



OLAM INTERNATIONAL LIMITED
(the "Company")

(Company registration number: 199504676H)
(Incorporated in the Republic of Singapore)

SCHEME MEETING AND EXTRAORDINARY GENERAL MEETING
TO BE HELD ON 18 FEBRUARY 2022

Responses to Substantial and Relevant Questions from Shareholders

Olam International Limited (the "**Company**") had on 27 January 2022 released a composite scheme document dated 27 January 2022 (the "**Circular**") for a scheme meeting (the "**Scheme Meeting**") and an extraordinary general meeting (the "**EGM**") to be held by way of electronic means on 18 February 2022 at 3.00 p.m. and 3.30 p.m. Singapore time (or as soon thereafter following the conclusion of the Scheme Meeting) respectively, to obtain the approval of the Company's shareholders ("**Shareholders**") in relation to the proposed restructuring of the Company by way of a scheme of arrangement under Section 210 of the Companies Act 1967 (2020 Revised Edition) of Singapore, the proposed listing of OFI Group Limited, and the proposed demerger of the Olam Food Ingredients business.

The Company would like to thank all Shareholders who have submitted their questions in advance of the Scheme Meeting and EGM. The Company's responses to the substantial and relevant questions received from Shareholders by the stipulated deadline can be found in the Appendix to this announcement.

As there was overlap between questions received from Shareholders, we have, for Shareholders' easy reference and reading, summarised some of the questions and grouped related and similar questions and our responses together. Some questions have been slightly edited for clarity.

The results of the Scheme Meeting and EGM will be announced on SGXNet after the conclusion of the Scheme Meeting and EGM.

Unless otherwise defined herein, words and expressions used in this announcement, including the Appendix, bear the meanings ascribed to them in the Circular.

By Order of the Board
Michelle Kwek
Company Secretary

Singapore, 12 February 2022

For further enquires, please contact:

Investor Relations
Chow Hung Hoeng
General Manager
Tel: +65 63179471
Email: ir@olamnet.com

Olam Secretariat
Tel: +65 63394100
Email: OlamScheme@olamagri.com

**SCHEME MEETING AND EXTRAORDINARY GENERAL MEETING
TO BE HELD ON 18 FEBRUARY 2022**

Responses to Substantial and Relevant Questions

Q&A¹

Proposed restructuring

Q How does this restructuring benefit retail shareholders?

A The Reorganisation of Olam is expected to enhance value for all shareholders as it simplifies and streamlines the portfolio: 1) Enabling organisational focus and attention on each operating group to be sharpened and synergies to be better extracted; 2) Enable each operating group to capitalise on specific trends and pursue its own vision, take advantage of new market opportunities, optimise resources, attract new talent, and invest in requisite assets and capabilities; 3) Flexibility to unlock long-term shareholder value in OFI, OGA and other operating groups; and 4) Improve the overall financial position of the Olam Group and/or the Remaining OG Group, and increase financial flexibility to pursue future growth opportunities in the OGA business and the other business segments under the Remaining OG.

The OFIGL IPO would 1) allow shareholders to participate in the growth of OFIGL directly; 2) provide financial flexibility for the OFI business to capture future growth opportunities; 3) strengthen OFI business' balance sheet, enhance credit profile and optimise capital structure; and 4) provide direct access to a wider pool of investors as well as debt and equity capital markets with additional funding options as a separately listed entity. The concurrent listing on SGX would also allow it to further tap on the growing investor appetite in Asia.

Q How does it affect the current shares and dividends owned by the shareholders?

A Current OIL shares will be converted to the same number of OG shares. (No cash outlay including any stamp duties or brokerage expenses will be required from the shareholders under the Scheme.)

There is no change to dividends already declared and paid to OIL shareholders. Shareholders may wish to note that "proposed dividend in specie" does not mean a change to dividends to be declared or recommended. It is an integral and a necessary step to carry out the proposed restructuring and achieve a group structure which allows the Olam Group to explore the sequential sale, spin-off or IPO of the OFI business, OGA business and potentially other operating groups, so as to unlock long-term shareholder value. The proposed dividend in specie of P-Notes is distributed by OIL to its sole shareholder OFIGL after the Scheme has come into effect.

¹ Some questions have been slightly edited for clarity.

Q Can you provide more information on the proposed in specie distribution of OFIGL Promissory Note? Is it to Olam shareholders and will they be listed? Can you confirm my dividend in specie will be the OFIGL IPO shares registered on SGX?

