Olam Group Limited

Transforming to serve a changing world

First Annual General Meeting
April 25, 2022 | Singapore



Cautionary note

on forward-looking statements

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

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

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

Agenda

- Re-organisation Plan: Update
- 2021 Financial performance
- Business prospects & outlook





Olam: Re-organisation Plan - Recap

In January 2020, Olam announced a **transformational Re-organisation Plan** to re-organise its diverse business portfolio into **three distinct operating groups** that are Purpose-led and future-ready in order to maximise Olam's long-term value on a sustained basis.

Objective

To explore strategic options that would **illuminate the current value in the business** and develop new pathways to **create further long-term value** on a **sustained basis**

Plan

Simplify and focus our current diverse portfolio of businesses into **three coherent operating groups** that are more similar in nature, linked by an underlying logic and aligned to key consumer food and agri business trends respectively.

Each entity has developed a **compelling vision,** a distinct equity story and reliable **game plan** for **profitable growth and value creation on a sustained basis**



Re-organisation Plan: Progress update

Olam's 'Re-organisation Plan' envisaged the creation of three distinct operating groups:

ofi

Offers sustainable, natural, value-added food products & ingredients so consumers can enjoy the healthy and indulgent products they love.

- Cocoa
- Coffee
- Dairy
- Nuts
- Spices

Olam Agri

A market leading, differentiated food, feed & fibre agri-business with a global origination footprint & processing capabilities.

- Grains & Oilseeds
- Specialty Grains & Seeds
- Edible Oils
- Rice
- Animal Feed & Protein
- Cotton
- Wood
- Natural Rubber
- Commodity Financial Services

Remaining Olam Group businesses

This comprises of:

Olam Ventures – an independent incubator for digital & sustainability start-up growth businesses in the Food & Ag sector

Olam Technology and Business Services (OTBS) – delivering digital and technology services for the new operating groups as well as to third parties

Olam Global Holdco (OGH) – nurturing our gestating assets & responsibly divesting our de-prioritised businesses & related assets

ofi is a global leader

Led by its Purpose, '**Be the change for Good Food & a Healthy Future**', **ofi** offers naturally good food & beverage ingredients and solutions.

Our sourcing expertise and farmer level relationships run deep, based on Olam's 33 year legacy.

Our innovation capabilities at every step from plant to palate mean we can also share our fresh ideas to inspire new concepts.



Leadership in five product platforms combines to serve growing end market categories



Cacao

Ingredients:
cocoa powder, cocoa liquor, cocoa butter, specialty fats



Coffee

Ingredients:
green coffee, soluble coffee, liquid extract, cascara



Dairy

Ingredients:
whole milk powder, skimmed milk powder, fat-filled milk powder, buttermilk powder, whey products, lactose, casein



Nuts

Ingredients:
customized formats – natural, blanched, sliced, diced, slivered, roasted (dry/oil) organic options nut paste & oil, nut flour & protein powder



Spices

Ingredients:
dried onion & garlic, chiles, herbs, tropical spices, salts, pepper, purées, seasoning blends



Bakery



Beverages



Chocolate & Confectionery



Dairy & Desserts



Snacking



Savory & Culinary

Snapshot of olam food ingredients – **known as** ofi

Sourcing from

2.6

million farmers*

15,000+

employees

9.1

$US billion in revenue

420,000+

farmers getting sustainability support

48

countries

14

innovation centers

100

manufacturing facilities

* direct and indirect

ofi: Growth framework

Organic Growth – Growing & extending the core

- **Extract full value** from current investments
- Increase **share of value** with **targeted strategic customers**
- Focus on **cost competitiveness**
- Expand **innovation & sustainability** solutions

Accelerated M&A opportunities in higher value **products**, **categories**, and **channels**…

- **Channel expansion:** private label, foodservice, e-commerce
- **Product extensions**: Eg: nut ingredients, spice blends, etc
- **Category solutions**: beverages, bakery & confectionery, snacks, culinary

Inorganic Growth – Disciplined Buying

Contribution to medium-term ***Volume*** *growth:*
Low to Mid-single digit %

Contribution to medium-term ***Adjusted EBIT***[1] *growth:*
High-single digit %

[1]: adjusted for one-off non-recurring items

Olam Agri

A market leading and differentiated global food, feed & fibre agri-business with a particular focus in high-growth emerging markets

Purpose:
Transform food, feed, and fibre for a more sustainable future

Promise:
A trusted partner that creates value for customers, enables farming communities to prosper sustainably and strives for a more food-secure future



Who We Are

We are Olam Agri - bringing together our food, feed, fibre, ag-industrials and ag-services businesses with one single brand identity and one voice

A market leading agri-business, focused on high-growth markets with a global origination footprint, processing capabilities and deep understanding of market needs built over 33+ years

We are at the heart of global food & agri-trade flows, delivering 'living essentials', with leading market positions across grain & oilseeds, animal feed & protein, rice, edible oils, specialty grains & seeds, cotton, wood products, rubber and commodity financial services

We have a clear Purpose - **'to transform food, feed & fibre for a more sustainable future'** - by being a trusted partner that unlocks value for customers, enables farming communities to prosper sustainably, and strives for a food-secure future

We are signalling a bold, new chapter of growth and differentiating ourselves from our competitors - so that we are able to meet the changing needs shaping the global food and agricultural landscape

Our refreshed brand and visual identity builds on our valuable Olam heritage, and forges our future as a leading global agri-business - it's not a change of symbol, it's a symbol of change

What We Do

We Supply: Grains & Oilseeds, Animal Feeds & Protein, Speciality Grains & Seeds, Rice, Edible Oils, Cotton, Wood, Natural Rubber, Commodity Financial Services.

We Grow & Source: Our own farming operations & partnerships with producers enable us to reliably source & deliver to customers.

We Transport & Distribute: Our supply-chain expertise and digitally-integrated capabilities allow us to handle, store, transport & distribute food, feed & fibre.

We Process & Manufacture: Our world-class processing operations transform grains, rice & cotton, offering value-added products, i.e. flour, pasta, semolina, fortified rice & animal feeds.

We Trade & Manage Risk: Our best-in-class Trading & Risk Management Teams derive cost advantages, enable flexibility & manage risks in real-time.



