

Company Registration No. 199904785Z

Wilmar International Limited and its Subsidiaries

Unaudited Condensed Interim Financial Statements
For the six months ended 30 June 2022

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A. Financial highlights

	6 months ended 30 June 2022 US\$'000	6 months ended 30 June 2021 US\$'000	Change
Revenue	36,133,782	29,534,417	22.3%
Profit Before Tax	1,611,444	1,215,508	32.6%
Net Profit	1,164,977	750,913	55.1%
Core Net Profit	1,155,441	732,217	57.8%
EBITDA	2,349,847	1,884,094	24.7%
EPS - Basic (US cents per share)	18.5	11.9	55.6%
EPS - Fully diluted (US cents per share)	18.5	11.9	55.8%
	30 June 2022	31 December 2021	Change
Net Tangible Asset (US\$'000)	14,407,238	14,529,991	-0.8%
Net Asset per share (US\$ per share)	3.16	3.17	-0.3%
Net Tangible Asset per share (US\$ per share)	2.30	2.31	-0.4%

B. Unaudited condensed interim consolidated income statement

	Note	6 months ended 30 June 2022 US\$'000	6 months ended 30 June 2021 US\$'000
Revenue	11	36,133,782	29,534,417
Cost of sales		(32,444,795)	(26,202,823)
Gross profit		3,688,987	3,331,594
Other items of income			
Finance income		201,657	160,706
Other operating income		341,061	112,593
Other items of expense			
Selling and distribution expenses		(1,726,328)	(1,645,751)
Administrative expenses		(561,103)	(538,885)
Other operating expenses		(132,960)	(92,576)
Finance costs		(365,562)	(272,337)
Non-operating items		12,616	20,961
Share of results of joint ventures		27,902	40,007
Share of results of associates		125,174	99,196
Profit before tax	4	1,611,444	1,215,508
Income tax expense	5	(330,505)	(349,964)
Profit after tax		1,280,939	865,544
Attributable to:			
Owners of the Company		1,164,977	750,913
Non-controlling interests		115,962	114,631
		1,280,939	865,544

The accompanying explanatory notes form an integral part of the unaudited condensed interim consolidated financial statements.

C. Unaudited condensed interim consolidated statement of comprehensive income

	6 months ended 30 June 2022 US\$'000	6 months ended 30 June 2021 US\$'000
Profit after tax	1,280,939	865,544
Other comprehensive income:		
Items that will not be reclassified subsequently to income statement		
Fair value adjustment on investment securities at fair value through other comprehensive income	(12,434)	39,949
(Loss)/gain on disposal of investment securities at fair value through other comprehensive income	(8,895)	6
	<u>(21,329)</u>	<u>39,955</u>
Items that may be reclassified subsequently to income statement		
Foreign currency translation	(931,121)	71,360
Fair value adjustment on cash flow hedges	147,346	80,303
Fair value adjustment on forward elements of forward contracts	(55,815)	(7,807)
Share of changes in equity transaction reserve of an associate	571	-
	<u>(839,019)</u>	<u>143,856</u>
Other comprehensive income, net of tax	(860,348)	183,811
Total comprehensive income for the period	420,591	1,049,355
Attributable to:		
Owners of the Company	441,430	912,291
Non-controlling interests	(20,839)	137,064
	<u>420,591</u>	<u>1,049,355</u>

The accompanying explanatory notes form an integral part of the unaudited condensed interim consolidated financial statements.

