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

PROPOSED DISPOSAL OF ALL REMAINING SHARES IN ARISE P&L LIMITED

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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 "**Group**") wishes to announce that its wholly-owned subsidiary, Olam International Limited ("**OIL**") has on 16 April 2025, entered into a conditional sale and purchase agreement (the "**SPA**") with Equitane DMCC (the "**Buyer**"), pursuant to which OIL has agreed to sell, and the Buyer has agreed to buy, 161,116,636 ordinary shares (the "**Sale Shares**") representing approximately 32.41% of the issued and paid-up shares in the capital of ARISE P&L Limited ("**ARISE P&L**") held by OIL (the "**Proposed Disposal**").

1.2 Unless indicated otherwise, the indicative US$-to-S$ exchange rate to be used for the purposes of this announcement is US$1:S$1.3657, being the approximate exchange rate as at 31 December 2024. The exchange rate as stated herein is used for illustration purposes only and should not be construed as a representation that the relevant numbers have been or could be converted at the rate above or at any other rate.

1.3 Background

On 20 August 2010, OIL announced a strategic partnership with the Government of Gabon to jointly develop the Gabon Special Economic Zone ("**GSEZ**") for timber processing in Nkok, Gabon. On 24 December 2019, OIL announced the reorganisation of GSEZ's infrastructure and logistics business into three verticals – ARISE P&L, ARISE Integrated Industrial Platforms ("**ARISE IIP**", previously referred to as ARISE Industrial Zones) and ARISE Infrastructure Services ("**ARISE IS**").

On 28 January 2020, OIL announced that it entered into an agreement with A.P. Moller Capital ("**APMC**") and Africa Finance Corporation ("**AFC**"). Pursuant to this agreement, APMC and AFC injected additional capital into ARISE P&L, resulting in APMC holding a 43.0% stake, AFC holding a 26.0% stake and OIL holding a 31.0% stake in ARISE P&L.

On 11 February 2022, OIL announced the divestment of all of its equity stakes in ARISE IIP and ARISE IS to the Buyer. This divestment was completed on 3 January 2023.

On 14 April 2025, the Company announced, as part of its update to its re-organisation plan (the "**Updated Re-organisation Plan**"), that its intention is to responsibly divest and monetise the remaining Group's assets and businesses over time and progressively distribute the net proceeds to shareholders of the Company ("**Shareholders**") via special dividends, subject to the receipt of regulatory and shareholder approvals (if required). In line with the Updated Re-organisation Plan, the Company intends to carry out the Proposed Disposal.

1.4 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 ARISE P&L AND THE BUYER

2.1 Information on ARISE P&L

ARISE P&L manages ports and logistics infrastructure projects in West Africa, including a mineral port and a general cargo port in Gabon and a bulk port in San Pedro, Côte d'Ivoire.

2.2 Information on the Buyer

The Buyer, previously known as the Africa Transformation and Industrialization Fund, is a long-term investment platform headquartered in Dubai, United Arab Emirates, dedicated to creating sustainable and innovative solutions across key sectors in Africa.

3. THE PROPOSED DISPOSAL

3.1 The Proposed Disposal

As mentioned in paragraph 1.1 above, OIL has agreed to sell, and the Buyer has agreed to buy, the Sale Shares, subject to the terms and conditions of the SPA. The Group will cease to hold any shares in ARISE P&L following the completion of the Proposed Disposal ("**Completion**"). Completion is expected to take place by 31 December 2025.

3.2 Consideration

Under the terms of the SPA, the consideration for the Sale Shares is US$175 million (S$239.0 million) (the "**Consideration**"). The Consideration is arrived at on willing buyer willing seller basis, taking into account the factors set out in paragraph 4.

On Completion, the Buyer shall pay the Consideration in cash to OIL.

3.3 Principal terms of the SPA

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

(a) OIL shall sell to the Buyer, and the Buyer shall purchase from OIL, the Sale Shares with full title guarantee and free from all encumbrances;

(b) title to, beneficial ownership of, and any risk attaching to, the Sale Shares shall pass on Completion together with all associated rights and benefits attaching or accruing to the Sale Shares on or after Completion;

(c) Completion is conditional upon OIL and the Buyer obtaining approvals for the Proposed Disposal from the following parties (the "**Condition**"):

  (i) consent of the Conceding Authority of Cote d'Ivoire;

  (ii) consent of the Gabonese Republic and Societe Librevilloise Maritime;

