Re-imagining Olam:

Offering tomorrow's products & services

Strategic Plan 2019-2024

January 25, 2019 | Singapore

Olam



Cautionary Note on forward looking statements

This presentation may contain statements regarding the business of Olam International Limited and its subsidiaries ('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 and market conditions, foreign exchange fluctuations, interest rate changes, commodity price fluctuations and regulatory developments. Such factors that may affect Olam's future financial results are detailed in our listing prospectus, offering circulars, listed in this presentation, and/or discussed in today's news release. 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.

Offering tomorrow's products and services

Olam is Re-imagining Global Agriculture & Food Systems

We **play** a **pivotal role** in these value chains – **sourcing** raw materials and **transforming** them to deliver food, feed and fibre to the world.

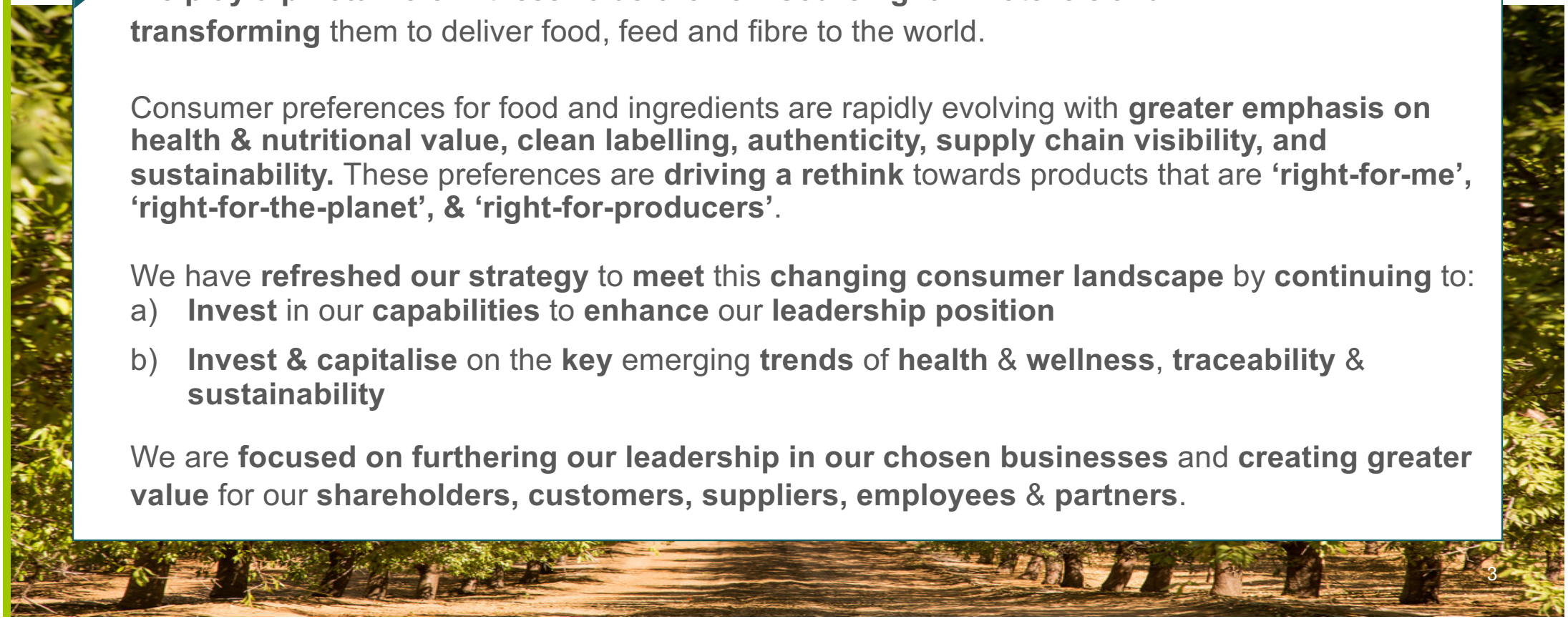
Consumer preferences for food and ingredients are rapidly evolving with **greater emphasis on health & nutritional value, clean labelling, authenticity, supply chain visibility, and sustainability.** These preferences are **driving a rethink** towards products that are **'right-for-me', 'right-for-the-planet', & 'right-for-producers'**.

