

WILMAR INTERNATIONAL LIMITED

(Company Registration No. 199904785Z)
(Incorporated in the Republic of Singapore)

PROPOSED ISSUE OF US\$500,000,000 CONVERTIBLE BONDS DUE 2012 WITH AN OPTION FOR UP TO AN ADDITIONAL US\$100,000,000 CONVERTIBLE BONDS

1. INTRODUCTION

The board of directors of Wilmar International Limited (the “**Company**”) is pleased to announce that on 29 November 2007, the Company has entered into a subscription agreement (the “**Subscription Agreement**”) for the offering and issue of the Convertible Bonds (as defined below) with CIMB-GK Securities Pte. Ltd., DBS Bank Ltd. and Goldman Sachs (Singapore) Pte. (collectively, the “**Joint Bookrunners**”).

Under the terms of the Subscription Agreement, the Company has agreed to issue as issuer, and the Joint Bookrunners have severally agreed to subscribe and/or procure subscriptions for an aggregate of US\$500,000,000 Convertible Bonds due 2012 at an issue price of 100% of the principal amount of the Convertible Bonds (the “**Firm Bonds**”). The Joint Bookrunners have also been granted with an option to subscribe and/or procure subscription of up to an additional US\$100,000,000 Convertible Bonds due 2012 (the “**Optional Bonds**”, and together with the Firm Bonds, the “**Convertible Bonds**”). **The Convertible Bonds will be issued by the Company outside the United States in reliance on Regulation S under the United States Securities Act of 1933, as amended, and are not being offered or sold in the United States. The Convertible Bonds and the Conversion Shares (as defined below) have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“Regulation S”)). Accordingly the Convertible Bonds will be sold outside the United States in compliance with Regulation S.**

The Convertible Bonds will be constituted by a trust deed to be executed by each of the Company and Citibank, N.A., London Branch as the trustee (the “**Trust Deed**”).

Each Convertible Bond will, at the option of the relevant holder, be convertible (unless previously redeemed, converted or purchased and cancelled) into fully paid ordinary shares of the Company (the “**Shares**”) at an initial conversion price of S\$5.38 per Share based on a fixed exchange rate of S\$1.4451 to US\$1 (the “**Conversion Shares**”). The conversion price is subject to adjustment in the circumstances set out in the Trust Deed.

The Firm Bonds have been fully placed to institutional investors and/or accredited investors and the proposed issue of Convertible Bonds will be made pursuant to exemptions invoked under Sections 274 and 275 of the Securities and Futures Act, Chapter 289 of Singapore.

2. PRINCIPAL TERMS OF THE CONVERTIBLE BONDS

The principal terms and conditions of the Convertible Bonds (the “**Conditions**”) are summarised below. For more information, please refer to the offering circular to be issued by the Company in due course, which shall contain information on, *inter alia*, the offer and issue of the Convertible Bonds (the “**Offering Circular**”).

Issue Size	US\$500,000,000 aggregate principal amount of Convertible Bonds (with an option for the issue of up to an additional US\$100,000,000 Convertible Bonds).
Issue Price/ Face Value	100% of the principal amount of the Convertible Bonds.
Form and Denomination	The Convertible Bonds will be issued in registered form in the denomination of US\$100,000 each.
Interest	Save as provided in the Conditions, the Convertible Bonds do not bear any interest.
Issue Date	Expected to be 18 December 2007.
Maturity Date	5 years (expected to be 18 December 2012).
Status of the Convertible Bonds	The Convertible Bonds constitute direct, unsubordinated, unconditional and (subject to the negative pledge as mentioned below) unsecured obligations of the Company and shall at all times rank <i>pari passu</i> and without any preference or priority among themselves. The payment obligations of the Company under the Convertible Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and subject to the negative pledge mentioned below, at all times rank at least equally with all of its other present and future direct, unsubordinated, unconditional and unsecured obligations.
Status of the Conversion Shares	The Conversion Shares will in all respects rank <i>pari passu</i> with the Shares on the relevant Registration Date (as defined in the Conditions). Save as set out in the Conditions, a holder of Conversion Shares shall not be entitled to any rights the record date for which precedes the relevant Registration Date.
Negative Pledge	Save as provided in the Conditions, so long as any Convertible Bond remains outstanding, the Company will not create or permit to subsist, and the Company will procure that no Principal Subsidiary (as defined in the Conditions) of the Company will create or permit to subsist, any security upon the whole or any part of its assets to secure any Investment Securities (as defined in the Conditions) or to secure any guarantee of, or indemnity in respect of, any Investment Securities unless, the Company's obligations under the Convertible Bonds and the Trust Deed are

secured equally and rateably to the satisfaction of the Trustee, or have the benefit of such other security, guarantee, indemnity or other arrangement as the Trustee in its absolute discretion shall deem to be not materially less beneficial to the bondholders or as shall be approved by an Extraordinary Resolution (as defined in the Conditions) of the bondholders.

