



OLAM GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 202180000W)

ANNOUNCEMENT

EXTRAORDINARY GENERAL MEETING TO BE HELD ON 29 MARCH 2023

RESPONSES TO QUESTIONS

Olam Group Limited (the "**Company**", and together with its subsidiaries, the "**Olam Group**") would like to thank all shareholders of the Company ("**Shareholders**") who submitted their questions ahead of the Company's Extraordinary General Meeting ("**EGM**") to be held on 29 March 2023 at 3.00 p.m. Singapore time.

The Company's responses to substantial and relevant questions received from Shareholders by the stipulated deadline are set out in the Appendix to this announcement. Some questions have been edited for clarity and/or consistency of terminology or presentation, and certain substantially similar questions have been grouped and responded to on a consolidated basis.

Mr. Sunny Verghese, Co-Founder, Group CEO and Executive Director will deliver a brief presentation at the EGM, which will also address some of the substantial and relevant questions received from Shareholders. A copy of the presentation along with the results of the EGM will be made available on SGXNet and the Company's website after the conclusion of the EGM. Minutes of the EGM will also be available on the Company's website within a month from the date of the EGM.

*Unless otherwise defined herein, words and expressions used in this announcement, including the Appendix, bear the meanings ascribed to them in the Circular to Shareholders dated 6 March 2023 (the "**Circular**").*

By Order of the Board

Michelle Tanya Kwek
Company Secretary

Singapore, 27 March 2023

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About Olam Group Limited

Olam Group is a leading food and agri-business supplying food, ingredients, feed and fibre to 20,200 customers worldwide. Our value chain spans over 60 countries and includes farming, processing and distribution operations, as well as a global network of farmers.

Through our purpose to 'Re-imagine Global Agriculture and Food Systems', Olam Group aims to address the many challenges involved in meeting the needs of a growing global population, while achieving positive impact for farming communities, our planet and all our stakeholders.

Headquartered and listed in Singapore, Olam Group currently ranks among the top 30 largest primary listed companies in terms of market capitalisation on SGX-ST.

Since June 2020, Olam Group has been included in the FTSE4Good Index Series, a global sustainable investment index series developed by FTSE Russell, following a rigorous assessment of Olam's supply chain activities, impact on the environment and governance transparency. The FTSE4Good Index Series identifies companies that demonstrate strong Environmental, Social and Governance (ESG) practices and is used by a variety of market participants to create and assess responsible investment funds.

More information on Olam can be found at www.olamgroup.com. Follow @olam:



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APPENDIX

1. *With reference to paragraph 5.7 of the Circular, are our significant shareholders Mitsubishi and/or Kewalram Chanrai and/or Orbis regarded as "Distribution Overseas Shareholder"?*

ANSWER:

Whether a Shareholder will be regarded as a "Distribution Overseas Shareholder" would be dependent on its registered address with CDP as at the Distribution Record Date, which is a date in the future.

2. *Will either Mitsubishi and/or Kewalram Chanrai and/or Orbis be required to dispose of their shares in Olam Agri Holdings Pte. Ltd. ("**OAHPL**" or "**Olam Agri**") when Olam Agri starts trading? Will shares held by these parties be subject to any moratorium?*

ANSWER:

Orbis Investment Management Limited is not a substantial shareholder of the Company. There is no regulatory requirement for Mitsubishi Corporation, Kewalram Singapore Limited and/or Orbis Investment Management Limited to dispose of their shares in OAHPL, if and when OAHPL starts trading.

The shares of certain large shareholders will be required to be subject to a moratorium in connection with the Olam Agri IPO. Further details will be set out in the prospectus that will be issued by OAHPL and registered by the Monetary Authority of Singapore.

3. *Following the OAHPL IPO, will Mr Sunny Verghese cease to be the CEO of OLAM Group? Who will be his successor?*

ANSWER:

As stated on Page 82 of the Circular, upon the listing of OAHPL, Mr Sunny Verghese 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. The leadership structure of the Company is undergoing a review and an update may be expected on the list of executive officers.

