

PROPOSED SALE OF SHARES IN OLAM AGRI HOLDINGS LIMITED

1. INTRODUCTION

- 1.1 The board of directors (the "**Board**", and each director, a "**Director**") of Olam Group Limited (the "**Company**", and together with its subsidiaries, the "**OG Group**") wishes to announce that its wholly-owned subsidiaries, Olam Holdings Pte. Ltd. ("**OHPL**") and Olam Agri Pte. Ltd. ("**OAPL**", and together with OHPL, the "**Vendors**"), have on 24 February 2025, entered into a conditional sale and purchase agreement (the "**SPA**") with the Saudi Agricultural & Livestock Investment Company (SALIC) (the "**Purchaser**"), pursuant to which the Vendors have agreed to sell, and the Purchaser has agreed to purchase, either directly or through the Purchaser's nominee ("**Purchaser Nominee**"), 1,512,182,660 ordinary shares ("**OAHL Shares**") representing approximately 44.58% of the issued and paid-up share capital of Olam Agri Holdings Limited (the "**Sale Shares**" and "**OAHL**" respectively) held by the Vendors (the "**Proposed Sale**").
- 1.2 As at the date of this Announcement, SALIC International Investment Company ("**SALIC International**"), a wholly-owned subsidiary of the Purchaser, holds the remaining 1,201,721,726 OAHL Shares, representing approximately 35.43% of the issued and paid-up share capital of OAHL. Accordingly, upon the completion of the Proposed Sale ("**SPA Completion**"), OHPL and/or OAPL (as the case may be, depending on whether all of the Sale Shares will be sold by OHPL) (the "**Olam Remaining Shareholder(s)**") will collectively hold 678,052,102 OAHL Shares, representing approximately 19.99% of the issued and paid-up share capital of OAHL (the "**Remaining Shares**").
- 1.3 On SPA Completion:
- (a) the Purchaser will grant to the Olam Remaining Shareholder(s) an irrevocable put option, pursuant to which the Olam Remaining Shareholder(s) have the right to require the Purchaser to purchase from them the Remaining Shares (the "**Put Option**"); and
 - (b) the Olam Remaining Shareholder(s) will grant to the Purchaser Nominee an irrevocable call option, pursuant to which the Purchaser Nominee has the right to require the Olam Remaining Shareholder(s) to sell to the Purchaser Nominee the Remaining Shares (the "**Call Option**").

Both the exercise and completion of the Put Option or Call Option ("**Option Completion**") are not subject to any conditions. The principal terms of the Put Option and Call Option (the "**Put/Call Option**") are elaborated in paragraph 3.4 below.

Accordingly, when the Put/Call Option is exercised and upon the Option Completion, the OG

Group will cease to hold any OAHL Shares.

1.4 Background

As referred to in the Company's circular to its shareholders ("**Shareholders**") dated 6 March 2023, the Company had proposed the demerger of the Olam Agri business from the OG Group (the "**Demerger**") and had been working towards an initial public offering ("**IPO**") of OAHL (the "**Olam Agri IPO**") by way of a primary listing of OAHL on the Mainboard of the Singapore Exchange Securities Trading ("**SGX-ST**") and had been exploring a possible concurrent listing of OAHL on the Saudi Arabia Stock Exchange. On 30 May 2023, the Company updated its Shareholders on the delay in the proposed Olam Agri IPO and the Demerger as all the necessary regulatory approvals had yet to be obtained. The announcement made reference to the Olam Agri IPO and Demerger being dependent on, *inter alia*, the receipt of relevant approvals and prevailing market conditions, and that they might not proceed if, having regard to Shareholders' interests at any material time and taking into consideration prevailing economic and/or market conditions and/or any other relevant factors, conditions and circumstances, it was not in the interests of the Company to do so.

In the Company's annual report for the financial year ended 31 December 2023 ("**FY2023**"), it was mentioned that, while the IPO of Olam Food Ingredients ("**ofi**") (the "**ofi IPO**") and the Olam Agri IPO remained on the table, the Company was reviewing all other strategic options to unlock and realise value for Shareholders. In the Company's news release dated 14 August 2024 of the OG Group's financial results for the six (6) months ended 30 June 2024, the Company's commitment to executing its re-organisation plan to unlock value was reiterated, and that the Company would continue to evaluate all internal and external factors that would underpin the success of the proposed ofi IPO and the Olam Agri IPO, while exploring all other strategic options.