We have **refreshed our strategy** to **meet** this **changing consumer landscape** by **continuing** to:

a) **Invest** in our **capabilities** to **enhance** our **leadership position**

b) **Invest & capitalise** on the **key** emerging **trends** of **health** & **wellness**, **traceability** & **sustainability**

We are **focused on furthering our leadership in our chosen businesses** and **creating greater value** for our **shareholders, customers, suppliers, employees** & **partners**.



Our **capabilities** & how we are **differentiated**

Portfolio



- **A global leader in speciality agri-products** & **food ingredients** that serves today's consumer preferences for 'healthy indulgence'
- **Differentiated** & **defensible strategies** for **mainstream bulk products**
- **Uniquely shaped portfolio** with **selective integration** across value chain to **capture value**
- **Unique Africa footprint** & **operating capabilities**

Competitiveness



- **Differentiated value-added solutions** & **services based on key industry trends** (health & wellness, sustainability & digital) creating significant opportunities for growth
- Network of **4.7 million farmers and own farms** : **unrivalled origination capabilities** in the producing countries
- **Leaders in sustainability**, with ability to drive **from source**
- Proof of concept **digital pilots** now scaling up

Organisational

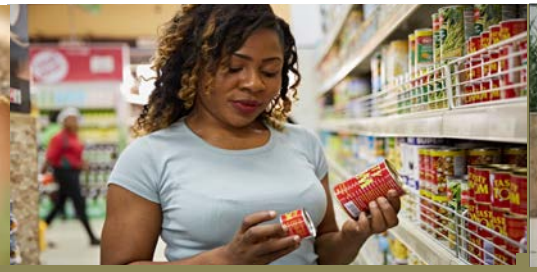
Olam Learning Academy

- **Best global talent**
  - Specialist skills & deep expertise
  - Passionate & entrepreneurial mindsets
  - **High engagement & retention rates**
- **Cross-cutting programmes** to develop excellence & share learnings
- **Strong shareholder base** with **long-term orientation**

Pivotal moment to Re-imagine Olam



30 years to hone our winning business model



New trends/ opportunities identified in food & agri-sector



New defined Purpose to Re-imagine Global Agriculture & Food Systems



Transitioning to Olam 2.0 positions us well to meet evolving consumer preferences

Moment to refocus on our strengths and capitalise on new opportunities

Strategy seeks to answer two **key questions**





Our **Aspiration & Goals**

Aspiration







Governing Objective	Vision	Purpose
To maximise **long-term intrinsic value** for our continuing **shareholders**	To be the **most differentiated** and **valuable global food and agri-business** (by 2040)	**Re-imagine Global Agriculture & Food Systems**

Goals

ROE * ≥ 12%	**EBITDA/IC **** ≥ 13%
FCFE *** (+)	**D/E ****** < 2.0

Note: * ROE target ≥12% from 2021 ** EBITDA/Invested Capital (working capital + fixed capital); >13% from 2021 *** FCFE positive each year from year 2 (FY2020 onwards) **** Net Debt / Equity; < 2.0 throughout plan period

Four key trends informed our choices

Right-for-me



- Healthy eating
- Customisation
- Premiumisation
- Authenticity
- Natural ingredients (flavour, colour)
- Cool / niche brands

Right-for-the-planet Right-for-the-producer



- Environmental concerns (planetary boundaries)
- Social equity
- Assurance (certification)
- Supply chain provenance & traceability
- Direct link to producer

How I live & consume



- Out-of-home / snacking
- Omni-channel purchasing
- Mobile connectivity
- Social media influencers

