

# WILMAR INTERNATIONAL LIMITED

## ANNUAL GENERAL MEETING

25 April 2013

BY HO KIAM KONG  
CHIEF FINANCIAL OFFICER



# IMPORTANT NOTICE

*Information in this presentation may contain projections and forward looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on current assumptions which are subject to various risks and which may change over time. No assurance can be given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct. Actual results may differ materially from those projected.*

*This presentation does not constitute or form part of any opinion on any advice to sell, or any solicitation of any offer to purchase or subscribe for, any shares nor shall it or any part of it nor the fact of its presentation form the basis of, or be relied upon in connection with, any contract or investment decision.*

# Agenda

- |          |   |
|----------|---|
| <b>1</b> | Business Update: What has changed since last AGM? |
| <b>2</b> | Financial Performance in 2012                     |
| <b>3</b> | Our Financial Profile                             |
| <b>4</b> | Prospects   |

## 1. Business Update: What has changed since last AGM?



# Continue to invest in the Business Segments

Palm & Laurics	Refinery	<ul style="list-style-type: none"> <li>Expanded our palm refining capacity in Indonesia as well as commissioned two palm oil refineries in Ghana and Nigeria</li> <li>In the USA, acquired Gaviola, LLC's 50% interest in Wilmar Gaviola, LLC and renamed Wilmar Oils &amp; Fats (Stockton)</li> </ul>
	Specialty Fats	<ul style="list-style-type: none"> <li>Commissioned two specialty fats plants in Indonesia</li> </ul>
	Fatty Alcohol/Oleochemicals	<ul style="list-style-type: none"> <li>Completed oleochemicals plants in Indonesia and China with two more plants under construction in India and China</li> <li>One fatty alcohol plant under construction in Netherlands</li> </ul>
	Amines	<ul style="list-style-type: none"> <li>Established Joint Venture with Clariant Ltd for production and sales of amines and selected amines derivatives</li> </ul>
	Sales & Marketing	<ul style="list-style-type: none"> <li>Launched Olenex C.V. with strategic partner, Archer Daniels Midlands, for sales and marketing of tropical oils and fats to Europe</li> </ul>
Oilseeds & Grains	Oilseeds Crushing	<ul style="list-style-type: none"> <li>Two oilseeds crushing plants under construction in Russia and Ukraine</li> <li>Completed rice bran extraction plant in Vietnam</li> </ul>
	Flour Milling	<ul style="list-style-type: none"> <li>Completed two flour mills in China with eight flour mills under construction in China, Indonesia and Vietnam</li> </ul>
	Rice Milling	<ul style="list-style-type: none"> <li>Completed one rice mill in China with two rice mills under construction in China</li> </ul>
Consumer Products	New Businesses	<ul style="list-style-type: none"> <li>Established Joint Venture with Kellogg Company for the sales and distribution of breakfast cereals and savoury snacks in China</li> <li>Launched Laundry soaps in China</li> </ul>

# Continue to invest in the Business Segments

Plantations and Palm Oil Mills	Develop Oil Palm Plantations	<ul style="list-style-type: none"> <li>Formed Joint Venture with Noble to develop oil palm plantation opportunities in Papua</li> <li>Acquired 30,000 ha of abandoned Plantation in Nigeria and started to redevelop for oil palm</li> </ul>
	New Businesses	<ul style="list-style-type: none"> <li>Acquired 27.5% stake in Cosumar S.A. to capitalise on commercial opportunities in Africa</li> </ul>
Sugar	Land Cultivation	<ul style="list-style-type: none"> <li>Purchased another 778 hectares of land in Australia for sugar cultivation</li> </ul>
	Capacity	<ul style="list-style-type: none"> <li>Added 5 new and 8 second-hand vessels to our shipping fleet for own use.</li> </ul>
Shipping		