1.5 Rationale for and benefits of the Proposed Sale and the Put/Call Option

The Board is of the view that, having considered the internal and external factors that affect the proposed Olam Agri IPO, including prevailing capital markets conditions and the need to obtain all necessary regulatory approvals for the proposed Olam Agri IPO, it is uncertain whether and when the proposed Olam Agri IPO can be launched successfully. Hence, having regard to the terms of the Proposed Sale and the Put/Call Option, the Company is of the view that the Proposed Sale and the grant of the Put/Call Option (collectively, the "**Proposed Transaction**"), is the more appropriate strategic option at the present time to unlock value for Shareholders.

The Proposed Sale will enable the Company to substantially divest OAHL at an attractive pricing as illustrated below, and to focus on growing its remaining core businesses including ofi, as the Company will cease to have management responsibilities or operational control of OAHL post-SPA Completion. Following SPA Completion, the OG Group will also have assurance of exit in respect of its Remaining Shares in OAHL at a pre-agreed consideration via the Put/Call Option mechanism.

The Proposed Transaction will be a transformative step forward in the OG Group's re-organisation plan and is expected to deliver the following outcomes:

- (a) illuminate and unlock value for Shareholders, as the Proposed Transaction attractively values OAHL at an implied 100% equity valuation for OAHL of US\$4.00 billion (S\$5.28 billion)¹ plus the Additional Consideration and the IRR Consideration (all as defined below). The implied 100% equity valuation for OAHL of US\$4.00 billion is:
- (i) a 14% premium to the US\$3.50 billion equity valuation for 100% of OAHL at which SALIC International first acquired a 35.43% stake in OAHL which was completed on 23 December 2022 at a total final consideration of US\$1.29 billion (inclusive of post-closing adjustments in the first six (6) months of FY2023). This valuation uplift has been achieved on the back of continued profitable growth of OAHL despite an increase in global geopolitical and macroeconomic headwinds, commodity and currency volatility, high interest rates and elevated inflation over the last two (2) years;
 - (ii) 23% higher than the US\$3.25 billion (S\$4.30 billion)¹ market capitalisation of the Company² ("**Market Capitalisation**") as at 21 February 2025, being the last market day on which the ordinary shares of the Company ("**Shares**" and each a "**Share**") were traded preceding the signing of the SPA; and
 - (iii) a 3.47x price-to-book multiple to the book value of the OAHL Shares of US\$1.15 billion as of 31 December 2023;
- (b) post-SPA Completion, the OG Group would realise a gain on disposal of US\$1.84 billion (approximately S\$2.43 billion based on the Illustrative Exchange Rate)³. The gain on disposal realised by the OG Group will accrete to the equity reserves of the OG Group³;
- (c) post-SPA Completion, the OG Group would raise significant gross cash proceeds which is estimated to be US\$1.78 billion (S\$2.35 billion)⁴ and post-Option Completion (assuming the Put/Call Option is exercised), the OG Group would raise additional gross cash proceeds estimated to be US\$0.80 billion (S\$1.06 billion)⁴, resulting in aggregate gross cash proceeds of US\$2.58 billion (S\$3.41 billion)¹;
- (d) post-Option Completion and including the initial sale of 35.43% stake in OAHL in 2022, the OG Group would have divested 100% interest in OAHL, raising total gross proceeds of US\$3.87 billion (S\$5.11 billion)² and accreting a gain of US\$2.72 billion (S\$3.59 billion)³ to the equity reserves of the OG Group; and
- (e) the Board will take into consideration various factors including the level of the Group's future earnings, cash flows, capital requirements for maintenance and growth, other

¹ The final consideration will include agreed closing adjustments. S\$ figure is based on an indicative US\$-to-S\$ exchange rate of US\$1:S\$1.3203 as at 31 December 2023 ("**Illustrative Exchange Rate**").

² Computed based on the total of 3,792,531,485 issued Shares (excluding treasury shares) multiplied by the weighted average price of each Share on the SGX-ST of approximately S\$1.1329 per Share as of 21 February 2025. S\$ figure is based on the Illustrative Exchange Rate.

³ Gain before non-cash accounting adjustments, transaction costs and on proforma basis using book value of equity as at 31 December 2023. S\$ figure is based on the Illustrative Exchange Rate.

