

Olam International Limited
and its subsidiary companies

Condensed Interim Financial Statements
For the six months ended 30 June 2021

Olam International Limited
Condensed interim financial statements
For the six months ended 30 June 2021

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Olam International Limited
Condensed interim financial statements
For the six months ended 30 June 2021

A. Condensed interim consolidated statement of profit and loss and other comprehensive income

Profit & Loss Statement – Half Year FY 2021

(in S\$'000)	Note	Group		
		6 Months Ended		
		30-Jun-21	30-Jun-20	% change
Sale of goods & services	3	22,833,445	17,080,457	33.7
Other income	4	37,592	100,118	(62.5)
Cost of goods sold		(21,145,806)	(15,546,395)	36.0
Net (loss)/gain from changes in fair value of biological assets		(6,303)	3,833	n.m.
Depreciation & amortisation		(293,877)	(272,641)	7.8
Other expenses	4	(804,282)	(915,818)	(12.2)
Finance income		42,180	57,789	(27.0)
Finance costs		(239,359)	(287,950)	(16.9)
Share of results from joint ventures and associates		5,692	104,753	(94.6)
Profit before tax		429,282	324,146	32.4
Income tax expense	5	(46,612)	(28,732)	62.2
Profit for the period		382,670	295,414	29.5
Attributable to:				
Owners of the Company		421,485	332,695	26.7
Non-controlling interests		(38,815)	(37,281)	4.1
		382,670	295,414	29.5

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A. Condensed interim consolidated statement of profit and loss and other comprehensive income (cont'd)

Statement of Comprehensive Income – Half Year FY 2021

(in S\$'000)	Group	
	6 Months Ended	
	30-Jun-21	30-Jun-20
Profit for the period	382,670	295,414
Other Comprehensive Income:		
Items that may be reclassified subsequently to profit or loss:		
Net gain on fair value changes during the period	31,296	39,549
Recognised in the profit and loss account on occurrence of hedged transactions	(20,657)	(43,179)
Foreign currency translation adjustment	111,478	109,699
Share of other comprehensive income of joint ventures and associates	(17,187)	(21,667)
	104,930	84,402
Items that will not be reclassified subsequently to profit or loss:		
Net fair value gain/(loss) on equity instrument at fair value through other comprehensive income	2,087	(19,364)
Other comprehensive income for the period, net of tax	107,017	65,038
Total comprehensive income for the period	489,687	360,452
Attributable to:		
Owners of the Company	521,187	396,141
Non-controlling interests	(31,500)	(35,689)
	489,687	360,452

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B. Condensed interim statements of financial position as at 30 June 2021

(in S\$'000)	Note	Group		Company	
		30-Jun-21	31-Dec-20	30-Jun-21	31-Dec-20
Non-current assets					
Property, plant and equipment	10	6,085,361	5,904,563	4,581	6,110
Right-of-use assets		746,674	712,249	105,034	62,565
Intangible assets	9	2,579,045	1,242,798	336,679	336,323
Biological assets		437,248	473,165	-	-
Investment in subsidiary companies		-	-	9,612,799	9,099,919
Interests in joint ventures and associates		596,009	664,946	420,370	448,078
Long term investment		26,429	24,342	26,429	24,342
Deferred tax assets		239,239	227,802	-	-
Other non-current assets		49,989	34,384	-	-
		10,759,994	9,284,249	10,505,892	9,977,337
Current assets					
Trade receivables		3,303,759	1,910,362	1,919,928	711,530
Margin accounts with brokers		509,691	121,663	453,755	96,593
Inventories		8,046,153	7,380,615	1,544,826	1,958,979
Advance payments to suppliers		642,392	621,943	125,367	125,425
Advance payments to subsidiary companies		-	-	1,257,763	496,552
Cash and short-term fixed deposits		3,542,251	3,115,877	1,445,363	1,032,192
Derivative financial instruments		3,087,618	3,243,054	2,366,000	2,609,137
Other current assets		1,097,971	985,624	293,011	257,809
		20,229,835	17,379,138	9,406,013	7,288,217
Non-current assets held for sale		38,799	39,255	-	-
		20,268,634	17,418,393	9,406,013	7,288,217
Current liabilities					
Amounts due to subsidiary companies (net)		-	-	(3,856,598)	(2,833,243)
Trade payables and accruals		(5,750,766)	(3,070,057)	(3,975,964)	(1,424,718)
Borrowings	11	(6,623,474)	(6,466,457)	(244,093)	(1,318,482)
Lease liabilities	11	(121,170)	(96,472)	(48,027)	(24,981)
Derivative financial instruments		(2,082,324)	(2,276,851)	(1,794,059)	(2,006,753)
Provision for taxation		(210,492)	(203,655)	(25,993)	(33,724)
Other current liabilities		(568,087)	(533,710)	(38,265)	(92,410)
		(15,356,313)	(12,647,202)	(9,982,999)	(7,734,311)
Net current assets/(liabilities)		4,912,321	4,771,191	(576,986)	(446,094)
Non-current liabilities					
Deferred tax liabilities		(532,595)	(369,230)	(404)	(836)
Borrowings	11	(7,485,104)	(6,780,887)	(1,921,451)	(1,863,756)
Lease liabilities	11	(819,618)	(815,546)	(59,380)	(39,600)
Other non-current liabilities		(49,328)	(53,798)	-	-
		(8,886,645)	(8,019,461)	(1,981,235)	(1,904,192)
Net assets		6,785,670	6,035,979	7,947,671	7,627,051
Equity attributable to owners of the Company					
Share capital		3,748,994	3,748,994	3,748,994	3,748,994
Treasury shares		(114,561)	(140,172)	(114,561)	(140,172)
Capital securities		1,452,754	1,045,732	1,452,754	1,045,732
Reserves		1,656,463	1,307,905	2,860,484	2,972,497
		6,743,650	5,962,459	7,947,671	7,627,051
Non-controlling interests		42,020	73,520	-	-
Total equity		6,785,670	6,035,979	7,947,671	7,627,051

