

ACQUISITIONS AND DISPOSALS :: CHANGES IN COMPANY'S INTEREST :: PROPOSED EQUITY INTEREST TRANSFERS AND SHAREHOLDERS AGREEMENTS BETWEEN WCNI, WAFI AND WAIKARI

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* Asterisks denote mandatory information

Name of Announcer *	WILMAR INTERNATIONAL LIMITED
Company Registration No.	199904785Z
Announcement submitted on behalf of	WILMAR INTERNATIONAL LIMITED
Announcement is submitted with respect to *	WILMAR INTERNATIONAL LIMITED
Announcement is submitted by *	COLIN TAN TIANG SOON
Designation *	COMPANY SECRETARY
Date & Time of Broadcast	30-Dec-2011 19:41:47
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>> ANNOUNCEMENT DETAILS

The details of the announcement start here ...

Announcement Title *	Proposed Equity Interest Transfers and Shareholders Agreements between WCNI, WAFI and Waikari
Description	Please see attached announcement.

Attachments	 Proposed_Equity_Interest_Transfers_and_Shareholders_Agreements_30Dec11.pdf Total size = 27K (2048K size limit recommended)
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ANNOUNCEMENT

Proposed Equity Interest Transfers and Shareholders Agreements between Wilmar China New Investments Pte. Ltd. ("WCNI"), Wilmar-ADM Flour Investments Pte. Ltd. ("WAFI") and Waikari Sdn Bhd ("Waikari")

Singapore, 30 December 2011- Further to its earlier announcements dated 2 December 2010, 28 February 2011, 30 November 2011 and 23 December 2011, Wilmar International Limited ("**Wilmar**") wishes to announce that WCNI and WAFI (both 98.39% indirectly owned subsidiaries of Wilmar) have on 30 December 2011 entered into equity interest transfer agreements (the "**Equity Interest Transfer Agreements**") for the transfer of 20% interest in each of the following companies (the "**Companies**") to Waikari, a wholly-owned subsidiary of FFM Berhad ("**FFM**") and shareholders agreements (the "**Shareholders Agreements**") pursuant to which Waikari is to contribute proportionate shareholder's loans as set out in the table below:

	<u>Companies</u>	<u>Location in China</u>	<u>Transferor</u>	<u>Transferee</u>	<u>Transfer Price (in US\$)</u>	<u>Shareholder's Loans payable by Waikari (in US\$)</u>
1.	Dongguan Yihai Kerry Oils, Grains & Foodstuffs Industries Co., Ltd	Dongguan City, Guangdong Province	WCNI	Waikari	6,741,584	7,140,000
2.	Yihai (Zhoukou) Wheat Industries Co., Ltd	Zhoukou City, Henan Province	WAFI	Waikari	2,834,595	3,000,000

The principal activities of the Companies are flour milling.

The Equity Interest Transfer Agreements and the Shareholders Agreements, which were negotiated and determined on a willing-buyer, willing-seller basis, are subject to approvals from the relevant authorities in the People's Republic of China ("**PRC**") and approval from Bank Negara Malaysia for the proposed investments by Waikari, if required.

Rationale for the transaction

FFM started its first flour mill in Malaysia in 1966 and over the years, it has built up considerable technical and marketing expertise in the flour milling business. FFM owns and operates five flour mills in Malaysia, one each in Vietnam and Indonesia, and has substantial interest in a flour mill in Thailand.

Wilmar started its flour milling operations in China in 1992 and currently operates seven mills there. It is in the process of building several new mills in China and also planning expansion into Indonesia and Vietnam.

Wilmar has an excellent distribution network for edible oils, specialty fats and other food products in China, Indonesia and Vietnam, which would be beneficial for developing its flour milling business.

The proposed investments by Waikari will enable FFM to benefit from Wilmar's strength in distribution in the growth markets in China, Indonesia and Vietnam. Wilmar, in turn, will benefit from FFM's technical and marketing expertise.

Wilmar International Limited

Announcement – Proposed Equity Interest Transfers and Shareholders Agreements between Wilmar China New Investments Pte. Ltd. ("WCNI"), Wilmar-ADM Flour Investments Pte. Ltd. ("WAFI") and Waikari Sdn Bhd ("Waikari") (cont'd)

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Interest of Directors and Controlling Shareholders of Wilmar

Save for PPB Group Berhad ("**PPB**"), the holding company of FFM and a controlling shareholder of Wilmar, Mr Kuok Khoon Chen, a director of Wilmar and also of FFM and Kuok Brothers Sdn Berhad ("**KB**"), the holding company of PPB, and Mr Kuok Khoon Ean, a director of Wilmar and also of KB, none of the other controlling shareholders or directors of Wilmar has an interest in the abovementioned transactions.

The value of these transactions when aggregated with all other transactions with PPB and its associates for the current financial year ending 31 December 2011 exceeds 3% but is less than 5% of Wilmar's latest audited net tangible assets as at 31 December 2010. The current total of all interested person transactions with PPB and its associates for the current financial year ending 31 December 2011, including the abovementioned transactions amount to approximately US\$240.1 million. The current total of all interested person transactions for the current financial year ending 31 December 2011 amounts to approximately US\$4,739.4 million.

Wilmar's Audit Committee is of the view that the transaction is on normal commercial terms and is not prejudicial to the interests of Wilmar and its minority shareholders.

A further announcement will be made when the equity interest transfer agreements and shareholders agreements are entered into for the remaining PRC subsidiaries of Wilmar covered by the memorandum of understanding dated 2 December 2010 between Wilmar and FFM.

Issued by
Wilmar International Limited
30 December 2011