

News Release

Singapore, February 28, 2025

Olam Group delivers 9.2% EBIT growth in 2024 driven by ofi and Olam Agri

- Group operating profit (“EBIT”) up 9.2% in 2024, on growth at both **ofi** and Olam Agri
- **ofi**: Double-digit EBIT growth of 29.1% year-on-year (YoY), led by Ingredients & Solutions segment that reported an increase of 41.8%
- **Olam Agri**: EBIT grew 5.8% YoY led by 32.2% YoY growth in Fibre, Agri-industrials & Ag Services
- Board recommends a **second and final dividend of 3.0 cents per share**, taking total dividends to 6.0 cents per share for 2024 (2023: 7.0 cents)
- **Re-organisation update¹**:
 - Olam Group to sell 44.58% in Olam Agri to SALIC for approximately US\$1.78 billion, at an implied 100% equity valuation for Olam Agri of US\$4.00 billion;
 - Olam Group to sell its remaining 19.99% stake in Olam Agri to SALIC at the end of three years from completion of the above sale at the Closing Valuation¹ plus 6% IRR
 - The Group will focus on seeking strategic options to unlock value for the Remaining Olam Group businesses and **ofi**, including the pursuit of an **ofi** IPO.

H2 2024 Group Financial Highlights

Revenue + 24.0% YoY	EBIT + 10.0% YoY	PATMI - 83.4% YoY	Op PATMI - 47.9% YoY
29.2	1,047.8	38.3	142.8
Bn (S\$)	Mn (S\$)	Mn (S\$)	Mn (S\$)

2024 Group Financial Highlights

Revenue + 16.3% YoY	EBIT + 9.2% YoY	PATMI - 69.0% YoY	Op PATMI - 52.8% YoY	FCFE - S\$5.0 Bn	Gearing from 1.73 times
56.2	1.9	86.4	216.3	(5.9)	2.79
Bn (S\$)	Bn (S\$)	Mn (S\$)	Mn (S\$)	Bn (S\$)	times

¹ Please refer to the Olam Group Limited announcement dated February 24, 2025 for full details.

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Management Comments on Consolidated Olam Group Performance

Olam Group Co-Founder and CEO, Sunny Verghese, said: “We delivered EBIT growth in 2024 even as we navigated elevated prices of some commodities due to supply challenges, volatile macroeconomic and market conditions, and sustained high interest rates. Our collective resilience and ability to react to market changes is testament to **ofi** and Olam Agri’s differentiated business models.

“We are also pleased to reach a major milestone in our Re-organisation Plan as we announced the sale of our remaining stake in Olam Agri to SALIC. This landmark deal will allow us to unlock significant value for our shareholders, right-size Olam Group’s capital structure and position Olam Agri for further profitable growth and value creation.

“We will now focus on supporting **ofi** in its drive towards growing its higher-margin and higher value-added ingredients and solutions business even as we seek strategic options to unlock value for the Remaining Olam Group businesses and **ofi**, including the pursuit of an **ofi** IPO.”

Olam Group CFO, N Muthukumar, said: “Our capital expenditure remained steady throughout 2024 and we have been disciplined in prioritising the use of our working capital towards businesses that can generate better returns in this environment where interest rates had remained elevated. We will continue to stay prudent and be highly selective in our investment choices, while pruning less profitable businesses.”

Olam Group Financial Performance

H2 2024

- EBIT grew 10.0% to S\$1,047.8 million led by 25.3% growth from Olam Agri, and 7.8% growth from **ofi**, which offset higher losses from Remaining Olam Group.
- PATMI declined as EBIT growth was offset by a significant increase in net finance costs and higher net exceptional losses mainly from temporary cessation of operations at **ofi**’s onion and parsley processing plant and the lease surrender and exit of two non-strategic almond orchards in the US.
- Excluding exceptional items, Operational PATMI decreased 47.9% to S\$142.8 million.

2024

- EBIT rose 9.2% mainly on 29.1% growth from **ofi** and 5.8% growth from Olam Agri, which offset higher losses from Remaining Olam Group.

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- PATMI declined 69.0% YoY to S\$86.4 million as EBIT growth was offset by the significant increase in net finance costs of S\$445.7 million.
- Operational PATMI decreased by 52.8% to S\$216.3 million.
- Free Cash Flow to Equity (FCFE) ended at negative S\$5.9 billion (2023: -S\$914.8 million) on significantly increased working capital – predominantly from higher cocoa and coffee prices – and higher interest costs over the period
- Net gearing as at December 31, 2024 was higher at 2.79 times (2023: 1.73 times). As most of this increase was reflected in higher readily marketable inventories and secured receivables, adjusted net gearing was stable at 0.68 times as at end-2024 (end-2023: 0.65 times).

2024 Performance by Operating Group

ofi²

Revenue + 40.1% YoY	EBIT + 29.1% YoY
21.8 Bn (S\$)	1,070.7 Mn (S\$)

- EBIT grew 29.1% to S\$1,070.7 million led by higher Ingredients & Solutions segment margins which compensated for the increased working capital cost and elevated risk levels, as well as continued progress on various strategic initiatives.

CEO of ofi, A. Shekhar said: “2024 demonstrated the validity and resilience of **ofi**’s strategy and capabilities, as rigorously as any recent year, with heightened volatility, record prices and supply challenges across several key products. Amid these challenges, **ofi**’s scale, diversification and integrated capabilities within and across its platforms, enabled us to navigate the market turbulence effectively.