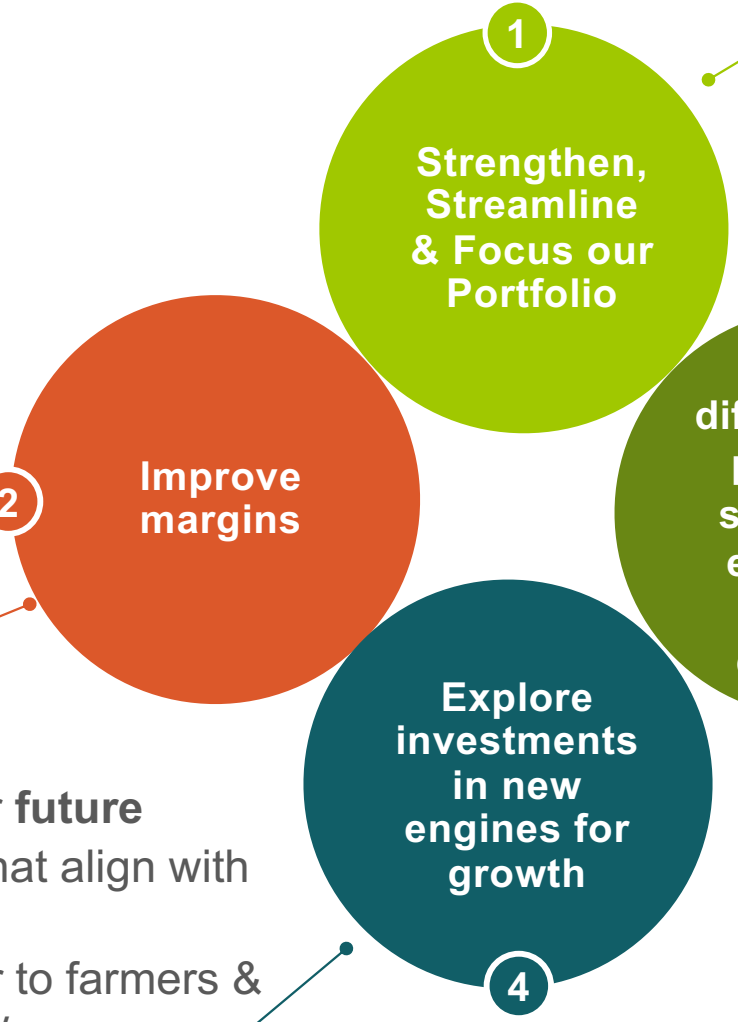
How it's produced



- Advanced robotics
- Drones
- Unmanned vehicles
- Big data / Analytics
- Precision agriculture
- Digital engagement

Cross cutting offerings (purpose brands, etc)

Strategic Priorities & Roadmap
4 Pathways



A. **Invest** to grow in proven businesses

B. **Deprioritise** and recycle capital from non-core businesses/assets that do not align with new strategic priorities

Extract maximum value by improving **cost competitiveness** & optimising capital productivity

A. **Differentiated offerings** (AtSource, Risk Management Solutions, Value-added services, Ingredients, Product innovation)

B. **New customer segments/ channels** (Co-manufacturing, Food service, E-Commerce)

Assess **new engines** for **future growth opportunities** that align with **key consumer trends**

- Explore ways to deliver to farmers & consumers of tomorrow


1
Strengthen, Streamline & Focus our Portfolio

We conducted a **detailed review of our business**

1 Strengthen, Streamline & Focus Our Portfolio

Stakeholder inputs	Olam's historical performance	Macro trends shaping the industry	Competitive landscape	New growth opportunities' assessment
				

We will invest behind **attractive/proven businesses,** while we streamline **our portfolio**

1 Strengthen, Streamline & Focus Our Portfolio

Continue **investing** in businesses where we have **consistently performed**, have **market leading positions**, are in line with key **consumer trends** & have significant potential for **further growth**

US$3.5B~ CAPEX

Estimated over the six-year course of the Plan
(including maintenance capex of ~US$1B)

Invest in attractive/proven Businesses:

Edible Nuts, Grains & Animal Feed, Cocoa, Coffee, Cotton, Spices, Edible Oils, Infra & Logistics, Dairy, Rice, PFB, CFS

In a measured & orderly manner, re-cycle capital by de-prioritising **select businesses** that are **not aligned to our new strategic priorities**

~US$1.6B Cash release

Estimated over the six-year course of the Plan

Responsibly divest & partial sell-down:

- 4 businesses & related assets *(Rubber, Sugar, Wood Products, Fertiliser)*
- Select assets/operations from continuing businesses