Conversion Period

Save as provided in the Conditions, convertible at the option of the holder at any time on and after 27 January 2008:

- (a) up to the close of business (at the place where the certificate evidencing such Convertible Bond is deposited for conversion) on 11 December 2012; or
- (b) if such Convertible Bond shall have been called for redemption before 11 December 2012, then up to the close of business (at the place aforesaid) on a date no later than 7 business days (at the place aforesaid) prior to the date fixed for redemption thereof; or
- (c) if such Convertible Bond shall have been subject to Mandatory Conversion (as defined in the Conditions), then up to the date of expiry of the Mandatory Conversion Notice Period (as defined in the Conditions).

Mandatory Conversion at the Option of the Company

Save as provided in the Conditions, at any time on or after 18 December 2009 and prior to 11 December 2012, the Company may, having given not less than 10 Trading Days (as defined in the Conditions) notice of mandatory conversion to bondholders (the “**Mandatory Conversion Notice**”), mandatorily convert all of the Convertible Bonds outstanding into Shares provided that no such conversion may be made unless the VWAP (as defined in the Conditions) of the Shares (translated into US dollars at the Prevailing Rate (as defined in the Conditions) on each Trading Day) for each of 20 consecutive Trading Days, the last of which occurs not more than 10 Trading Days prior to the date of the Mandatory Conversion Notice, was at least 130% of (x) the principal amount of each Convertible Bond plus an amount equal to the applicable Early Redemption Interest Amount (as defined in the Conditions) divided by (y) the Conversion Ratio (as defined in the Conditions).

Conversion Price

The price at which Shares will be issued upon conversion, and will initially be S\$5.38 per Share but will be subject to adjustment in the manner

	provided in the Conditions.
Conversion Premium	28% over S\$4.20, being the last closing price to the trading halt.
Redemption on Maturity	Unless previously redeemed, converted or purchased and cancelled as provided herein, the Company will redeem each Convertible Bond at 117.78% of its principal amount on the Maturity Date. The Company may not redeem the Convertible Bonds at its option prior to that date except as provided in the Conditions.
Redemption at the Option of the Company	If at any time the aggregate principal amount of the Convertible Bonds outstanding is less than 10% of the aggregate principal amount originally issued (including any further issue of Convertible Bonds under the Conditions), the Company shall have the option to redeem such outstanding Convertible Bonds in its entirety at their principal amount plus an amount equal to the Early Redemption Interest Amount.
Redemption for Taxation Reasons	The Company may at any time, subject to the satisfaction of certain conditions, redeem all the outstanding Convertible Bonds at their principal amount plus an amount equal to the Early Redemption Interest Amount on the Tax Redemption Date (as defined in the Conditions).
Redemption at the Option of the Bondholders	The Company will, at the option of the holder of any Convertible Bond, redeem all or some of that holder's Convertible Bonds on 18 December 2010 at 110.32 % of their principal amount and in accordance with the Conditions.
Redemption upon Change of Control	Following the occurrence of a Relevant Event (as defined in the Conditions), the holder of each Convertible Bond will have the right at such holder's option, to require the Company to redeem in its entirety such holder's Convertible Bonds on the Relevant Event Put Date (as defined in the Conditions) at their principal amount plus an amount equal to the Early Redemption Interest Amount.
Redemption upon Delisting	In the event of a Delisting (as defined in the Conditions), each bondholder shall have the right, at such bondholder's option, to require the Company to redeem all of such bondholder's Convertible Bonds on the 20 th business day after notice has been given to bondholders regarding the Delisting or, if such notice is not given, the 20 th business day after the Delisting at their principal amount plus an amount equal to the Early Redemption Interest Amount.

Governing Law

English law.

Listing

Application will be made to the SGX-ST for the listing and quotation of the Convertible Bonds and Conversion Shares on the Main Board of the SGX-ST.

3. CONVERSION SHARES

The number of Conversion Shares to be allotted and issued by the Company, assuming the full conversion of the Firm Bonds, is approximately 134.3 million (based on the initial Conversion Price of S\$5.38 and assuming no adjustments are made thereto), which represents approximately 2.1% of the issued and paid-up shares of the Company as at 30 September 2007.

The proposed issue of the Convertible Bonds and Conversion Shares is made pursuant to the general mandate for issue of convertible securities and shares given by the shareholders to the Directors of the Company at the annual general meeting of the Company held on 26 April 2007.