D. Unaudited condensed interim balance sheets

	Note	Group		Company	
		30 June	31 December	30 June	31 December
		2022	2021	2022	2021
		US\$'000	US\$'000	US\$'000	US\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	6	14,458,819	14,192,433	118,406	119,798
Investment properties		32,468	38,286	-	-
Bearer plants		616,393	638,118	-	-
Intangible assets		5,398,150	5,393,884	-	-
Investment in subsidiaries		-	-	10,411,889	10,468,178
Investment in joint ventures		379,766	631,572	-	-
Investment in associates		3,309,769	2,874,956	13,677	13,677
Investment securities		289,072	365,301	-	-
Deferred tax assets		268,092	204,495	-	-
Derivative financial instruments	7	21,536	11,956	-	-
Other financial receivables		210,354	150,136	284,386	313,255
Other non-financial assets		68,965	63,874	-	-
Other bank deposits		2,843,664	2,338,437	-	-
		27,897,048	26,903,448	10,828,358	10,914,908
Current assets					
Inventories		12,274,353	11,738,686	-	-
Trade receivables		6,856,574	6,833,416	-	-
Other financial receivables		3,602,039	4,183,458	6,006,089	5,678,762
Other non-financial assets		2,347,771	1,827,070	4,258	7,473
Derivative financial instruments	7	998,027	563,981	-	-
Investment securities		364,582	326,846	-	-
Other bank deposits		3,584,329	3,649,000	-	-
Cash and bank balances		3,738,329	2,692,541	1,795	1,033
		33,766,004	31,814,998	6,012,142	5,687,268
TOTAL ASSETS		61,663,052	58,718,446	16,840,500	16,602,176
EQUITY AND LIABILITIES					
Current liabilities					
Trade payables		2,215,842	2,009,073	-	-
Other financial payables		2,336,552	2,374,133	5,724,174	5,376,050
Other non-financial liabilities		504,065	862,926	-	-
Derivative financial instruments	7	644,727	566,612	-	-
Loans and borrowings	8	24,604,581	22,291,835	215,719	308,724
Tax payables		297,346	288,652	-	-
		30,603,113	28,393,231	5,939,893	5,684,774
NET CURRENT ASSETS		3,162,891	3,421,767	72,249	2,494

The accompanying explanatory notes form an integral part of the unaudited condensed interim consolidated financial statements.

D. Unaudited condensed interim balance sheets (continued)

	Note	Group		Company	
		30 June 2022	31 December 2021	30 June 2022	31 December 2021
		US\$'000	US\$'000	US\$'000	US\$'000
Non-current liabilities					
Other financial payables		254,753	276,525	1,425,000	1,425,000
Other non-financial liabilities		209,466	200,723	-	-
Derivative financial instruments	7	47,144	55,279	-	-
Loans and borrowings	8	7,726,594	6,822,646	73,400	-
Deferred tax liabilities		377,163	367,713	-	-
		8,615,120	7,722,886	1,498,400	1,425,000
TOTAL LIABILITIES		39,218,233	36,116,117	7,438,293	7,109,774
NET ASSETS		22,444,819	22,602,329	9,402,207	9,492,402
Equity attributable to owners of the Company					
Share capital	9	8,458,995	8,458,995	8,895,134	8,895,134
Treasury shares	9	(388,597)	(304,886)	(388,597)	(304,886)
Retained earnings		12,296,973	11,726,821	685,357	696,726
Other reserves		(561,983)	42,945	210,313	205,428
		19,805,388	19,923,875	9,402,207	9,492,402
Non-controlling interests		2,639,431	2,678,454	-	-
TOTAL EQUITY		22,444,819	22,602,329	9,402,207	9,492,402
TOTAL EQUITY AND LIABILITIES		61,663,052	58,718,446	16,840,500	16,602,176

The accompanying explanatory notes form an integral part of the unaudited condensed interim consolidated financial statements.