Business Unit (BU) Strategy (1/2)

EDIBLE NUTS

Maintain global leadership and expand Almonds & Pistachio upstream, ingredients & co-manufacturing business



GRAINS & ANIMAL FEED

Expand destination processing: flour milling in W. Africa, and animal feed operation. Continue to build an asset-light global trading business



COCOA

Continue to grow its business as the most integrated cocoa ingredient company providing solutions and innovations to its customers worldwide



COFFEE

Maintain global leadership in the Green Coffee business & further expand the soluble coffee business



COTTON

Maintain global leadership in the supply chain business while expanding integrated ginning & farming footprint



SPICES

Expand onion, garlic, tropical spices business in major origins. Invest in midstream spice processing to create further value.



Business Unit (BU) Strategy (2/2)

EDIBLE OILS

Increase yield & cost efficiency in upstream Palm Oil business & invest selectively in the midstream refining business



INFRA & LOGISTICS

Extracting full value from our existing Gabon operations & selectively expand into other markets in Africa



DAIRY

Expand dairy farming Russia. Grow Midstream footprint to become a supplier of high quality dairy ingredients



RICE

Expand Asian origination & African distribution including branded packaged Rice



PACKAGED FOODS

Achieve leadership in selected categories in Nigeria / Ghana & expand into adjacent markets in W. Africa



COMMODITY FINANCIAL SERVICES

Focus on quantitative strategies & embedded Risk Mgt Solutions (RMS) business.





2

Improve margins

Cost & Capital Efficiency

2 Improve Margins

Establish **cost competitiveness**

- **Sustained** cost management
- **One Olam:** Consolidation/standardisation
- **Budgeting** & tracking approach

Cost savings target

FY'19-24 Est

~US$ 200mil

Optimise capital productivity

- Management of **capital projects**
- Optimisation of working capital

Cash-to-cash cycle

FY'16A	FY'17A
150 days	**97 days**



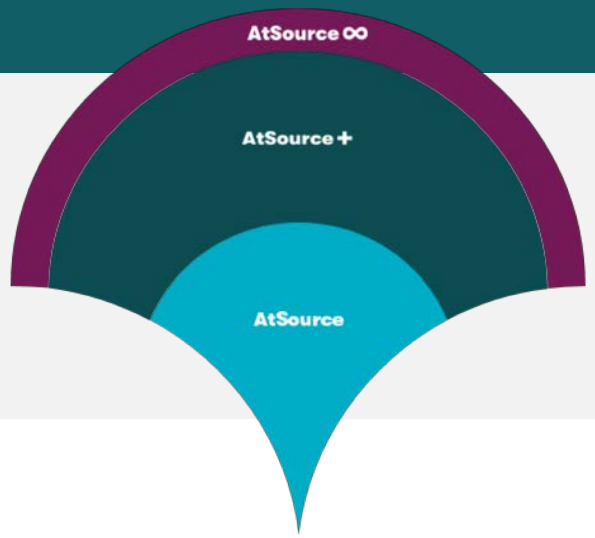

3
Offer differentiated products/services in existing & new channels

Offer **differentiated** products/services in existing & new channels

3A Value-added offerings

AtSource

First of its kind comprehensive Sustainable Sourcing Solution in agri B2B market-place offering information on multiple sustainability indicators



Risk management solutions

Bespoke market-price risk mgmt. intelligence, tools & solutions permitting selective participation in risk and/or reward to producers, traders, & consumers



Value-added services

Offering certified/verified raw materials, organic certification, customised grades & quality

Offer **differentiated** products/services in existing & new channels

3A Value-added offerings



Ingredients

Capturing higher value by taking our processing capabilities further & transforming products to ingredients

Product innovation

Becoming the innovation partner of choice for our customers by leveraging scale & consumer insights