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C. Condensed interim statements of changes in equity

6 Months Group	Attributable to owners of the Company										Non-Controlling Interests S\$'000	Total Equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Capital securities S\$'000	Capital reserves S\$'000	Foreign currency translation reserves S\$'000	Fair value adjustment reserves S\$'000	Share-based compensation reserves S\$'000	Revenue reserves S\$'000	Total reserves S\$'000	Total S\$'000		
At 1 January 2021	3,748,994	(140,172)	1,045,732	259,292	(1,259,303)	(462,923)	141,955	2,628,884	1,307,905	5,962,459	73,520	6,035,979
Profit for the period	-	-	-	-	-	-	-	421,485	421,485	421,485	(38,815)	382,670
Other comprehensive income												
Net gain on fair value changes during the financial period	-	-	-	-	-	33,383	-	-	33,383	33,383	-	33,383
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	-	-	(20,657)	-	-	(20,657)	(20,657)	-	(20,657)
Foreign currency translation adjustment	-	-	-	-	104,163	-	-	-	104,163	104,163	7,315	111,478
Share of other comprehensive income of joint ventures and associates	-	-	-	-	(17,187)	-	-	-	(17,187)	(17,187)	-	(17,187)
Other comprehensive income for the financial period, net of tax	-	-	-	-	86,976	12,726	-	-	99,702	99,702	7,315	107,017
Total comprehensive income for the period	-	-	-	-	86,976	12,726	-	421,485	521,187	521,187	(31,500)	489,687
Contributions by and distributions to owners												
Issue of treasury shares for performance share awards and restricted share awards	-	25,611	-	-	-	-	(25,611)	-	(25,611)	-	-	-
Issue of capital securities, net of transaction costs	-	-	398,156	-	-	-	-	-	-	398,156	-	398,156
Share-based expense	-	-	-	-	-	-	15,445	-	15,445	15,445	-	15,445
Dividends on ordinary shares	-	-	-	-	-	-	-	(128,181)	(128,181)	(128,181)	-	(128,181)
Accrued capital securities distribution	-	-	34,282	-	-	-	-	(34,282)	(34,282)	-	-	-
Payment of capital securities distribution	-	-	(25,416)	-	-	-	-	-	-	(25,416)	-	(25,416)
Total contributions by and distributions to owners	-	25,611	407,022	-	-	-	(10,166)	(162,463)	(172,629)	260,004	-	260,004
Total transactions with owners in their capacity as owners	-	25,611	407,022	-	-	-	(10,166)	(162,463)	(172,629)	260,004	-	260,004
At 30 June 2021	3,748,994	(114,561)	1,452,754	259,292	(1,172,327)	(450,197)	131,789	2,887,906	1,656,463	6,743,650	42,020	6,785,670

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C. Condensed interim statements of changes in equity (cont'd)

6 Months Group	Attributable to owners of the Company										Non-Controlling Interests S\$'000	Total Equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Capital securities S\$'000	Capital reserves S\$'000	Foreign currency translation reserves S\$'000	Fair value adjustment reserves S\$'000	Share-based compensation reserves S\$'000	Revenue reserves S\$'000	Total reserves S\$'000	Total S\$'000		
At 1 January 2020 (Restated)	3,748,994	(158,807)	1,045,867	280,168	(1,155,539)	(404,108)	135,255	2,693,335	1,549,111	6,185,165	108,072	6,293,237
Profit for the period	-	-	-	-	-	-	-	332,695	332,695	332,695	(37,281)	295,414
Other comprehensive income												
Net Gain on fair value changes during the financial period	-	-	-	-	-	20,185	-	-	20,185	20,185	-	20,185
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	-	-	(43,179)	-	-	(43,179)	(43,179)	-	(43,179)
Foreign currency translation adjustment	-	-	-	-	108,107	-	-	-	108,107	108,107	1,592	109,699
Share of other comprehensive income of joint ventures and associates	-	-	-	(21,228)	(439)	-	-	-	(21,667)	(21,667)	-	(21,667)
Other comprehensive income for the financial period, net of tax	-	-	-	(21,228)	107,668	(22,994)	-	-	63,446	63,446	1,592	65,038
Total comprehensive income for the period	-	-	-	(21,228)	107,668	(22,994)	-	332,695	396,141	396,141	(35,689)	360,452
Contributions by and distributions to owners												
Issue of treasury shares for restricted share awards	-	18,635	-	-	-	-	(18,635)	-	(18,635)	-	-	-
Share-based expense	-	-	-	-	-	-	11,353	-	11,353	11,353	-	11,353
Dividends on ordinary shares	-	-	-	-	-	-	-	(143,030)	(143,030)	(143,030)	-	(143,030)
Accrued capital securities distribution	-	-	28,298	-	-	-	-	(28,298)	(28,298)	-	-	-
Payment of capital securities distribution	-	-	(28,484)	-	-	-	-	-	-	(28,484)	-	(28,484)
Total contributions by and distributions to owners	-	18,635	(186)	-	-	-	(7,282)	(171,328)	(178,610)	(160,161)	-	(160,161)
Total transactions with owners in their capacity as owners	-	18,635	(186)	-	-	-	(7,282)	(171,328)	(178,610)	(160,161)	-	(160,161)
At 30 June 2020	3,748,994	(140,172)	1,045,681	258,940	(1,047,871)	(427,102)	127,973	2,854,702	1,766,642	6,421,145	72,383	6,493,528

