Olam



24th Annual General Meeting

April 24, 2019 | Singapore

Cautionary note
on forward-looking statements

This presentation may contain statements regarding the business of Olam International Limited and its subsidiaries ('Group') that are of a forward-looking nature and are therefore based on management's assumptions about future developments.

Such forward looking statements are intended to be identified by words such as 'believe', 'estimate', 'intend', 'may', 'will', 'expect', and 'project' and similar expressions as they relate to the Group. Forward-looking statements involve certain risks and uncertainties because they relate to future events. Actual results may vary materially from those targeted, expected or projected due to several factors.

Potential risks and uncertainties includes such factors as general economic conditions, foreign exchange fluctuations, interest rate changes, commodity price fluctuations and regulatory developments. The reader and/or listener is cautioned to not unduly rely on these forward-looking statements. We do not undertake any duty to publish any update or revision of any forward-looking statements.

Agenda

- Financial performance
- 2019-2024 Strategic Plan





Financial performance





2018 results

At a glance

Volume 32.9 M MT +45.9%	**EBITDA** S$1,236 M -6.9%	**PATMI** S$348 M -40.1%
Operational PATMI S$347 M -19.7%	**Free Cash Flow** FCFE +S$1,066 M	**Gearing** from 1.46x to 1.32x

2018 results

Financial and strategic highlights

Results below expectations amid tougher market conditions



- Continued top line growth in volume, revenue
- Strong, positive FCFF and FCFE
- Maintained EBITDA/IC at 8.1% (2017: 8.2%)

Dividends maintained



- Board of Directors recommends final dividend of 4.0 cents per share
- Total dividend of 7.5 cents per share for 2018 (2017: 7.5 cents)

Stronger balance sheet



- Reduced net debt by S$813.7 million
- Reduced gearing to 1.32x (2017: 1.46x)

Refreshed 2019-2024 Strategic Plan to capitalise on key consumer trends

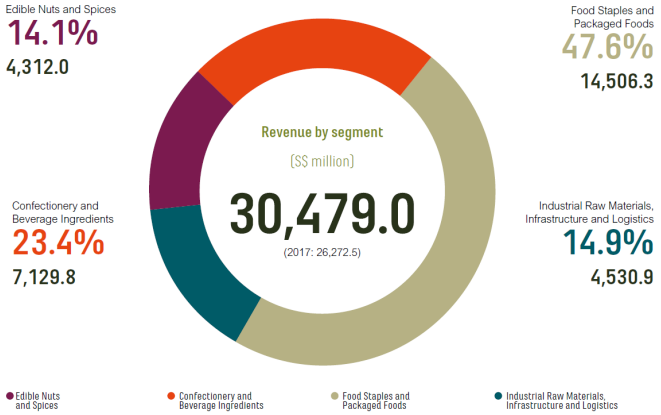


- Strengthen, streamline and focus the portfolio
- Drive margin improvement
- Generate additional revenue streams by offering differentiated products/services
- Explore partnerships and investments in new engines for growth