Capitalising on **growing customer segments & channels**

3B Generate revenues via new customer segments & channels



Co-manufacturing

Meeting increasing customer demand for co-manufacturing their brands



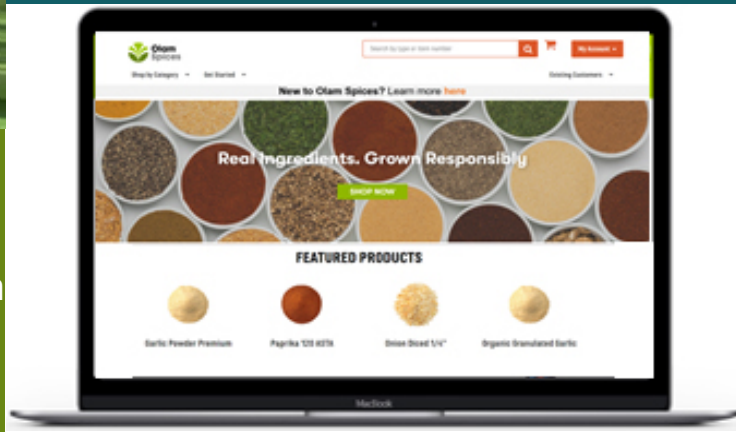


Food Service

Meeting increasing consumer demand for out of home consumption with focus on health & wellness, & sustainable offerings

E-Commerce

Opportunity to access & reduce cost to serve existing customers & the largely untapped small & medium businesses





4

Explore investments in new engines for growth



New engines for growth: two ideas to be further explored

4 Explore investments in new engines for growth

Meeting evolving needs of tomorrow's consumer



In partnership, exploring the **sweet-spot of**…

A. What **consumers** are looking for

B. What the **planet** needs

C. What we are **good** at

Taking additional steps to move closer to tomorrow's farmer



Launch **Farmer Services' Platform** to connect our customers more directly with our farmers & suppliers

Strategic Priorities & Roadmap: **Key enablers**



A Build **Operational Excellence** as a core competency

Well-structured management systems	Continuous Improvement Engine	Execution discipline & culture
		
• Metrics that matter (standardise, with flexibility to nuance) • Intuitive and timely dashboards • Management review routines	• Set targets on all key metrics through all business cycles (benchmarking/sharing both internal & external best practices across the organisation) • Automate process for efficiency	Create an obsession and pride for delivering excellence in execution by… • Embedding the management system to all profit centres • Establishing strong sponsorship spine

B Putting **Sustainability** at the heart of our business

Our Purpose	**Reimagining Global Agriculture & Food Systems**									
Outcomes	**Prosperous farmers & farming systems**		**Thriving Communities**			**Regenerating the Living World**				
Material Areas	Economic Opportunity	Safe & Decent work	Education & Skills	Health & Nutrition	Diversity & Inclusion	Climate action	Healthy eco-systems	Healthy soils	Water	Reduced Waste
SDGs										
										

Enablers



Consumer preferences for food & ingredients are rapidly evolving with **greater emphasis** on **health** & **nutritional value**, **clean labelling, authenticity, supply chain visibility**, and **sustainability**. These preferences are **driving a rethink** towards products that are '**right-for-me**', '**right-for-the-planet' & 'right-for-producers'.**

Since the **consumer wants it**, our **customers demand this** of us, **we are in a unique position** to **meet these** evolving **requirements because** of our **sustainability framework**, our **farmgate reach**, our **global network** & our **inspired employees** for whom this has become a cause and a market problem to solve.

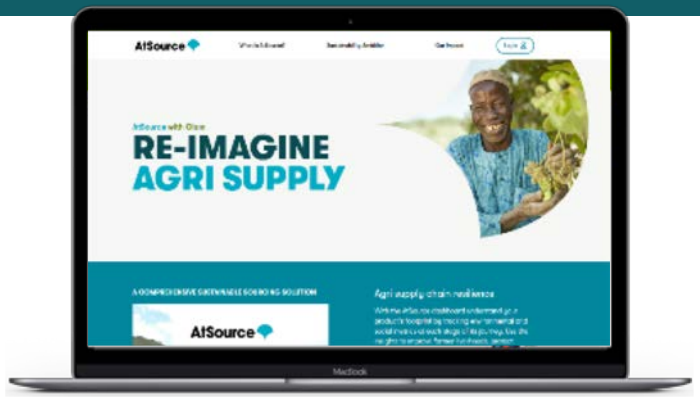
C Digitalising Olam

Olam Direct



- Digital Origination
- OFIS
- Olam Traceability
- Digital Warehouse
- Digital Procurement