Olam Agri at a glance

30+
Countries

50+
Manufacturing & Processing Facilities

41m
Goods Vol. Handled

S$31.3b
Revenue

S$753m
EBIT

S$930m
EBITA

2.5m
Farmer Sourcing Network

6,300
Customers

9,100+
Employees

Olam Agri: Positioning for future growth

The Saudi Agricultural and Livestock Investment Company ("SALIC"), a wholly owned subsidiary of Public Investment Fund (PIF) of the Kingdom of Saudi Arabia (KSA), **to invest US$1.24 billion for an estimated 35.4% stake in Olam Agri**

1. **Illuminates and unlocks value for our shareholders**, thereby completing one of the key milestones of the Re-organisation Plan

2. **Crystallises a benchmark valuation for Olam Agri** today, and **creates a strong shareholder base** for a potential future listing and demerger of Olam Agri – Investment implies **100% equity valuation of US$3.5 billion for Olam Agri** subject to closing balance sheet adjustments.

3. **Raises significant net cash proceeds to repay debt at the OG Group level and right-sizes the capital structure of OG Group**, thereby strengthening its balance sheet, improving credit profile and enhancing financial flexibility to capture future growth

4. **Generates synergies and catalyses access for Olam Agri** to new markets through a long-term **Strategic Supply and Cooperation Agreement (SSCA)** with SALIC

Remaining Olam Group

Exploring strategic options to unlock further value

Olam Global Holdco

Holds and develops our gestating assets to monetise partially or fully these assets over time

- Olam Palm Gabon
- Caraway (Packaged Foods Business)
- ARISE

Oversees the responsible divestment of our de-prioritised businesses & assets

- By end-2021, we have fully exited most of the de-prioritised assets ear-marked for divestments in the Strategic Plan
- Post 2021, we divested our entire stakes in ARISE IIP and ARISE IS
- To divest remaining 7 assets by end 2024

Olam Ventures

An independent incubator for our Engine 2 businesses & start-up initiatives focusing on our digital and sustainability capabilities

- **Jiva** – Farmer services platform
- **Adva** – Sustainable lifestyle platform
- **Terrascope** – Smart carbon management platform
- **Re-Foods** – Purpose brand business in food
- A co-created food and agri-industry digital sustainability platform built on our proprietary AtSource solution

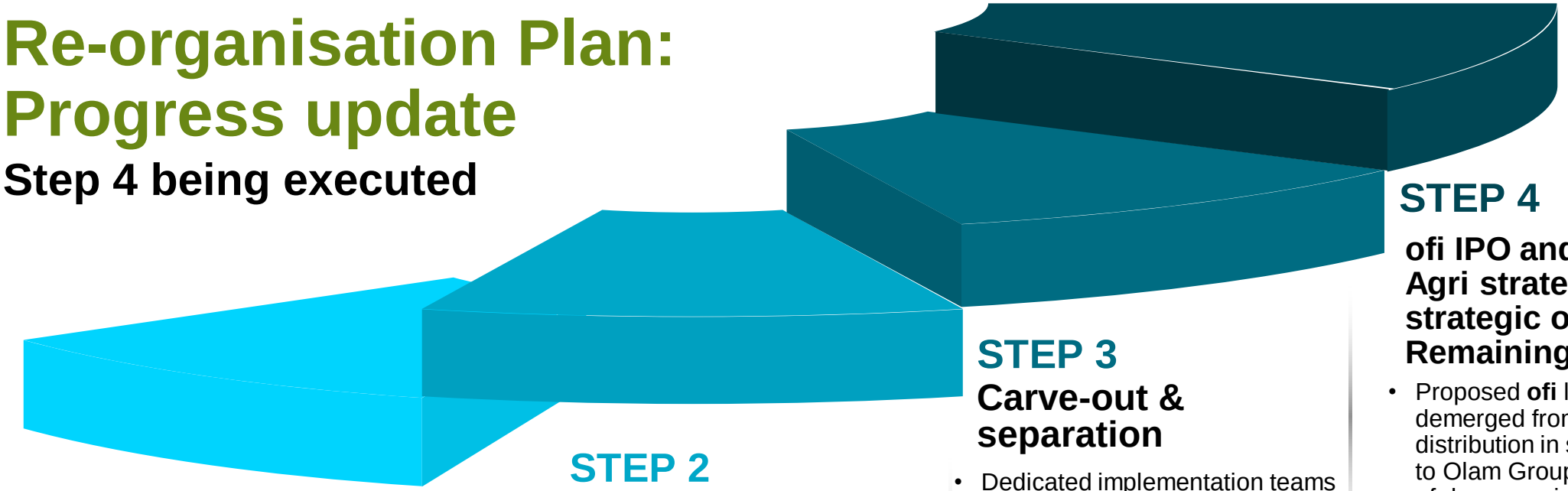
Olam Technology and Business Services (OTBS)

Delivers digital and technology services to each Operating Group

Will utilise its capabilities to offer services to third-parties in the future

Re-organisation Plan: Progress update

Step 4 being executed



STEP 1
Re-segmentation

- Re-segmented the current business into three new operating groups, **ofi**, Olam Agri and Remaining Olam Group.
- Developed new reporting segments, key financial metrics for each operating group
- Reported 2020 and 2021 results on basis on new operating groups and segments with historical comparative financials

Completed

STEP 2
Re-organisation

- Developed Targeted Operating Model (TOM) for the new operating groups, including embedded business, country/regional structures and central functions
- Dedicated leadership & management teams for each operating group in place
- Hiring of new talent for the key capabilities required to pivot both the **ofi** and Olam Agri businesses

Completed

STEP 3
Carve-out & separation

- Dedicated implementation teams for Separation, IPO and Demerger set up.
- Programme Office, independent financial advisors, legal and tax advisers, PR and IR advisers appointed
- Carve-out & Separation substantially completed for **ofi**, Olam Agri and Remaining Olam Group by end-2021
- Scheme of arrangement effected; Olam Group Limited listed on SGX Mainboard and OIL delisted

Completed

* OFIGL: OFI Group Limited. Prior to IPO, OFIGL will re-register to be ofi group PLC.