E. Unaudited condensed interim statements of changes in equity

	Attributable to owners of the Company						
	Share capital US\$'000	Treasury shares US\$'000	Retained earnings US\$'000	Other reserves US\$'000	Equity attributable to owners of the Company, total US\$'000	Non-controlling interests US\$'000	Equity total US\$'000
2022							
GROUP							
Opening balance at 1 January 2022	8,458,995	(304,886)	11,726,821	42,945	19,923,875	2,678,454	22,602,329
Profit for the period	-	-	1,164,977	-	1,164,977	115,962	1,280,939
Other comprehensive income	-	-	(3,249)	(720,298)	(723,547)	(136,801)	(860,348)
Total comprehensive income for the period	-	-	1,161,728	(720,298)	441,430	(20,839)	420,591
Grant of equity-settled share options	-	-	-	4,822	4,822	-	4,822
Share capital contributed by non-controlling shareholders	-	-	-	-	-	21,723	21,723
Acquisition of treasury shares	-	(99,045)	-	-	(99,045)	-	(99,045)
Reissuance of treasury shares pursuant to exercise of share options	-	15,334	-	1,978	17,312	-	17,312
Dividends on ordinary shares	-	-	(482,426)	-	(482,426)	-	(482,426)
Dividends paid to non-controlling shareholders by subsidiaries	-	-	-	-	-	(32,816)	(32,816)
Net transfer to other reserves	-	-	(109,150)	109,150	-	-	-
Total contributions by and distributions to owners	-	(83,711)	(591,576)	115,950	(559,337)	(11,093)	(570,430)
Acquisition of additional interest in subsidiaries	-	-	-	(253)	(253)	(2,692)	(2,945)
Disposal of subsidiaries	-	-	-	(422)	(422)	(4,566)	(4,988)
Dilution of interest in subsidiaries	-	-	-	95	95	167	262
Total changes in ownership interests in subsidiaries	-	-	-	(580)	(580)	(7,091)	(7,671)
Closing balance at 30 June 2022	8,458,995	(388,597)	12,296,973	(561,983)	19,805,388	2,639,431	22,444,819

The accompanying explanatory notes form an integral part of the unaudited condensed interim consolidated financial statements.

E. Unaudited condensed interim statements of changes in equity (continued)

	Attributable to owners of the Company						Equity total US\$'000
	Share capital US\$'000	Treasury shares US\$'000	Retained earnings US\$'000	Other reserves US\$'000	Equity attributable to owners of the Company, total US\$'000	Non-controlling interests US\$'000	
2021							
GROUP							
Opening balance at 1 January 2021	8,458,995	(222,039)	10,953,237	(307,838)	18,882,355	2,500,952	21,383,307
Profit for the period	-	-	750,913	-	750,913	114,631	865,544
Other comprehensive income	-	-	6	161,372	161,378	22,433	183,811
Total comprehensive income for the period	-	-	750,919	161,372	912,291	137,064	1,049,355
Grant of equity-settled share options	-	-	-	3,548	3,548	-	3,548
Share capital contributed by non-controlling shareholders	-	-	-	-	-	18,227	18,227
Acquisition of treasury shares	-	(55,454)	-	-	(55,454)	-	(55,454)
Reissuance of treasury shares pursuant to exercise of share options	-	7,419	-	591	8,010	-	8,010
Dividends on ordinary shares	-	-	(736,533)	-	(736,533)	-	(736,533)
Dividends paid to non-controlling shareholders by subsidiaries	-	-	-	-	-	(47,822)	(47,822)
Net transfer to other reserves	-	-	(138,104)	138,104	-	-	-
Total contributions by and distributions to owners	-	(48,035)	(874,637)	142,243	(780,429)	(29,595)	(810,024)
Acquisition of a subsidiary	-	-	-	-	-	23,146	23,146
Acquisition of additional interest in subsidiaries	-	-	-	(1,628)	(1,628)	(255)	(1,883)
Liquidation of a subsidiary	-	-	-	-	-	(2,590)	(2,590)
Total changes in ownership interests in subsidiaries	-	-	-	(1,628)	(1,628)	20,301	18,673
Closing balance at 30 June 2021	8,458,995	(270,074)	10,829,519	(5,851)	19,012,589	2,628,722	21,641,311

The accompanying explanatory notes form an integral part of the unaudited condensed interim consolidated financial statements.