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C. Condensed interim statements of changes in equity (cont'd)

6 Months Company	Attributable to owners of the Company									
	Share capital S\$'000	Treasury shares S\$'000	Capital securities S\$'000	Capital reserves S\$'000	Foreign currency translation reserves S\$'000	Fair value adjustment reserves S\$'000	Share-based compensation reserves S\$'000	Revenue reserves S\$'000	Total reserves S\$'000	Total S\$'000
At 1 January 2021	3,748,994	(140,172)	1,045,732	140,486	(226,566)	(462,837)	141,955	3,379,459	2,972,497	7,627,051
Loss for the period	-	-	-	-	-	-	-	(89,446)	(89,446)	(89,446)
Other comprehensive income										
Net gain on fair value changes during the financial period	-	-	-	-	-	32,973	-	-	32,973	32,973
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	-	-	(20,657)	-	-	(20,657)	(20,657)
Foreign currency translation adjustment	-	-	-	-	137,746	-	-	-	137,746	137,746
Other comprehensive income for the financial period, net of tax	-	-	-	-	137,746	12,316	-	-	150,062	150,062
Total comprehensive income for the period	-	-	-	-	137,746	12,316	-	(89,446)	60,616	60,616
Contributions by and distributions to owners										
Issue of treasury shares for performance share awards and restricted share awards	-	25,611	-	-	-	-	(25,611)	-	(25,611)	-
Issue of capital securities, net of transaction costs	-	-	398,156	-	-	-	-	-	-	398,156
Share-based expense	-	-	-	-	-	-	15,445	-	15,445	15,445
Dividends on ordinary shares	-	-	-	-	-	-	-	(128,181)	(128,181)	(128,181)
Accrued capital securities distribution	-	-	34,282	-	-	-	-	(34,282)	(34,282)	-
Payment of capital securities distribution	-	-	(25,416)	-	-	-	-	-	-	(25,416)
Total contributions by and distributions to owners	-	25,611	407,022	-	-	-	(10,166)	(162,463)	(172,629)	260,004
Total transactions with owners in their capacity as owners	-	25,611	407,022	-	-	-	(10,166)	(162,463)	(172,629)	260,004
At 30 June 2021	3,748,994	(114,561)	1,452,754	140,486	(88,820)	(450,521)	131,789	3,127,550	2,860,484	7,947,671

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C. Condensed interim statements of changes in equity (cont'd)

6 Months Company	Attributable to owners of the Company									
	Share capital S\$'000	Treasury shares S\$'000	Capital securities S\$'000	Capital reserves S\$'000	Foreign currency translation reserves S\$'000	Fair value adjustment reserves S\$'000	Share-based compensation reserves S\$'000	Revenue reserves S\$'000	Total reserves S\$'000	Total S\$'000
At 1 January 2020	3,748,994	(158,807)	1,045,867	140,486	(109,081)	(409,771)	135,255	4,100,258	3,857,147	8,493,201
Profit for the period	-	-	-	-	-	-	-	418,752	418,752	418,752
Other comprehensive income										
Net Gain on fair value changes during the financial period	-	-	-	-	-	16,773	-	-	16,773	16,773
Recognised in the profit and loss account on occurrence of hedged transactions	-	-	-	-	-	(43,179)	-	-	(43,179)	(43,179)
Foreign currency translation adjustment	-	-	-	-	291,545	-	-	-	291,545	291,545
Other comprehensive income for the financial period, net of tax	-	-	-	-	291,545	(26,406)	-	-	265,139	265,139
Total comprehensive income for the period	-	-	-	-	291,545	(26,406)	-	418,752	683,891	683,891
Contributions by and distributions to owners										
Issue of treasury shares for restricted share awards	-	18,635	-	-	-	-	(18,635)	-	(18,635)	-
Share-based expense	-	-	-	-	-	-	11,353	-	11,353	11,353
Dividends on ordinary shares	-	-	-	-	-	-	-	(143,030)	(143,030)	(143,030)
Accrued capital securities distribution	-	-	28,298	-	-	-	-	(28,298)	(28,298)	-
Payment of capital securities distribution	-	-	(28,484)	-	-	-	-	-	-	(28,484)
Total contributions by and distributions to owners	-	18,635	(186)	-	-	-	(7,282)	(171,328)	(178,610)	(160,161)
Total transactions with owners in their capacity as owners	-	18,635	(186)	-	-	-	(7,282)	(171,328)	(178,610)	(160,161)
At 30 June 2020	3,748,994	(140,172)	1,045,681	140,486	182,464	(436,177)	127,973	4,347,682	4,362,428	9,016,931

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D. Condensed interim consolidated statement of cash flows