STEP 4
ofi IPO and demerger, Olam Agri strategic partnership, strategic options for Remaining Olam Group

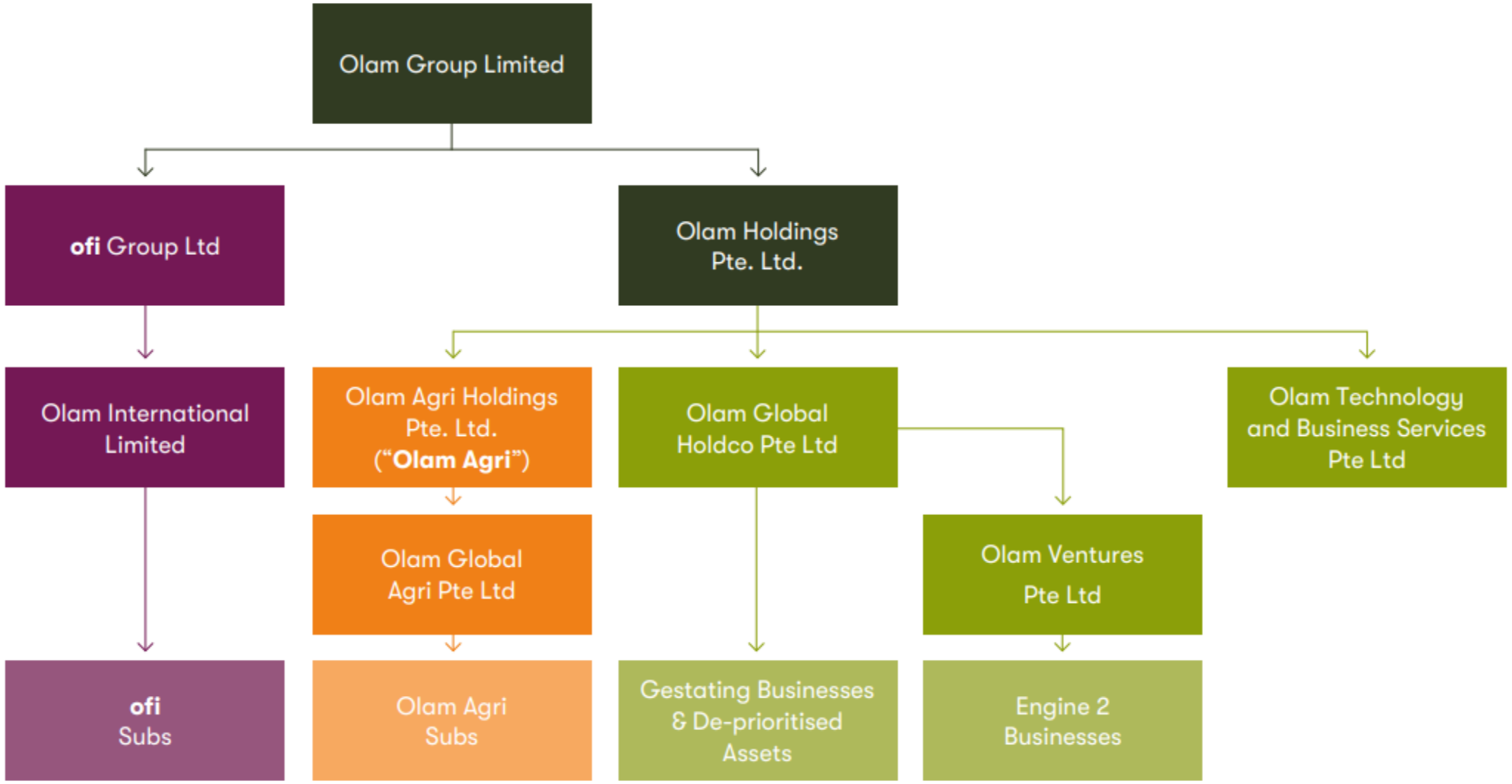
- Proposed **ofi** listing: **ofi** would be demerged from Olam Group by way of a distribution in specie of shares in OFIGL* to Olam Group shareholders at the point of demerger in conjunction with the IPO
- LTSA & Demerger Agreement targeted for signing in H12022 and before ofi IPO & close of SALIC transaction, respectively
- Olam Agri: Announced a strategic partnership with SALIC through the sale of a substantial minority stake (**35.4%**) in Olam Agri for **US$1.24 billion**
- In parallel, exploring strategic options for maximising the value of the Remaining Businesses of Olam Group comprising Olam Ventures, Olam Technology and Business Services (OTBS) and Olam Global Holdco (OGH)

Underway

*Shareholders should note that there is no certainty or assurance that the listing and demerger of **ofi** or the strategic options being explored will take place.*

Re-organisation Plan: Progress update

New structure for Olam Group



Group 2021 results

At a glance

Volume & Revenue

45.4 M MT

+2.3%

S$47.0 B

+31.2%

EBIT

S$1,423 M

+33.0%

PATMI

S$686 M

+179.4%

Operational PATMI

S$961 M

+41.8%

Free Cash Flow

FCFE

-S$1.0 B

Gearing

Unchanged at

1.72x

Group 2021 financial highlights

Record Reported & Operational PATMI

- 179.4% growth in PATMI in 2021 to S$686.4 million
- Operational PATMI in 2021 at S$961.1 million, a 41.8% growth over 2020
- **ofi** and Olam Agri reported EBIT growth of 16.8% and 51.5% respectively, riding on structural demand growth and recovery from Covid-19
- Operational ROE up 560 basis points to 16.8% in 2021 (2020: 11.2%)