E. Unaudited condensed interim statements of changes in equity (continued)

	Attributable to owners of the Company				Equity attributable to owners of the Company, total US\$'000
	Share capital US\$'000	Treasury shares US\$'000	Retained earnings US\$'000	Other reserves US\$'000	
2022					
COMPANY					
Opening balance at 1 January 2022	8,895,134	(304,886)	696,726	205,428	9,492,402
Profit for the period	-	-	471,057	-	471,057
Total comprehensive income for the period	-	-	471,057	-	471,057
Grant of equity-settled share options	-	-	-	2,907	2,907
Acquisition of treasury shares	-	(99,045)	-	-	(99,045)
Reissuance of treasury shares pursuant to exercise of share options	-	15,334	-	1,978	17,312
Dividends on ordinary shares	-	-	(482,426)	-	(482,426)
Total transactions with owners in their capacity as owners	-	(83,711)	(482,426)	4,885	(561,252)
Closing balance at 30 June 2022	8,895,134	(388,597)	685,357	210,313	9,402,207
2021					
COMPANY					
Opening balance at 1 January 2021	8,895,134	(222,039)	972,709	197,336	9,843,140
Profit for the period	-	-	759,828	-	759,828
Total comprehensive income for the period	-	-	759,828	-	759,828
Grant of equity-settled share options	-	-	-	3,548	3,548
Acquisition of treasury shares	-	(55,454)	-	-	(55,454)
Reissuance of treasury shares pursuant to exercise of share options	-	7,419	-	591	8,010
Dividends on ordinary shares	-	-	(736,533)	-	(736,533)
Total transactions with owners in their capacity as owners	-	(48,035)	(736,533)	4,139	(780,429)
Closing balance at 30 June 2021	8,895,134	(270,074)	996,004	201,475	9,822,539

The accompanying explanatory notes form an integral part of the unaudited condensed interim consolidated financial statements.

F. Unaudited condensed interim consolidated cash flow statement

	6 months ended 30 June 2022 US\$'000	6 months ended 30 June 2021 US\$'000
Cash flows from operating activities		
Profit before tax	1,611,444	1,215,508
Adjustments for:		
Depreciation of bearer plants	28,776	28,794
Depreciation of property, plant and equipment	540,421	523,186
Gain on disposal/dilution of interest in joint ventures	(180,589)	-
Gain on disposal/dilution of interest in associates	(12,903)	-
Fair value gain arising from changes of interest in a joint venture resulting in change of control	(386)	-
Amortisation of intangible assets	1,218	1,835
(Gain)/loss on disposal of property, plant and equipment	(23,425)	6,378
Gain on disposal of biological assets	(116)	(221)
(Gain)/loss on disposal/liquidation of subsidiaries	(8,988)	712
(Gain)/loss on disposal of investment securities at fair value through profit or loss	(671)	389
Grant of share options to employees	4,822	3,548
Net fair value gain on derivative financial instruments	(150,483)	(47,231)
Net fair value loss/(gain) on investment securities at fair value through profit or loss	2,499	(9,558)
Foreign exchange differences arising from translation	(286,142)	125,931
Investment income from investment securities	(23,499)	(18,908)
Interest expense	369,645	275,477
Interest income	(201,657)	(160,706)
Share of results of joint ventures	(27,902)	(40,007)
Share of results of associates	(125,174)	(99,196)
Operating cash flows before working capital changes	1,516,890	1,805,931
Changes in working capital:		
Increase in inventories	(476,008)	(2,079,478)
Increase in receivables and other assets	(598,372)	(146,213)
Decrease in payables	(216,344)	(408,726)
Cash flows generated from/(used in) operations	226,166	(828,486)
Interest paid	(349,346)	(254,149)
Interest received	221,748	154,754
Income taxes paid	(372,683)	(465,354)
Net cash flows used in operating activities	(274,115)	(1,393,235)

The accompanying explanatory notes form an integral part of the unaudited condensed interim consolidated financial statements.

