

**EZYHEALTH ASIA PACIFIC LTD**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 199904785Z)

**ANNOUNCEMENT**

- A. (i) The proposed acquisition by the Company of shares owned by Wilmar Holdings Pte Ltd in the Target Companies for a consideration of S\$1,290.0 million to be satisfied by the allotment and issue of 21,500,000,000 new Shares in the capital of the Company at S\$0.06 per new Share;
- (ii) The proposed disposal of the Company's existing business (in its entirety) to Nucourt Media Pte Ltd, which is owned by a Controlling Shareholder of the Company;
- (iii) The proposed allotment and issuance of 21,500,000,000 new Shares at S\$0.06 per new Share as consideration for the Proposed Acquisition;
- (iv) The proposed whitewash resolution for the waiver by the Independent Shareholders of their right to receive a mandatory general offer from Wilmar Holdings Pte Ltd (and parties acting in concert with it) for all the issued and paid-up Shares of the Company following the completion of the Proposed Acquisition;
- (v) The proposed consolidation of every ten (10) Shares into one (1) Consolidated Share;
- (vi) The proposed change of name of the Company from "Ezyhealth Asia Pacific Ltd" to "Wilmar International Limited"; and
- (vii) The proposed appointment of new directors of the Company.
- B. The proposed allotment and issuance of such number of Consolidated Shares representing up to 20.0% of the enlarged share capital of the Company following the completion of the Proposed Acquisition and the issue of such Consolidated Shares at a price to be determined at the absolute discretion of the Directors, for the purposes of meeting the shareholding spread and distribution requirements of the Listing Manual.
- C. The grant of a general mandate for the allotment and issuance of new Consolidated Shares.
- D. The proposed adoption of the Shareholders' Mandate for certain ongoing interested person transactions.
- E. The proposed change of auditors.

The Board of Directors (the "**Board**") of Ezyhealth Asia Pacific Ltd (the "**Company**") refers to the circular to the Shareholders dated 10 June 2006.

On behalf of the Wilmar Group, the Board is pleased to release its unaudited financial statements for the three months period ended 31 March 2006 for your attention.

**BY ORDER OF THE BOARD**

Yeo Wee Kiong  
Non-Executive Chairman

28 June 2006  
Singapore

# THE WILMAR GROUP

## Unaudited Financial Statements for the First Quarter Ended 31 March 2006

### PART I: Information required for announcements of Quarterly (Q1, Q2 & Q3), Half-Year and Full Year Results

- 1(a) An income statement for the Wilmar Group together with comparative statements for the corresponding period of the immediately preceding financial year.

#### Unaudited Profit and Loss Statement – First Quarter FY2006

	Wilmar Group			
	Three months ended			
	31.03.2006 US\$'000	31.03.2005 US\$'000	Inc/(Dec)	
			US\$'000	%
Revenue	1,088,179	1,019,680	68,499	6.7%
Cost of sales	(989,886)	(946,843)	43,043	4.5%
<b>Gross profit</b>	<b>98,293</b>	<b>72,837</b>	<b>25,456</b>	<b>34.9%</b>
Net gains/(losses) from changes in fair value of biological assets ( <i>Note</i> )	0	0	0	n.m.
Other operating income	2,079	543	1,536	282.9%
Selling and distribution costs	(59,375)	(44,975)	14,400	32.0%
Administrative expenses	(6,461)	(5,489)	972	17.7%
Other operating expenses	(485)	(796)	(311)	-39.1%
<b>Profit from operations</b>	<b>34,051</b>	<b>22,120</b>	<b>11,931</b>	<b>53.9%</b>
Finance income	5,036	2,331	2,705	116.0%
Finance expenses	(16,572)	(11,334)	5,238	46.2%
Share of results of associates	20	0	20	n.m.
<b>Profit before taxation</b>	<b>22,535</b>	<b>13,117</b>	<b>9,418</b>	<b>71.8%</b>
Income tax expense	(6,303)	(2,272)	4,031	177.4%
<b>Profit after taxation</b>	<b>16,232</b>	<b>10,845</b>	<b>5,387</b>	<b>49.7%</b>
Minority interests	(556)	(352)	204	58.0%
<b>Net profit for the period</b>	<b>15,676</b>	<b>10,493</b>	<b>5,183</b>	<b>49.4%</b>