(in S\$'000)	Group	
	6 Months Ended	
	30-Jun-21	30-Jun-20
Cash flow from operating activities		
Profit before taxation	429,282	324,146
Adjustments for:		
Allowance for doubtful debts	12,120	12,307
Amortisation of intangible assets, depreciation of property, plant and equipment and depreciation of right-of-use assets	293,877	272,641
Cost of share-based payment	15,445	11,353
Fair value of biological assets	6,303	(3,833)
Gain on disposal of subsidiary	(4,870)	-
Loss/(Gain) on disposal / partial divestment of joint ventures and associate	679	(79,952)
(Gain)/loss on disposal of property, plant and equipment and intangible assets	(7,110)	1,591
Interest income	(42,180)	(57,789)
Interest expense	239,359	287,950
Inventories written down, net	(10,376)	20,217
Share of results from joint ventures and associates	(5,692)	(104,753)
Operating cash flow before reinvestment in working capital	926,837	683,878
(Increase)/decrease in inventories	(456,175)	677,305
(Increase)/decrease in receivables and other current assets	(1,439,144)	304,044
(Increase)/decrease in advance payments to suppliers	(17,589)	85,616
Increase in margin account with brokers	(385,102)	(17,710)
Increase/(decrease) in payables and other current liabilities	2,652,985	(488,656)
Cash flow generated from operations	1,281,812	1,244,477
Interest income received	42,180	57,789
Interest expense paid	(234,478)	(297,312)
Tax paid	(94,503)	(70,337)
Net cash flow generated from operating activities	995,011	934,617
Cash flow from investing activities		
Proceeds from disposal of property, plant and equipment	47,931	5,834
Purchase of property, plant and equipment	(335,502)	(267,514)
Purchase of intangible assets	(3,819)	(47,999)
Acquisition of subsidiaries, net of cash acquired	(1,192,831)	-
Investment/loan to associates and joint ventures, net	-	36,587
Dividends received from associate	785	-
Proceeds from disposal / partial divestment of joint ventures and associate	77,778	165,260
Proceeds from divestment of subsidiary	12,381	-
Net cash flow used in investing activities	(1,393,277)	(107,832)
Cash flow from financing activities		
Dividends paid on ordinary shares by the Company	(128,181)	(143,030)
Proceeds from borrowings, net	719,821	2,124,257
Repayment of lease liabilities	(58,063)	(47,230)
Proceeds from issue of capital securities, net of transaction costs	398,156	-
Payment of capital securities distribution	(25,416)	(28,484)
Net cash flow generated from financing activities	906,317	1,905,513
Net effect of exchange rate changes on cash and cash equivalents	36,315	47,103
Net increase in cash and cash equivalents	544,366	2,779,401
Cash and cash equivalents at the beginning of the period	2,849,894	2,976,916
Cash and cash equivalents* at the end of the period	3,394,260	5,756,317

*Cash and cash equivalents include cash and bank balances, fixed deposits less overdrafts and deposits committed.

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E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Olam International Limited (the 'Company') is a limited liability company, which is domiciled and incorporated in Singapore. The Company is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The Company's immediate holding company is Temasek Capital (Private) Limited and its ultimate holding company is Temasek Holdings (Private) Limited, both companies are incorporated in Singapore.

The principal activities of the Company are those of sourcing, processing, packaging and merchandising of agricultural products.

The registered office and principal place of business of the Company is at 7 Straits View, #20-01 Marina One East Tower, Singapore 018936.

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The Group's condensed interim financial statements are presented in Singapore Dollars (\$) or SGD) as the Company is domiciled in Singapore and all values in the tables are rounded to the nearest thousand (\$'000) as indicated.

The Company's functional currency is the United States Dollar ('USD'), which reflects the economic substance of the underlying events and circumstances of the Company as most of the Company's transactions are denominated in USD. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

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E. Notes to the condensed interim consolidated financial statements (cont'd)

2. Basis of preparation (cont'd)

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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E. Notes to the condensed interim consolidated financial statements (cont'd)

3. Segmental Information

3.1 Reportable segments

The Group is organised into the following three business segments:

- Olam Food Ingredients (“OFI”)
- Olam Global Agri (“OGA”): and
- Olam International Limited (“OIL”)

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

	Olam Food Ingredients 6 Months Ended		Olam Global Agri 6 Months Ended		Olam International Limited 6 Months Ended		Consolidated 6 Months Ended	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
	\$'000	\$'000 (restated)	\$'000	\$'000 (restated)	\$'000	\$'000 (restated)	\$'000	\$'000 (restated)
Segment revenue:								
Sales to external customers	6,791,327	6,031,940	15,491,163	10,453,993	550,955	594,524	22,833,445	17,080,457
Segment result (EBIT)	316,349	257,291	407,542	256,435	(82,258)	(90,098)	641,633	423,628
Finance costs	-	-	-	-	-	-	(239,359)	(287,950)
Finance income	-	-	-	-	-	-	42,180	57,789
Exceptional items	(1,182)	-	-	(863)	(13,990)	131,542	(15,172)	130,679
Profit before taxation	-	-	-	-	-	-	429,282	324,146
Taxation expense	-	-	-	-	-	-	(46,612)	(28,732)
Profit for the period	-	-	-	-	-	-	382,670	295,414

	Olam Food Ingredients		Olam Global Agri		Olam International Limited		Consolidated	
	30-Jun-21	31-Dec-20	30-Jun-21	31-Dec-20	30-Jun-21	31-Dec-20	30-Jun-21	31-Dec-20
	\$'000	\$'000 (restated)	\$'000	\$'000 (restated)	\$'000	\$'000 (restated)	\$'000	\$'000 (restated)
Segment assets	13,827,023	11,557,895	8,492,694	6,658,447	3,714,233	4,059,016	26,033,950	22,275,358
Unallocated assets	-	-	-	-	-	-	4,994,678	4,427,284
Segment liabilities	2,598,421	2,360,649	4,968,771	2,448,047	265,898	538,212	7,833,090	5,346,908
Unallocated liabilities	-	-	-	-	-	-	16,409,868	15,319,755

The following changes have been made in the basis of segmentation from the last annual financial statements:

- Specialty grains and seeds, such as sesame, chia seeds and quinoa have been reclassified from OFI to OGA.
- Wood products (sustainable forestry concessions and saw milling operations in the Republic of Congo) and the Rubber processing and supply chain business have been reclassified from OIL to OGA.

