

WILMAR INTERNATIONAL LIMITED

FY2024 Results Briefing

February 20, 2025



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FY2024 Financial Performance – Key Takeaways



Earnings Highlights

	2H2024 (US\$m)	vs 2H2023* △	FY2024 (US\$m)	vs FY2023* △
Revenue	36,444	5%	67,379	0%
EBITDA	2,096	-9%	3,886	-2%
Profit Before Tax	1,003	-20%	1,745	-11%
Net Profit	590	-39%	1,170	-23%
Core Net Profit	558	-44%	1,164	-26%
Earnings per share in US cents (fully diluted)	9.5	-39%	18.7	-23%
Dividends per share in Singapore cents	10.0	-9%	16.0	-6%

* Includes gain from sale of Cosumar S.A. of US\$231.0 million

Earnings Highlights – Segment Results (PBT US\$m)

	2H2024	2H2023	Δ	FY2024	FY2023	Δ
Food Products	355.8	212.3	68%	502.1	294.9	70%
Feed and Industrial Products	295.4	527.7	-44%	829.5	926.7	-10%
Plantation and Sugar Milling	215.3	437.2*	-51%	269.1	500.1*	-46%
Others	20.9	(25.0)	<i>n.m.</i>	(38.1)	(55.2)	31%
Joint Ventures & Associates	136.7	120.9	13%	219.9	319.8	-31%
Unallocated expenses [#]	(21.2)	(14.6)	-46%	(37.4)	(30.1)	-24%
Profit Before Tax	1,002.9	1,258.5	-20%	1,745.1	1,956.2	-11%

[#] Unallocated expenses refer to expenses in relation to the grant of share options to employees.

* Includes gain from sale of Cosumar S.A. of US\$231.0 million

Sales Volume by Business Segment ('000 MT)

	2H2024	2H2023	Δ	FY2024	FY2023	Δ
Food Products	17,364	16,103	8%	33,000	30,682	8%
Consumer Products	4,243	4,039	5%	8,332	7,970	5%
Medium Pack and Bulk	13,121	12,064	9%	24,668	22,712	9%
Feed and Industrial Products	38,453	33,348	15%	68,700	61,269	12%
Tropical Oils	13,570	13,318	2%	25,585	24,722	3%
Oilseeds and Grains	15,723	12,038	31%	27,453	23,249	18%
Sugar	9,160	7,992	15%	15,662	13,298	18%
Plantation and Sugar Milling[#]						
Sugar Milling	2,331	2,686	-13%	3,090	3,565	-13%
Total	58,148	52,137	12%	104,790	95,516	10%

[#] Excludes oil palm plantation and fertiliser volume

Cash Flow Highlights

US\$ million	FY2024	FY2023
Operating cash flow before working capital changes	3,801	2,953
Add/(less): Changes in working capital, interest (paid)/received and income taxes paid	(2,429)	932
Acquisition of subsidiaries, joint ventures and associates	(66)	(298)
Capital expenditure	(1,572)	(2,211)
Net (decrease)/increase from bank borrowings*	(1,774)	525
Decrease/(increase) in other deposits and financial products with financial institutions	1,425	(217)
Dividends	(866)	(848)
Others**	143	698
Net cash flow	(1,338)	1,534

Note :

* Net bank borrowings include proceeds/repayments of loans and borrowings net of fixed deposits pledged with financial institutions for bank facilities and unpledged fixed deposits with maturity more than 3 months.

** FY2023 - Includes proceeds from sale of Cosumar S.A. of US\$583 million.

Gearing

US\$ million	As at Dec 31, 2024	As at Dec 31, 2023
Debt/Equity (x)	0.94	0.88
- Net debt *	18,638	17,652
- Shareholders' funds	19,861	20,173
Adjusted debt/Equity (x)	0.33	0.37
- Liquid working capital **	12,088	10,174
- Adjusted net debt	6,550	7,478
- EBITDA	3,886	3,963
Net debt/EBITDA (x)	4.80	4.45
Adjusted net debt/EBITDA (x)	1.69	1.89

* Net debt = Total borrowings – Cash and bank balances – Other deposits with financial institutions.

** Liquid working capital = Inventories (excl. consumables) + Trade receivables – Current liabilities (excl. borrowings).