A OIL shareholders' approval is required for the proposed dividend in specie of the P-Notes, which is actually a dividend that will be distributed by OIL to its sole shareholder, OFIGL, after the Scheme has come into effect. It is a necessary internal step for the Re-organisation Exercise. For the avoidance of doubt, it is not a distribution of P-Notes to the current public shareholders of OIL.

Q Any change from current dividend policy for the 2 demerged companies?

A The board of directors of OFIGL when publicly listed and demerged may independently draw up their dividend policy. The OG Board will determine a dividend policy appropriate for OG.

Q The management previously mentioned about a possible IPO of OGA. The Circular mentioned that Olam is now exploring the sale of a minority stake to external parties. Is the IPO of OGA still on the cards? Or has it been ditched in favour of the sale?

A We still maintain the option of a future IPO for OGA. The potential sale of a significant minority stake to strategic partners is to achieve three objectives:

The first is that it would unlock value for shareholders and crystallise a valuation benchmark for OGA for a future IPO/demerger of OGA.

The second is that a strategic partnership with extremely reputed investors would validate the quality and strength of our businesses and strengthen OGA's access to new market opportunities.

The third is that we would raise significant funds for OG, thereby de-gearing and right-sizing its balance sheet and establishing an optimal capital structure.

Q How does Olam divide the debt, bonds and perps? Why is the weaker OG carrying all the perps?

A The allocation of debt facilities between the operating groups is based on their respective capital structure and asset intensity (fixed and working capital) of the operating groups.

Shareholders should note that the Remaining OG post the demerger of OFIGL would still hold 1) OGA, a market-leading and differentiated food, feed and fibre global agri-business focussed on high-growth emerging markets; 2) gestating assets which it nurtures and plans to partially or fully monetise, 3) the business of incubating new platforms for growth; 4) the business of offering technology and shared services through OTBS to maximise economies of scale and optimise synergies across its subsidiaries; and 5) responsibly continues to divest non-core assets and businesses earmarked for exit in the Strategic Plan for 2019-2024.

Shareholders may wish to note that OIL is currently in the process of obtaining relevant consents for the novation of existing bank facilities to the new operating groups. The relevant consents required from bondholders and perpetual securities holders have been obtained, save for the 2023 bonds which will remain under OIL.

Q Why is it necessary to demerge OFIGL?

A The Proposed Demerger will allow OG and OFIGL to 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 Demerger will also provide the market and investors with greater visibility and business understanding of the then separate OGA Business and OFI Business respectively, thus benefiting shareholders as a whole.

Post the demerger, shareholders can participate in the growth of OFIGL directly, and have more opportunity for diversification of their investments in both OG and OFIGL.

Q How will the demerger change the capital structures of Olam and OFIGL?

A As the proposed vendor sale, new share issue and demerger would occur concurrently with the OFIGL IPO, post the demerger, proceeds from the vendor sale would go towards reducing debt for OG. Demerger will have no impact on OFIGL's capital structure.

Q The Olam equity and bond price seem to react negatively to the demerger. What does Olam think about this and how will Olam give confidence to the market? Will the credit of Olam bonds and perps be downgraded after the restructure?

A We cannot speculate on the reason for the price movement of the various Olam securities. The reorganisation of Olam is expected to enhance value for all stakeholders as it simplifies and streamlines the portfolio: 1) Enabling organisational focus and attention on each operating group to be sharpened and synergies to be better extracted; 2) Enable each operating group to capitalise on specific trends and pursue its own vision, take advantage of new market opportunities, optimise resources, attract new talent, and invest in requisite assets and capabilities; 3) Flexibility to unlock long-term shareholder value in OFI, OGA and other operating groups; and 4) Improve the overall financial position of the Olam Group and/or the Remaining OG Group, and increase financial flexibility to pursue future growth opportunities in the OGA business and the other business segments under the Remaining OG Group.

Q Why is Olam spinning off a stronger OFIGL and leaving behind a weaker OG? How does the team going to improve on OG given the nature of the business?

A Both the OFI and OGA businesses are strong and attractive. As we do not want to have the challenge overload of managing 2 IPOs at the same time, we therefore want to focus first on the OFIGL IPO and then subsequently on the OGA IPO and demerger on a sequential basis.

The OFI IPO would 1) strengthen OFI Business' balance sheet, enhance credit profile and optimise capital structure; 2) provide financial flexibility for the OFI Business to capture future growth opportunities, 3) allow shareholders to participate in the growth of OFIGL directly and 4) provide direct access to a wider pool of investors as well as debt and equity capital markets with additional funding options as a separately listed entity. It is important to note that as OFIGL demerges from OG, OG shareholders will get shares in OFIGL and continue to participate in its growth.