  (iii) consent and/or waiver of the following parties pursuant to certain agreements entered into by ARISE P&L: (A) The Bank of New York Mellon; (B) Bank de Développement des États de l'Afrique Centrale (BDEAC); (C) BGFIBank, (D) Afreximbank / Banque Africaine d'Import-Export; and (E) Port Autonome de San Pedro; and

  (iv) all shareholders of ARISE P&L agreeing to the Proposed Disposal and waiving their pre-emption and tag-along rights under ARISE P&L's articles of association and the shareholders agreement entered into between the shareholders of ARISE P&L dated 19 February 2020;

(d) Completion shall take place virtually on the first business day of the month after the month which the Condition is satisfied or waived, or at such date or such other place as OIL and the Buyer may agree in writing; and

(e) other negotiated customary terms such as (but not limited to) representations and warranties, Completion obligations, limitations of liability, indemnification, non-competition obligations, tax covenants and obligations and terms relating to the termination of the SPA.

4. RATIONALE FOR AND BENEFITS OF THE PROPOSED DISPOSAL

The Company believes that the Proposed Disposal will be beneficial to the Company and the Group for the following reasons:

(a) the Proposed Disposal is in line with and is in furtherance of the Updated Re-organisation Plan;

(b) the Group neither has operational control over ARISE P&L nor has meaningful synergies with any of ARISE P&L's operations; and

(c) the Consideration is attractive considering:

  (i) the Consideration is at a 7% premium to the carrying value of the Sale Shares as at 31 December 2024 in the Group's books (being US$164 million (S$224.4 million)); and

  (ii) the decline in ARISE P&L's profitability from financial year ("**FY**") 2022 to FY2024.

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.

The relative figures for the Proposed Disposal using the relevant bases set out in Rule 1006 of the Listing Manual are as follows:

Rule 1006	Bases	Relative Figures (%)
(a)	Net asset value ("**NAV**") of the Sale Shares, compared with the Group's NAV.	3.1% (2)
(b)	Net profits attributable to the Sale Shares, compared with the Group's consolidated net profits.	(6.3)% (3)
(c)	Aggregate value of the consideration to be received, compared with the Company's market capitalisation.	6.9% (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 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 Disposal.

(2) Based on the audited consolidated financial statements of the Company for FY2024 ("**FY2024 Audited Accounts**"), the NAV of the Sale Shares of approximately S$224.4 million divided by the Group's NAV as at 31 December 2024 of S$7.32 billion.

(3) Based on the FY2024 Audited Accounts, the net loss attributable to the Sale Shares of approximately S$13.1 million divided by the Group's consolidated net profits for FY2024 of approximately S$205.6 million.

(4) The Consideration of US$175 million (S$239.0 million), divided by the market capitalisation of the Company of US$2.53 billion (S$3.45 billion) which was based on a total number of 3,792,531,485 Shares issued (excluding treasury shares), and the closing share price of S$0.910 per Share as at 15 April 2025, being the market day immediately preceding the date of the SPA.

As stated in note (3) above, the Proposed Disposal constitutes a disposal of a loss-making asset by an issuer (whether profitable or loss-making). As such, the relative figure computed pursuant to Rule 1006(b) of the Listing Manual is a negative figure as the numerator is a negative figure whilst the denominator is a positive figure.

Paragraph 4.4(e) of Practice Note 10.1 of the Listing Manual provides that an issuer must immediately announce the information required in Rule 1010, Rule 1011, Rule 1012 and Rule 1013 of the Listing Manual, where applicable, in the situation of a disposal of a loss-making asset by an issuer (whether profitable or loss-making), where (i) the absolute relative figure computed on the basis of each of Rule 1006(a), Rule 1006(c) and (if applicable) Rule 1006(e) of the Listing Manual does not exceed 20%; and (ii) if the disposal will result in a loss on disposal, the loss on disposal exceeds 5% but does not exceed 10% of the consolidated net profit or net loss of the issuer (in each case taking into account only the absolute values).

In respect of paragraph 4.4(e)(i) of Practice Note 10.1 of the Listing Manual, the absolute relative figures computed on the basis of each of Rule 1006(a) and Rule 1006(c) of the Listing Manual does not exceed 20% and Rule 1006(e) of the Listing Manual is not applicable. In respect of paragraph 4.4(e)(ii) of Practice Note 10.1 of the Listing Manual, as explained in paragraph 7.1 below, the disposal will result in a gain and not a loss on disposal.