4. *Can you please provide the proforma NAV (not NTA) numbers pre and post transaction, as at 31 December 2022? What will the NAV of the Olam Group be following the transaction?*

ANSWER:

The effect of the Proposed Transactions on the NAV of the Olam Group is as follows:

	Before the completion of the Proposed Transactions	Upon the completion of the Proposed Transactions
NAV as at 31 December 2022 (S\$)	7,659,097,512	6,786,143,840
NAV per Share (Singapore cents)	199.32	176.60

Notes:

- (1) The NAV of the Olam Group upon completion of the Proposed Transactions is computed as the NAV of the Olam Group less the NAV of the OAHPL Group based on the unaudited historical financial information of OAHPL for FY2022.
- (2) In calculating the NAV of the OAHPL Group, besides the assumptions set out in paragraph 7.1 of the Circular, we have assumed: (a) the NAV of the OAHPL Shares to be issued by OAHPL and sold by the Company in the OAHPL IPO to be the pro rata NAV of the OAHPL Group as at 31 December 2022 based on the unaudited historical financial information of OAHPL for FY2022 (which is S\$403,259,441); and (b) the NAV of the Remaining OAHPL Shares to be distributed via the Proposed Olam Agri Demerger to be the pro rata NAV of the OAHPL Group as at 31 December 2022 based on the unaudited historical financial information of OAHPL for FY2022 (which is S\$469,694,230).
- (3) The calculation of the effect of the Proposed Transactions on the NAV of the Olam Group does not factor in the increase in the NAV of OAHPL that would result from OAHPL's issuance of the Dilution Shares and/or receipt of the subscription monies therefor.

5. *What percentage of Olam Agri shares will be traded on the SGX-ST, and what percentage will be traded in the Saudi stock market? Will the shares be interchangeable / fungible across both the exchanges or bridging the arbitrage advantage between both the exchanges will be left to the market forces?*

ANSWER:

As stated in the Circular, the listing on the Saudi Exchange is expected to take the form of depository receipts ("**SDRs**") representing OAHPL Shares. SDRs are securities listed for trading on the Saudi Exchange which have been specifically tailored for Saudi investors to be able to access ordinary shares of a non-Saudi Arabia-incorporated listed company. It is expected that the OAHPL Shares on the SGX-ST will be denominated in S\$ and the SDRs will be denominated in SAR¹.

The final allocation between OAHPL Shares and SDRs to be listed will be determined at the time of pricing based on the demand levels achieved, investor profiles and orders placed in the books in each of Singapore and Saudi Arabia. The present expectation is an approximately 50/50 split of new OAHPL Shares to be issued as between Singapore and Saudi Arabia, but please note that this is subject to change. The intention is for a balanced split of holders and trading activity in each market to continue post the OAHPL IPO.

Whilst there is no technical link between the SGX-ST and the Saudi Exchange, investors on both the SGX-ST and the Saudi Exchange are expected to be able to transfer their holdings between markets. The fungibility will arise from the ability of the SDRs, through the Depository Bank, to be cancelled in Saudi Arabia for receipt of OAHPL Shares in Singapore, or for SDRs to be created in Saudi Arabia upon receipt of OAHPL Shares into the Depository Bank's custody account in Singapore. Further details will be set out in the prospectus that will be issued by OAHPL and registered by the Monetary Authority of Singapore.

¹ Saudi Arabia Riyal, the lawful currency of Saudi Arabia

6. *What will be the size of the OAHPL IPO? When will Shareholders know the IPO Offer Price of the OAHPL Shares?*

ANSWER:

OAHPL is aiming for an IPO size of approximately US\$600 million to US\$700 million in primary proceeds and approximately US\$300 million to US\$400 million in secondary proceeds, but whether or not these can be achieved will depend on market conditions and other relevant factors. As the Company has made clear in the Circular, Shareholders should note that the OAHPL IPO is subject to final approvals being obtained, and the Board may decide not to proceed with the OAHPL IPO and the Proposed Olam Agri Demerger if, after taking into consideration prevailing economic and/or market conditions and/or any other relevant factors, conditions and circumstances, it considers it not to be in the Company's and Shareholders' interests to do so. The IPO Offer Price will be announced after the bookbuilding process is completed.

7. *Is the Saudi stock market vibrant? How liquid is the Saudi stock market? What is the size (total market value) of the Saudi stock market? And what is the average daily transaction value?*

ANSWER:

The Saudi Exchange was one of the most active equity capital markets globally in 2022, ranking as the ninth largest global exchange in terms of market capitalisation in 2022. In 2022, 37 IPOs took place on the Saudi Exchange raising more than US\$10.0 billion in total proceeds (and more than two times the total in 2021), making the Saudi Exchange one of the most active IPO markets globally. The total market value of all companies listed on the Saudi Exchange was US\$2.6 trillion as of 31 December 2022, and the average daily transaction value (over the last three months) was approximately US\$1.0 billion.