⁴ These figures are on the basis that the Option Consideration is equivalent to the Base Option Consideration (all as defined in paragraph 3.4). S\$ figure is based on the Illustrative Exchange Rate.

financial and general business conditions before making any decision on the use of the proceeds which may include debt repayment, right-sizing the capital structure of OGL and ofi, as well as the provision of a possible one-time special dividend distribution.

1.6 Chapter 10 of the Listing Manual

This Announcement is made in compliance with Chapter 10 of the listing manual of the SGX-ST (the "**Listing Manual**").

2. INFORMATION ON THE PURCHASER AND OAHL

2.1 Information on the Purchaser

The Purchaser is a global agrifood investor, combining industry expertise with long-term capital deployment across the globe. The Purchaser invests in growth companies to meet the world's future nutrition needs, enabling innovation and supply chain integration within Saudi Arabia and across the world. The Purchaser's investments stimulate industry development, supporting the Kingdom of Saudi Arabia's strategies to enhance food security and resilience.

2.2 Information on OAHL

OAHL is a company that was incorporated in Singapore on 30 April 2021.

OAHL is the holding company for the Olam Agri business. The Olam Agri business is a key differentiated food, feed and fibre agri-business with a global origination footprint, processing capabilities and a deep understanding of market needs built over 33 years. With a strong presence in high-growth emerging markets and products across grains & oilseeds, animal feed & protein, rice, edible oils, specialty grains & seeds, cotton, wood products, rubber and commodity financial services, the Olam Agri business is at the heart of global food and agri-trade flows with c.40 million MT in volume traded in 2023.

Focused on transforming food, feed and fibre for a more sustainable future, it aims at creating value for customers, enable farming communities to prosper sustainably and strive for a food-secure future. OAHL is a 64.57%-owned indirect subsidiary of the Company.

3. THE PROPOSED TRANSACTION AND RELATED TRANSACTIONS

3.1 The Proposed Sale

As mentioned in paragraph 1.1 above, the Vendors have agreed to sell, and the Purchaser has agreed to purchase, either directly or through the Purchaser Nominee, the Sale Shares, subject to the terms and conditions of the SPA. The Olam Remaining Shareholder(s) will collectively hold 678,052,102 OAHL Shares following SPA Completion, representing approximately 19.99% of the issued and paid-up share capital of OAHL.

Contemporaneous with the execution of the SPA, the Company has executed an equity

commitment letter in favour of the Vendors and the Purchaser, under which it has agreed to, *inter alia*, make or procure member(s) of the Vendor Group (as defined in the SPA) to make such cash equity contributions to the Vendors as necessary so that the Vendors have all the cash they require to satisfy any claim under the SPA, and procure, so far as lawfully possible, that the Vendors will promptly pay over funds needed to satisfy such obligations to the Purchaser.

3.2 SPA Consideration

Under the terms of the SPA, the consideration for the Sale Shares (the "**SPA Consideration**") shall be:

- (a) a base consideration of approximately US\$1,783.2 million (the "**Base SPA Consideration**"); *plus*
- (b) (if applicable) an amount of additional consideration equal to US\$439,693 per day multiplied by the number of days from (and including) 1 June 2025 up to (and including) the date of SPA Completion (the "**SPA Completion Date**") (the "**Additional Consideration**"); *minus*
- (c) (if applicable) the aggregate amount of leakage (e.g. payments made by OAHL and its subsidiaries (collectively, "**OA Group**" and each an "**OA Group Company**") such as dividends or distributions to or for the benefit of the OG Group (excluding the OA Group)) from the date of the SPA to the SPA Completion Date, as agreed between the Purchaser and Vendors or determined by an expert in accordance with the SPA (the "**Agreed Leakage**") plus interest. Any dividends declared, paid or made in respect of the last six (6) months of the financial period ending on 31 December 2024 (subject to a limit of 50% of the net profit after tax) not exceeding 64.57% of US\$110,000,000, as well as certain other payments specified in the SPA, will not be a leakage.

The SPA Consideration was arrived at between the Vendors and the Purchaser on a willing-buyer and willing-seller basis and computed on the basis of an implied 100% equity valuation of OAHL of US\$4.00 billion (S\$5.28 billion)¹ plus the Additional Consideration.

On the SPA Completion Date, the SPA Consideration shall be paid by the Purchaser in cash to each Vendor based on the proportion by which the OAHL Shares held by each Vendor bears to the Sale Shares.