Resilient balance sheet despite rising prices

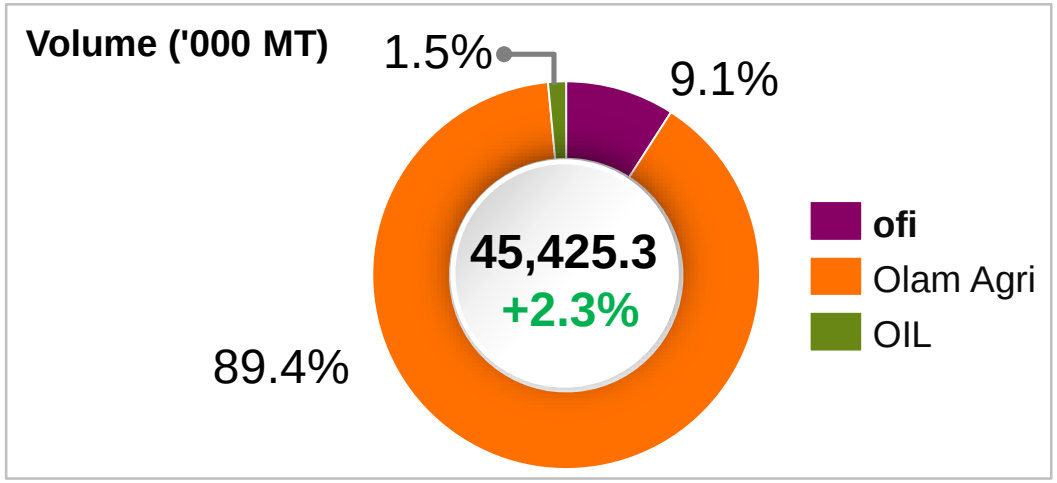
- Strong cash position of S$4.3 billion, with available liquidity of S$22.5 billion as at end-2021
- Continued to access diversified pools of capital for refinancing during the year
- Equity position strengthened by higher retained earnings and the 2021 Rights Issue
- Gearing maintained at 1.72x; adjusted gearing net of RMI and secured receivables at 0.75x

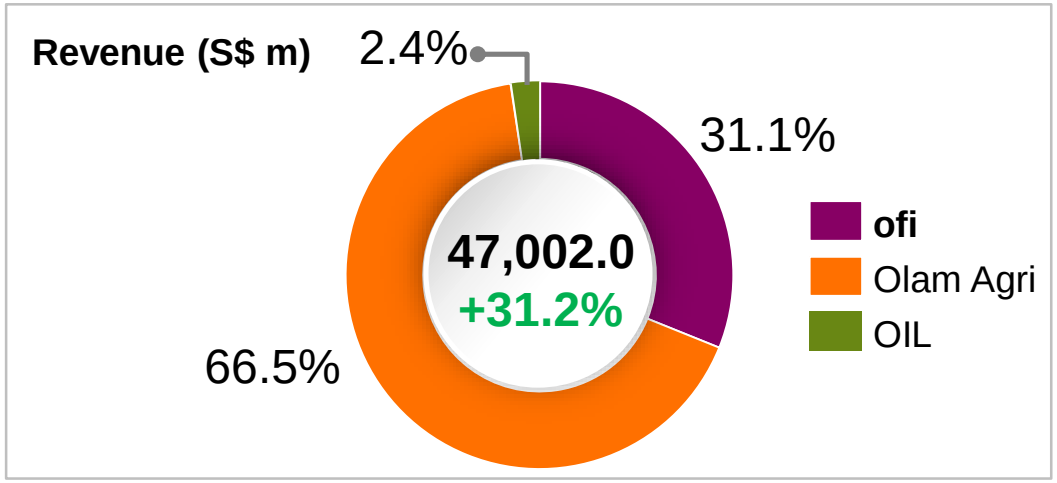
Second interim dividend

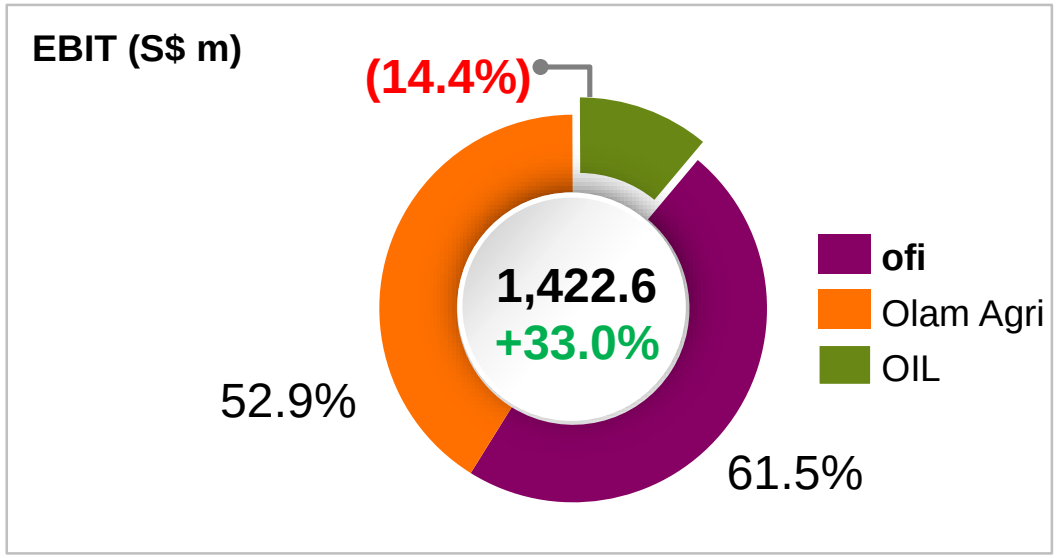
- Board of Directors has declared second interim dividend of 4.5 cents per share or total dividend of 8.5 cents per share (2020: 7.5 cents per share)