Olam International Limited
Condensed interim financial statements
For the six months ended 30 June 2021

E. Notes to the condensed interim consolidated financial statements (cont'd)

3. Segmental Information (cont'd)

3.2 Disaggregation of revenue

Types of goods or services	Group	
	6 Months Ended	
	30-Jun-21 \$'000	30-Jun-20 \$'000
Sale of goods	22,437,618	16,975,507
Sale of services	395,827	104,950
Total revenue from contracts with customers	22,833,445	17,080,457

Timing of revenue recognition	Group	
	6 Months Ended	
	30-Jun-21 \$'000	30-Jun-20 \$'000
Goods transferred at point in time	22,437,618	16,975,507
Services transferred at point in time	390,557	104,549
Others	5,270	401
Total revenue from contracts with customers	22,833,445	17,080,457

Disaggregation of revenue from contracts with customers by geographical segments:

Geographical markets	Group	
	6 Months Ended	
	30-Jun-21 \$'000	30-Jun-20 \$'000
Asia, Middle East and Australia	16,371,066	12,771,838
Africa	4,860,619	3,517,348
Europe	4,706,431	3,630,077
Americas	4,726,168	3,852,682
Eliminations	(7,830,839)	(6,691,488)
Total revenue from contracts with customers	22,833,445	17,080,457

Olam International Limited
Condensed interim financial statements
For the six months ended 30 June 2021

E. Notes to the condensed interim consolidated financial statements (cont'd)

4. Profit before taxation

Other income and expenses stated after (charging)/crediting the following: -

	Group	
	6 Months Ended	
	30-Jun-21	30-Jun-20
	\$'000	\$'000
Other income:		
Gain on disposal of subsidiary	4,971	-
Gain on partial divestment of joint venture and associate	-	76,272
Commissions and claims, sale of packaging materials, sales of scrap and others	32,621	23,846
Other expenses:		
Loss on disposal of joint venture and associate	(679)	(863)
Gain/(loss) on disposal of property, plant and equipment and intangible assets, net	7,110	(1,591)
Employee benefits expenses	(518,541)	(458,673)
Gain/(loss) on foreign exchange, net	46,535	(174,009)
Bank charges	(42,588)	(36,921)
Travelling expenses	(17,769)	(21,692)
Impairment loss on financial assets - Trade receivables	(10,024)	(9,460)
Allowance for doubtful debts - Advance payments to suppliers	(2,096)	(2,847)

5. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit and loss are:

	Group	
	6 Months Ended	
	30-Jun-21	30-Jun-20
	\$'000	\$'000
Current income tax:-		
Singapore	6,140	27,978
Foreign	61,692	89,814
Under provision in respect of prior years	106	1,385
	67,938	119,177
Deferred income tax:-		
Singapore	(1,011)	(459)
Foreign	(20,315)	(89,986)
Income tax expense	46,612	28,732

Olam International Limited
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E. Notes to the condensed interim consolidated financial statements (cont'd)

6. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2021 and 31 December 2020:

Group	30-Jun-21			31-Dec-20		
	Amortised cost \$'000	Fair value through other comprehensive income \$'000	Fair value through profit or loss \$'000	Amortised cost \$'000	Fair value through other comprehensive income \$'000	Fair value through profit or loss \$'000
Financial assets:						
Loans to associates	18,441	-	-	18,121	-	-
Long term investment	-	26,429	-	-	24,342	-
Trade receivables	3,026,512	-	-	1,639,930	-	-
Margin accounts with brokers	509,691	-	-	121,663	-	-
Other current assets	546,790	-	-	565,891	-	-
Other non current assets	49,989	-	-	34,384	-	-
Cash and short-term fixed deposits	3,542,251	-	-	3,115,877	-	-
Derivative financial instruments	-	1,368	3,086,250	-	-	3,243,054
	7,693,674	27,797	3,086,250	5,495,866	24,342	3,243,054
Financial liabilities:						
Trade payables and accruals	5,514,481	-	-	2,908,555	-	-
Other current liabilities	553,804	-	-	518,653	-	-
Other non current liabilities	49,328	-	-	53,798	-	-
Borrowings	14,108,578	-	-	13,247,344	-	-
Lease liabilities	940,788	-	-	912,018	-	-
Derivative financial instruments	-	7	2,082,317	-	10,350	2,266,501
	21,166,979	7	2,082,317	17,640,368	10,350	2,266,501

Company	30-Jun-21			31-Dec-20		
	Amortised cost \$'000	Fair value through other comprehensive income \$'000	Fair value through profit or loss \$'000	Amortised cost \$'000	Fair value through other comprehensive income \$'000	Fair value through profit or loss \$'000
Financial assets:						
Long term investment	-	26,429	-	-	24,342	-
Trade receivables	1,901,592	-	-	697,640	-	-
Margin accounts with brokers	453,755	-	-	96,593	-	-
Other current assets	74,002	-	-	141,561	-	-
Cash and short-term fixed deposits	1,445,363	-	-	1,032,192	-	-
Derivative financial instruments	-	1,368	2,364,632	-	-	2,609,137
	3,874,712	27,797	2,364,632	1,967,986	24,342	2,609,137
Financial liabilities:						
Amounts due to subsidiary companies	3,856,598	-	-	2,833,243	-	-
Trade payables and accruals	3,954,362	-	-	1,408,750	-	-
Other current liabilities	37,608	-	-	91,735	-	-
Borrowings	2,165,544	-	-	3,182,238	-	-
Lease liabilities	107,407	-	-	64,581	-	-
Derivative financial instruments	-	7	1,794,052	-	10,350	1,996,403
	10,121,519	7	1,794,052	7,580,547	10,350	1,996,403