F. Unaudited condensed interim consolidated cash flow statement (continued)

	6 months ended 30 June 2022 US\$'000	6 months ended 30 June 2021 US\$'000
Cash flows from investing activities		
Net cash flow on acquisition of subsidiaries	(85,327)	1,330
Decrease in plasma investments	1,048	4,134
Increase in investment securities at fair value through profit or loss	(40,079)	(5,848)
Payments for property, plant and equipment	(1,236,450)	(1,081,991)
Payments for bearer plants	(19,520)	(22,605)
Decrease/(increase) in investment securities at fair value through other comprehensive income	4,756	(446)
Investment income from investment securities	23,499	18,908
Payments for investment in joint ventures	(1,005)	(20,177)
Payments for investment in associates	(13,956)	(657)
Payments for intangible assets	(237)	(378)
Dividends received from joint ventures	15,175	-
Dividends received from associates	22,991	9,588
Proceeds from disposal of property, plant and equipment	37,038	20,054
Proceeds from disposal/liquidation of joint ventures	1,389	12,046
Proceeds from disposal/dilution of interest in associates	27,144	-
Net cash flow from disposal/liquidation of subsidiaries	10,769	(2,588)
Net cash flows used in investing activities	(1,252,765)	(1,068,630)
Cash flows from financing activities		
Decrease in net amount due from related parties	2,736	21,150
(Increase)/decrease in net amount due from joint ventures	(149,985)	11,631
Increase in net amount due from associates	(25,253)	(27,697)
(Decrease)/increase in advances from non-controlling shareholders	(11,686)	16,956
Proceeds from loans and borrowings	2,169,312	5,677,785
Decrease/(increase) in fixed deposits pledged with financial institutions for bank facilities	544,287	(2,173,586)
Decrease in other financial receivables	919,202	899,560
Increase in other deposits with maturity more than 3 months	(501,134)	(964,067)
Interest paid	(9,574)	(5,588)
Net cash flow from acquisition of additional interest in subsidiaries	(2,945)	(1,883)
Shares buy-back held as treasury shares	(99,045)	(55,454)
Dividends paid by the Company	(482,426)	(736,533)
Dividends paid to non-controlling shareholders by subsidiaries	(32,816)	(47,822)
Proceeds from dilution of interest in subsidiaries	262	-
Proceeds from reissuance of treasury shares by the Company	17,312	8,010
Proceeds from issue of ordinary shares by subsidiaries to non-controlling shareholders	21,723	18,227
Net cash flows generated from financing activities	2,359,970	2,640,689
Net increase in cash and cash equivalents	833,090	178,824
Cash and cash equivalents at the beginning of the financial period	2,587,643	2,583,496
Cash and cash equivalents at the end of the financial period	3,420,733	2,762,320

The accompanying explanatory notes form an integral part of the unaudited condensed interim consolidated financial statements.

G. Notes to the unaudited condensed interim consolidated financial statements

1. CORPORATE INFORMATION

Wilmar International Limited (the “Company”) is a limited liability company, incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”). These unaudited condensed interim consolidated financial statements as at and for the six months ended 30 June 2022 comprise the Company and its subsidiaries (collectively, the Group).

The registered office and principal place of business of the Company is located at 28 Biopolis Road, Wilmar International, Singapore 138568.

The principal activities of the Company are those of investment holding and the provision of management services to its subsidiaries, joint ventures and associates. The principal activities of the significant subsidiaries are disclosed in the Group’s annual consolidated financial statements as at 31 December 2021.

2 BASIS OF PREPARATION

The unaudited condensed interim consolidated financial statements for the six months ended 30 June 2022 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The unaudited condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual consolidated financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The unaudited condensed interim consolidated financial statements are presented in US Dollars (“USD” or “US\$”), which is also the parent company’s functional currency, except when otherwise indicated. All values in the tables are rounded to the nearest thousands (US\$’000) except when otherwise indicated.

2.1 ADOPTION OF NEW AND AMENDED SFRS(I)

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial period, the Group has adopted all the amendments to SFRS(I)s that are effective for annual financial periods beginning on or after 1 January 2022. The adoption of these amendments did not have any material effect on the financial performance or position of the Group and the Company.

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

2.2. USE OF JUDGEMENTS AND ESTIMATES

In preparing the unaudited condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next interim period are disclosed below.

(a) Impairment of goodwill and brands

The Group determines whether goodwill and brands are impaired on an annual basis or when there is an indication of impairment. This requires an estimation of the value in use of the cash-generating unit (or group of cash-generating units) to which the goodwill and brands are allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit (or group of cash-generating units) and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the Group's goodwill and brands as at 30 June 2022 were approximately US\$3,826,167,000 (31 December 2021: US\$3,819,147,000) and US\$1,551,457,000 (31 December 2021: US\$1,552,461,000) respectively.

