



Olam Group Limited

# Proposed sale of remaining 64.57% in Olam Agri to SALIC

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# Cautionary note on forward-looking statements



This presentation should be read in conjunction with Olam Group Limited’s announcement and press release on the same subject lodged on SGXNET on February 24, 2025.

Shareholders are advised to exercise caution in trading their Shares as there is no certainty or assurance as at the date of this presentation entitled “Sale of remaining 64.57% in Olam Agri to SALIC” that the Proposed Sale will proceed to completion, as the completion is subject to, inter alia, fulfilment of all the conditions precedent in the sales and purchase agreement (“SPA”) as defined in the announcement. Shareholders are advised to read this presentation 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.

All statements other than statements of historical facts included in this presentation 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.

# Presenters



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# Agenda



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# Background: how we arrived at today's announcement



This transaction is the culmination of our transformational Re-organisation journey launched in 2020



**Notes:**

(1) Not including agreed closing adjustments of additional consideration of US\$439,693 per day, calculated from June 1, 2025, to the completion date (both dates inclusive) of Tranche 1

# Transaction overview



- SALIC to acquire 44.58% stake in Olam Agri for US\$1.78 billion (S\$2.35 billion)<sup>1</sup> (“Tranche 1”) at implied 100% equity valuation of US\$4.00 billion (S\$5.28 billion). Upon completion of Tranche 1, SALIC will own a controlling 80.01% stake in Olam Agri.
- Olam Group will, upon the completion of the sale of Tranche 1, have a put option to sell remaining 19.99% stake in Olam Agri (“Tranche 2”) which is exercisable on the third anniversary of completion of the sale of Tranche 1 at the closing valuation<sup>2</sup> plus a 6% IRR
- SALIC will, upon the completion of the sale of Tranche 1, have a call option to acquire the remaining 19.99% stake in Olam Agri on or before the third anniversary of the completion of the sale of Tranche 1, at the closing valuation<sup>2</sup> plus a 6% IRR
- Dividend payout from Olam Agri to Olam Group for H2 2024 subject to a limit of 50% of Olam Agri’s net profit after tax not exceeding 64.57% of US\$110 million
- After the exercise and completion of the call/put option, SALIC will own 100% of Olam Agri
- Transaction is a key and important step forward in Olam Group’s Re-organisation Plan to unlock full value for shareholders

## Notes:

*(1) Not including agreed closing adjustments of additional consideration of US\$439,693 per day, calculated from June 1, 2025 to the completion date (both dates inclusive) of Tranche 1*

*(2) Closing adjustments of additional consideration of US\$197,162 per day, calculated from June 1, 2025 to the completion date (both dates inclusive) of Tranche 2*