n.m. – not meaningful

*Note: In accordance with FRS 41, biological assets should be measured at each balance sheet date at its fair value less estimated point-of-sale costs. The Company measures the fair value of biological assets on a yearly basis at the end of each financial year..*

## THE WILMAR GROUP

### Unaudited Financial Statements for the First Quarter Ended 31 March 2006

1(b)(i) A Balance Sheet for the Wilmar Group, together with a comparative statement as at the end of the immediately preceding financial year.

	Wilmar Group	
	31.03.2006 US\$'000	31.12.2005 US\$'000
Other receivables	6,932	6,796
Other assets	9,777	12,545
Deferred tax assets	3,188	2,634
Available-for-sale financial assets	24	38
Investment in associates	640	606
Plasma investments	11,809	10,727
Biological assets	156,020	154,932
Property, plant and equipment	385,337	365,811
Intangible assets	34,587	34,587
<b>Total non-current assets</b>	<b>608,314</b>	<b>588,676</b>
Cash and bank balances	28,332	19,512
Trade receivables	289,801	390,243
Other receivables	284,894	251,205
Inventories	288,358	288,938
Tax recoverable	8,693	8,860
Derivative financial instruments	11,254	6,958
Other assets	16,172	14,588
<b>Total current assets</b>	<b>927,504</b>	<b>980,304</b>
Trade payables	156,324	165,822
Other payables	63,133	61,101
Derivative financial instruments	282	414
Interest-bearing loans and borrowings	575,826	621,359
Tax payable	7,829	6,717
<b>Total current liabilities</b>	<b>803,394</b>	<b>855,413</b>
Other payables	306,829	317,335
Interest-bearing loans and borrowings	82,050	68,359
Deferred taxation liabilities	48,940	48,147
<b>Total non-current liabilities</b>	<b>437,819</b>	<b>433,841</b>
<b>Total Net Assets</b>	<b>294,605</b>	<b>279,726</b>
Share capital	64,377	62,585
Share premium	0	1,792
Foreign currency translation reserve	1,369	(2,278)
Revenue reserve	214,991	204,315
Minority interests	280,737	266,414
<b>Total Equity</b>	<b>294,605</b>	<b>279,726</b>

## THE WILMAR GROUP

### Unaudited Financial Statements for the First Quarter Ended 31 March 2006

#### 1(b)(ii) Aggregate amount of the Wilmar Group's borrowings and debt securities

	Wilmar Group			
	31.03.2006		31.12.2005	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
<b>(a) Amount repayable in one year or less, or on demand</b>	575,826	0	621,359	0
<b>(b) Amount repayable after one year</b>	82,050	0	68,359	0

#### Details of any Collateral

- (a) Bank term loans are secured by:
  - (i) a charge over property, plant and equipment of certain companies
  - (ii) a pledge over inventories and accounts receivables of certain companies
  - (iii) corporate guarantees from certain companies
  - (iv) personal guarantees from certain directors of certain subsidiaries
- (b) Bank term loans for Plasma investments are secured by a charge over the property, plant and equipment in companies which are involved in the Plasma investments.
- (c) Short term bank loans, trust receipts, bills discounts are secured by a charge over property, plant and equipment, fixed deposits, accounts receivables, inventories and corporate guarantee from certain companies.
- (d) Bank overdrafts are secured by property, plant and equipment, inventories, account receivables and corporate guarantees from certain companies.