# Our Quality Products are being recognized

China: <b>Arawana</b>	<ul style="list-style-type: none"> <li>• Gold Award at the 12th China International Agricultural Products and Technology Exhibition</li> <li>• 2012 Annual Food Industry Social Contribution Award</li> </ul>
Indonesia: <b>Sania</b> <b>Sovia</b>	<ul style="list-style-type: none"> <li>• 4-Star Quality Product</li> <li>• Super Brand 2010 – 2012</li> <li>• Peduli Gizi Award for product innovation</li> </ul>
Vietnam: <b>Neptune</b> <b>Simply</b>	<ul style="list-style-type: none"> <li>• Top 20 Famous Brands</li> <li>• “Trust and Use” Certificate</li> </ul>
Australasia: <b>CSR Sugar</b> <b>Chelsea</b>	<ul style="list-style-type: none"> <li>• Supply Chain Excellence Award 2012</li> <li>• Reader’s Digest Favourite Brand 2012</li> <li>• Reader’s Digest Trusted Brand (Highly Commended) 2012</li> <li>• Favourite Baking Product</li> </ul>
Bangladesh: <b>Rupchanda</b>	<ul style="list-style-type: none"> <li>• Best Brand 2012</li> </ul>
Ghana: <b>Frytol</b>	<ul style="list-style-type: none"> <li>• Superbrand 2012</li> </ul>





# We have been conferred the following Corporate awards

---

▪ World's Most Admired Company 2012 & 2013 (First place ranking in Food Production Industry)	Fortune Magazine
▪ Fortune Global 500 in 2012 (ranked 223 <sup>rd</sup> )	
▪ Global 500 Brands (ranked 353 <sup>rd</sup> globally, 2 <sup>nd</sup> in Singapore)	BrandFinance®
▪ Forbes Global 2000 (ranked 246 <sup>rd</sup> )	Forbes Magazine
▪ Most Transparent Company Award for Services, Utilities & Agriculture category in 2009, 2010, 2011 & 2012	Securities Investors Association (Singapore)
▪ CSR Leadership Award 2012	World CSR Day
▪ Singapore International 100 Overseas Sales/Turnover Excellence Award (First place ranking) 2011 & 2012	DP Info with Ernst & Young as Co-Producer, supported by ACRA, IE Singapore, SPRING, IDA and Singapore Business Federation
▪ Winner of Global Chinese Business 1000 Award for Singapore in 2009, 2010, 2011 & 2012	Yazhou Zhoukan magazine
▪ Outstanding Business in Singapore Award 2012	
▪ Bronze Stevie Winner, Company of the Year for Food & Beverage category	The 2012 International Business Award
▪ Exporter of Palm Oil to India for a Decade	Globoil India Awards
▪ Top Importer of U.S. Soybean Worldwide	U.S. Agriculture Business Partner Award
▪ Business Alliance Award	Australian Chamber of Commerce, Australia



# Leading Market Position in Each Product and Location

	Main Countries of Operation	Market leader in Key Operating Markets
Plantations, Palm & Laurics		<ul style="list-style-type: none"> <li><b>No. 1</b> global processor and merchandiser of palm and lauric oils</li> <li><b>No. 1</b> palm biodiesel, oleochemicals and specialty fats manufacturer in the world</li> <li><b>One of the largest</b> oil palm plantation owners in Asia<sup>1</sup></li> <li><b>No. 1</b> global edible oils refiner</li> </ul>
Oilseeds & Grains		<ul style="list-style-type: none"> <li><b>No. 1</b> Oilseeds crusher in China</li> <li><b>Leading</b> oilseeds crusher in India</li> <li><b>Leading</b> rice and flour miller in China</li> </ul>
Consumer Products		<ul style="list-style-type: none"> <li><b>No. 1</b> producer of consumer pack edible oils in the world</li> <li><b>No. 1</b> producer of consumer pack edible oils in China with ~45% market share</li> <li><b>No. 1</b> producer of consumer pack edible oils in Vietnam with over 55% market share</li> <li><b>No. 1</b> producer of consumer pack edible oils in Indonesia with over 30% market share</li> <li><b>Leading</b> producer of consumer pack edible oils in India and Bangladesh<sup>2</sup></li> </ul>
Sugar		<ul style="list-style-type: none"> <li><b>No. 1</b> raw sugar producer in Australia</li> <li><b>No. 1</b> sugar refiner in Australia and New Zealand with ~60% of volume sales across the retail, food service and food and beverage ingredients markets</li> <li><b>Leading</b> sugar refiner in Indonesia with 25% market share</li> <li><b>No. 3</b> sugar producer in Africa</li> </ul>