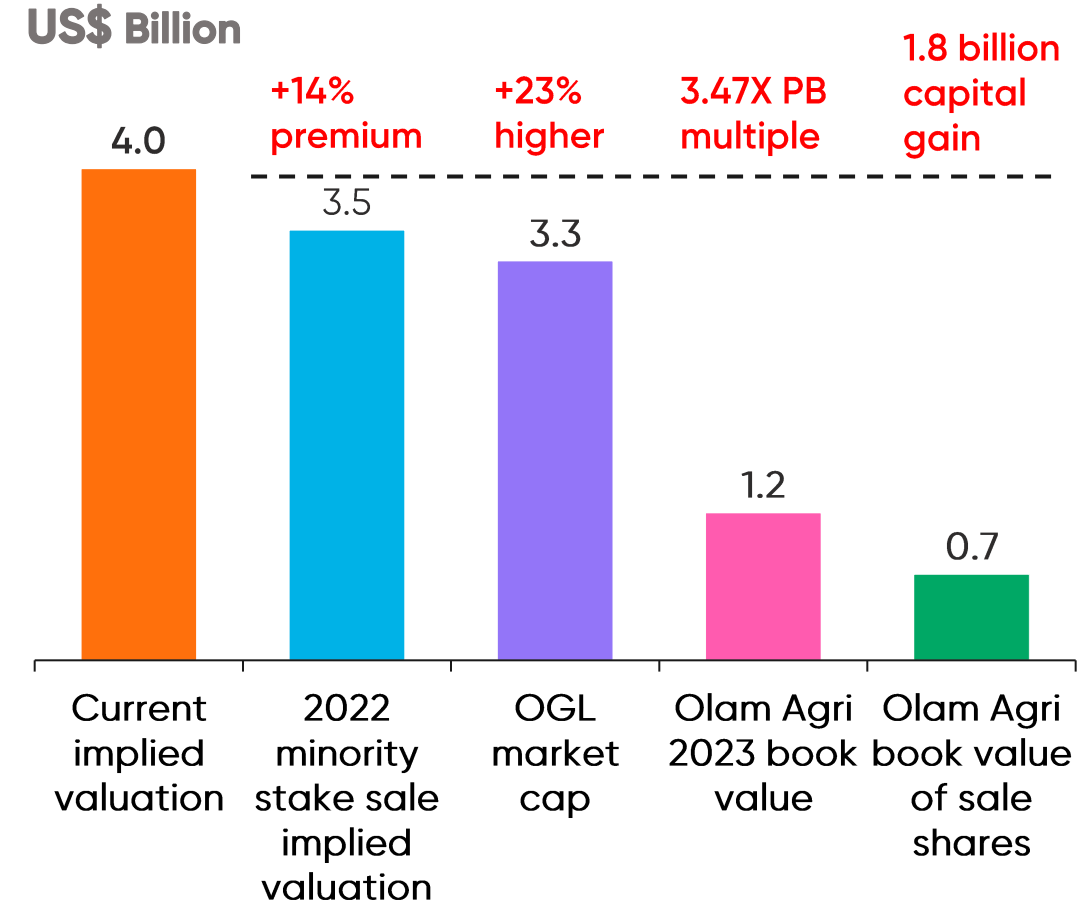


# Strategic rationale (1/3)

## Illuminates and unlocks value for Olam Group's shareholders



- The Transaction values Olam Agri at US\$4.00 billion<sup>1</sup> on a 100% basis and unlocks significant value for OGL shareholders:
  - 23% higher than the US\$3.25 billion (S\$4.30 billion)<sup>2</sup> market capitalisation of OGL, which currently consists of Olam Agri, ofi and the Remaining Olam Group.
  - a 14% premium to the minority stake sale to SALIC in 2022<sup>3</sup>, demonstrating the quality and resilience of the Olam Agri business, notwithstanding geopolitical and macroeconomic turmoil since 2022
  - a 3.47x price-to-book multiple to Olam Agri's 2023A book value of US\$1.15 billion
  - Realise estimated gain on disposal of US\$1.84 billion<sup>4</sup> (S\$2.43 billion) which will accrete to the equity reserves of OGL post completion of the sale of Tranche 1



**Notes:**  
 (1) Not including agreed closing adjustments  
 (2) Based on the total of 3,792,531,485 issued shares (excluding treasury shares) multiplied by the weighted average price of each ordinary share of OGL as of February 21, 2025.  
 (3) Closed at a total final consideration of US\$1.29 billion (inclusive of post-closing adjustments in H1 2023)  
 (4) Gain before non-cash accounting adjustments, transaction costs and on proforma basis using book value of equity as at December 31, 2023

# Strategic rationale (2/3)



## Sale of Olam Agri to SALIC a key and important step forward in the Group's Re-organisation Plan, achieving another milestone to unlock value for OGL shareholders

- Proposed sale of Tranche 1 and 2 will raise significant gross proceeds of US\$2.58 billion (S\$3.41 billion)<sup>1</sup>
- Divestment of 100% interest in Olam Agri – comprising the sale of 35.43% stake in 2022, and proposed sale of Tranche 1 and 2:
  - Raises total gross proceeds of US\$3.87 billion (S\$5.11 billion)<sup>1</sup>
  - Accretes total gain of US\$2.72 billion (S\$3.59 billion)<sup>2</sup> to the equity reserves of the Group
- OGL Board will take into consideration various factors, including the level of the Group's future earnings, cash flows, capital requirements for maintenance and growth, other financial and general business conditions before making any decision on the use of the proceeds, which may include debt repayment, right-sizing the capital structure of OGL and ofi, as well as the provision for a possible one-time special dividend distribution.

### Notes:

(1) Proceeds do not include closing adjustments for Tranche 1 or 2, or the 6% IRR to be applied to Tranche 2.

(2) Gain before non-cash accounting adjustments, transaction costs and on proforma basis using book value of equity as at December 31, 2023



# Strategic rationale (3/3)



## SALIC as a strategic, long-term investor to drive Olam Agri's growth

Strengthen Olam Agri's position as a differentiated global agribusiness

- First-mover in some of the highest-growth markets in Africa and Asia
- Well positioned to meet rising demand for food, feed & fibre

Become a sustainable & fully integrated food security leader and key grains and diversified player

- SALIC and Olam Agri share the same commitment on food security

Enhance domestic agri food capabilities in KSA, providing further growth opportunities

- Olam Agri can use its key capabilities to enhance domestic agri food system in KSA
- Alignment on sustainable agriculture to reduce environmental impact & increase productivity

# Completion and next steps

- Completion of the sale of Tranche 1 is conditional upon, inter alia, approval by OGL shareholders and other customary closing conditions, including regulatory approvals.
- Subject to these conditions being fulfilled, the sale of Tranche 1 is expected to be completed in Q4 2025.
- Going forward, we will focus on seeking strategic options to unlock value for the Remaining Olam Group businesses and **ofi**, including the pursuit of an **ofi** IPO.