## THE WILMAR GROUP

### Unaudited Financial Statements for the First Quarter Ended 31 March 2006

**1(c) A Cash Flow Statement for the Wilmar Group together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>Wilmar Group</b>	
	<b>Three months ended</b>	
	<b>31.03.2006</b> US\$'000	<b>31.03.2005</b> US\$'000
<b>Cash flows from operating activities</b>		
Profit before tax but after share of results of associated companies	22,535	13,117
<b>Adjustment for:</b>		
Depreciation	8,427	6,314
Profit on disposal of property, plant and equipment	(615)	(8)
Net gain on the fair value of derivative financial instruments	(4,428)	-
Foreign exchange arising from translation	1,493	1,088
Interest expense	16,572	11,334
Interest income	(5,036)	(2,331)
Share of profit of associates	(20)	-
Operating cash flow before working capital changes	38,928	29,514
<b>Changes in working capital:</b>		
Decrease in inventories	580	81,118
Decrease/(increase) in receivables and other assets	93,219	(132,418)
(Decrease)/increase in payables	(4,458)	52,958
Cash generated from operations	128,269	31,172
Interest paid	(12,229)	(6,384)
Interest received	5,036	2,331
Income taxes paid	(5,262)	(4,327)
<b>Net cash generated from operating activities</b>	<b>115,814</b>	<b>22,792</b>
<b>Cash flows from investing activities</b>		
Decrease in plasma investments	-	20
Payments for biological assets	(1,069)	(435)
Payments for property, plant and equipment	(30,961)	(17,932)
Proceeds from disposal of biological assets	78	-
Proceeds from disposal of property, plant and equipment	3,417	94
<b>Net cash outflow from investing activities</b>	<b>(28,535)</b>	<b>(18,253)</b>

# THE WILMAR GROUP

## Unaudited Financial Statements for the First Quarter Ended 31 March 2006

1(c) A Cash Flow Statement for the Wilmar Group together with a comparative statement for the corresponding period of the immediately preceding financial year (continued).

	Wilmar Group	
	Three months ended	
	31.03.2006 US\$'000	31.03.2005 US\$'000
<b>Cash flows from financing activities</b>		
Decrease/(increase) in receivables	1,249	(243)
Increase in net amount due from related party corporations	(33,727)	(88,106)
Decrease in net amount due to associates	(3,703)	(538)
Decrease in advances from minority shareholders	(151)	(8,949)
Repayment of bank loans	(52,403)	(15,501)
(Decrease)/increase in finance lease liabilities	(2)	15
Increase in fixed deposits pledged with financial institutions for bank facilities	(6)	(7)
Interest paid	(5,286)	(4,950)
Dividends paid by the Company	(5,000)	0
<b>Net cash outflow from financing activities</b>	<b>(99,029)</b>	<b>(118,279)</b>
Net decrease in cash held	(11,750)	(113,740)
Cash at the beginning of the financial period	(101,225)	5,825
<b>Cash at the end of the financial period</b>	<b>(112,975)</b>	<b>(107,915)</b>
Represented by:		
Bank and cash balances	28,332	12,829
Less: Fixed deposits pledged with financial institutions for bank facilities	(6)	(7)
Bank overdrafts	(141,301)	(120,737)
	<b>(112,975)</b>	<b>(107,915)</b>

## THE WILMAR GROUP

### Unaudited Financial Statements for the First Quarter Ended 31 March 2006

- 1(d)(i) A statement for the Wilmar Group showing either (i) all changes in equity, or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Wilmar Group	
	For the period ended	
	01.01.2006 31.03.2006	01.01.2005 31.03.2005
From To	US\$'000	US\$'000
<b>Issued Capital</b>		
Balance at beginning	62,585	62,585
Transfer from Share Premium	1,792	0
Balance at end	64,377	62,585
<b>Share Premium</b>		
Balance at beginning	1,792	1,792
Transfer to Share Capital	(1,792)	0
Balance at end	0	1,792
<b>Foreign Currency Translation Reserve</b>		
Balance at beginning	(2,278)	(115)
Net effect of exchange differences	3,647	(25)
Balance at end	1,369	(140)
<b>Revenue Reserve</b>		
Balance at beginning, as previously reported	204,315	153,894
Effects of adopting FRS 103	-	-
Effects of adopting FRS 21	-	-
Balance at beginning, as restated	204,315	153,894
Net profit for the period	15,676	10,493
Dividends paid	(5,000)	-
Balance at end	214,991	164,387