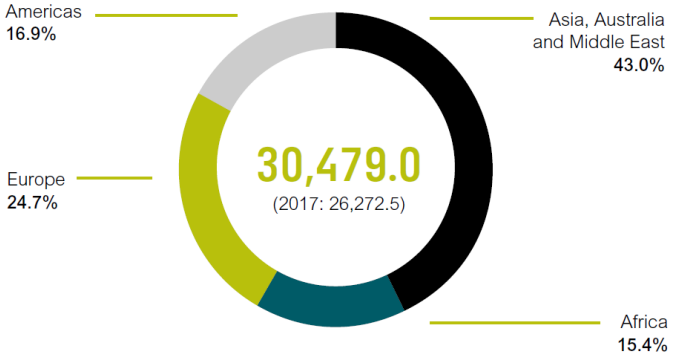
2018 results

Diversified across products and regions

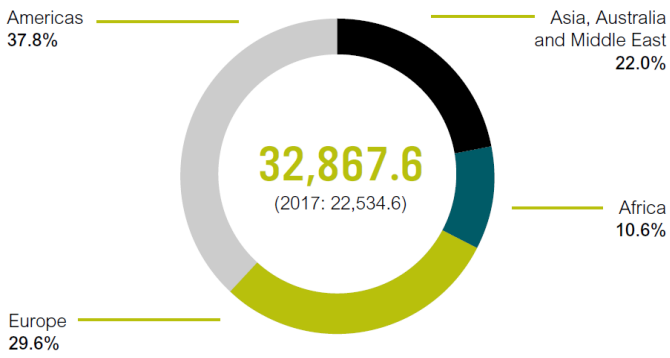
2018 Sales revenue by segment (S$'000)



2018 Sales revenue by region (S$'000)



2018 Sourcing volume by region (S$'000)



>85% of the portfolio is related to food and food products

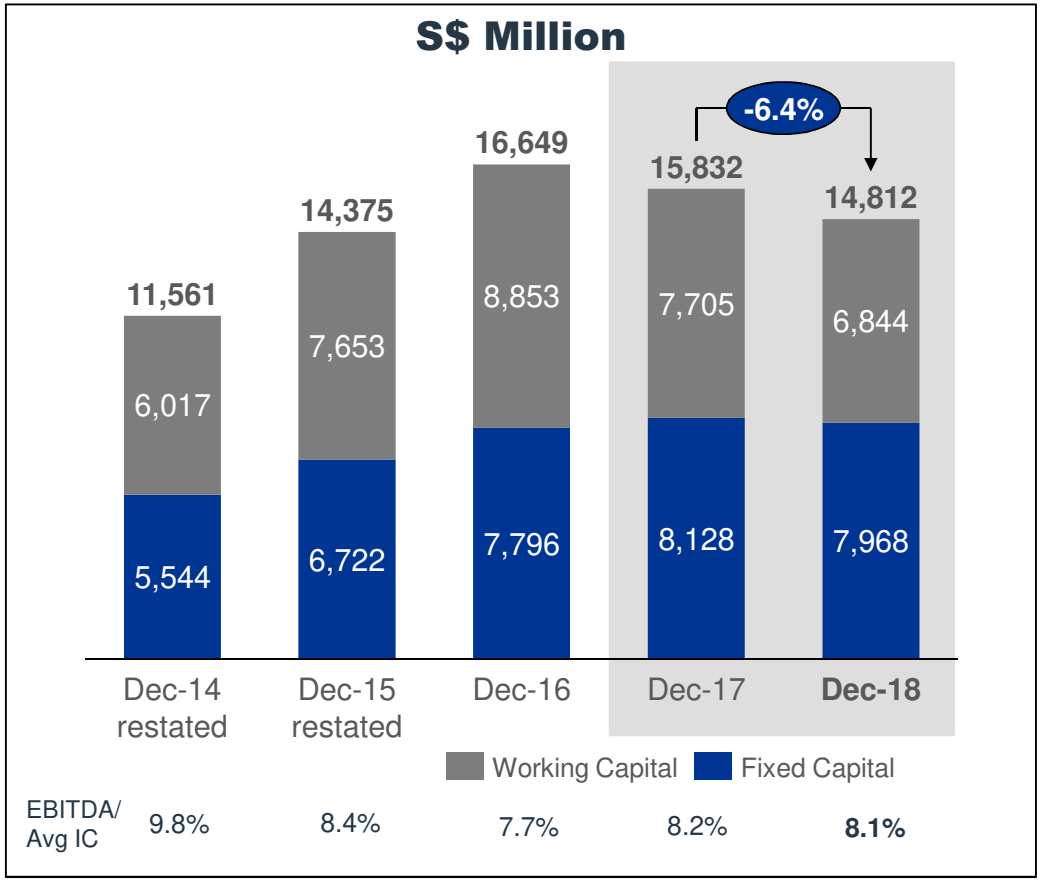
Strong focus on emerging markets

Balanced portfolio across countries and both hemispheres

Highly diversified product portfolio providing stability to earnings and cash flows with strong presence in growth markets in Asia, Africa and Latin America