- The steady increase in palm commodity prices and increase in stockholdings as a result of an earlier Chinese Spring Festival have increased working capital requirements for the Group in FY2024. Correspondingly, net debt to equity ratio increased to 0.94x as at 31 December 2024. Nevertheless, adjusted debt to equity ratio improved to 0.33x in FY2024.

Business Outlook

- Despite the challenging operating conditions during the year, most of our businesses reported higher profits in FY2024, but this was offset by a weaker sugar merchandising business within our Feed & Industrial Products segment which had an exceptional year in FY2023.
- We expect to continue increasing our market share for Food Products segment in the coming year, as we build on our reputation as a producer of quality and healthy food. Palm oil refining is expected to remain challenging while we are cautiously optimistic that oilseeds business will perform satisfactorily as a record soybean crop production is expected in Brazil in 2025. Barring unforeseen circumstances, we are confident that FY2025 results will be satisfactory.

Appendix



Business Segment results: Food Products (Consumer Products, Medium Pack and Bulk)

	2H2024	2H2023	Δ	FY2024	FY2023	Δ
Revenue (US\$ million)	15,169.1	14,158.3	7%	28,829.3	28,326.4	2%
➤ <i>Consumer Products</i>	5,336.6	5,287.6	1%	10,586.7	11,057.2	-4%
➤ <i>Medium Pack and Bulk</i>	9,832.5	8,870.7	11%	18,242.6	17,269.2	6%
Sales volume ('000 MT)	17,364	16,103	8%	33,000	30,682	8%
➤ <i>Consumer Products</i>	4,243	4,039	5%	8,332	7,970	5%
➤ <i>Medium Pack and Bulk</i>	13,121	12,064	9%	24,668	22,712	9%
Profit before tax (US\$ million)	355.8	212.3	68%	502.1	294.9	70%

- Profit for the segment improved by 68% to US\$355.8 million mainly as a result of the Group recognising a pre-tax gain from the share swap exercise of its China associates and joint venture (Luhua) in 2H2024. This was further aided by stronger sales volume in 2H2024 as the Group recorded sales volume growth across most of its products during the period.
- Overall sales volume for the segment grew by 8% to 17.4 million MT in 2H2024 while revenue grew by 7% to US\$15.17 billion in 2H2024. However, these improvements were partially offset by losses incurred by the Group's new ventures in Food Products. Although these new ventures are not profitable yet, the Group believes they will strengthen the long-term potential of its Food Products segment.
- Similarly, for the full year, segment profit increased by 70% to US\$502.1 million in FY2024, with overall sales volume increasing by 8% to 33.0 million MT in FY2024. Revenue for the segment grew by 2% to US\$28.83 billion in FY2024.

Business Segment results: Feed and Industrial Products (Tropical Oils, Oilseeds and Grains and Sugar)

	2H2024	2H2023	Δ	FY2024	FY2023	Δ
Revenue (US\$ million)	23,266.4	21,959.7	6%	42,254.0	41,369.2	2%
➤ Tropical Oils	12,927.9	11,414.8	13%	23,508.3	22,430.1	5%
➤ Oilseeds and Grains	5,656.0	5,542.2	2%	10,276.1	10,946.1	-6%
➤ Sugar	4,682.5	5,002.7	-6%	8,469.6	7,993.0	6%
Sales volume ('000 MT)	38,453	33,348	15%	68,700	61,269	12%
➤ Tropical Oils	13,570	13,318	2%	25,585	24,722	3%
➤ Oilseeds and Grains	15,723	12,038	31%	27,453	23,249	18%
➤ Sugar	9,160	7,992	15%	15,662	13,298	18%
Profit before tax (US\$ million)	295.4	527.7	-44%	829.5	926.7	-10%

- The segment posted lower profit of US\$295.4 million in 2H2024 mainly due to weaker performance from sugar merchandising activities and continued challenging operating conditions for tropical oils business. The oilseeds business enjoyed higher crushing volume in 2H2024 despite weaker crushing margins. Overall sales volume for the segment increased by 15% to 38.5 million MT in 2H2024, aided by higher sales across all its main businesses.
- For FY2024, profit before tax was lower by 10% at US\$829.5 million while overall sales volume for the segment increased by 12% to 68.7 million MT in FY2024.