On 30 January 2006, in accordance with the Singapore Companies (Amendment) Act 2005, the concepts of "par value" and "authorized capital" were abolished and on that date, the shares of the Wilmar Group ceased to have a par value. Accordingly, the amount standing in the share premium had become part of the Wilmar Group's share capital.

## THE WILMAR GROUP

### Unaudited Financial Statements for the First Quarter Ended 31 March 2006

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issues, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There is no change in the Wilmar Group's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The financial statements presented above have not been audited or reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The same accounting policies and methods of computation have been followed as in our unaudited Proforma Consolidated financial statements as at 31 December 2005 as disclosed in the Circular to Shareholders of Ezyhealth Asia Pacific Ltd dated 10 June 2006.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Wilmar Group has applied the same accounting policies in the preparation of the financial statements for the current reporting period as compared to the unaudited Proforma Consolidated financial statements as at 31 December 2005 as disclosed in the Circular to Shareholders of Ezyhealth Asia Pacific Ltd dated 10 June 2006.



## THE WILMAR GROUP

### Unaudited Financial Statements for the First Quarter Ended 31 March 2006

6. **Earnings per ordinary share of the Wilmar Group for the current financial period reported and for the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	<b>Wilmar Group</b>	
	<b>Period ended</b>	
	<b>31.03.2006</b>	<b>31.03.2005</b>
(a) Based on weighted average number of shares (US cents/share)	0.72	0.48
(b) Based on fully diluted basis (US cents/share)	0.72	0.48
Weighted average number of shares applicable to basic earnings per share (000)	2,176,555	2,176,555
Weighted average number of shares based on fully diluted basis (000)	2,176,555	2,176,555

The above earnings per ordinary share of the Wilmar Group have been computed based on the net profit attributable to the shareholders and assuming the enlarged share capital of 2,176,555,000 shares pursuant to the proposed acquisition.

7. **Net asset value for the Wilmar Group per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.**

	<b>Wilmar Group</b>	
	<b>Period ended</b>	
	<b>31.03.2006</b>	<b>31.12.2005</b>
Net asset value per ordinary share based on issued share capital as at end of the period (US cents/share)	13.54	12.85

The above net asset value per ordinary share of the Wilmar Group have been computed based on the total net assets and assuming the enlarged share capital of 2,176,555,000 shares pursuant to the proposed acquisition.

8. **A review of the performance of the Wilmar Group, to the extent necessary for a reasonable understanding of the Wilmar Group's business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the Wilmar Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Wilmar Group during the current financial period reported on.

# THE WILMAR GROUP

## Unaudited Financial Statements for the First Quarter Ended 31 March 2006

### Introduction

The Wilmar Group is one of Asia's leading integrated agribusiness groups and one of Asia's largest palm oil refiners, and crushers of copra and palm kernel. It is also a sizeable oil palm plantation owner with extensive palm fruit processing mills in Indonesia. The Wilmar Group is primarily involved in palm oil and related business, with an integrated business operations ranging from oil palm cultivation and milling to the refining, processing, branding, merchandising and distribution of a wide range of palm oil and lauric and related products. In addition, it is also engaged in the merchandising of non-palm oil related products such as soya beans, crude soya oil and other grains. The principal business activities of the Wilmar Group can be divided into 3 segments as below:

- (a) Merchandising and refinery
- (b) Plantations and palm oil mills; and
- (c) Others