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Condensed interim financial statements
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E. Notes to the condensed interim consolidated financial statements (cont'd)

7. Business combinations

- (a) On 6 January 2021, the Group completed the acquisition of US-based dehydrated onion ingredients business (Cascade Specialties).
- (b) On 4 February 2021, the Group through its wholly-owned subsidiary Olam Americas, Inc., completed the acquisition of 100% equity stake in a US-based chilli pepper business of major maker of condiments and sauces, Mizkan America, Inc.
- (c) On 17 May 2021, the Group completed acquisition of US private label spices and seasonings manufacturer Olde Thompson ("OT").

	Amount \$'000
Property, plant and equipment	98,308
Right Of Use - Assets	767
Intangible assets	708,944
Other Non Current Assets	4,731
Inventories	200,216
Trade and other receivables	101,933
Cash and Bank balances	302
Other Current Assets	9,328
Advance Payment to Suppliers	2,131
Total Assets	1,126,660
Trade and other creditors	56,013
Lease liabilities	303
Deferred Tax liabilities	174,362
Other Current Liabilities	6,628
Long term Loans	316,928
Total Liabilities	554,234
Total identifiable net assets at fair value	572,426
Provisional goodwill arising from acquisition	620,707
	1,193,133
Consideration transferred for the acquisition	
Cash Paid for business acquisition	1,193,133
Total consideration	1,193,133
Less: Cash and Cash equivalent acquired	302
Net cash outflow on acquisition of subsidiaries	1,192,831

The valuation of assets and liabilities acquired had not been completed by the date the interim financial statements were approved for issue by the Board of Directors. Thus, there may be a need to subsequently adjust their values, with a corresponding adjustment to the provisional goodwill arising from acquisition, within one year from the date of transaction.

Olam International Limited
Condensed interim financial statements
For the six months ended 30 June 2021

E. Notes to the condensed interim consolidated financial statements (cont'd)

8. Fair values of assets and liabilities

8.1. Fair value measurement

The Group classifies fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

The following table presents the assets and liabilities carried at fair value by level of fair value hierarchy:

	Group - 30-Jun-21			
	Quoted prices in active markets for identical instruments (Level 1) S\$'000	Significant other observable inputs (Level 2) S\$'000	Significant unobservable inputs (Level 3) S\$'000	Total S\$'000
Financial assets:				
Long term investment	-	-	26,429	26,429
Derivatives financial instruments				
- Commodity contracts	194,958	2,106,795	59,591	2,361,344
- Foreign exchange contracts - fair value hedge	-	723,186	-	723,186
- Foreign exchange contracts - Cash flow hedge	-	1,075	-	1,075
- Cross currency interest rate swap- fair value hedge	-	1,720	-	1,720
- Interest rate swap - cash flow hedge	-	293	-	293
	194,958	2,833,069	86,020	3,114,047
Financial liabilities:				
Derivatives financial instruments				
- Commodity contracts	693,943	776,640	20,193	1,490,776
- Foreign exchange contracts - fair value hedge	-	554,684	-	554,684
- Cross currency interest rate swap - fair value hedge	-	36,857	-	36,857
- Interest rate swap - cash flow hedge	-	7	-	7
	693,943	1,368,188	20,193	2,082,324
Non-financial assets:				
Biological assets	-	-	437,248	437,248
Inventories	-	5,168,115	255,803	5,423,918

Olam International Limited
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E. Notes to the condensed interim consolidated financial statements (cont'd)

8. Fair values of assets and liabilities (cont'd)

8.1. Fair value measurement (cont'd)

	Group - 31-Dec-20			
	Quoted prices in active markets for identical instruments (Level 1) S\$'000	Significant other observable inputs (Level 2) S\$'000	Significant unobservable inputs (Level 3) S\$'000	Total S\$'000
Financial assets:				
Long term investment	-	-	24,342	24,342
Derivatives financial instruments				
- Commodity contracts	485,859	2,000,929	75,317	2,562,105
- Foreign exchange contracts - fair value hedge	-	634,681	-	634,681
- Cross currency interest rate swap - fair value hedge	-	46,268	-	46,268
	485,859	2,681,878	99,659	3,267,396
Financial liabilities:				
Derivatives financial instruments				
- Commodity contracts	904,991	760,191	23,545	1,688,727
- Foreign exchange contracts - fair value hedge	-	572,200	-	572,200
- Foreign exchange contracts- cash flow hedge	-	9,336	-	9,336
- Cross currency interest rate swap - fair value hedge	-	5,574	-	5,574
- Interest rate swap - cash flow hedge	-	1,014	-	1,014
	904,991	1,348,315	23,545	2,276,851
Non- Financial Assets				
Biological assets	-	-	473,165	473,165
Inventories	-	5,183,099	230,789	5,413,888

Olam International Limited
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E. Notes to the condensed interim consolidated financial statements (cont'd)

