



OLAM INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199504676H)

ANNOUNCEMENT OF INTERESTED PERSON TRANSACTIONS

Background

The Board of Directors (“**Directors**”) of Olam International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Group enters into interested person transactions from time to time with Mitsubishi Corporation and its group of companies (“**MC Group**”) in the ordinary course of business.

Rule 905(2) of the Listing Manual of The Singapore Exchange Securities Trading Limited (“Listing Manual”) provides that if the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the Group’s latest audited net tangible assets, the Company must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year.

Details of the Interested Persons

Mitsubishi Corporation (“**MC**”) is a global integrated business enterprise incorporated in Japan with businesses in Natural Gas, Industrial Materials, Petroleum & Chemicals, Mineral Resources, Industrial Infrastructure, Automotive & Mobility, Food, Consumer, Power Solution and Urban Development.

Mitsubishi International Corporation (“**MIC**”) is a company incorporated in U.S with businesses related to global trading of industrial products & commodities, marketing, distribution, materials procurement, technology transfer, product sourcing and supply-chain management. MIC is an indirect wholly owned subsidiary of MC.

MC Agri Alliance (“**MCAA**”) is a company incorporated in Japan with business activities in the import and distribution of coffee, cocoa, sesame, edible nuts, spices and vegetable ingredients in the Japanese market. As at the date of this announcement, MC Agri Alliance is a 70%-owned subsidiary of MC with the Company owning the remaining 30%.

MC is in turn a controlling shareholder of the Company. In accordance with Chapter 9 of the Listing Rules, MC, MIC and MCAA (collectively, “**MC Group**”) are deemed to be interested persons for the purposes of Chapter 9 of the Listing Rules. Accordingly, transactions entered into between the Company and MC Group are regarded as interested person transactions and are subject to Chapter 9 of the Listing Manual.



Details of the Interested Person Transactions

Details of the following interested persons transactions with MC Group from 1 January 2019 to 31 December 2019 (“**IPTs**”) are set out below:

| Interested Person | Details of IPT | Aggregate Value of IPT (SGD) |
|-------------------|--|------------------------------|
| MIC | Sale of Coffee Beans by the Company to MIC | \$111,468 |
| MCAA | Sale of Cocoa Products, Coffee Beans, Edible Nuts and Spices by the Company and a Group entity to MCAA | \$190,722,554 |
| MCAA | Agency commission paid by the Company for the provision of services by MCAA | \$537,956 |

The aggregate value of the IPTs is S\$191,371,978, representing approximately 3.64% of the Group’s latest audited net tangible assets (“**Group NTA**”) of approximately S\$5,264 million as at 31 December 2018. The aggregate value of the IPTs exceeded 3% threshold in Q4 2019 against the Group NTA as at 31 December 2018 but does not exceed 5% of the Group NTA.

The aggregate value of all interested person transactions including the IPTs entered into by the Company for the financial year ended 31 December 2019 is S\$199,887,299 (“**Total Value**”).

The IPTs were entered into between MC Group and the Company on a willing buyer-willing seller basis on normal commercial terms and the terms of the sales offered by the Company were no more favourable than the terms extended to other existing customers or unrelated third parties. The prices charged were based on the terms of the sales contracts such as market rates, quantity, quality, month of delivery and specifications/grades of the products transacted.

Rationale for the IPTs and benefits to the Company

The Company processes and sells, amongst others, Cocoa, Coffee, Edible Nuts and Spices in the ordinary course of business. The prices charged to MC Group was comparable with those charged to the third parties (existing customers of the Company) for the same or substantially the same products and are therefore in the commercial interests of the Group. MC Group is regarded as one of the customers that the Company would supply to as part of its business, which adds to the earnings of the Company with increased customer base.



Audit Committee Statement

Having reviewed the work performed by the internal auditors on the assessment of the IPTs, the salient terms, rationale and the benefits of the IPTs to the Company, the members of the Audit Committee, other than Mr. Yutaka Kyoya who being a nominee of MC has abstained from the review of the IPTs, are of the view that the IPTs have been conducted at arms-length and on normal commercial terms and are not prejudicial to the interests of the Company or its minority shareholders.

Interest of Directors and Substantial Shareholders

Mr Yutaka Kyoya and Mr Kazuo Ito are Non-executive Directors of the Company and are nominees of MC. Mr Yutaka Kyoya is also a member of the Audit Committee.

Save as disclosed in this announcement, none of the Directors or controlling shareholders of the Company have any interest, direct or indirect, in the aforementioned interested person transactions.

By Order of the Board

Neelamani Muthukumar
Group Chief Financial Officer

7 February 2020



About Olam International Limited

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. Follow @olam:



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