### Profit and Loss Statements

#### Business Segments

	Q1FY2006		Q1FY2005		Variance	
	US\$'000	%	US\$'000	%	US\$'000	%
<b>Revenue</b>						
- Merchandising & Refinery	1,055,380	97.0%	1,017,023	99.7%	38,357	3.8%
<i>Palm and laurics and others</i>	670,641	63.5%	612,992	60.3%	57,649	9.4%
<i>Soya beans and soya bean meals</i>	384,739	36.5%	404,031	39.7%	(19,292)	-4.8%
- Plantation and Palm Oil Mills	76,735	7.0%	51,757	5.1%	24,978	48.3%
- Others	48,724	4.5%	44,931	4.4%	3,793	8.4%
Elimination	(92,660)	-8.5%	(94,031)	-9.2%	1,371	-1.5%
<b>Total revenue</b>	<b>1,088,179</b>	<b>100.0%</b>	<b>1,019,680</b>	<b>100.0%</b>	<b>68,499</b>	<b>6.7%</b>
<b>Profit from Operations</b>						
- Merchandising & Refinery	21,505	63.2%	16,202	73.2%	5,303	32.7%
- Plantation and Palm Oil Mills	9,223	27.1%	3,980	18.0%	5,243	131.7%
- Others	3,323	9.7%	1,938	8.8%	1,385	71.5%
<b>Total profit from operations</b>	<b>34,051</b>	<b>100.0%</b>	<b>22,120</b>	<b>100.0%</b>	<b>11,931</b>	<b>53.9%</b>

- (1) Palm and laurics – comprises revenue from Merchandising and Refinery segment other than soya beans and soya bean meals.

## THE WILMAR GROUP

### Unaudited Financial Statements for the First Quarter Ended 31 March 2006

#### Geographical Segments

	Q1FY2006		Q1FY2005		Variance	
	US\$'000	%	US\$'000	%	US\$'000	%
<b>Revenue</b>						
- China	507,741	46.7%	455,394	44.7%	52,347	11.5%
- India	54,491	5.0%	99,089	9.7%	(44,598)	-45.0%
- South East Asia	294,597	27.1%	244,709	24.0%	49,888	20.4%
- Others	231,350	21.2%	220,488	21.6%	10,862	4.9%
<b>Total revenue</b>	<b>1,088,179</b>	<b>100.0%</b>	<b>1,019,680</b>	<b>100.0%</b>	<b>68,499</b>	<b>6.7%</b>

#### Revenue

Revenue for Q1 FY2006 increased by 6.7% or US\$68.5 million to US\$1,088.2 million from US\$1,019.7 million for Q1 FY2005.

*Revenue from Merchandising and Refinery segment* increased by 3.8% or US\$38.4 million from US\$1,017.0 million for Q1 FY2005 to US\$1,055.4 million for Q1 FY2006. This is mainly due to increase in sales volume for palm oil and lauric, from 1,342,000 metric tonne for Q1 FY2005 to 1,454,000 metric tonne for Q1 FY2006, and soya bean and soya bean meals, from 1,402,000 metric tonne for Q1 FY2005 to 1,441,000 metric tonne for Q1 FY2006. The weighted average selling price of the Wilmar Group's palm oil and lauric increased by 5.7% in Q1 FY2006 compared to Q1 FY2005. The weighted average selling price of the Wilmar Group's soya beans and soya bean meals decreased marginally by 7.4% in Q1 FY2006 compared to Q1 FY 2005 resulting in lower revenue.

*Revenue from Plantations and Palm Oil Mills segment* increased by 48.3% or US\$25.0 million from US\$51.8 million for Q1 FY2005 to US\$76.7 million for Q1 FY2006. This is mainly due to increase in production volume of fresh fruit bunches (FFB) and crude palm oil (CPO). Production of FFB increased by 79,375 metric tonne or 59.5% to 212,749 metric tonne for Q1 FY2006 from 133,374 metric tonne for Q1 FY2005. Production of CPO also increased by 19,382 metric tonne or 13.6% from 142,597 metric tonne for Q1 FY2005 to 161,979 metric tonne for Q1 FY2006. The increase in production volume is mainly due to better crop and higher milling capacity in Q1 FY2006 compared to Q1 FY2005.