Olam Inside



- AtSource
- E-Commerce

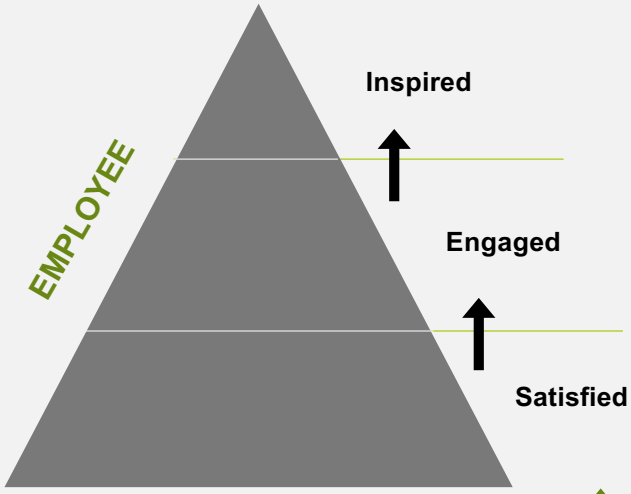
Olam Forward



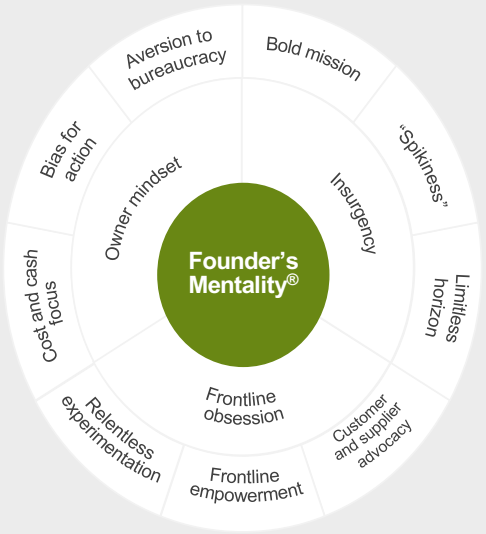
- Smart Factories
- Smart Farms
- E-Trade Finance