3.3 Principal terms of the SPA

The principal terms of the SPA include, *inter alia*, the following:

- (a) the Sale Shares shall be transferred to the Purchaser or the Purchaser Nominee on SPA Completion, free from all encumbrances and together with all rights, dividends and advantages attaching thereto as at the SPA Completion Date;
- (b) the SPA Completion Date shall be (i) the date falling 15 business days after (and excluding) the day on which the last of the conditions precedent has been satisfied or

waived in accordance with the SPA; or (ii) such other date as the Vendors and the Purchaser may mutually agree in writing;

- (c) SPA Completion is conditional on, *inter alia*, the following:
- (i) approval of the Shareholders at an extraordinary general meeting ("**Sale EGM**") to be convened to approve the sale of the Sale Shares and the Remaining Shares by the Vendors;
 - (ii) all necessary regulatory notifications and filings having been made, the expiry, lapsing or termination of all mandatory waiting and other necessary time periods (including extensions thereof), and all necessary regulatory consents, approvals and clearances having been obtained, in accordance with the SPA;
 - (iii) OA Group having obtained substitute financing to replace the existing financing obtained by the OA Group Companies, in the event that existing lenders of the OA Group Companies, whose consent is required for the transfer of the Sale Shares and the Remaining Shares, are unwilling to provide such consent;
 - (iv) either (A) OG Group disposing of all of its direct and indirect shareholding (participatory interest) in Azov Grain Transshipment Terminal LLC; or (B) the Vendors and the Purchaser taking any mutually agreed actions that would ensure that the SPA Completion would not be in breach of laws;
 - (v) in the event that the Purchaser elects the Purchaser Nominee to purchase the Sale Shares, (A) the Vendors, the Purchaser and the Purchaser Nominee having signed a novation agreement; and (B) the Purchaser having issued an equity commitment letter in favour of the Vendors and the Purchaser Nominee;
 - (vi) the execution of employment contracts to be entered into by an OA Group Company with certain groups of key employees, in accordance with the terms of an arrangement agreed between the Vendors, the Company, O AHL and the Purchaser; and
 - (vii) the execution of an employment contract to be entered into by an OA Group Company with Sunny George Verghese, in accordance with the terms of an arrangement agreed between the Vendors, the Company, O AHL and the Purchaser; and
- (d) other negotiated customary terms such as (but not limited to) representations and warranties, pre-SPA Completion undertakings, SPA Completion obligations, limitations of liability, indemnification, non-compete obligations, tax covenants and obligations, management incentives and terms relating to the termination of the SPA (including in the event of a Material Adverse Change (as defined in the SPA)).

3.4 Principal terms of the Proposed SHA and the Put/Call Option

In connection with the Proposed Sale, it is intended that on SPA Completion, the existing

shareholders' agreement dated 23 December 2022 entered into among the Vendors, SALIC International and OAHL, as supplemented by a side letter dated 23 December 2022 will be terminated and a new shareholders' agreement will be entered into among the Olam Remaining Shareholder(s), the Purchaser, the Purchaser Nominee, SALIC International (together with the Purchaser and the Purchaser Nominee, the "**SALIC Entities**") and OAHL to regulate the relationship between the Olam Remaining Shareholder(s) and the SALIC Entities as shareholders of OAHL (the "**Proposed SHA**").

The principal terms of the Proposed SHA include, *inter alia*, the following:

- (a) OAHL shall be a holding company whose subsidiaries are involved in the business of grains, integrated feed & proteins, edible oils, rice, specialty grains & seeds, cotton, wood products, rubber and commodity financial services;
- (b) more than 50% of the board of directors of OAHL ("**OAHL Board**") at all times shall comprise independent directors appointed by the SALIC Entities;
- (c) the Olam Remaining Shareholder(s) may appoint and replace one (1) director to the board of directors of OAHL (the "**Olam Director**");
- (d) the chairman of the OAHL Board (the "**Chairman**") shall be appointed by the SALIC Entities. The SALIC Entities shall appoint Serge François Schoen as the Chairman as at the date of entry into the SHA;
- (e) the Chief Executive Officer and the Chief Financial Officer of OAHL shall be appointed by the SALIC Entities. The SALIC Entities shall appoint Sunny George Verghese as the Chief Executive Officer as at the date of entry into the SHA;
- (f) the quorum for meetings of shareholders of OAHL and meetings of the OAHL Board shall include one (1) Olam Remaining Shareholder(s) and the Olam Director respectively; and
- (g) other negotiated customary terms such as provisions governing information rights, transfers of shares and other matters.