Post demerger of OFIGL from OG, OG still holds 1) OGA, a market-leading and differentiated food, feed and fibre global agri-business focussed on high-growth emerging markets; 2) gestating assets which it nurtures and plans to partially or fully monetise, 3) the business of incubating new platforms for growth; 4) the business of offering shared services through OTBS to maximise economies of scale and optimise

synergies across its subsidiaries, and 5) responsibly continues to divest non-core assets and businesses earmarked for exit in the Strategic Plan for 2019-2024.

Q What is the updated timeline for the gradual spin-off and dissolution of Olam Group?

A The proposed transactions relate to the restructuring of the Olam Group and the proposed listing and demerger of OFIGL. The group structure to be achieved post the restructuring is to allow the Group to explore the sequential sale, spin-off or IPO of the OFI business, OGA business and potentially other operating groups, so as to unlock long-term shareholder value. It is NOT intended to dissolve the Olam Group.

The OFIGL IPO and demerger is expected to take place in the first half of 2022. In parallel, we are evaluating strategic options for maximising the value of OGA including the potential introduction of strategic minority partner(s) by way of sale of a significant minority stake in OGA.

Shareholders should note that there is no certainty or assurance that the listing and demerger of OFIGL or the strategic options being explored in respect of OGA will take place.

Q I note the EPS will fall post the transactions. Why is it so? Shouldn't shareholders be concerned and don't you think the transaction is bad in view of the drop in the EPS?

A There is no change to EPS upon both Scheme and Proposed Dividend in Specie taking effect. However, upon demerger of OFIGL, EPS will fall since OFIGL is no longer part of the Group. However, shareholders will hold shares in both OG as well as in OFIGL directly post its IPO and demerger from the Group and will be able to participate in the growth and value creation of OFIGL directly (in addition to their shareholding in OG).

Q After demerger (of OFIGL), what is the estimated return or benefit for the Olam shareholder?

A As the offer structure of the OFIGL IPO has not been finalised, we will not be able to advise the estimated return to shareholders at this point. Please refer to the Circular which sets out the proforma effects of the proposed transactions for illustrative purposes only based on certain assumptions stated in the Circular.

Q What benefits will the listing of OFIGL bring to Olam shareholders?

A The listing of OFIGL will allow shareholders to participate in the growth of OFIGL directly as shareholders of OFIGL (in addition to continuing as shareholders of OG). Having OFIGL separately listed will allow shareholders more opportunity for diversification of their investments. The OFIGL listing is intended to 1) strengthen OFI business' balance sheet, enhance credit profile and optimise capital structure, 2) provide financial flexibility for the OFI business to capture future growth opportunities, and 3) allow OFIGL to have direct access to debt and equity capital markets with additional funding options as a separately listed entity (which will indirectly benefit the shareholders of OFIGL).

Q When do you plan to list OFIGL in Singapore and London?

A We are preparing for the concurrent demerger and listing of OFIGL in the first half of 2022.

Q Do Olam shareholders get to own shares in OFI prior to it being listed? Or will shareholder gets shares of OFI once (or after) it is listed on London stock exchange?

A Shareholders of OG as at the Distribution Record Date are expected to receive and be able to trade OFIGL shares from its listing date on the SGX-ST. As stated in the Circular, OIL will in due course issue announcements relating to the Distribution Record Date, Demerger Effective Date, date of crediting of OFIGL Shares to Securities Accounts of Distribution Entitled Shareholders pursuant to the Proposed Distribution, and dates of listing of OFIGL Shares on the LSE and the SGX-ST.

Q I am a CPF investor. Would I be receiving OFI shares post the IPO? If yes, would it be into CPF account or personal account?

A OG will distribute all the Remaining OFIGL Shares to OG Shareholders via the Proposed Distribution, and OG Shareholders will thereby also become shareholders of OFIGL. If a shareholder of OG remains as shareholder at the record date of the Proposed Distribution, he or she will receive OFIGL shares. More information on how OG shareholders may receive OFIGL shares at IPO and demerger will be available in due course. The information on CPF Investors is set out on page 81 of the Circular.

Q Will there be any preferential offer of new shares to the existing Olam shareholders?

A There are no plans for a separate preferential offer of new OIL shares to OIL shareholders.

Q Will the stock be dual currency traded for its secondary listing at SGX?

A It is not intended that OFIGL shares will be dual currency traded. The stock is expected to be quoted and traded in Singapore dollars on the SGX-ST and in pounds sterling on the LSE.