D Leadership & Talent: We want to continue building an inspired team

Inspiring our team



Founder's Mentality ™



RE-IMAGINEERING







Four key trends led to our **strategic choices**

Key Trends



Right-for-me



Right-for-planet
Right-for-producers



How I live & consume



How it's produced

Our strategic priorities & enablers

Leadership & Talent



Operational Excellence

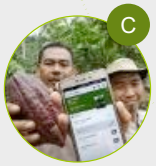


1 **Strengthen, Streamline & focus our portfolio**

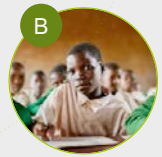
2 **Improve margins**

3 **Offer differentiated products/services in existing & new channels**

4 **Explore investments in new engines for growth**



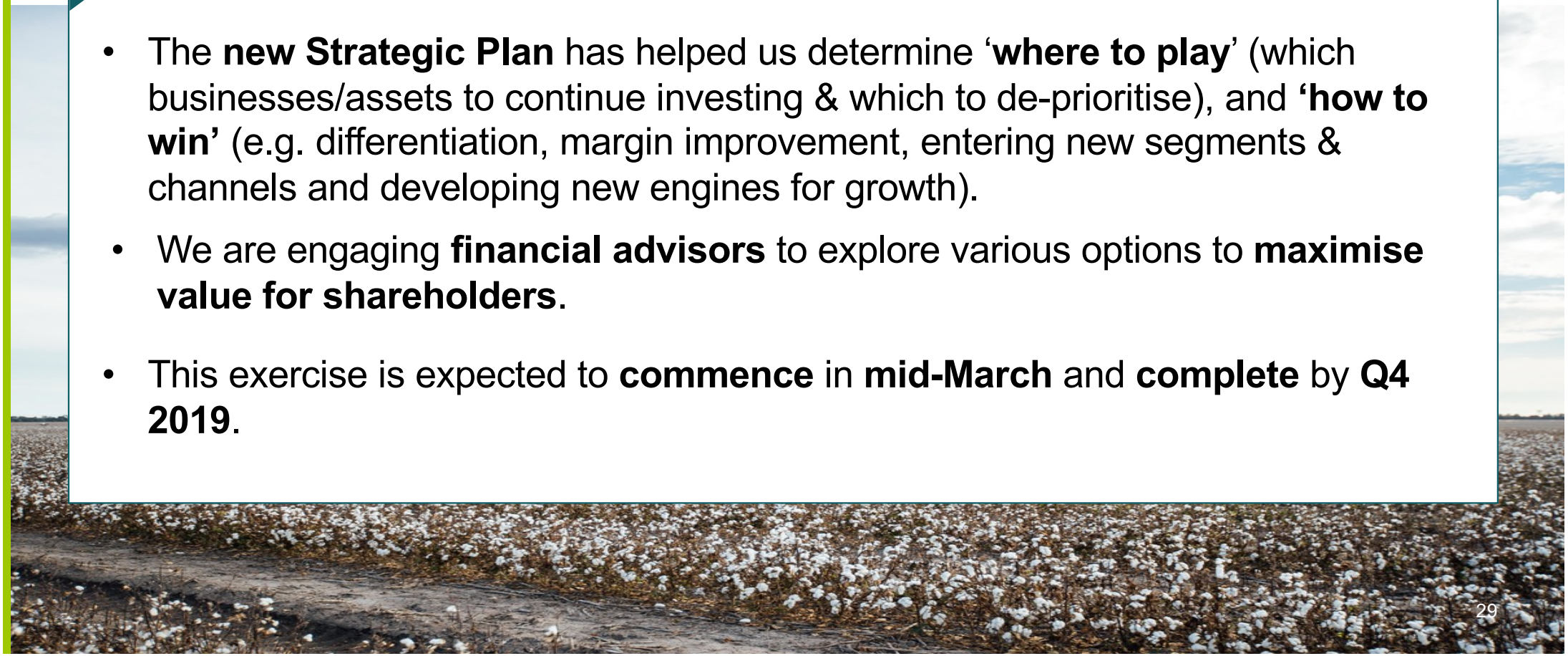
Digital



Sustainability

Next Steps: Unlocking Value

- The **new Strategic Plan** has helped us determine '**where to play**' (which businesses/assets to continue investing & which to de-prioritise), and **'how to win'** (e.g. differentiation, margin improvement, entering new segments & channels and developing new engines for growth).
- We are engaging **financial advisors** to explore various options to **maximise value for shareholders**.
- This exercise is expected to **commence** in **mid-March** and **complete** by **Q4 2019**.



Our **Point-of-Arrival**

By 2024, we will be a **global food** & **agri-business** that **delivers food**, **feed** and **fibre** along with **innovative solutions** to **support our customers' growing need** for **sustainable** and **transparent supply chains** with a clear focus on **tomorrow's consumer preferences**.

Summary:
Re-imagining Olam: Offering tomorrow's **products & services**

Why

Our Governing Objective
To maximise long-term intrinsic value for our continuing shareholders

Our Vision
To be the most differentiated and valuable global food and agri-business (by 2040)

Our Purpose
Re-imagining Global Agriculture & Food Systems

What: Our Goals

ROE *	EBITDA/IC **	FCFE ***	D/E ****
≥ 12%	≥ 13%	(+)	> 2.0

Where to Play

- ✓ **12** strong business platforms with **leading positions** in **attractive market segments** including global food ingredients, global agri-businesses, Africa food, and Africa Infra & logistics, etc
- ✓ Balanced capital allocation with selective integration in the value chain. Special thrust on **midstream & added value ingredients** (~50% of our IC allocated to midstream/ ingredients in 2024 from the current 39%)
- ✓ Global presence & leadership to **serve global customers**

How to win



Note: * ROE target ≥12% from 2021 ** EBITDA/Invested Capital (working capital + fixed capital); >13% from 2021 *** FCFE positive each year from year 2 (FY2020 onwards) **** Net Debt / Equity; < 2.0 throughout plan period

QUESTIONS


Olam