“We leveraged our deep market insights, agile supply chain and effective risk management to support customers every step of the way, maintaining a steady flow of high-quality ingredients worldwide and offering new alternatives. This approach further reinforced our supplier and customer relationships and demonstrates the power of **ofi**’s integration at scale.

² Consisting of the Cocoa, Coffee, Dairy, Nuts and Spices businesses, **ofi** is made up of two segments – Global Sourcing and Ingredients & Solutions.

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“In this dynamic environment our focus has been on optimising risk-adjusted returns for the elevated levels of market volatility and working capital required, while maintaining disciplined execution of our strategic priorities. I am pleased with the results of our actions which supported our strong performance and accelerated growth in our Ingredients & Solutions segment.

*“While the commodity markets are, and may continue to remain volatile, **ofi** is well-positioned to support and add value to its customers and we remain cautiously optimistic of delivering our medium-term guidance of high single-digit adjusted EBIT growth and improving returns”.*

Olam Agri³

Revenue
+ 5.9% YoY

33.2
Bn (S\$)

EBIT
+ 5.8% YoY

1,023.8
Mn (S\$)

- EBIT increased 5.8% to S\$1,023.8 million, led by the 32.2% YoY growth in Fibre, Agri-Industrials & Ag Services.

Mr Verghese, who is also CEO of Olam Agri, said: “Olam Agri sustained growth momentum with higher EBIT and steady EBIT margin per tonne despite headwinds such as persistently high interest rates, currency volatility as well as inflation and economic slowdown in key markets.

“Together with SALIC, we expect to further deliver on our shared vision and focus on sustainable sourcing and commitment to meet the rising demand for food, feed and fibre and food security challenges across key markets.”

³ Consisting of Grains & Oilseeds, Freight, Integrated Feed & Protein, Edible Oils, Rice, Specialty Grains & Seeds, Sugar, Cotton, Rubber, Wood Products and Commodity Financial Services. Olam Agri has three segments – Food & Feed - Origination & Merchandising; Food & Feed - Processing & Value-added; and Fibre, Agri-industrials & Ag Services.

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Remaining Olam Group⁴

Revenue - 15.3% YoY <hr/> 1,160.0 Mn (S\$)	EBIT -532.3% <hr/> (158.7) Mn (S\$)
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- EBIT losses increased to S\$158.7 million, mainly due to non-cash foreign exchange revaluation losses on Euro denominated parent loans to Olam Palm Gabon, which was partially offset by the growth in EBIT from Rusmolco, Packaged Foods and Mindsprint. Incubating Businesses saw reduced losses in the same period.

Outlook and Prospects

The Group expects 2025 to experience continued uncertainty due to various geopolitical and macroeconomic factors, such as impacts from US trade policies, potentially more tense US-China trade relations, sluggish economic growth in China, political uncertainties around the Ukraine-Russia war and the Middle East conflicts. Inflation outlook also remains uncertain.

ofi expects continued near-term volatility for some of its input raw materials like cocoa and coffee. The company will stay focused on supporting its customers and suppliers, while balancing and optimising between risk, return, and cash flow to navigate through the current market volatility, while aiming to protect risk-adjusted margins and returns. It will continue to execute its strategy and invest for the future and maintain its existing guidance for low- to mid-single digit total volume growth and high single-digit adjusted EBIT growth over the medium-term.

Olam Agri continues to profitably grow its three segments – Origination & Merchandising, Processing & Value-added and Fibre, Agri-industrials & Ag Services. SALIC as a strategic and future majority shareholder is expected to support and catalyse its growth.

⁴ Comprises Olam Global Holdco, which houses De-prioritised/Exiting Assets well as Continuing/Gestating businesses, including Olam Palm Gabon, Rusmolco, Packaged Foods and Mindsprint that offers shared services, digital solutions and technology services to the operating groups and third parties, and Incubating Businesses led by Nupo Ventures, which incubates new sustainability and digital platforms to drive future growth.

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The **Remaining Olam Group** businesses will focus on narrowing their losses while the Group reviews strategic options for these businesses to unlock and realise value for shareholders.

Notes to Editors

This release should be read and understood only in conjunction with the full text of Olam Group Limited's Financial Statements, Management Discussion and Analysis and presentation for the Full Year ended December 31, 2024. A live webcast of the results briefing will be available at 10.30 am SGT on February 28, 2025 with replay at olamgroup.com.

H2 and 2024 Financials for Olam Group Consolidated and Operating Groups

	Revenue (\$ million)		EBIT (\$ million)		Revenue (\$ million)		EBIT (\$ million)	
	2024	YoY %	2024	YoY %	H2 2024	YoY %	H2 2023	YoY %
Olam Group	56,157.1	16.3	1,935.8	9.2	29,236.8	24.0	1,047.8	10.0
- ofi	21,825.7	40.1	1,070.7	29.1	12,205.1	54.9	595.2	7.8
- Olam Agri	33,171.4	5.9	1,023.8	5.8	16,439.8	9.4	511.8	25.3
- Remaining Olam Group	1,160.0	(15.3)	(158.7)	(532.3)	591.9	(12.1)	(59.2)	(604.8)

About Olam Group

Olam Group is a leading food and agri-business supplying food, ingredients, feed and fibre to 22,000 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.

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



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