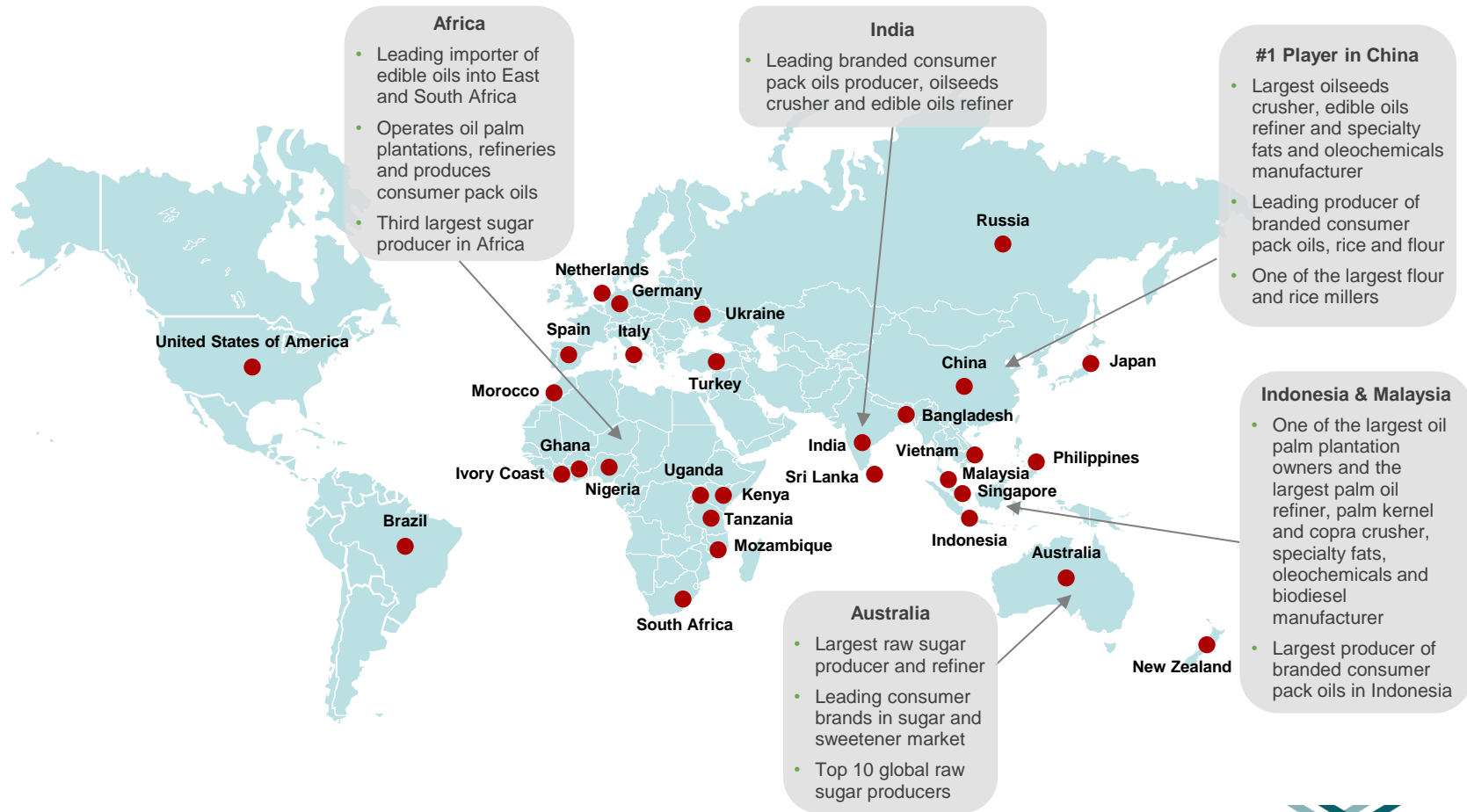
<sup>1</sup> Approximately 186 k ha, 59 k ha and 10 k ha of planted land in Indonesia, East Malaysia and Africa, respectively

<sup>2</sup> Approximately 15% and 20% of market share in India and Bangladesh, respectively