8. Fair values of assets and liabilities (cont'd)

8.2. Level 3 fair value measurements:

Movements in Level 3 assets and liabilities measured at fair value

The following table presents the reconciliation for all assets and liabilities measured at fair value, except for biological assets, based on significant unobservable inputs (Level 3):-

	Commodity contracts - assets \$'000	Commodity contracts – liabilities \$'000	Power purchase agreement – assets \$'000	Inventories \$'000	Long term investments \$'000
At 1 January 2020	66,927	(5,399)	(13,459)	226,356	71,503
Total gain/(loss) for the year					
Included in profit or loss	8,390	(18,146)	-	44,469	-
Included in other comprehensive income	-	-	-	-	(39,738)
Purchases and sales, net	-	-	13,459	(40,036)	(7,423)
At 31 December 2020 and 1 January 2021	75,317	(23,545)	-	230,789	24,342
Total gain/(loss) for the period					
Included in profit or loss	(15,726)	3,352	-	(9,681)	-
Included in other comprehensive income	-	-	-	-	2,087
Purchases and sales, net	-	-	-	34,695	-
At 30 June 2021	59,591	(20,193)	-	255,803	26,429

In the period ended 30 June 2021 and 31 December 2020, there were no transfers between different levels of the fair value hierarchy.

There were no changes in valuation techniques during the six months ended 30 June 2021 and the year ended 31 December 2020.

The financial instruments categorized under Level 3 of the fair value hierarchy are generally sensitive to the various unobservable inputs. There were no changes in the unobservable inputs used in valuation during the six months ended 30 June 2021 and the year ended 31 December 2020. A significant movement of each input would result in significant change to the fair value of the respective asset/liability.

8.3. Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

- (i) Cash and short-term deposits, trade receivables, other current assets, margin accounts with brokers, amounts due from/(to) subsidiary companies, trade payables and accruals, other current liabilities and bank overdrafts.

The fair values of these financial instruments approximate their carrying amounts at the balance sheet date because of their short-term maturity.

- (ii) Loans to joint ventures, bank loans and term loans from banks

The carrying amount of loans to joint ventures, bank loans and term loans from banks are an approximation of fair values as they are subjected to frequent repricing (floating rates) and/or because of their short-term maturity.

Olam International Limited
Condensed interim financial statements
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E. Notes to the condensed interim consolidated financial statements (cont'd)

9. Intangible assets

Group	Goodwill \$'000	Customer relationships \$'000	Brand and trademark \$'000	Software \$'000	Water Rights \$'000	Concession Rights \$'000	Others \$'000	Total \$'000
As at 31 December 2020								
Cost	832,192	143,393	161,179	160,433	10,554	94,409	148,867	1,551,027
Accumulated amortisation and impairment	(14,967)	(92,694)	(23,401)	(61,153)	-	(55,656)	(60,358)	(308,229)
Net carrying value	817,225	50,699	137,778	99,280	10,554	38,753	88,509	1,242,798
As at 30 June 2021								
Opening net carrying value	817,225	50,699	137,778	99,280	10,554	38,753	88,509	1,242,798
Additions	-	-	-	3,285	-	-	534	3,819
Additions in relation to business combinations	620,171	548,987	-	1	104	-	160,388	1,329,651
Amortisation for the period	-	(6,166)	-	(8,272)	-	(2,240)	(2,865)	(19,543)
Others	19,089	760	2,428	350	(87)	(4,572)	4,352	22,320
Closing net carrying value	1,456,485	594,280	140,206	94,644	10,571	31,941	250,918	2,579,045

Company	Goodwill \$'000	Brands and Trademarks \$'000	Software \$'000	Others \$'000	Total \$'000
As at 31 December 2020					
Cost	192,346	836	126,000	66,931	386,113
Accumulated amortisation and impairment	-	-	(33,062)	(16,728)	(49,790)
Net carrying value	192,346	836	92,938	50,203	336,323
As at 30 June 2021					
Opening net carrying value	192,346	836	92,938	50,203	336,323
Additions	-	-	2,850	248	3,098
Amortisation for the period	-	-	(6,731)	(569)	(7,300)
Others	3,390	15	271	882	4,558
Closing net carrying value	195,736	851	89,328	50,764	336,679

The Group performed its annual impairment test at year end and when circumstances indicated that the carrying value may be impaired. The Group's impairment test for goodwill and intangible assets with indefinite lives is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year ended 31 December 2020.

Olam International Limited
Condensed interim financial statements
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E. Notes to the condensed interim consolidated financial statements (cont'd)

10. Property, plant and equipment

During the six months ended 30 June 2021, the Group acquired assets amounting to S\$335,943,000 (30 June 2020: S\$268,871,000) and disposed of assets amounting to S\$53,921,000 (30 June 2020: S\$6,925,000).

11. Borrowings and lease liabilities

Amounts repayable in one year or less or on demand

	30-Jun-21		31-Dec-20	
	Secured	Unsecured	Secured	Unsecured
	(in S\$'000)	(in S\$'000)	(in S\$'000)	(in S\$'000)
Overdrafts	-	144,681	-	261,434
Loans	71,357	5,801,646	59,187	5,480,504
Medium term notes	-	605,790	-	665,332
Lease liabilities	-	121,170	-	96,472
Total	71,357	6,673,287	59,187	6,503,742

Amounts repayable after one year

	30-Jun-21		31-Dec-20	
	Secured	Unsecured	Secured	Unsecured
	(in S\$'000)	(in S\$'000)	(in S\$'000)	(in S\$'000)
Medium / long term loans	105,457	5,148,567	100,070	4,082,015
Medium term notes	-	2,229,698	-	2,597,106
Long term loans from third party	-	1,382	-	1,696
Lease liabilities	-	819,618	-	815,546
Total	105,457	8,199,265	100,070	7,496,363

Bank and term loans are secured over certain assets of subsidiaries.

