of the Olam Group does not factor in OAHPL's issuance of the Dilution Shares and the receipt of the subscription monies therefor.

7. DISCLOSURE OF INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

- 7.1 As at the date of this announcement, none of the Directors has any interest, direct or indirect, in the Proposed Transactions, other than through their respective interests in the shares and other securities of the Company. As at the date of this announcement, Sunny George Verghese (the Group CEO and Executive Director of the Company), and Hideyuki Hori and Nagi Hamiyeh (both of whom are Non-Executive Directors of the Company), are also directors of OAHPL.

Not for distribution in the United States, the United Kingdom, European Economic Area, Canada, Australia or Japan.

UK MiFIR professionals/ECPs-only.

7.2 As at the date of this announcement, as far as the Company is aware, none of the controlling Shareholders has any interest, direct or indirect, in the Proposed Transactions, other than through their respective interests in the shares and other securities of the Company.

8. SERVICE CONTRACTS

As at the date of this announcement:

- (a) no decision has been made as to whether any of the Directors of the Company will be appointed as directors of OAHPL in connection with and/or prior to the OAHPL IPO; and
- (b) it is not contemplated that any person will be appointed as a Director of the Company in connection with the OAHPL IPO.

9. DOCUMENT FOR INSPECTION

Copies of the Company's Constitution will be available for inspection at the registered office of the Company at 7 Straits View Marina One East Tower, #20-01 Singapore 018936 by prior arrangement with the Company during normal business hours for a period of three months from the date of this announcement.

BY ORDER OF THE BOARD

Sunny George Verghese
Group CEO and Executive Director

10 January 2023