*Revenue from Others segment* increased by 8.4% or US\$3.8 million from US\$44.9 million for Q1 FY2005 to US\$48.7 million for Q1 FY2006, principally due to the increase in average selling price of fertilizer partially offsetted by a marginal decrease in sales volume of 10,632 metric tonne or 5.5% from Q1 FY2005 to Q1 FY2006. The average selling price of fertilizer increased by 15.6% in Q1 FY 2006 compared to Q1 FY 2005.

#### Cost of Sales

Cost of sales for Q1 FY2006 increased by approximately 4.5% or US\$43.0 million to US\$989.9 million compared to US\$946.8 million for the previous corresponding Q1 FY2005 mainly due to increase in the commodity prices of palm oil and lauric.

## **THE WILMAR GROUP**

### **Unaudited Financial Statements for the First Quarter Ended 31 March 2006**

#### ***Gross Profit***

Gross profit increased by approximately by US\$25.5 million or 34.9% from US\$72.8 million for Q1 FY2005 to US\$98.3 million for Q1 FY2006 mainly due to higher revenue achieved compared to Q1 FY2005. The Wilmar Group sells its products to customers under CIF or C&F shipment terms, such amount of freight charges and insurance costs are included as part of its revenue and the corresponding freight charges and insurance costs will form part of its selling and distribution costs. Accordingly, had the corresponding freight charges and insurance costs been included in the costs of sales, the adjusted gross profit margin would have increased from 3.7% for Q1 FY2005 to 4.9% for Q1 FY2006. The improvement in the adjusted gross profit margin was mainly due to higher average selling prices which more than compensated for the effect of the increase in freight charges and insurance costs.

#### ***Other Operating Income***

Other operating income increased by US\$1.5 million to US\$2.0 million for Q1 FY2006 from US\$0.5 million for Q1 FY2005. This was mainly due to an increase in net gain on disposal of property, plant and equipment, an increase in transportation income.

#### ***Selling and Distribution Costs***

Selling and distribution costs increased by US\$14.4 million or 32.0% to US\$59.4 million in Q1 FY2006 from US\$45.0 million in Q1 FY2005 mainly due to:

- (a) increase in freight charges by US\$9.7 million because of increase in sales volume on C&F; and
- (b) increase in demurrages expense by US\$2.1 million due to the traffic congestion at ports resulting in higher costs incurred.

#### ***Administrative expenses***

Administrative expenses increased by US\$1 million or 17.7% from US\$5.5 million for Q1 FY2005 to US\$6.5 million for Q1 FY2006 mainly due to higher staff costs.

***Other operating expenses*** decreased marginally compared to Q1 FY2005.

#### ***Finance Income***

Finance income increased by US\$2.7 million or 116.0% from US\$2.3 million for Q1 FY2005 to US\$5.0 million for Q1 F2006 primarily due to increase in interest charged to related corporations by US\$2.0 million (please see para below on Balance Sheet item of "other receivables" of amount due from related party corporations) in line with higher interest rates.

#### ***Finance Costs***

Finance costs increased by US\$5.2 million or 46.2% from US\$11.3 million for Q1 FY2005 to US\$16.6 million for Q1 FY2006 mainly due to:

- (a) increase in interest on bank overdrafts by US\$3.7 million due to increase in bank overdraft utilization as well as the increase in average interest rates from 10% p.a. to 14% p.a.; and
- (b) increase in interest on pre-shipment loans by US\$2.1 million due to increase in utilization of such facility and increase in average interest rates from 3.75% p.a. to 5.9% p.a.