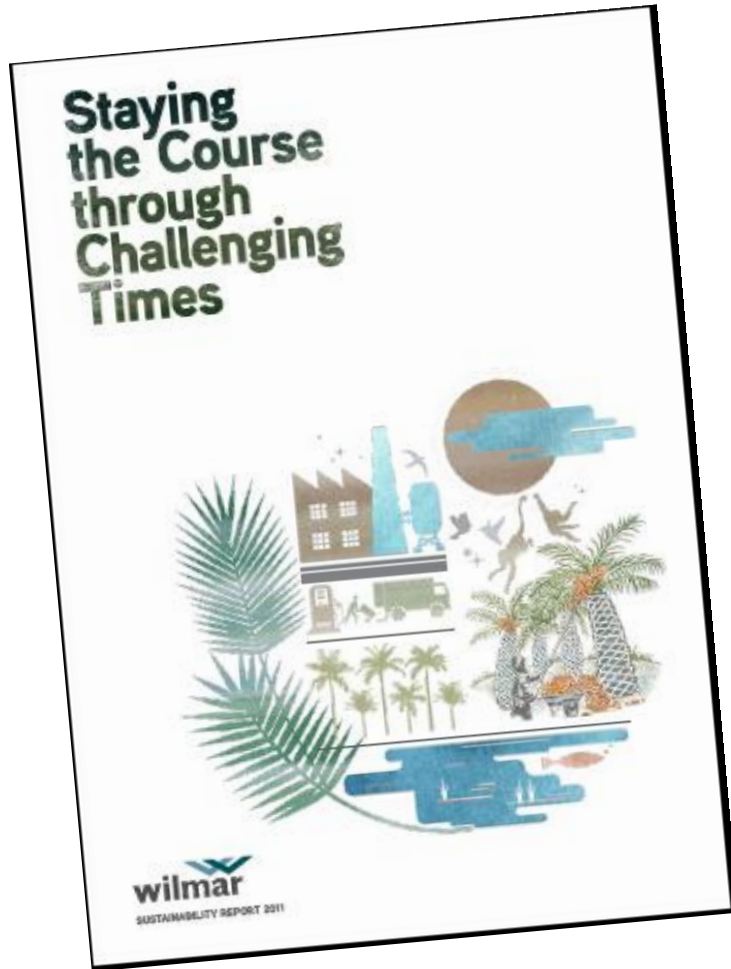
# Increasing Global Reach

Vertically integrated agribusiness with leading market shares and major presence in key producing and consuming markets

- World's largest processor and merchandiser of palm & lauric oils
- Largest in edible oils refining and fractionation, oleochemicals, specialty fats & palm biodiesel
- Largest in consumer pack oils



# Remain fully committed to Corporate Social Responsibility



The Group is guided by its internal environmental policies which comprise:








- ✓ Adhering to RSPO Principles and Criteria
- ✓ Compliance to all national regulations when clearing forest land for plantations
- ✓ No-burn policy
- ✓ Adopting internationally recognized best practices in managing plantations

Achievements to Date	Remarks
RSPO Certification - All Malaysian mills have completed RSPO P&C certification	Achieved
Biodiversity – No new development prior to the completion of a high conservation value assessment	Since 2008
Biodiversity – all existing plantations will have a high conservation value area assessment	On-track to achieve by 2013
Greenhouse Gas Emissions – No new development of peat, regardless of depth	Achieved since Oct 2012
Herbicides – No use of paraquat	Achieved since 2011
Communities – no expansion without free, prior and informed consent from local communities	Achieved

## 2. Financial Performance in 2012



## 2012 Results at a glance

Net Profit	US\$ 1.26 billion	 21.6%
Total Revenue	US\$ 45.5 billion	 1.7%
EBITDA	US\$ 2.41 billion	 13.7%
Earnings per share	19.6 US cents	 21.6%
Total Assets	US\$ 41.92 billion	 5.8%
Shareholders' Funds	US\$ 14.35 billion	 7.3%
Dividends	S\$ 0.05 per share	 18.0%

# Key Segment Results

US\$ Millions unless otherwise stated		2012	2011	2010
Plantations and Palm Oil Mills	Volume (M MT)	1.91	1.78	1.60
	Revenue	1,728	1,843	1,485
	PBT (excluding Revaluation of Biological Assets)	382.0	471.1	384.8
Palm and Laurics	Volume (M MT)	23.1	20.3	20.8
	Revenue	22,748	22,917	16,821
	PBT	771.1	585.9	587.1
Oilseeds and Grains	Volume (M MT)	19.55	19.94	18.28
	Revenue	12,936	12,670	10,172
	PBT	14.1	422.9	117.5
Consumer Products	Volume (M MT)	4.61	4.40	3.68
	Revenue	7,096	6,769	4,697
	PBT	157.2	85.3	149.8
Sugar (Milling, Merchandising and Processing)	Volume (M MT)	6.49	5.13	-
	Revenue	3,642	3,209	-
	PBT	99.8	141.2	-