4. USE OF PROCEEDS

The net proceeds from the issue of the Convertible Bonds (assuming the option to subscribe for the Optional Bonds is not exercised) is estimated to be approximately US\$490 million after deducting fees and expenses (including but not limited to a combined management and underwriting commission and expenses to be paid to the Joint Bookrunners) and is intended to be used as follows:

- approximately US\$400 million to fund the group's capital expenditure;
- approximately US\$50 million to repay the group's existing debt facilities; and
- the balance for the group's working capital and general corporate purposes.

Pending the deployment of the proceeds as aforesaid, the Company may place the proceeds in short-term deposits or money market instruments.

5. FINANCIAL EFFECTS

For purposes of illustration only, the proforma financial effects of the proposed issue of the Convertible Bonds, based on the unaudited consolidated financial statements of the Company, for the third quarter ended 30 September 2007, on the share capital, net asset value and gearing, are as follows:

a) Share Capital

	As at 30 September 2007	After Issue of		After Conversion of*	
		Firm Bonds	Firm Bonds and Optional Bonds	Firm Bonds*	Firm Bonds and Optional Bonds*

Number of Shares ('000)	6,385,681	6,385,681	6,385,681	6,519,984	6,546,845
Issued and fully paid-up share capital (US\$'000)	7,014,032	7,014,032	7,014,032	7,514,032	7,614,032

b) Net Asset Value (“NAV”)

	As at 30 September 2007	After Issue of		After Conversion of	
		Firm Bonds	Firm Bonds and Optional Bonds	Firm Bonds*	Firm Bonds and Optional Bonds*
NAV (US\$'000)	7,391,371	7,381,950	7,381,950	7,881,950	7,981,950
NAV per Share (US\$)	115.75	115.60	115.60	120.89	121.92

c) Gearing⁽¹⁾⁽²⁾

	As at 30 September 2007	After Issue of		After Conversion of	
		Firm Bonds	Firm Bonds and Optional Bonds	Firm Bonds*	Firm Bonds and Optional Bonds*
Total borrowings (US\$'000)	3,928,738	4,428,738	4,528,738	3,928,738	3,928,738
Shareholders' equity (US\$'000)	7,102,633	7,093,212	7,093,212	7,593,212	7,693,212
Gearing ratio (%)	0.55	0.62	0.64	0.52	0.51

*Assuming the Firm Bonds and Optional Bonds are fully converted at the initial Conversion Price.

Notes:

- (1) For the purposes of the above Gearing calculations, “Gearing” means the ratio for “Total Borrowings” to “Total Equity”; and “Total Borrowings” means the aggregate of interest-bearing loans and borrowings and convertible bonds.
- (2) The effects on the derivative financial instrument components have not been illustrated above.

(3) Exchange rate is assumed at S\$1.4451 to US\$1.

6. CONDITIONS

The proposed issue of the Convertible Bonds and the Conversion Shares are conditional upon *inter alia*, in-principle approval being obtained from the SGX-ST for the listing of and quotation for the Convertible Bonds and the Conversion Shares on the Main Board of the SGX-ST.

The Company will make an application to the SGX-ST for the listing and quotation of the Convertible Bonds and the Conversion Shares. Appropriate announcements on the outcome of the applications will be made, and an Offering Circular will be issued by the Company, in due course.

The SGX-ST's approval in-principle, if given, shall not be construed as an indication of the merits of the proposed issue of the Convertible Bonds, the Conversion Shares or the Company.

7. CLOSING DATE FOR FIRM BONDS

Expected to be 18 December 2007 (or a later date agreed between the Company and the Joint Bookrunners being not later than 1 January 2008) (the “**Closing Date**”).

8. LOCK-UP AGREEMENT

The Company has undertaken to the Joint Bookrunners that it shall not, for a period of 90 days from the date of the Subscription Agreement *inter alia*, issue, offer or sell any Shares or issue or offer any securities which confer a right to Shares or enter into agreement to do so subject to certain exceptions in the Subscription Agreement.

On or prior to Closing Date, Wilmar Holdings Pte Ltd, being a controlling shareholder of the Company, shall execute a lock-up letter pursuant to which it will undertake to the Joint Bookrunners that for a period of 90 days after the date of the Subscription Agreement, it will not, *inter alia*, offer, sell, transfer or otherwise dispose of any Shares subject to certain exceptions provided for therein.

9. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Convertible Bonds will be issued by the Company to any person or groups of person prohibited by SGX-ST as set out under Rule 812 of the SGX-ST Listing Manual.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the proposed issue of Convertible Bonds, other than through their respective shareholding interests in the Company.

10. OTHER INFORMATION

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful.

By Order of the Board
WILMAR INTERNATIONAL LIMITED

KUOK KHOON HONG
Chief Executive Officer
29 November 2007

CIMB-GK Securities Pte. Ltd. was the financial adviser to the Company in relation to the acquisition of the Wilmar Group.