Olam International Limited
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E. Notes to the condensed interim consolidated financial statements (cont'd)

12a. Share capital and treasury shares

	30-Jun-21	31-Dec-20
Issued, fully paid shares :		
Balance number of shares as at the beginning of period	3,271,018,657	3,271,018,657
Total no. of shares outstanding as at the end of period	3,271,018,657	3,271,018,657
Total no. of shares held as treasury shares	(61,921,826)	(75,395,038)
Total no. of shares outstanding as at the end of period net of treasury shares	3,209,096,831	3,195,623,619
Percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding	1.89%	2.30%

The Company used 13,473,212 treasury shares during the current financial period towards the release of performance share awards and restricted share awards.

12b. Employee share option scheme and /share grant plans

	30-Jun-21	30-Jun-20
Shares to be issued upon exercise of:		
Share options	17,757,000	21,862,000
Share Grant*	59,844,470	49,195,959
Total number of shares	77,601,470	71,057,959

*Share Grant: The above includes 39,544,236 performance share awards (30 June 2020: 32,380,822) where the final number of shares to be delivered will range from 0% to 200.0% of the base award. The Share Grant is governed by the terms and conditions of the Employee Share Grant Plan, including the achievement of pre-determined targets during the three-year performance period.

13. Net asset value

Net asset value (for the Issuer and Group) per ordinary share based on the total number of issued shares of the issuer at the end of the:

- (a) current financial period reported on; and
- (b) immediately preceding financial year.

(In cents per share)	Group		Company	
	30-Jun-21	31-Dec-20	30-Jun-21	31-Dec-20
Net asset value (NAV) per ordinary share based on issued share capital as at end of the period	206.16	182.28	242.97	233.17

Net asset value (excluding capital securities) for the Group per ordinary share based on issued share capital at 30 June 2021 was 161.75 cents per share (31 December 2020: 150.31 cents per share).

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Condensed interim financial statements
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E. Notes to the condensed interim consolidated financial statements (cont'd)

14. Reported earnings per ordinary share

Earnings per ordinary share of the Group for the current financial period reported and for the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Reported EPS	Group	
	6 Months Ended	
	30-Jun-21	30-Jun-20
(a) Based on weighted average no. of shares (cents/share)	12.09	9.54
(b) Based on fully diluted basis (cents/share)	11.91	9.43
Weighted average no. of shares applicable to basic earnings per share	3,202,270,181	3,190,919,062
Weighted average no. of shares based on fully diluted basis	3,250,158,521	3,227,603,757

15. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

F. OTHER INFORMATION

1. Review

The condensed consolidated statement of financial position of Olam International Limited and its subsidiaries as at 30 June 2021 and the related condensed consolidated profit and loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Please refer to the Management Discussion and Analysis (“MDA”), lodged on SGXNET along with the Financial Results statement, for a review of financial and operational performance.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There was no forecast made by the Company.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

Please refer to the MDA for a review of financial and operational performance.

5. Dividend

(a) Current Financial Period Reported on 30 June 2021.

Any dividend recommended for the current financial period reported on?

The Board has declared a one-tier tax exempt interim dividend of 4.0 cents per ordinary share for the period ended 30 June 2021.

(b) Corresponding Period of the immediately preceding Financial Year.

Any dividend declared for the corresponding period of the immediately preceding financial year?

The Board had declared a one-tier tax exempt interim dividend of 3.5 cents per ordinary share for the period ended 30 June 2020.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

The dividend paid is tax exempt in the hands of shareholders.

(d) Date Payable

30 August 2021

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F. OTHER INFORMATION (cont'd)

5. Dividend (cont'd)

(e) Record date

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of OLAM INTERNATIONAL LIMITED (the Company) will be closed at 5:00 pm on 23 August 2021 for the preparation of interim dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services (Pte) Ltd, at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5:00 pm on 23 August 2021 will be registered to determine shareholders entitlements to the said dividend.

Members whose Securities Accounts with The Central Depository Pte. Ltd. are credited with shares at 5:00 pm on 23 August 2021 will be entitled to the proposed interim dividend. Payment of the interim dividend will be made on 30 August 2021.

6. Interested party transactions

The Company has at the Annual General Meeting held on 23 April 2021 obtained the approval from shareholders for the IPT Mandate for recurrent transactions with the Mandated Interested Persons listed below.

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
		6 Months Ended 30-Jun-21 S\$'000	6 Months Ended 30-Jun-21 S\$'000
Sale of goods to:			
MC Agri Alliance, Ltd	Associate of Mitsubishi Corporation, a controlling shareholder of the Company	-	92,083
Purchase of Good and Services by:			
MC Agri Alliance, Ltd	Associate of Mitsubishi Corporation, a controlling shareholder of the Company	567	-

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has procured undertakings from all its directors and executive officers in compliance with Listing Rule 720(1).

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F. OTHER INFORMATION (cont'd)

Confirmation of the Board

We refer to the requirement under Rule 705(5) of the Listing Manual.

We hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial results for period ended 30 June 2021 to be false or misleading in any material aspects.

On behalf of the Board of Directors

Lim Ah Doo
Chairman

Sunny George Verghese
Co-founder & Group CEO

BY ORDER OF THE BOARD

Sunny George Verghese
Co-founder & Group CEO

13th August 2021