Source: Tadawul Annual Report, World Federation of Exchanges

8. *When will the OFI IPO take place?*

ANSWER:

As stated on Page 23 of the Circular, the ofi IPO is intended to proceed, subject to prevailing market conditions, on a sequential basis after the OAHPL IPO takes place. The potential windows for an ofi IPO are being monitored closely and the exact timing will be determined and communicated to Shareholders at a future date.

9. *With reference to the second last paragraph of Page 33 of the Circular (viz, "The Company is exploring long-term strategic partnership options (to bring on board relevant expertise or new business networks or additional equity), to accelerate profitable growth and maximise the potential of the New OGL Business, particularly OV's Engine two (2) businesses and MindSprint provision of digital and technology services to third parties."), would the Company please elaborate? Is the company intending to do another placement of shares to strategic investors? Something similar to bringing SALIC into Olam Agri? Please elaborate on the progress of the above paragraph.*

ANSWER:

The Company continues to evaluate strategic options for the businesses of the New OGL Business with the aim of accelerating profitable growth and maximising the potential of these

businesses. These options may take the form of a placement of shares to a strategic partner or investor, or another form such as a commercial arrangement or the creation of a joint venture. We will make announcements if and when any material developments take place.

10. *Will Olam Agri have a dividend policy and what is the target dividend payout for the first 2 years?*

ANSWER:

Olam Agri is planning a target payout ratio of up to 50% of profits after tax attributable to shareholders, to be paid semi-annually. This is consistent with its target to achieve a net gearing ratio of approximately 2.0 times net debt to equity or 1.0 time on adjusted net debt to equity basis, after adjusting net debt for readily marketable inventories and secured receivables. On net debt to EBITDA basis, Olam Agri targets to achieve 3.5 times or 1.5 times on an adjusted basis. In 2022, the Olam Agri business achieved an adjusted net debt to equity of 1.0 time (see page 77 of the Circular) and an adjusted net debt to EBITDA of 1.4 times.

11. *What are the expected ownership percentages of Temasek linked companies, Mitsubishi and SALIC, in the carved-out Olam Agri? Any changes in the board composition envisaged post carve out?*

ANSWER:

It is not possible to estimate the interests that Temasek Holdings (Private) Limited, Mitsubishi Corporation and SALIC will have in OAHPL post the OAHPL IPO at this stage, because this depends *inter alia* on the IPO valuation of OAHPL and the total IPO deal size, inclusive of secondary proceeds, which are to be determined at a future time. As stated in our answer to Question 2 above, the shares of certain large shareholders will be required to be subject to a moratorium in connection with the Olam Agri IPO. Further details will be set out in the prospectus that will be issued by OAHPL and registered by the Monetary Authority of Singapore.

Please see Page 81 of the Circular which sets out information on the proposed board composition of OAHPL.

12. *Will the Company be delisted after the OAHPL IPO?*

ANSWER:

The Company will continue to be listed on the Mainboard of the SGX-ST after OAHPL has been listed and demerged from the Olam Group.

13. *What are the benefits for Shareholders, and the rationale/purpose behind the proposed OA disposal, dilution, and capital reduction?*

ANSWER:

The rationale for the Proposed Transactions is to enhance shareholder value with:

- (1) Greater focus on core businesses: Allow OAHPL and the rest of the Olam Group to focus on their respective core businesses, and implement strategies to grow and expand their businesses independently;

- (2) Unique business focus and value proposition: By being separately listed, Olam Agri, ofi and the New OGL Business will be able to attract its own wider and deeper pool of investors interested in its particular businesses and business models, and the separate listings will also provide Shareholders and investors with more flexibility for the diversification of their investments in accordance with, amongst others, their individual risk appetites and investment preference;
- (3) Greater visibility and understanding of Olam Agri: The Proposed Olam Agri Demerger will provide the market and investors with greater visibility and understanding of the Olam Agri business as a separate and independent business from the rest of the Olam Group, allowing it to attract more targeted investments and opening it up to a wider pool of investors, providing it with a transparent valuation benchmark and allowing it to be assessed and valued more distinctly, thus benefiting Shareholders as a whole.

Please also refer to paragraph 1.5 of the Circular.