## THE WILMAR GROUP

### Unaudited Financial Statements for the First Quarter Ended 31 March 2006

#### ***Profit Before Tax***

Profit before tax increased by 71.8% or US\$9.4 million to US\$22.5 million for Q1 FY2006 from US\$13.1 million for Q1 FY2005, of which soya beans and soya bean meals recorded a profit before tax of US\$1.4 million (1,441,000 metric tonne @ US\$1 per metric tonne) for Q1 FY2006 and US\$0.3 million (1,402,000 metric tonne @ US\$0.25 per metric tonne) for Q1 FY2005. Palm and laurics recorded a profit before tax of US\$12.6 million and US\$9.6 million for Q1 FY2006 and Q1 FY2005 respectively mainly due to improved operating efficiency and merchandising activities.

#### ***Income Tax***

Income tax expense increased by US\$4.0million to US\$6.3 million for Q1 FY2006 from US\$2.3 million in Q1 FY2005. The effective income tax rate for Q1 FY2006 is thus 28.0% and 17.3% for Q1 FY2005. This is mainly due to higher profits earned from Indonesia operations.

#### **Balance Sheet and Cash Flows**

Net book value of property, plant and equipment increased by US\$19.5 million mainly due to an increase in construction in progress by US\$19.2 million. This increase is attributable to palm oil refineries and fractionation plants, palm kernel crushing plants, palm oil mills and fertilizer plant.

The Wilmar Group's average trade receivables days and average inventory turnover days remained the same as at 31 December 2005, i.e. 28 days and 26 days respectively. However, the average trade payable days reduced to 14 days in Q1 FY2006 compared to 18 days of the average annualized of end December 2005. This is due to accelerated payments made by the Wilmar Group to its related party supplier, ADM, to minimize finance costs.

Other receivables comprise mainly advanced payments for purchase of property, plant and equipment, advances to suppliers, amount due from associates and amount due from related party corporations. The increase is mainly due to increase in loans to related party corporations. Amount due from related party corporations is expected to settle by June/July 2006 through capitalization.

Interest-bearing loans and borrowings decreased by US\$31.8 million mainly due to reduction in utilization of trade financing by US\$74.5 million but increase in utilization of bank term loans, short term bank loans and bank overdraft by US\$42.7 million.

The fluctuations of the balances are based on quarter ended 31 March 2006 compared to year-ended 31 December 2005.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast was previously disclosed by the Wilmar Group.

## THE WILMAR GROUP

### Unaudited Financial Statements for the First Quarter Ended 31 March 2006

- 10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Wilmar Group operates and any known factors or events that may affect the Wilmar Group in the next reporting period and the next 12 months.**

Please refer to the details of the Wilmar Group's trends and prospects as well as its strategy and future plans in the Circular to Shareholders of Ezyhealth Asia Pacific Ltd dated 10 June 2006.

**11. Dividend**

- (a) Current Financial Period Reported On

During the first quarter ended 31 March 2006, the Wilmar Group paid out a tax exempt dividend of US\$5.0 million.

- (b) Corresponding Period of the Immediately Preceding Financial Year

NIL

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

NIL

- (d) Date Payable

Not applicable.

- (e) Books Closure Date

Not applicable.

**12. If no dividend has been declared or recommended, a statement to that effect.**

Not applicable.

**PART II: Additional information required for Full Year announcement (This part is not applicable to Q1, Q2 and Q3 or Half Year Results)**

- 13. Segmented revenue and results for business or geographical segments (of the Wilmar Group) in the format presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable.

## **THE WILMAR GROUP**

### **Unaudited Financial Statements for the First Quarter Ended 31 March 2006**

- 14. In the view of performance, the factors leading to any materials changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

- 15. A breakdown of sales.**

Not applicable.

- 16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

- 17. Interested Person Transactions**

Details of the relevant interested person transactions for the first quarter ended 31 March 2006 were disclosed in the Circular to Shareholders of Ezyhealth Asia Pacific Ltd dated 10 June 2006.