### 3. Our Financial Profile

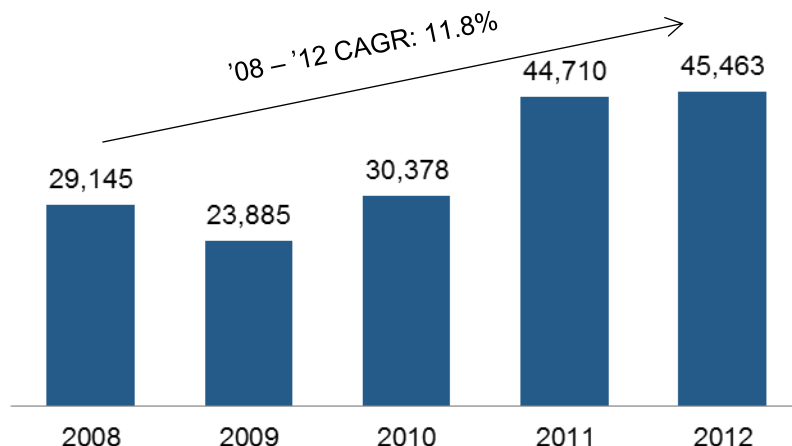




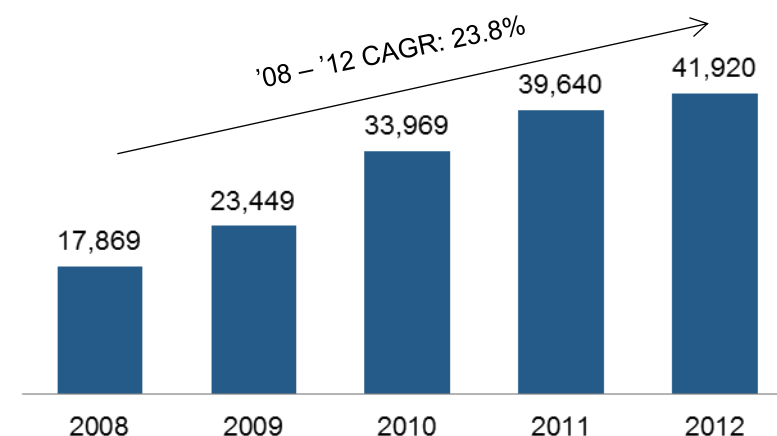
# Robust Financial and Liquidity Profile

Leading size and scale of operation supported by well-managed leverage ratios

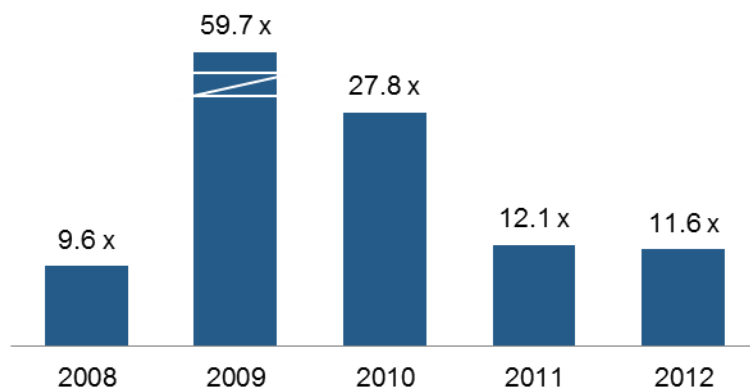
Total Revenue (US\$ m)



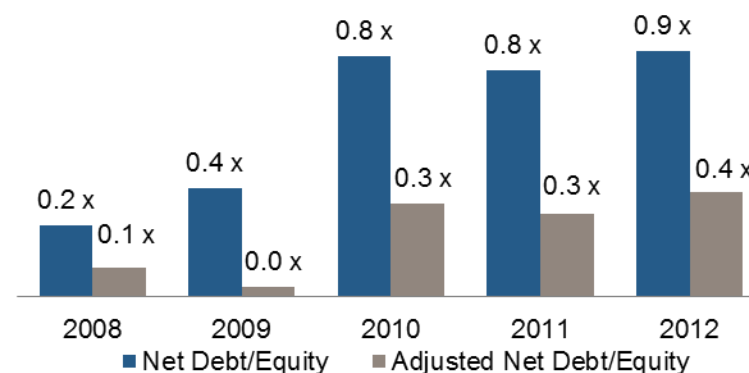
Total Assets (US\$ m)



EBITDA / Net Interest Expense



Net Debt / Equity<sup>1</sup>



<sup>1</sup>Net Debt = Total Debt less Cash (including Structured Deposits and fixed deposits pledged with financial institutions for bank facilities)

Adjusted Net Debt = Net Debt less Liquid Working Capital

Liquid Working Capital = Inventories (excl. consumables) + Trade Receivables – Current Liabilities (excl. borrowings)