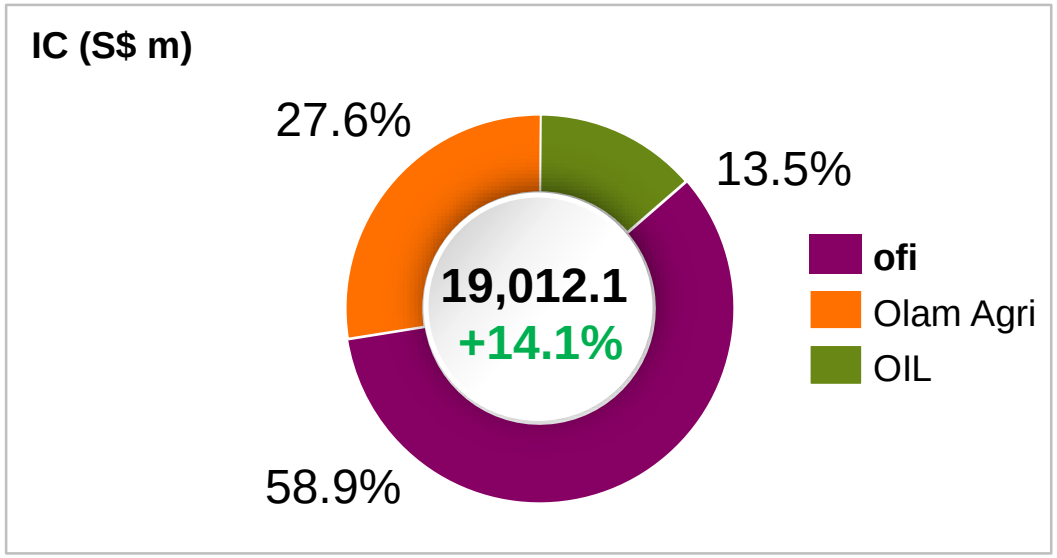
Group 2021 results

Consolidated results by operating group





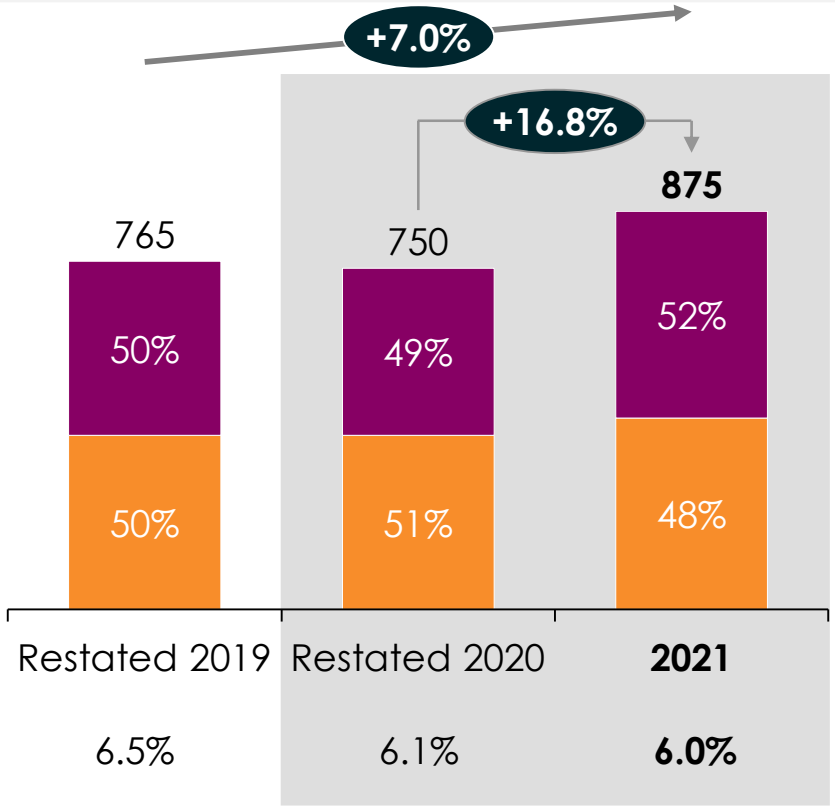




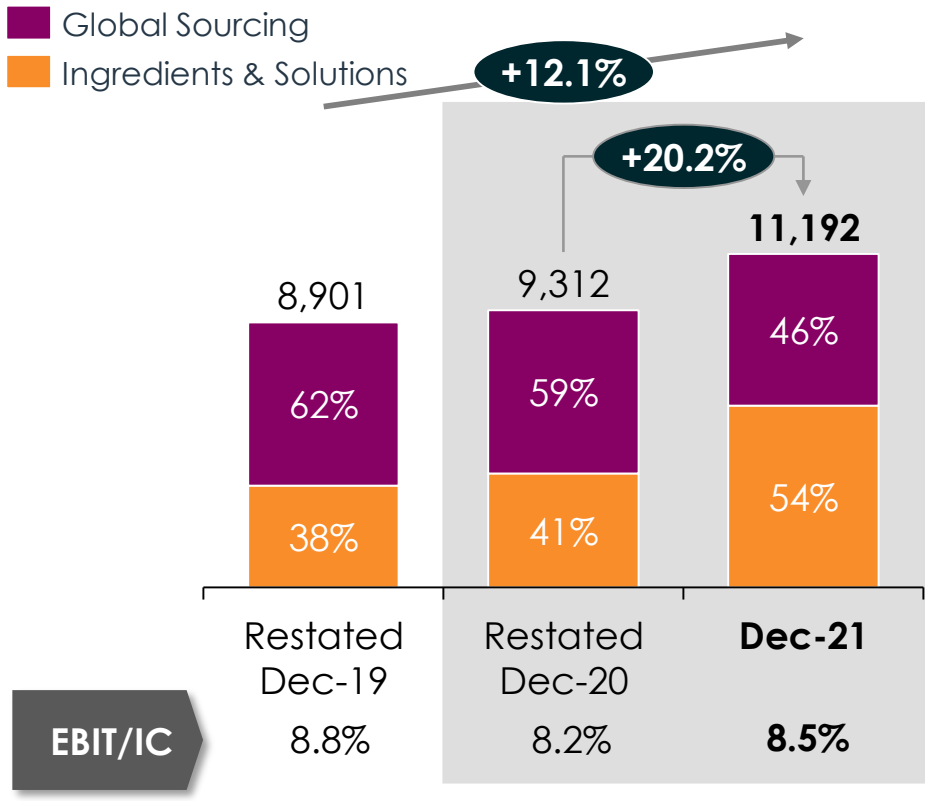
ofi 2021 results

S$ Million

EBIT



Invested Capital



- **ofi** posted strong EBIT growth of 16.8% in 2021, demonstrating a strong recovery from the impact that Covid-19 had on some of its businesses in 2020.
- Both the Global Sourcing and the Ingredients & Solutions segments performed well in 2021.

- IC increased by 20.2%, reflecting investments in Ingredients & Solutions, particularly the acquisition of Olde Thompson.
- Higher input prices also led to increased working capital requirements.

