

News Release

Olam announces a re-organisation of its business to unlock long-term value

- Re-organises the business into two new distinct operating groups focusing on food ingredients and global agri-business
- Simplifies the portfolio, sharpens focus, enables investors to participate in two diverse themes via potential carve-outs or IPOs and accelerate profitable growth
- Olam International will hold the two new operating groups, provide parenting advantage, enable synergies and accelerate growth by developing gestating businesses to full potential and incubating new businesses while releasing capital from divestments

Singapore, January 20, 2020 – Global food and agri-business Olam International (“Olam”, the “Company” or “the Group”) today announced that building on its Strategic Plan, as set out in January 2019, it has completed the exercise with independent financial advisors to explore options to unlock and maximise the Company’s long-term value.

Olam will re-organise its diverse business portfolio to create **two new coherent operating groups** that are well-positioned for further growth in line with key consumer trends and market opportunities:

- 1. Olam Food Ingredients (OFI)** offers sustainable, natural, value-added food products and ingredients so that consumers can enjoy the healthy and indulgent products they love. It consists of Olam’s industry-leading businesses of Cocoa, Coffee, Edible Nuts, Spices and Dairy. OFI has built a unique global value chain presence including its own farms, 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.
- 2. Olam Global Agri (OGA)** is a leading player in high-growth Asian and African countries supplying food, feed and fibre to meet rising demand and a shift to protein-based diets. This group includes the differentiated businesses of Grains and Animal Feed, Edible Oils, Rice, Cotton and Commodity Financial Services.

OGA has built proprietary operating capabilities including significant strengths in global origination, processing, trading, logistics, distribution, farming and risk management,

and a deep understanding of the market via on-the-ground presence in these emerging markets over 30 years.

This bold plan will enable the Company to explore options to maximise Olam's long-term value over and above the Strategic Plan via potential carve-out and capital raising options, including IPO listing for OFI and OGA.

Olam International (OIL), as the parent company of OFI and OGA, will play a key role in unlocking the full value of the Olam Group by providing stewardship to the new operating groups and accelerating growth:

- As a steward, Olam will ensure the continuity of the "Olam Way", including its unique entrepreneurial culture, implement cross-cutting initiatives such as AtSource, and drive key enablers such as Sustainability, Operational Excellence and Digital Transformation. It will also offer shared services to OFI and OGA to optimise synergies.
- As an accelerator, Olam will nurture gestating businesses to full potential, including Packaged Foods, Infrastructure & Logistics and Olam Palm Gabon, as well as incubate new engines for future growth. In addition, it will manage the responsible divestment of non-core assets and businesses identified in the Strategic Plan and redeploy capital for further growth.

Mr. A Shekhar has been appointed as the CEO of OFI and will therefore step down from his current role as Group Chief Operating Officer of Olam with immediate effect. Mr. Sunny Verghese will hold charge as CEO of OGA and Olam International, in addition to continuing as Group CEO.

Explaining the rationale, **Co-Founder and Group CEO, Sunny Verghese** said: "Over the past 30 years, Olam has built a valuable portfolio of businesses that have achieved leadership positions. By simplifying our businesses across two distinct and coherent groups, each with a clear vision for profitable growth, it sharpens our focus and provides opportunities to capitalise on key market trends, while continuing to leverage the benefits of the Olam Group.

"We believe this will enable us to explore potential carve outs and IPOs in a sequential manner and attract additional investors who are aligned with the vision of these two new groups in order to maximise the value of our business."

Chairman of the Board, Lim Ah Doo said: "The Board of Directors, building in part on the recommendation from the two independent financial advisors, believes that the re-organisation will enable each operating group to pursue its own vision, take advantage of new market opportunities, optimise resources and attract new talent. The Board has every confidence that this significant step forward will allow the Company to strengthen and capitalise on its strong foundation to achieve higher growth and value creation, which we believe will be welcomed by our stakeholders."

As the re-organisation progresses, the Company will provide periodic updates to stakeholders on the process and related developments, including changes in operational and financial reporting in line with the new structure.

Notes to Editors

1. This release should be read and understood in conjunction with Olam International Limited's 'Re-organisation of Olam: Unlocking long-term value' presentation and factsheet lodged on SGXNET on January 20, 2020.
2. Olam will host a webcast on January 20, 2020 at 11.00 am SGT. To access the webcast or download the presentation materials, go to <https://www.olamgroup.com/investors.html>.

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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