# Strong Liquidity Profile and Access to Liquidity has been Maintained Over Time

US\$ m

**Total Utilised  
and Unutilised  
Credit Facilities:**

6,993

11,339

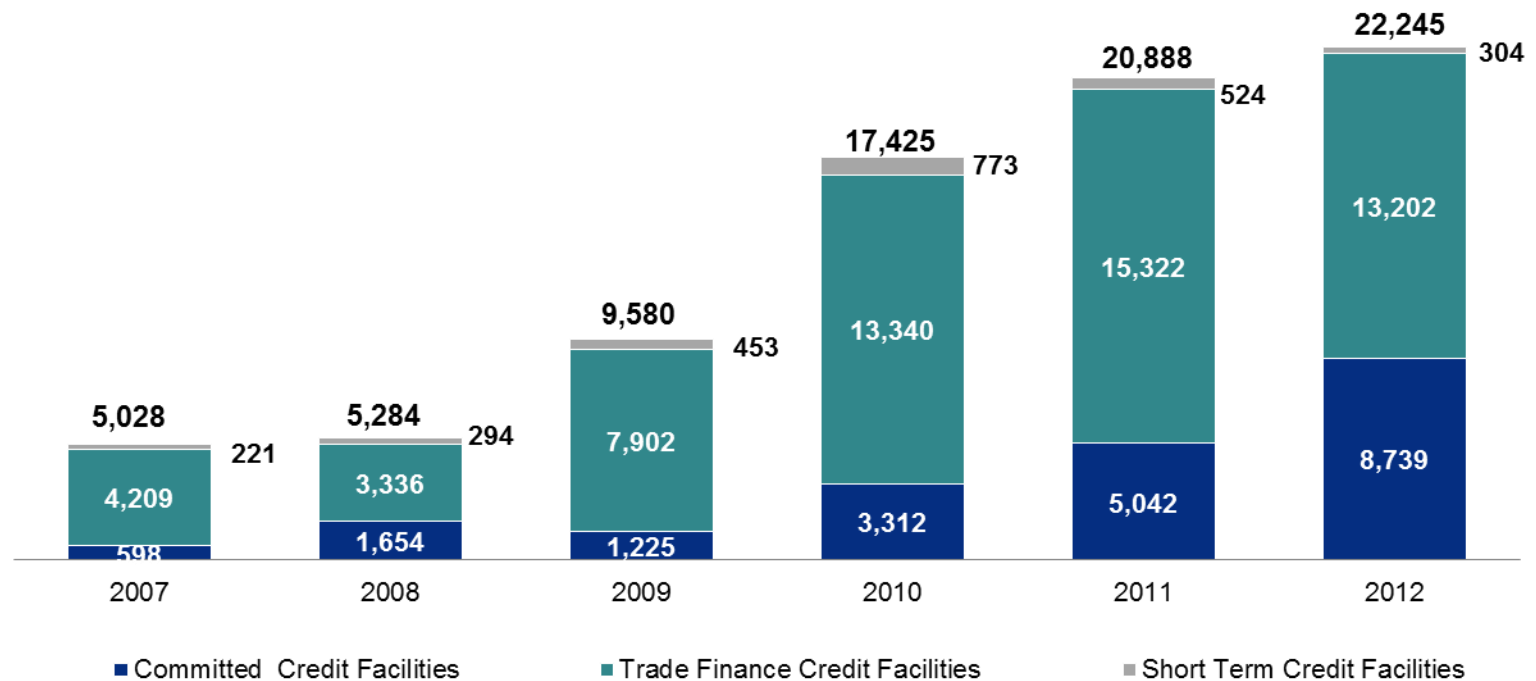
17,356

24,618

31,044

35,770

**Utilised Credit  
Facilities:**



**Cash & Cash  
Equivalents:**

445

1,104

827

400

1,280

1,528

Source: Company filings

## 4. Prospects



# Prospects

-  Our integrated business model has proven its resilience amidst the challenging business climate in 2012. We will strengthen our business model across the entire value chain by expanding our upstream, midstream and downstream operations.
-  We will continue to extend our footprint beyond traditional Asian markets into fast-emerging markets of Africa especially for our palm, consumer products and sugar businesses.
-  We remain optimistic about China's long-term growth and will continue to invest in our rice and flour businesses as well as strengthen our distribution network.
-  Going forward, we will continue to invest in new promising markets and seek synergistic collaborations with like-minded partners to optimise returns.