Business Segment results: Plantation and Sugar Milling

	2H2024	2H2023	Δ	FY2024	FY2023	Δ
Revenue (US\$ million)	2,043.4	2,090.7	-2%	3,360.8	3,980.6	-16%
➤ Oil Palm Plantation	1,129.4	1,061.4	6%	2,075.6	2,482.7	-16%
➤ Sugar Milling	914.0	1,029.3	-11%	1,285.2	1,497.9	-14%
Sales volume ('000 MT)#	2,331	2,686	-13%	3,090	3,565	-13%
➤ Sugar Milling						
Profit before tax (US\$ million)	215.3	437.2*	-51%	269.1	500.1*	-46%

Excludes oil palm plantation and fertiliser volume

* Includes gain from sale of Cosumar S.A. of US\$231.0 million

- Excluding the recognition of a US\$231.0 million gain on disposal of our Moroccan associate (Cosumar) in 2H2023, profit for the segment improved by 4% to US\$215.3 million in 2H2024 (2H2023: US\$206.2 million). The improvement was mainly driven by higher palm oil prices during the period which boosted the performance of palm plantation business. However, this was partially impacted by lower production and yield of fresh fruit bunches (FFB) caused by unfavourable weather conditions. FFB production decreased by 9% to 2,162,031 MT in 2H2024 while yield dropped by 8% to 10.2 MT per hectare in 2H2024. Weaker performance from sugar milling business, brought about by lower sugar prices and sales volume, further impacted the segment's performance. Sugar sales volume declined by 13% to 2.3 million MT in 2H2024.
- Together with the weaker results recorded in 1H2024, segment profit decreased to US\$269.1 million. Fresh fruit bunches production decreased by 8% to 4,109,244 MT while production yield declined 7% to 19.5 MT per hectare in FY2024.

Business Segment results: Plantation and Sugar Milling (Oil Palm Plantation Statistics)

	2H2024	2H2023	Δ	FY2024	FY2023	Δ
Planted area (ha)	230,951	230,135	0%	230,951	230,135	0%
Mature area harvested (ha)	211,053	211,862	0%	211,053	211,862	0%
FFB production (MT)	2,162,031	2,370,703	-9%	4,109,244	4,450,452	-8%
FFB Yield (MT/ha)	10.2	11.2	-8%	19.5	21.0	-7%
Mill Production						
➤ Crude Palm Oil (MT)	777,474	937,541	-17%	1,507,374	1,748,267	-14%
➤ Palm Kernel (MT)	177,323	217,644	-19%	345,944	404,539	-14%
Extraction Rate						
➤ Crude Palm Oil	19.2%	19.5%	-2%	19.4%	19.9%	-2%
➤ Palm Kernel	4.4%	4.5%	-3%	4.4%	4.5%	-2%
New Planting (ha)	527	75	>100%	715	99	>100%
Replanting (ha)	4,775	4,144	15%	7,589	5,594	36%

Plantation Age Profile

in hectares	Average Age of Plantation					Total
	0 - 3 yrs	4 - 6 yrs	7 - 14 yrs	15 - 18 yrs	>18 yrs	
31 Dec 2024						
Indonesia	12,006	9,846	31,006	58,797	40,043	151,698
Malaysia	6,508	16,161	22,566	3,166	10,514	58,915
Africa	-	5,709	12,004	658	1,967	20,338
Total planted area	18,514	31,716	65,576	62,621	52,524	230,951
<i>% of total planted area</i>	<i>8.0%</i>	<i>13.7%</i>	<i>28.4%</i>	<i>27.1%</i>	<i>22.8%</i>	<i>100.0%</i>
Included YTD new plantings of :	715					
Plasma/outgrower Programme	2,353	6,236	754	5,194	21,493	36,030
31 Dec 2023						
Indonesia	10,136	13,410	31,730	69,554	26,074	150,904
Malaysia	6,192	18,514	17,716	5,817	10,655	58,894
Africa	-	5,707	12,117	754	1,759	20,337
Total planted area	16,328	37,631	61,563	76,125	38,488	230,135
<i>% of total planted area</i>	<i>7.1%</i>	<i>16.3%</i>	<i>26.8%</i>	<i>33.1%</i>	<i>16.7%</i>	<i>100.0%</i>
Included YTD new plantings of :	99					
Plasma/outgrower Programme	4,108	3,885	1,469	7,811	19,369	36,642

- Weighted average age of our plantations is approximately 13 years.