(b) Income and deferred taxes

The Group has exposure to income taxes in various jurisdictions. Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of the Group's income tax payable, deferred tax assets and deferred tax liabilities as at 30 June 2022 were approximately US\$297,346,000 (31 December 2021: US\$288,652,000), US\$268,092,000 (31 December 2021: US\$204,495,000) and US\$377,163,000 (31 December 2021: US\$367,713,000) respectively.

3. SEASONAL OPERATIONS

The Group's seasonal peak sales period is typically in the second half of the year.

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

4. PROFIT BEFORE TAX

4.1 The following items have been included in arriving at profit before tax:

	Group	
	6 months ended 30 June 2022 US\$'000	6 months ended 30 June 2021 US\$'000
Depreciation and impairment loss of property, plant and equipment and bearer plants - net	(569,197)	(551,980)
Amortisation of intangible assets	(1,218)	(1,835)
Gain on disposal/dilution of interest in joint ventures	180,589	-
Gain on disposal/dilution of interest in associates	12,903	-
Gain/(loss) on disposal of property, plant and equipment	23,425	(6,378)

4.2 Related party disclosures

Sale and purchase of goods and services

The following significant transactions between the Group and related parties took place on terms agreed between the parties during the financial period:

	Group	
	6 months ended 30 June 2022 US\$'000	6 months ended 30 June 2021 US\$'000
Related Parties		
Purchase of goods	334,619	519,542
Sale of goods	245,997	175,588
Joint ventures		
Purchase of goods	571,038	578,178
Sale of goods	330,282	794,968
Associates		
Purchase of goods	875,477	326,224
Sale of goods	1,347,483	470,897

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

5. INCOME TAX EXPENSE

The major components of income tax expense in the unaudited condensed interim consolidated income statement are:

	Group	
	6 months ended 30 June 2022 US\$'000	6 months ended 30 June 2021 US\$'000
Consolidated Income Statement		
<i>Current income tax</i>		
Current period	423,710	367,346
Over provision in respect of previous periods	(42,264)	(24,598)
Withholding tax expenses	2,869	32,091
	384,315	374,839
<i>Deferred income tax</i>		
Origination and reversal of temporary differences	(90,974)	(36,322)
Under provision in respect of previous periods	37,164	11,447
Income tax expense recognised in the income statement	330,505	349,964
Deferred income tax related to other comprehensive income:		
Net tax credit in fair value of derivative financial instruments designated as cash flow hedges and others	(17,217)	(2,789)

6. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2022, the Group acquired assets amounting to US\$1,255,068,000 (30 June 2021: US\$1,069,129,000) and disposed of assets amounting to US\$43,242,000 (30 June 2021: US\$26,432,000), resulting in a net gain on disposal of US\$23,425,000 (30 June 2021: US\$6,378,000 net loss on disposal).

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

7. DERIVATIVE FINANCIAL INSTRUMENTS

	Group					
	30 June 2022			31 December 2021		
	Contract/ Notional amount US\$'000	Assets US\$'000	Liabilities US\$'000	Contract/ Notional amount US\$'000	Assets US\$'000	Liabilities US\$'000
Forward currency contracts, options and cross currency interest rate swaps	17,294,043	170,643	192,270	14,669,666	137,265	180,912
Futures, options and swap contracts	12,340,920	692,265	397,454	10,436,870	264,288	331,230
Interest rate swap	27,833	129	32	117,106	-	6,045
Fair value of firm commitment contracts	6,925,428	156,526	102,115	7,282,237	174,384	103,704
Total derivative financial instruments		1,019,563	691,871		575,937	621,891
Less: Current portion		(998,027)	(644,727)		(563,981)	(566,612)
Non-current portion		21,536	47,144		11,956	55,279

The Group classifies derivative financial instruments as financial assets/liabilities at fair value through profit or loss. The Group does not apply hedge accounting, except for those designated as hedges of commodity products, Medium Term Notes and foreign exchange risk.

