



News Release

Olam International expands almond ingredients capacity with acquisition of leading Californian almond processor and ingredient manufacturer Hughson Nut

Singapore, October 22, 2019 – Global food and agri-business Olam International Limited (Olam), today announced that it has signed a purchase agreement to acquire a 100% interest in leading Californian almond processor and ingredient manufacturer Hughson Nut Inc (HNI) and associated real estate assets from APB Partners, LLC (APB) at a total enterprise value of US\$54.0 million. The price consideration was arrived at on a willing-buyer, willing-seller basis.

Olam is one of the world's largest growers of almonds with orchards in both hemispheres – in California and Australia – delivering year-round fresh almonds to customers. The extensive processing capabilities of HNI will enable Olam to offer a fully integrated solution across the almond value chain from the US, including processed whole nuts and value-added ingredients, complementing similar capabilities in Australia and Vietnam.

HNI ranks among the top five almond processors in California. Besides its two primary processing facilities, HNI also manufactures almond ingredients, such as sliced and diced almonds and almond flour in its newly commissioned ingredients processing plant, which also houses steam sterilisation and pasteurisation facilities.

Backed by three almond grower-family shareholders of APB, HNI has built a strong customer franchise in the U.S. and a growing customer base in the EU, Japan and Korea, which include branded food manufacturers, retailers and exporters.

The acquisition of HNI is consistent with Olam's Strategic Plan to offer differentiated solutions, such as ingredients and product innovation, and to target new customer segments in co-manufacturing, food service and e-commerce.

Olam's Managing Director and CEO of Edible Nuts, Ashok Krishen explained: "Our ambition is to grow Olam's almond business into a vertically integrated player with a strong upstream presence in Australia and the U.S. and direct participation in the primary and ingredient processing space that can add value to our customers. We see growing demand from consumers for healthy snacks and healthy plant protein – this is driving growth in new product applications and therefore the demand for almond ingredients, particularly in the U.S..

"Combining HNI's processing capabilities with Olam's global network and Edible Nuts expertise will enhance our offering to customers and enable us to meet growing demand, in and outside the U.S.," he added.

Olam is one of the leading providers of edible nuts with global network of procurement, processing and distribution operations across a portfolio which includes almonds, cashew, hazelnuts, peanuts, pistachios, walnuts, sesame, quinoa and chia.

Post Olam's acquisition, HNI's senior executive team and its 400 employees will continue to manage the existing operations and grow the ingredients business while leveraging and benefitting from the synergies and capabilities of the combined business. The grower-family vendors will also continue to supply HNI with almonds for processing.

The acquisition will be funded by a combination of internal accruals and existing debt facilities. Subject to customary closing conditions, the transaction is expected to be completed in November 2019. It is also expected to be earnings and returns accretive from the first year after consolidation.

About Olam International Limited

Olam International is a leading food and agri-business supplying food, ingredients, feed and fibre to 19,800 customers worldwide. Our value chain spans over 60 countries and includes farming, processing and distribution operations, as well as a sourcing network of an estimated 4.8 million farmers.

Through our purpose to 'Re-imagine Global Agriculture and Food Systems', Olam 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 currently ranks among the top 30 largest primary listed companies in terms of market capitalisation on SGX-ST.

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



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