The Proposed SHA will also include the following terms and conditions of the Put/Call Option:

Put Option

- (i) The Put Option may be exercised by the Olam Remaining Shareholder(s) in respect of all (but not some) of the Remaining Shares by serving a notice of exercise of Put Option on the Purchaser, either:
 - (A) within 60 days following the second anniversary (2nd) of the SPA Completion Date; or
 - (B) within 60 days following from the date the Olam Remaining Shareholder(s) become aware of any of the events specified in the SHA, which includes:

- (1) the Purchaser completing an initial public offering of (i) the Purchaser Nominee; or (ii) any affiliate of SALIC International or the Purchaser Nominee or a person who is controlled by the government of the Kingdom of Saudi Arabia, in the ownership chain of O AHL (including, O AHL);
 - (2) the Purchaser entering into any arrangement, composition or compromise with or assignment for the benefit of its creditors or any class of them in any relevant jurisdiction, or taking any steps for the dissolution of the Purchaser, or any receiver, judicial manager, trustee, administrator, liquidator (including a provisional liquidator), agent or similar officer is appointed over the Purchaser; or
 - (3) any of the SALIC Entities entering into any binding transaction (including any sale or transfer) which would result in the SALIC Entities ceasing to be the beneficial owner of more than 50% of the O AHL Shares.
- (ii) The exercise of the Put Option shall not be subject to any conditions.
- (iii) Completion for the acquisition of the Remaining Shares shall take place ("**Put Completion Date**"):
 - (A) in the event the Put Option is exercised in accordance with paragraph 3.4(i)(A), the date of the third (3rd) anniversary of the SPA Completion Date; or
 - (B) in the event the Put Option is exercised in accordance with paragraph 3.4(i)(B), the date falling 15 business days from the exercise date of the Put Option or such other date as the Purchaser and the Olam Remaining Shareholder(s) may agree to in writing.
- (iv) The exercise by the Olam Remaining Shareholder(s) of the Put Option in accordance with paragraph 3.4(i)(A) shall not preclude the exercise by the Olam Remaining Shareholder(s) of the Put Option in accordance with paragraph 3.4(i)(B) or the exercise by the Purchaser Nominee of the Call Option.

Call Option

- (v) The Call Option may be exercised by the Purchaser Nominee in respect of all of the Remaining Shares by serving a notice of exercise of the Call Option on the Olam Remaining Shareholder(s) during the period commencing on the SPA Completion Date and ending on the third (3rd) anniversary of the SPA Completion Date (both dates inclusive).
- (vi) The exercise of the Call Option shall not be subject to any conditions.
- (vii) Completion for the acquisition of the Remaining Shares shall take place by 15 business

days from the exercise date of the Call Option or such other date as the Purchaser and the Olam Remaining Shareholder(s) may agree to in writing ("**Call Completion Date**").

3.5 Option Consideration

Under the terms of the SHA, the consideration for the Remaining Shares (the "**Option Consideration**") shall be:

- (a) a base consideration of approximately US\$799.6 million (the "**Base Option Consideration**"); *plus*
- (b) an amount of additional consideration equal to US\$197,162 per day multiplied by the number of days from (and including) 1 June 2025 up to (and including) the SPA Completion Date; *plus*
- (c) a six per cent (6%) internal rate of return compounded (on an annual basis) from the SPA Completion Date to the date the Option Consideration is paid (both dates inclusive), calculated by taking into account all dividends, distributions or other returns of capital made (or to be made) from the OA Group to the Olam Remaining Shareholder(s) during such period (the "**IRR Consideration**").

The Option Consideration was arrived at between the Vendors and the Purchaser on a willing-buyer and willing-seller basis and computed on the basis of an implied 100% equity valuation of OAHL of US\$4.00 billion (S\$5.28 billion)¹ plus the IRR Consideration.

On the Put Completion Date or the Call Completion Date (as the case may be), the Option Consideration shall be paid by the Purchaser or the Purchaser Nominee respectively in cash to each Olam Remaining Shareholder(s) based on the proportion by which the OAHL Shares held by each Olam Remaining Shareholder(s) bears to the Remaining Shares.