# Key takeaways



- Sale of Olam Agri to SALIC completes one of the key milestones of the Re-organisation Plan – SALIC as a strategic, long-term investor can strengthen Olam Agri’s position as a differentiated major global agribusiness and offers potential synergies and opportunities to drive growth
- Transaction represents a significant value unlock for shareholders today: Implied 100% equity valuation for Olam Agri of US\$4.00 billion (S\$5.28 billion) is 23% higher than OGL’s market capitalisation, at a 14% premium to the minority stake sale transaction to SALIC in 2022 and 3.47X price-to-book multiple to Olam Agri’s 2023 book value
- Sale of Tranche 1 and 2 raises significant gross proceeds of US\$2.58 billion (S\$3.41 billion)
- OGL Board will take into consideration various factors, including the level of the Group’s future earnings, cash flows, capital requirements for maintenance and growth, other financial and general business conditions before making any decision on the use of the proceeds, which may include debt repayment, right-sizing the capital structure of OGL and **ofi**, as well as the provision for a possible one-time special dividend distribution.
- The Group will now focus on seeking strategic options to unlock value for the Remaining Olam Group businesses and **ofi**, including the pursuit of an **ofi** IPO.

# Appendix





# Tranche 1 and 2 valuation table



	Tranche 1	Tranche 2
100% Equity Valuation	US\$4,000,000,000	US\$4,000,000,000
% Acquired	44.58%	19.99%
<b>A) Base Valuation</b>	<b>US\$1,783,200,000</b>	<b>US\$799,600,000</b>
Daily Amount	US\$439,693	US\$197,162
<b>B) Closing Valuation</b>	<b>Base Valuation + Daily Amount from 1 June 2025 to Closing</b>	<b>Base Valuation + Daily Amount from 1 June 2025 to Closing</b>
IRR		6.0%
<b>C) Final Valuation</b>		<b>Closing Valuation + IRR from Closing to Exercise of Put/Call Option</b>

# Illustrative example:

## Total Gross Consideration assuming completion of Tranche 1 on December 31, 2025 and exercise of put option on January 1, 2029<sup>1</sup>



### Tranche 1

Equity Value (100% basis)	US\$4.00bn
Tranche 1 stake sold	44.58%
<b>Tranche 1 Base Valuation</b>	<b>US\$1.78b</b>
Daily Amount	US\$439,693
Number of days between June 1, 2025 and closing	214 days
<b>Incremental Consideration from Daily Amount</b>	<b>US\$94,094,302</b>
<b>Tranche 1 Closing Valuation</b>	<b>US\$1.88b</b> <span style="float: right;">A</span>

### Tranche 2

Tranche 2 stake sold	19.99%
<b>Tranche 2 Base Valuation</b>	<b>US\$0.80b</b>
Daily Amount	US\$197,162
Number of days between June 1, 2025 and closing	214 days
<b>Incremental Consideration from Daily Amount</b>	<b>US\$42,192,668</b>
<b>Tranche 2 Closing Valuation</b>	<b>US\$0.84b</b>
IRR	6%
Number of periods (years) compounded	3 years
<b>Tranche 2 Final Valuation</b>	<b>US\$1.00b</b> <span style="float: right;">B</span>
<b>Total Gross Consideration</b>	<b>US\$2.88b</b> <span style="float: right;">C</span>

- A Received on date of completion of Tranche 1
- B Received upon exercise of put option for Tranche 2
- C Total Gross Consideration (Tranche 1 and 2)

Notes: (1) Exercise of put option by Olam Group on third anniversary after date of completion ("Closing") of the sale of Tranche 1. In this illustrative example, SALIC can exercise its call option between January 1, 2026 and December 31, 2028, which can reduce the number of days between signing and closing, and therefore reduce the closing consideration for Tranche 2.

# About SALIC: Vision, Mission and Values



## Our Vision

To be a leading global food security company focused on sustainable agribusiness investment



## Our Mission

Develop responsible and sustainable investment portfolio contributing to the global food security



## Our Values

**01**  
We go further together.

We believe in the power of collaboration and teamwork. By working together, we achieve more and create lasting positive impacts for the communities we serve.