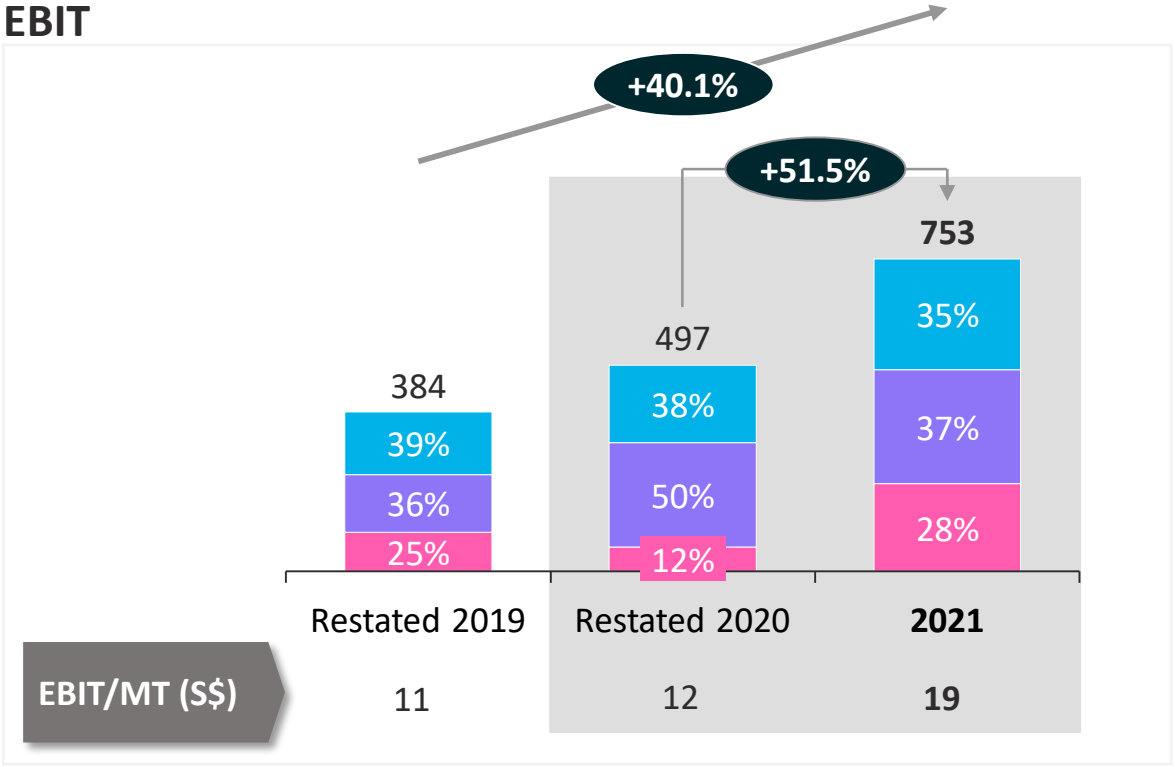
Note: 2020 financial results for the operating groups have been re-stated to reflect intra-group adjustments.

Olam Agri 2021 results

S$ Million

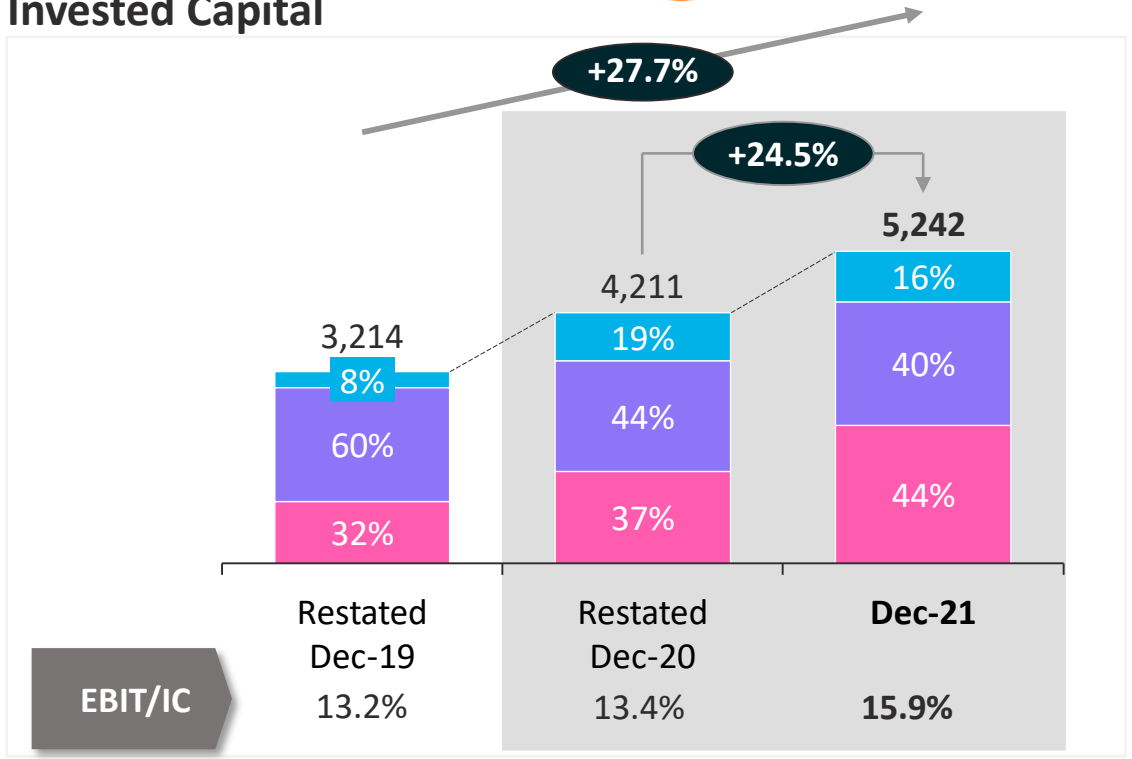
Fibre, Agri-industrials & Ag Services
Food & Feed - Origination & Merchandising
Food & Feed - Processing & Value-added

EBIT



- Strong EBIT growth of 51.5% in Food & Feed segments continuing its consistent performance track record. Grains & Oilseeds, wheat milling & pasta, integrated Feed & Proteins had an exceptional year in 2021 delivering superior returns. Edible Oils staged a strong recovery amid demand growth in key markets.
- Rice business reported an all-round, strong performance across farming, milling, origination and merchandising, distribution.
- Fibre, Agri-industrials & Ag Services segment showed a sharp turnaround from the prior year with strong growth in Cotton, Rubber and Wood Products.