4. **VALUE OF SALE SHARES, REMAINING SHARES AND USE OF PROCEEDS FROM THE PROPOSED TRANSACTION**

Based on the audited consolidated financial statements of the Company for FY2023 (the "**FY2023 Audited Accounts**"):

- (a) the book value of the Sale Shares and Remaining Shares as at 31 December 2023 amounted to approximately S\$980,655,253 in aggregate and the net tangible asset ("**NTA**") value of the Sale Shares and Remaining Shares as at 31 December 2023 amounted to approximately S\$744,584,048 in aggregate. Based on the foregoing, the excess of the Base SPA Consideration over the book value and the consequent gain on the Proposed Sale is approximately S\$1,373,682,011⁵. The Company will provide

⁵ On the basis that the SPA Consideration is equivalent to the Base SPA Consideration of approximately S\$2,354.4 million based on the Illustrative Exchange Rate and there is no Additional Consideration and/or Agreed Leakage. This same assumption is used in paragraphs 5 and 6 of this Announcement.

an update on the gain on the Proposed Sale at the SPA Completion Date⁶; and

- (b) at SPA Completion and based on the US\$4.00 billion equity valuation of O AHL, the Remaining Shares will be restated to approximately S\$1,055,711,880, resulting in a corresponding fair value gain. The Company will provide an update on the fair value gain at SPA Completion⁷.

The Company intends to use the proceeds received from the Proposed Transaction in the manner elaborated in paragraph 1.5(e) above.

5. **CHAPTER 10 OF THE LISTING MANUAL**

5.1 Chapter 10 of the Listing Manual sets out the rules for significant transactions by issuers, including realisations.

5.2 The relative figures for the Proposed Sale together with the sale of the Remaining Shares assuming the Put/Call Option is exercised (the "**Proposed Aggregate Sale**"), using the relevant bases set out in Rule 1006 of the Listing Manual are as follows:

Rule 1006	Bases	Relative Figures (%)
(a)	NAV of the Sale Shares and Remaining Shares, compared with the OG Group's NAV.	14.30% ⁽²⁾
(b)	Net profits attributable to the Sale Shares and Remaining Shares, compared with the OG Group's consolidated net profits.	294.65% ⁽³⁾
(c)	Aggregate value of the consideration to be received, compared with the Company's market capitalisation.	79% ⁽⁴⁾
(d)	Number of equity securities issued by the Company as consideration, compared with the number of equity securities previously in issue.	N.A. ⁽¹⁾
(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the OG Group's proved and probable reserves.	N.A. ⁽¹⁾

Notes:

- (1) Rules 1006(d) and 1006(e) of the Listing Manual are not relevant to the Proposed Aggregate Sale assuming the Put/Call Option is exercised.
- (2) Based on the unaudited consolidated financial statements of the Company for the half

⁶ Please note that the gain at SPA Completion may be different due to profit or loss earned between 1 January 2024 to SPA Completion, dividends declared by O AHL during this period, transaction costs, non-cash accounting adjustments, etc.

year ended 30 June 2024 (the "**1H2024 Financial Statements**" and "**1H2024**" respectively), the NAV of the Sale Shares and Remaining Shares of approximately S\$1,003,872,467 divided by the OG Group's NAV as at 30 June 2024 of S\$7,021,007,129¹.

- (3) Based on the 1H2024 Financial Statements, the net profits attributable to the Sale Shares and Remaining Shares of approximately S\$138,357,657 divided by the OG Group's consolidated net profits for 1H2024 of approximately S\$46,956,470¹.
- (4) The sum of the SPA Consideration of approximately US\$1,783.2 million (assuming that the SPA Consideration is equivalent to the Base SPA Consideration and there is no Additional Consideration and/or Agreed Leakage) and the Option Consideration of approximately US\$799.6 million (assuming that the Option Consideration is equivalent to the Base Option Consideration and there is no IRR Consideration), which is equivalent to S\$3,410.1 million based on the Illustrative Exchange Rate, divided by the Market Capitalisation².

Accordingly, based on the relative figures as computed above, the Proposed Aggregate Sale is classified as a "major transaction" for the purposes of Chapter 10 of the Listing Manual, and approval of the Shareholders in general meeting is required for the Proposed Aggregate Sale, pursuant to Rule 1014(2) of the Listing Manual.

