

Olam Group Limited

Re-organisation Update

March 25, 2022



Re-organisation of Olam: Recap

In January 2020, Olam 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.

Objective

To explore strategic options that would **illuminate the current value in the business** and develop new pathways to **create further long-term value** on a **sustained basis**

Plan

Simplify and focus our current diverse portfolio of businesses into **three coherent operating groups** that are more similar in nature, linked by an underlying logic and aligned to key consumer food and agri business trends respectively. Each entity has developed a **compelling vision**, a distinct equity story and reliable **game plan** for **profitable growth and value creation on a sustained basis**



Re-organisation of Olam: Recap

STEP 1 Re-segmentation

- Re-segmented the current business into three new operating groups, **ofi**, OA and OG.
- Developed new reporting segments, key financial metrics for each operating group
- Reported 2020 and 2021 results on basis on new operating groups and segments with historical comparative financials

Completed

STEP 2 Re-organisation

- Developed Targeted Operating Model (TOM) for the new operating groups, including embedded business, country/regional structures and central functions
- Dedicated leadership & management teams for each of the operating groups in place
- Hiring of new talent for the key capabilities required to pivot both the **ofi** and OA businesses underway

Completed

STEP 3 Carve-out and Separation

- Dedicated implementation teams for Separation, IPO and Demerger set up.
- Programme Office, independent financial advisors, legal and tax advisers, PR and IR advisers appointed
- Carve-out and Separation substantially completed for **ofi**, OA and OG by end-2021

Completed

STEP 4 ofi IPO and Demerger, Olam Agri Strategic Options

- **ofi** listing; **ofi** will be demerged from Olam Group by way of a distribution in specie of shares in OFIGL* to Olam shareholders at the point of demerger in conjunction with the IPO

Underway

- In parallel, exploring various strategic options to maximise the value of Olam Agri, which include potential introduction of strategic partner(s) via secondary sale of shares by OG for a significant minority stake in Olam Agri and/or the potential IPO and demerger of Olam Agri

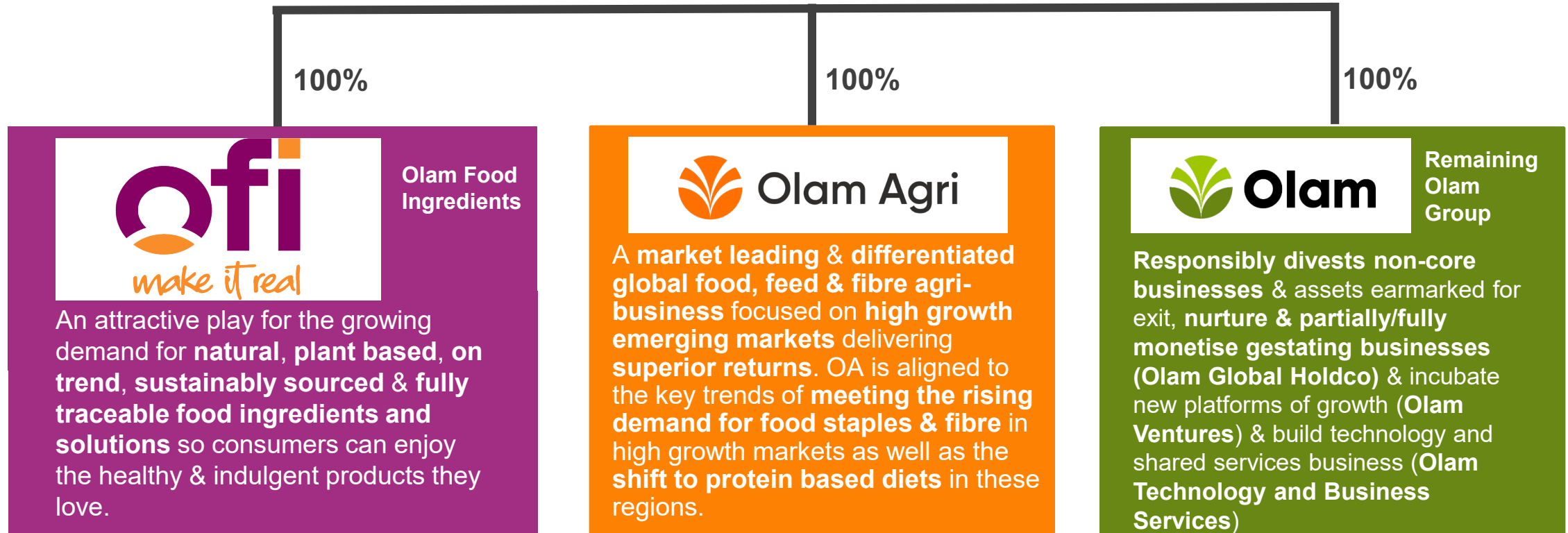
Shareholders should note that there is no certainty or assurance that the listing and demerger of **ofi** or the strategic options being explored in respect of Olam Agri will take place.

* OFIGL: OFI Group Limited. Prior to IPO, OFIGL will re-register to be ofi group PLC.

Olam Group Limited and three new operating groups after Scheme



OLAM GROUP LIMITED



Re-organisation of Olam: Progress update

- The **Scheme** of Arrangement **became effective** on 15 March 2022.
- Announced a **strategic partnership for Olam Agri with SALIC** with the sale of a substantial minority stake in Olam Agri for **US\$1.24 billion** (approximately S\$1.7 billion).
- This transaction delivers 4 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 OG Group's capital structure** and reduce its leverage and (iv) **Capitalise on partnership synergies** to support growth including access to new markets.
- **ofi** intends to seek a primary listing in London, and a concurrent secondary listing in Singapore. However, in light of current market conditions as a result of the ongoing conflict in Ukraine, **we do not currently expect the IPO of ofi to take place during Q2 2022**, as previously planned.
- We **remain committed** to pursuing a public listing of the **ofi** business and will evaluate the appropriate timing of such a listing on an ongoing basis, taking into account prevailing market conditions.

*Shareholders should note that there is no certainty or assurance that the listing and demerger of **ofi** or Olam Agri will take place.*



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