Q Can we trade listed OFI on the London Stock Exchange using local broking house platform? If not, what are our other avenues of trading these listed shares?

A You will have to check with your local broking house whether they provide access to securities listed on the London Stock Exchange. If you intend to trade OFIGL shares you may receive under the Proposed Distribution on the London Stock Exchange, information on how OFIGL shares can be moved out of CDP for trading on the London Stock Exchange will be provided in the introductory document that will subsequently be issued by OFIGL in connection with OFIGL's secondary listing on the SGX-ST.

Q What is the IPO price? What is the listing market capitalisation? What is the PE range and the amount that you are looking to raise? How is OFI going to be valued?

A The offer structure of the OFIGL IPO has not yet been finalised. The offer structure for the OFIGL IPO will be determined in due course, taking into account relevant prevailing factors, conditions and circumstances. More substantial, extensive, in-depth and updated information on the Proposed OFIGL Group will be contained in the Listing Documents that will subsequently be issued in connection with the OFIGL IPO. Please note however that the OFIGL IPO will be conducted in the United Kingdom. There will not be an initial public offering in Singapore and the introductory document to be issued in Singapore shall not constitute an offering document. Any information contained in the introductory document in relation to the IPO in the United Kingdom will only be for information purposes only.

- Q Why pursue a primary listing in LSE for OFI and not consider NYSE?**
- A We had considered various listing venues for OFIGL and have decided that the primary listing on the LSE will give us access to London's large and diverse investor base, with its deep and liquid capital markets, and enable us to benefit from its strong understanding of, and research coverage across, the food and beverage sector. The concurrent secondary listing in Singapore will also enable us to retain our strong local shareholder base and further tap into growing investor appetite in Asia.
- Q Will there be ample trading liquidity of OFIGL on SGX given that its primary listing is in London?**
- A This will be subject to the then-prevailing market conditions and any corporate actions of OFIGL will be at the discretion of the then OFIGL board.
- Q Can you please elaborate on the tax implications of listing in LSE for OFI as an independent entity when compared with the current status of being part of Olam International (given all current activities are the same for comparison)? Similarly, for the Singapore domiciled shareholders with their shares in CDP can an assurance be given that the dual listing in SGX permits tax status quo for Singaporeans trading only in SGX?**
- A OFI, listed on the LSE, will be a UK incorporated entity and will be UK tax resident. From a Singapore shareholder perspective, the UK tax residency of the company is not expected to change the Singapore taxation of dividends received from the company or capital gains from the sale of shares in the company. From a UK tax perspective, non-UK shareholders are generally not subject to UK tax on dividends and capital gains arising from shares in UK companies. Further information will be provided in the introductory document that will subsequently be issued by OFIGL in connection with the OFIGL's secondary listing on the SGX-ST.
- Q Olam has taken on a huge debt load. Can management give a run down on the current total debt and how will it be paid down and how soon?**
- A Our total debt and net debt as at H1 2021 stood at S\$15.0 billion and S\$11.5 billion respectively. Our objective is to achieve an optimal capital structure by right-sizing our balance sheet. Some of this debt may be paid down from proceeds from divestments, including those expected from OG's sale of OFIGL shares in the OFIGL IPO as part of the Proposed Disposal and the potential stake sale of OGA.
- Q Other commodity trading companies have recently reported strong earnings arising from high commodities price. What's the earnings outlook for Olam?**
- A We are due to report full year results on 28 Feb and hence we are currently in closed period and would therefore refrain from making any forward looking, market sensitive remarks on our earnings for the second half and full year 2021. However, you may wish to refer to [our business and outlook statement dated 13 August 2021](#), where in particular, we had also stated that as the Group continues to execute the Reorganisation Exercise, it is likely to incur certain one-off and non-recurring expenses during H2 2021.
- Q With inflation on the rise, do we expect commodities prices to increase, leading to stronger profits for Olam?**
- A Commodity prices generally rise or fall depending on the demand and supply factors, including weather and supply chain disruptions, as well as farmers' inputs prices, some of which may be caused by inflationary pressures. Generally, commodity prices do not have a direct impact on our profits, as any increase/decrease can be passed down to

suppliers or customers, albeit with a lagged effect. However, higher commodity prices will increase our working capital needs, thereby impacting our return on invested capital.

Q What is Olam's chance of being included in STI?

A There are ground rules by FTSE Russell for the insertion and deletion of listed companies from the STI, taking into account inter alia market capitalisation and liquidity of stocks. You may wish to consult your broker or financial advisor for further information on this.