5.3 Independent valuation

Pursuant to Rule 1014(5) of the Listing Manual, the Company must appoint a competent and independent valuer to value the Sale Shares and the Remaining Shares as the bases set out in Rule 1006(b) of the Listing Manual for the Proposed Aggregate Sale exceeds 75%. Details on the independent valuer and the valuation will be set out in the circular to be despatched to Shareholders in due course (the "**Circular**").

6. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED SALE AND THE PROPOSED AGGREGATE SALE

6.1 The pro forma financial effects of the Proposed Sale and the cumulative pro forma financial effects of the Proposed Aggregate Sale set out in this paragraph 6 are purely for illustrative purposes only and do not reflect the actual financial position of the OG Group after SPA Completion and/or Option Completion. The pro forma financial effects in this paragraph 6 have been prepared based on the FY2023 Audited Accounts and on the following bases and assumptions:

- (a) the Proposed Sale and the Proposed Aggregate Sale was completed on 31 December 2023, for the purposes of computing the effect on the NTA per Share and net gearing; and
- (b) the Proposed Sale and the Proposed Aggregate Sale was completed on 1 January 2023, for the purposes of computing the effect on the earnings per Share ("**EPS**").

6.2 NTA

The effect of the Proposed Sale and the Proposed Aggregate Sale on the NTA of the OG Group is as follows:

	Before the Proposed Sale	Upon Completion	Upon Completion and Option Completion
NTA as at 31 December 2023 (S\$)	4,789,697,976	7,584,696,953	7,584,696,953
NTA per Share (Singapore cents)	124.65	197.38	197.38

6.3 EPS

The effect of the Proposed Sale and the Proposed Aggregate Sale on the Operational EPS of the OG Group is as follows:

	Before the Proposed Sale	Upon Completion	Upon Completion and Option Completion
Adjusted operational net profit ⁽¹⁾ attributable to Shareholders for FY2023 (S\$)	425,633,017	224,039,687 ⁽³⁾⁽⁵⁾	256,531,562 ⁽⁴⁾⁽⁵⁾
Weighted average number of Shares	3,791,037,447	3,791,037,447	3,791,037,447
Operational EPS (Singapore cents) ⁽²⁾	11.23	5.91	6.77

Notes:

- (1) Adjusted operational net profit refers to operational profit (i.e. excluding exceptional items which mainly comprise Australia almond lower crop yield and group re-organisation costs) after tax, non-controlling interests and accrued capital securities distribution.
- (2) Operational EPS (Singapore cents) refers to adjusted operational net profit attributable to Shareholders for FY2023 (S\$) divided by the weighted average number of Shares.
- (3) After adding back interest on approximately US\$1.40 billion (approximately S\$1.85 billion based on the Illustrative Exchange Rate) of debt estimated to be repaid using the net proceeds from the Proposed Sale.
- (4) After adding back interest on approximately US\$1.85 billion (approximately S\$2.44

billion based on the Illustrative Exchange Rate) of debt estimated to be repaid using the net proceeds from the Proposed Aggregate Sale.

- (5) Excludes pro forma gain on disposal of US\$1.84 billion (S\$2.43 billion)^{1,3} as set out in paragraph 1.5(b) above, which is equivalent to S\$0.64 per Share⁵.

The effect of the Proposed Sale and the Proposed Aggregate Sale on the EPS of the OG Group is as follows:

	Before the Proposed Sale	Upon Completion	Upon Completion and Option Completion
Adjusted net profit ⁽⁶⁾ attributable to Shareholders for FY2023 (S\$)	246,229,583	44,636,252 ⁽⁸⁾⁽¹⁰⁾	77,128,128 ⁽⁹⁾⁽¹⁰⁾
Weighted average number of Shares	3,791,037,447	3,791,037,447	3,791,037,447
EPS (Singapore cents) ⁽⁷⁾	6.50	1.18	2.03

Notes:

- (6) Adjusted net profit refers to profit after tax, non-controlling interests and accrued capital securities distribution.
- (7) EPS (Singapore cents) refers to adjusted net profit attributable to Shareholders for FY2023 (S\$) divided by the weighted average number of Shares.
- (8) After adding back interest on approximately US\$1.40 billion (approximately S\$1.85 billion based on the Illustrative Exchange Rate) of debt estimated to be repaid using the net proceeds from the Proposed Sale.
- (9) After adding back interest on approximately US\$1.85 billion (approximately S\$2.44 billion based on the Illustrative Exchange Rate) of debt estimated to be repaid using the net proceeds from the Proposed Aggregate Sale.
- (10) Excludes pro forma gain on disposal of US\$1.84 billion (S\$2.43 billion)^{1,3} as set out in paragraph 1.5(b) above, which is equivalent to S\$0.64 per Share⁵.