Invested Capital



- IC increased by 24.5% in 2021 primarily due to the significant rise in Fibre, Industrial & Ag Services, which was largely caused by the decade-high cotton prices.

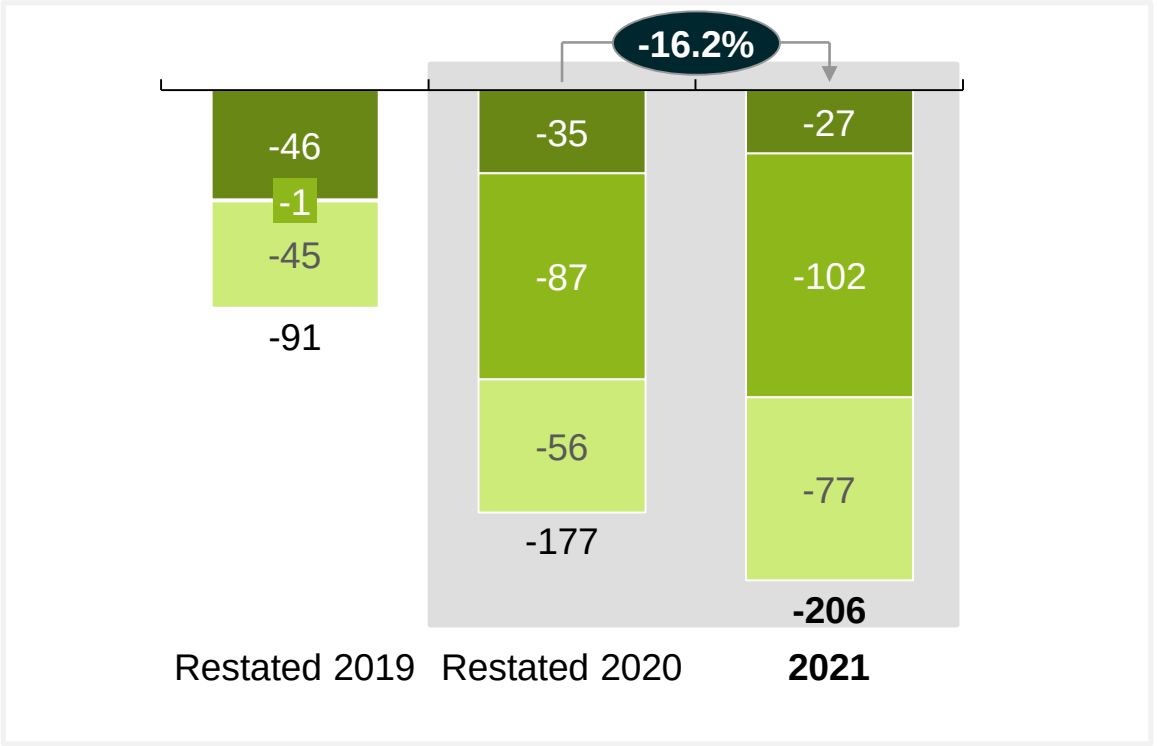
Note: 2020 financial results for the operating groups have been re-stated to reflect intra-group adjustments. The Fibre & Ag Services segment has been renamed as Fibre, Agri-industrials & Ag Services to include Rubber processing and supply chain, and Wood Products forestry concessions, which were previously classified under OIL's De-prioritised/Exiting Assets segment.

Remaining Olam Group

S$ Million

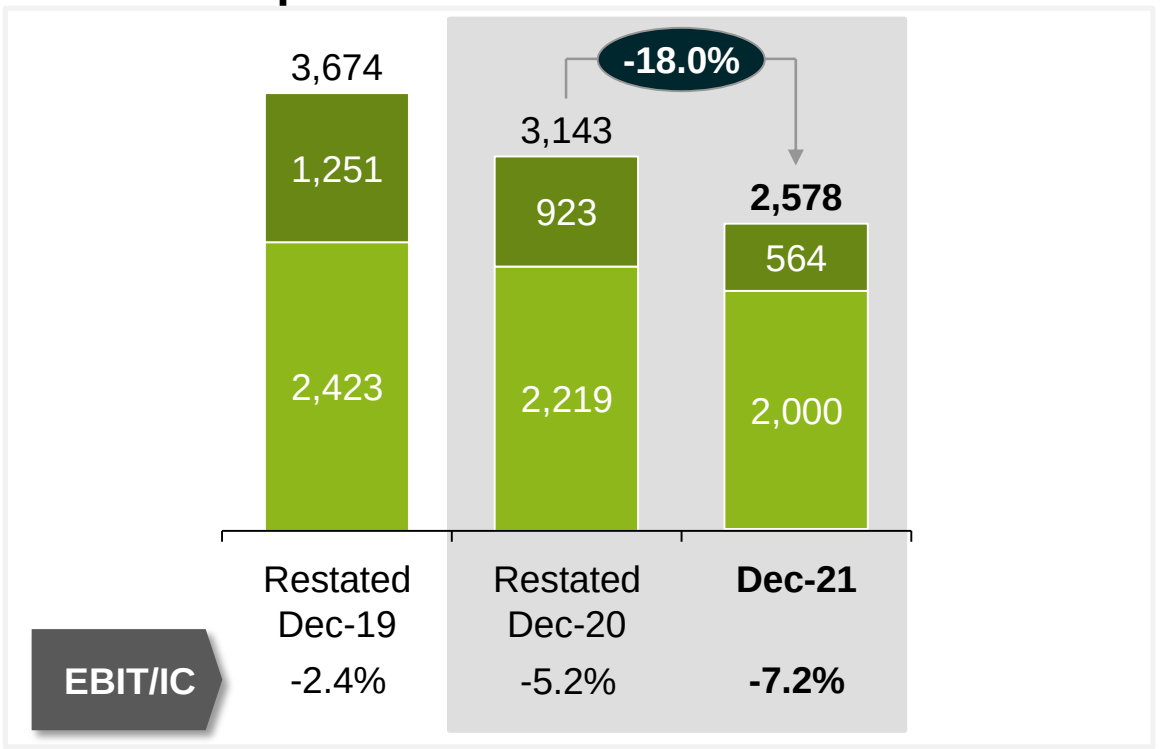
De-prioritised/Exiting Assets | Gestating Businesses | Incubating Businesses (including corp adjustments)