2018 results

6.4% reduction in invested capital, 11.2% reduction in working capital

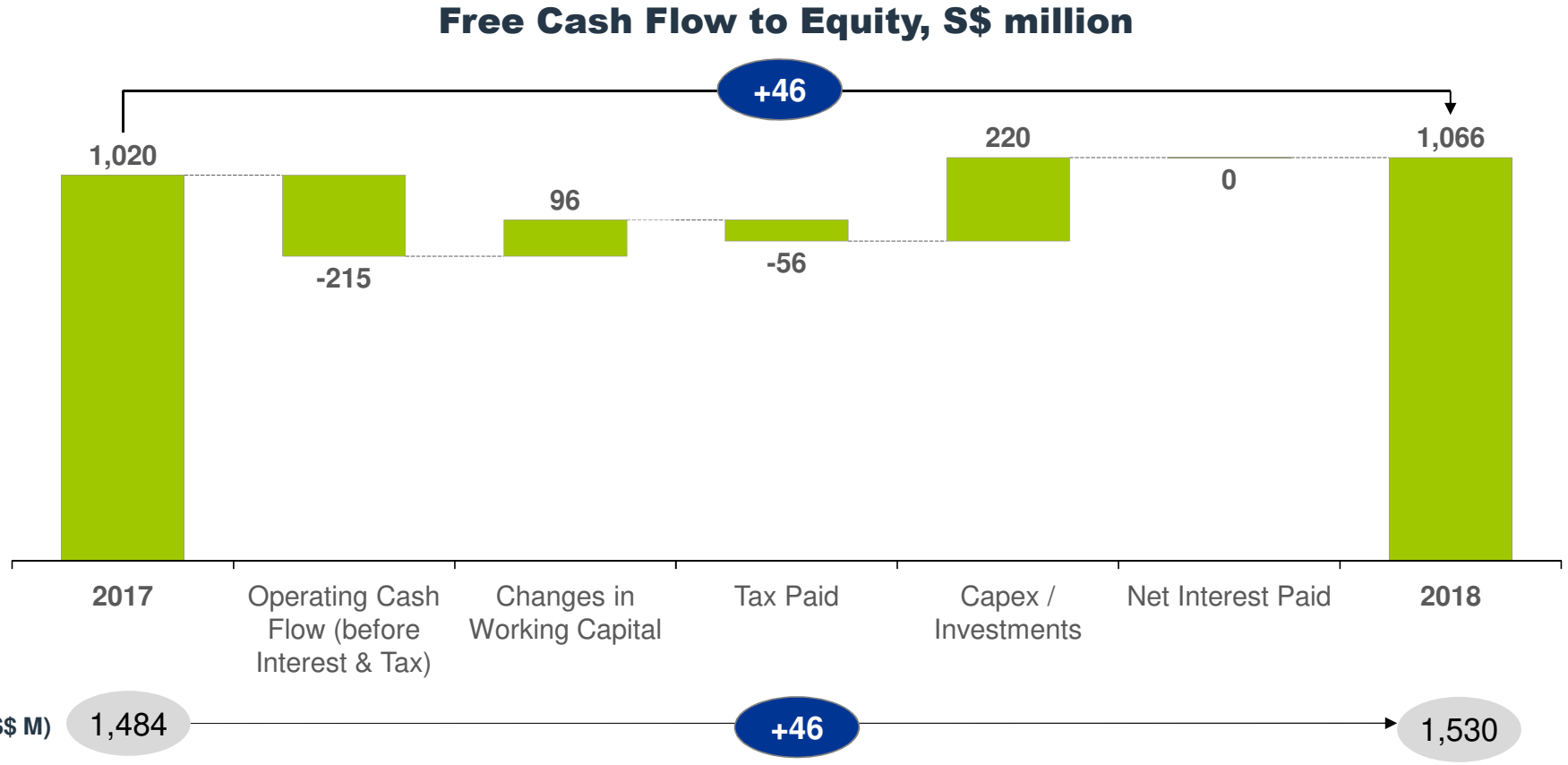


- **Reduced Fixed Capital with disciplined and targeted Capex, while executing planned divestments**
- **Working Capital reduction of 11.2% despite the year-on-year volume (+45.9%) and revenue increase (+16.0%)**

Invested Capital excludes:
(a) Gabon Fertiliser Project (31 Dec 2018: S$245.4 million; 31 Dec 2017: S$248.0 million;); and
(b) Long-term Investments (31 Dec 2018: S$135.8 million; 31 Dec 2017: S$257.5 million)

2018 results

Strong, positive Free Cash Flow to Equity on reduced Capex, working capital







2019-2024 Strategic Plan





Our Aspiration & Goals

Governing Objective

To maximise **long-term intrinsic value** for our continuing **shareholders**

Vision

To be the **most differentiated** and **valuable global food and agri-business** (by 2040)

Purpose

Re-imagine Global Agriculture & Food Systems

ROE ≥ 12%	**EBITDA/IC** ≥ 13%
FCFE (+)	**D/E** < 2.0

Four key trends informed our choices

Right-for-me	Right-for-the-planet Right-for-the-producer	How I live & consume	How it's produced
			
• Healthy eating • Customisation • Premiumisation • Authenticity • Natural ingredients (flavour, colour) • Cool / niche brands	• Environmental concerns (planetary boundaries) • Social equity • Assurance (certification) • Supply chain