Accordingly, the Proposed Disposal should be considered to be a "disclosable transaction" and the approval of the Shareholders is not required.

6. FINANCIAL EFFECTS

6.1 The pro forma financial effects of the Proposed Disposal set out in this paragraph 6 are purely for illustrative purposes only and do not reflect the actual financial position of the Group after Completion. The pro forma financial effects in this paragraph 6 have been prepared based on the FY2024 Audited Accounts and on the following bases and assumptions:

(a) the Proposed Disposal was completed on 31 December 2024, for the purposes of computing the effect on the net tangible assets ("**NTA**") per ordinary share in the capital of the Company ("**Share**") and net gearing; and

(b) the Proposed Disposal was completed on 1 January 2024, for the purposes of computing the effect on the earnings per Share ("**EPS**").

6.2 NTA

The effect of the Proposed Disposal on the NTA of the Group is as follows:

	Before the Proposed Disposal	**Upon Completion**
NTA as at 31 December 2024 (S$)	4,438,397,877	4,452,968,682
NTA per Share (Singapore cents)	115.50	115.88

6.3 EPS

The effect of the Proposed Disposal on the EPS of the Group is as follows:

	Before the Proposed Disposal	Upon Completion
Adjusted net profit[(1)] attributable to Shareholders for FY2024 (S$)	186,436,967	218,434,676 [(3)]
Weighted average number of Shares	3,774,369,677	3,774,369,677
Operational EPS[(2)] (Singapore cents)	4.94	5.79

Notes:

(1) Adjusted operational net profit refers to operational profit (i.e. excluding exceptional items which mainly comprise one off charges related to ofi's spices and almonds businesses in the US and the closure of the funds management business and Group re-organisation costs) after tax, non-controlling interests and accrued capital securities distribution.

(2) Operational EPS (Singapore cents) refers to the adjusted operational net profit attributable to Shareholders for FY2024 (S$) divided by the weighted average number of Shares.

(3) After adding back interest on approximately US$14 million (approximately S$19.0 million) of debt estimated to be repaid using the net proceeds from the Proposed Disposal.

The effect of the Proposed Disposal on the EPS of the Group is as follows:

	Before the Proposed Disposal	Upon Completion
Adjusted net profit[(4)] attributable to Shareholders for FY2024 (S$)	53,841,867	85,839,576 [(6)]
Weighted average number of Shares	3,774,369,677	3,774,369,677
EPS (Singapore cents)	1.43	2.27

Notes:

(4) Adjusted net profit refers to profit after tax, non-controlling interests and accrued capital securities distribution.

(5) EPS (Singapore cents) refers to adjusted net profit attributable to Shareholders for FY2024 (S$) divided by the weighted average number of Shares.

(6) After adding back interest on approximately US$14 million (approximately S$19.0 million) of debt estimated to be repaid using the net proceeds from the Proposed Disposal.

6.4 Net gearing

The effect of the Proposed Disposal on the net gearing of the Group is as follows:

	Before the Proposed Disposal	Upon Completion
Net borrowings as at 31 December 2024 (S$)(1)	19,765,118,948	19,526,121,449
Total equity as at 31 December 2024 (S$)(2)	7,072,823,920	7,087,394,725
Net gearing (times)	2.79	2.76

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. VALUE OF SALE SHARES AND USE OF PROCEEDS FROM THE PROPOSED DISPOSAL

7.1 Based on the FY2024 Audited Accounts, the book value of the Sale Shares as at 31 December 2024 amounted to US$164 million (S$224.4 million) in aggregate. Based on the foregoing, the excess of the estimated proceeds over the book value and the consequent gain on the Proposed Disposal is approximately US$11 million (S$14.6 million). The Company will provide an update on the gain on the Proposed Disposal at Completion.

7.2 The Company will take into consideration various factors (including the Group's future earnings, cash flow, capital requirements for maintenance and growth, other financial and general business conditions) in deciding on the use of proceeds which may include furthering the Updated Re-organisation Plan, as stated in the Company's announcement on 14 April 2025.

8. SERVICE CONTRACTS

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

9. DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS

None of the Directors has any interest, direct or indirect, in the Proposed Disposal, other than through their respective shareholdings in the Company.

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 Disposal, other than through their respective shareholdings in the Company.

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. 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 Disposal and/or other matters contemplated by this Announcement.

12. 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 Disposal will proceed to Completion, as the Completion is subject to, *inter alia*, fulfilment of the Condition. 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
17 April 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.