EBIT



- EBIT losses increased to S$205.6 million in 2021 as it continued to invest in developing Gestating Assets to maturity and incubating new Engine 2 initiatives.
- Lower losses from De-prioritised/Exiting Assets in 2021 was primarily due to lower operational losses from NZFSU and Wood Products business in Southeast Asia, and higher profits from Edible Oil processing in Mozambique.
- Gestating Assets reported higher losses due to higher period costs at OPG, reduced industrial activities by ARISE group, offset by better performance in Packaged Foods

Invested Capital



- IC decreased by 18.0% primarily on divestments, closures and the related restructuring.

Note: 2020 financial results for the operating groups have been re-stated to reflect intra-group adjustments. Results of Gestating Businesses include those of shared services provided by OTBS.

Business prospects & outlook (slide 1 of 2)

Russia-Ukraine conflict

- **ofi** operates a dairy farming operation and an agri-farming operation to mainly grow the feed for our dairy herd in Russia. It also imports and distributes cocoa, coffee, dairy products and nuts into Russia. In Ukraine, it imports and distributes cocoa, dairy products and nuts. Olam Agri exports grains and oilseeds, including wheat, barley, corn and sunflower oil from both Russia and Ukraine. In Russia, it operates an export terminal in Azov. In Ukraine, it operates warehouses, silos and a grains elevator in Kyiv. The Remaining Olam Group does not have a presence in Ukraine or Russia.
- In 2021, our direct exposure to these two countries accounted for 1.0% of Group volumes, 0.8% of Group revenue and 2.7% of Group invested capital. However, the ramifications of this conflict has significant consequences for the broader grains & oilseeds markets beyond just Russia & Ukraine.
- One of the key objectives of Olam Group's Purpose is to strive for a more food secure future for all which has been severely impacted by this conflict as an estimated 400-500 million people are food dependent on this region. In line with our Purpose, we will focus only on those activities that are directly associated with our duty of care to our employees, our dairy herd, our farmer suppliers, and the customers we serve for essential food and basic nutrients.
- In Russia, **ofi** continues to supply milk from its dairy farm to its customers in the domestic market. We have ceased imports of other **ofi** products into Russia. For Olam Agri, there has been a severe disruption of the export of grains and oilseeds from both countries. With the closure of ports in the Azov Sea, we have stopped operating our export terminal in Azov.
- While the situation remains extremely fluid and the market risks and opportunities remain uncertain, we will continue to monitor the situation closely in Russia and comply with all applicable sanctions, laws, and regulations. We are actively managing our risks and exposures arising out of this conflict.
- In Ukraine, our first concern and overriding priority remains the safety, health and wellbeing of our people and their families. As all the ports have been shut down by the government, all our operations in the country, including imports, exports and grains elevator, have currently ceased operations.
- To support humanitarian efforts in the region, we are committing US$5 million to emergency aid initiatives with international partners, including the World Food Programme and UNICEF. We have also launched an employee giving drive, where all money raised will go directly to supporting UNICEF's critical work on the ground. Every US$1 donated by employees is matched by the Group to further provide assistance to those most in need.

Business prospects & outlook (slide 2 of 2)

- The growth momentum that we saw in Q4 2021 and the first two months of Q1 2022 has now given way to slowing growth, high inflation in most countries that we operate in, accompanied by hard pandemic lockdowns in China.
- Despite these developments, the Olam Group has had a good start to the year with Q1 2022 EBITDA growing 54% over last year.
- **ofi** has had a steady start in Q1 2022 and will deliver on plan and slightly ahead of last year with the business being well positioned to contend with the current macro economic conditions and geo-political uncertainties due to the Russia-Ukraine conflict. **ofi** is working closely with its customers to manage the inflationary pressures in input raw material prices and higher logistics costs.
- **ofi** intends to seek a primary listing in London, and a concurrent secondary listing in Singapore. However, in light of current market conditions as a result of the ongoing conflict in Ukraine, we do not currently expect the IPO of ofi to take place during Q2 2022, as previously planned. We remain committed to pursuing a public listing of the ofi business and will evaluate the appropriate timing of such a listing on an ongoing basis, taking into account prevailing market conditions.
- Olam Agri has more than doubled its EBITDA in Q1 2022 compared to the prior year with broad based performance from all of its platforms.
- The remaining part of the Olam Group performance in Q1 2022 has been marginally lower than Q1 2021.
- The sale of a substantial minority stake (35.4%) for US$1.24 billion to Saudi Agricultural & Livestock Investment Company (SALIC), a wholly owned subsidiary of the Public Investment Fund (PIF) of the Kingdom of Saudi Arabia (KSA) and delivers four outcomes: (i) Illuminate and unlock value in Olam Agri, (ii) Crystallise a benchmark valuation and create a strong shareholder base ahead of a potential future IPO and demerger of Olam Agri; (iii) Right-size OG Group's capital structure and reduce its leverage and (iv) Capitalise on partnership synergies to support growth including access to new markets.
- Given the rising commodity price environment, we will continue to focus on operating and managing our working capital in a disciplined fashion.
- As the Group continues to execute the Re-organisation Plan, it is expected to continue to incur one-off and non-recurring expenses associated with the carve-out, listing and de-merger plans in 2022.
- Overall, given the strong start to the year and barring unforeseen circumstances, including adverse impacts of the Russia-Ukraine crisis on the markets, new Covid-19 variants of concern and consequent hard lockdowns across the world, we are cautiously optimistic about the economic outlook and prospects for the Group for 2022, with the industry continuing to see strong demand and tight commodity supplies amid supply chain disruptions.



Olam Group Limited First Annual General Meeting Presentation
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