provenance & traceability • Direct link to producer	• Out-of-home / snacking • Omni-channel purchasing • Mobile connectivity • Social media influencers	• Advanced robotics • Drones • Unmanned vehicles • Big data / Analytics • Precision agriculture • Digital engagement

Cross cutting offerings (purpose brands, etc)

Strategic Priorities & Roadmap

4 Pathways

Explore investments in new engines for growth

Strengthen, Streamline & Focus our Portfolio

1

Improve margins

2

4

Offer differentiated products/ services in existing & new channels

- A Differentiated offerings
- B New customer segments/ channels

3

Strategic Priorities & Roadmap

Enablers

OPERATIONAL EXCELLENCE



SUSTAINABILITY



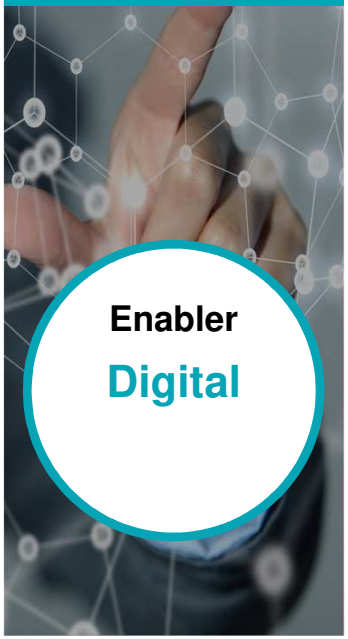
DIGITAL



LEADERSHIP / TALENT



Our **strategy** is fully aligned with Olam2.0 **priorities**

Focus on **drivers of long term Value**	Put **Sustainability** at the **heart** of our business	Build **Operational Excellence** as a core competency	Lead industry's **Digital Disruption** & **Transformation**	Further enhance **our Culture, Values** & **Spirit**	**Strengthen alignment** & **organisational coherence**
					
4 Strategic Pathways	**Enabler** Sustainability	**Enabler** Operational Excellence	**Enabler** Digital	**Enabler** Leadership & Talent	**Enabler** Leadership & Talent



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