**02**  
We see the bigger picture.

We always look at the broader context to make decisions that benefit both local and global communities. Understanding the bigger picture allows us to effectively address future challenges.



**03**  
We make things better.

We are committed to continuous improvement in everything we do. By embracing innovation and striving for excellence, we create solutions that enhance the quality of life for everyone.



**04**  
We own our actions.

We take full responsibility for our actions and their outcomes. Accountability is at the core of our operations, ensuring we deliver on our promises with integrity.



# About SALIC: Strategic Goals



**01**

## Contribution to the National Food Security Targets

Contributing to achieving national food security targets in strategic commodities by expanding and diversifying foreign investments in countries with comparative advantages.

**02**

## Empowering Local Agri-Food Sector

Empowering the local agri-food sector through primary processes, supply chains, and agricultural technologies, contributing to self sufficiency.

**03**

## Achieving Global Leadership in Grains and Diversified Products

Achieving global leadership in the grains and diversified products by enhancing trade capacities and integrating investments and strategic partnerships to ensure food sustainability.



# About SALIC: Targeted Strategic Commodities



International



Wheat



Barley



Corn



Soybean



Rice



Green Fodder



Milk Powder

Local + International



Edible Oil



Sugar



Red Meat



Poultry



Aquaculture

Local



Dairy by Products



Fruits



Vegetables



Table Eggs

# Olam Agri in numbers



## 3 Segments

**1** Food & Feed -  
Origination &  
Merchandising



 **30+**  
countries

 **10,000+**  
employees

 **S\$31.3b**  
revenue

**2** Food & Feed  
- Processing  
& Value-  
added



**40m**   
tonnes in  
volume handled

**60+**   
Manufacturing &  
processing facilities

**18.3%**   
EBIT/IC

**3** Fibre, Agri-  
Industrials &  
Ag Services



 **S\$1,163m**  
EBITDA 2020-2023 CAGR: 21.4%

**S\$968m**  
EBIT 2020-2023 CAGR: 24.9%

Note: All numbers are for 2023.

# Olam Agri key takeaways



Strategically positioned as a food security play in the growing and attractive food & agri sector supported by strong secular fundamentals

A clear focus on high-growth emerging consumption markets



Participation in key parts of the global agri market and targeted sub-markets as a relatively asset-light, independent trader



More asset intensive in the processing and value-added segment with strong operating capabilities and significant further investments planned

Selective further expansion of geographical footprint in Middle East and Asia





Helmed by a highly experienced, capable and engaged management team



Market leading sustainability track record aligned to its key objectives of being climate positive, nature positive and livelihood positive across its businesses

**Olam Agri's differentiated model and focus on high-growth emerging markets has led to industry leading growth, capital efficiency and return profile.**

# Key highlights

<b>1 High Growth &amp; Returns</b>	<b>13.4%</b> EBIT CAGR <sup>(1)</sup>	<b>11.9%</b> EBITDA CAGR <sup>(2)</sup>	<b>17%</b> EBIT / IC <sup>(3)</sup>	<b>42%</b> Average ROE <sup>(4)</sup>	
<b>2 Differentiated Business Model</b>	Leading position and growing market shares in fast growing corridors	Fixed asset light operating model	Select fixed asset investments focused on high growth destination markets	Independent and adaptable model at origin & destination markets	Olam Agri's Operating Model
<b>3 Strong Shareholder Support From SALIC</b>	SALIC invests in growth companies to meet the world's future nutrition needs, enabling innovation and supply chain integration within Saudi Arabia and across the world.		SALIC's aim is to support KSA's strategies to enhance food security and resilience through investing in both domestic and international opportunities.		
<b>4 Sustainability Impact</b> Proprietary Assets & Capability Provides Advantages	Internationally recognised sustainability efforts	73 bn fortified products produced by nearly 400,000 farmers supported through livelihood programs	No.1: Oxfam Agri-business Scorecard 2021 No. 22 of 350 companies : food and agricultural sector World Benchmark Alliance's agri-sector scorecard	Comprehensive digital platform 	
<b>5 Our Management</b> An experienced management team equipped with in-depth industry expertise	<b>530+</b> Global Management Team	<b>&gt;40</b> Nationalities	<b>20+</b> Average Years of Experience	<b>8+</b> Average Years of Tenure	

Notes:

1. 2021-2023 EBIT
2. 2021-2023 EBITDA

3. 2021-2023 EBIT/Average of Beginning and Ending Period Invested Capital (Working Capital + Fixed Capital).
4. 2021-2023, Return on Equity = PATMI / Average of Beginning and Ending Period Owner's Equity.





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