6.4 Net gearing

The effect of the Proposed Sale and the Proposed Aggregate Sale on the net gearing of the OG Group is as follows:

	Before the Proposed Sale	Upon SPA Completion	Upon SPA Completion and Option Completion
Net borrowings as at 31 December 2023 (S\$) ⁽¹⁾	12,712,245,035	6,050,768,815	4,995,056,935
Total equity as at 31 December 2023 (S\$) ⁽²⁾	7,365,974,963	9,794,279,229	9,794,279,229
Net gearing (times)	1.73	0.62	0.51

Notes:

- (1) Net borrowings refer to the total borrowings less cash and cash equivalents.
- (2) Total equity excludes non-controlling interest and is adjusted for fair value adjustment reserves for computation of net gearing.

7. SERVICE CONTRACTS

No person is proposed to be appointed to the Board as part of the Proposed Transaction, and no Director's service contract is proposed to be entered into by the Company with any person in connection with the Proposed Transaction.

8. DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS

As at the date of this Announcement, save as otherwise set out in this Announcement, none of the Directors has any interest, direct or indirect, in the Proposed Transaction, other than through their respective shareholdings in the Company.

Sunny George Verghese, Executive Director, Group CEO and Co-founder of the Company, is also a director of OHPL and OAHL. As stated in paragraph 9.3 of the Letter to Shareholders in the Company's circular to Shareholders dated 6 March 2023, it is intended that Sunny George Verghese will be appointed as Group CEO and Executive Director of OAHL, and upon SPA Completion, Sunny George Verghese⁷ will cease to be the Group CEO and Executive Director of the Company and will remain on the Board of the Company as a Non-Executive Director thereafter.

As at the date of this Announcement, based on publicly available information, the controlling Shareholders of the Company, being Temasek Holdings (Private) Limited and Breedens Investments Pte. Ltd., do not have any interest, direct or indirect, in the Proposed Transaction, other than through their respective shareholdings in the Company.

⁷ Sunny George Verghese will be expected to enter into a new employment contract with respect to his role as the Group CEO of OAHL following SPA Completion, where the terms of such new employment contract will include management incentives to be agreed with the Purchaser as the new majority shareholder of OAHL post-SPA Completion.

9. PROFESSIONAL ADVISERS

Rothschild & Co Singapore Limited is acting as the lead-financial advisor, along with Citigroup Global Markets Singapore Pte. Ltd and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch as joint-financial advisors to the Company for the Proposed Transaction.

WongPartnership LLP is the legal adviser to the Company in respect of the Proposed Transaction.

10. DOCUMENT FOR INSPECTION

A copy of the SPA will be available for inspection during normal business hours at the registered office of the Company for a period of three (3) months from the date of this Announcement. Please email secretariat@olamagri.com to make an appointment.

11. CIRCULAR

11.1 The Sale EGM will be convened to seek approval of the Shareholders for the Proposed Transaction in accordance with the terms to be set out in the Circular.

11.2 Details of the Proposed Transaction will be contained in the Circular. In the meantime, Shareholders are advised to exercise caution when trading their Shares, pending receipt of the Circular.

11.3 Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

12. FURTHER ANNOUNCEMENTS

The Company will make further announcements, in compliance with the requirements of the Listing Manual, as and when there are material developments in respect of the Proposed Transaction and/or other matters contemplated by this Announcement.

13. CAUTIONARY STATEMENT

Shareholders are advised to exercise caution in trading their Shares as there is no certainty or assurance as at the date of this Announcement that the Proposed Sale will proceed to completion, as the SPA Completion is subject to, *inter alia*, fulfilment of all the conditions precedent in the SPA. In addition, there is no certainty or assurance as at the date of this Announcement that the Put/Call Option will be exercised and proceed to Option Completion. Shareholders are advised to read this Announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts about the action they should take.

BY ORDER OF THE BOARD

Sunny George Verghese
Executive Director, Group CEO and Co-founder
24 February 2025

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Company's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors of the Company should not place undue reliance on such forward-looking statements, and the Company does not undertake any obligation to update publicly or revise any forward-looking statements.