Non-Operating Items

US\$ million	2H2024	2H2023	FY2024	FY2023
Foreign exchange gain/(loss) in respect of intercompany loans to subsidiaries	2.0	(7.0)	(16.3)	(19.3)
Net fair value gain/(loss) on investment securities at fair value through profit or loss	16.1	(16.5)	5.6	(33.7)
Gain on disposal of investment securities at fair value through profit or loss	0.2	3.0	3.5	5.0
Investment income from investment securities	15.3	34.4	28.2	49.1
Interest expense directly attributable to the funding of the Wilmar Sugar Australia acquisition	(17.0)	(17.6)	(34.5)	(33.7)
(Decrease)/increase in fair value of investment properties	(1.7)	0.1	(1.7)	0.1
Impairment loss on goodwill	-	(5.3)	-	(5.3)
Total non-operating items	14.9	(8.9)	(15.2)	(37.8)
Net gain/(loss) arising from changes in fair value of biological assets	25.4	(2.8)	25.4	(2.8)
Total	40.3	(11.7)	10.2	(40.6)
Net profit	590.2	973.9	1,169.8	1,524.8
Core net profit	558.2	989.3	1,164.4	1,566.5

Cash Flow

US\$ million	FY2024	FY2023
Operating cash flow before working capital changes	3,801	2,953
Add/(less): Changes in working capital, interest (paid)/received and income taxes paid	(2,429)	932
Acquisition of subsidiaries, joint ventures and associates	(66)	(298)
Capital expenditure	(1,572)	(2,211)
Net (decrease)/increase from bank borrowings*	(1,774)	525
Decrease/(increase) in other deposits and financial products with financial institutions	1,425	(217)
Dividends	(866)	(848)
Others**	143	698
Net cash flow	(1,338)	1,534
Turnover days		
- Inventories	65	67
- Trade Receivables	30	29
- Trade Payables	16	13

Note :
 * Net bank borrowings include proceeds/repayments of loans and borrowings net of fixed deposits pledged with financial institutions for bank facilities and unpledged fixed deposits with maturity more than 3 months.
 ** FY2023 - Includes proceeds from sale of Cosumar S.A. of US\$583 million.

Turnover days are calculated by averaging the monthly turnover days to better reflect the true turnover period in view of the seasonality of the Group's business. Monthly turnover days are computed using revenue and cost of sales for the month.

Cash Flow – Cont.

- Inventories increased by 10% to US\$12.99 billion as at 31 December 2024 mainly as an earlier Chinese Spring Festival in FY2025 led to an increase in stockholdings at the end of FY2024. Average turnover days decreased to 65 days in FY2024 (FY2023: 67 days).
- Trade receivables increased by 18% to US\$7.55 billion as of 31 December 2024, due to timing of repayment. Average turnover days was 30 days for the year (FY2023: 29 days).
- Trade payables increased to US\$4.01 billion as of 31 December 2024, impacted by both timing of purchases as well as longer payables turnover days during the year. Average turnover days increased to 16 days for the year (FY2023: 13 days).

Funding and Liquidity

US\$ million	As at Dec 31, 2024		
	Available	Utilised	Balance
Credit facilities :			
Committed	11,269	8,661	2,608
Trade finance	47,550	19,296	28,254
Short term	1,284	393	891
Total credit facilities	60,103	28,350	31,753
Available facilities			31,753
Available cash not pledged			3,043
Total liquidity			34,796

- 68% of utilised facilities were trade financing lines as at December 31, 2024.
- 47% of total facilities were utilised as at December 31, 2024.

Key Indicators

	As at Dec 31, 2024	As at Dec 31, 2023
Return on Average Equity [#]	5.8%	7.6%
Return on Invested Capital [#]	4.3%	5.6%
in US cents		
EPS (fully diluted)	18.7	24.4
NTA per share	276.7	279.8
NAV per share	318.1	323.1
in Singapore cents		
Dividends (interim & final)	16.0	17.0

Formulas :

Return on Average Equity = Net profit ÷ Average equity

Return on Invested Capital = (Earnings before interest – Fair value of biological assets) ÷ (Average long term assets excl Intangibles & DTA + Average net working capital excl cash and borrowings)