Certain derivative transactions that are not transacted on an exchange are entered into under International Swaps and Derivatives Association (ISDA) Master Netting Agreements and Long Form Confirmations. In general, the amounts owed by each counterparty that are due on a single day in respect of all transactions outstanding in the same currency under the agreement are aggregated into a single net amount being payable by one party to the other. In certain circumstances, for example when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is due or payable in settlement of all transactions.

8. LOANS AND BORROWINGS

	Group			
	30 June 2022		31 December 2021	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
(a) Amount repayable in one year or less, or on demand	1,762,821	22,841,760	869,677	21,422,158
(b) Amount repayable after one year	2,048,286	5,678,308	1,406,709	5,415,937
	3,811,107	28,520,068	2,276,386	26,838,095

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

9. SHARE CAPITAL TREASURY SHARES

(a) Share capital

	Group		Company	
	Number of shares		Number of shares	
	'000	US\$'000	'000	US\$'000
At 1 January 2021, 31 December 2021, 1 January 2022 and 30 June 2022	6,403,402	8,458,995	6,403,402	8,895,134

The holders of ordinary shares, except for treasury shares, are entitled to receive dividends as and when declared by the Company. All ordinary shares, except for treasury shares, carry one vote per share without restrictions. The ordinary shares have no par value. All the above issued ordinary shares are fully paid.

The Company has granted options to both directors and executives of the Group to subscribe for the Company's ordinary shares.

As at 30 June 2022, the issued and paid up capital excluding treasury shares comprised 6,269,893,000 (31 December 2021: 6,295,172,000) ordinary shares.

(b) Treasury shares

	Group and Company	
	Number of shares '000	US\$'000
At 1 January 2021	(87,170)	(222,039)
Acquired during the financial year	(28,047)	(97,503)
Reissued pursuant to employee share option plans:		
- For cash on exercise of employee share options	6,987	15,877
- Transferred from employee share option reserve	-	2,905
- Transferred to general reserve on reissuance of treasury shares	-	(4,126)
	6,987	14,656
At 31 December 2021 and 1 January 2022	(108,230)	(304,886)
Acquired during the financial period	(33,033)	(99,045)
Reissued pursuant to employee share option plans:		
- For cash on exercise of employee share options	7,754	17,312
- Transferred from employee share option reserve	-	3,137
- Transferred to general reserve on reissuance of treasury shares	-	(5,115)
	7,754	15,334
At 30 June 2022	(133,509)	(388,597)

Treasury shares relate to ordinary shares of the Company that are held by the Company.

33,033,000 shares (30 June 2021: 14,494,000) had been acquired during the financial period.

Options for a total of 7,754,000 ordinary shares (30 June 2021: 3,497,000) were exercised during the financial period pursuant to Wilmar ESOS 2009.

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

10. FAIR VALUE OF ASSETS AND LIABILITIES

Fair value of assets and liabilities that are carried at fair value

The following table shows an analysis of assets and liabilities carried at fair value by level of fair value hierarchy:

	Group			Total US\$'000
	Quoted prices in active markets for identical instruments (Level 1) US\$'000	Significant other observable inputs (Level 2) US\$'000	Significant unobservable inputs (Level 3) US\$'000	
2022				
Assets measured at fair value				
Financial assets:				
Investment securities at FVOCI	3,962	215,281	69,829	289,072
Investment securities at FVPL	364,582	-	-	364,582
Derivatives:				
- Forward currency contracts, options and cross currency interest rate swaps	-	170,643	-	170,643
- Futures, options, swap contracts, interest rate swap and firm commitment contracts	646,686	202,234	-	848,920
At 30 June 2022	1,015,230	588,158	69,829	1,673,217
Non-financial assets:				
Biological assets	-	-	65,346	65,346
Investment properties	-	-	32,468	32,468
At 30 June 2022	-	-	97,814	97,814
Liabilities measured at fair value				
Financial liabilities:				
Derivatives:				
- Forward currency contracts, options and cross currency interest rate swaps	-	192,270	-	192,270
- Futures, options, swap contracts, interest rate swap and firm commitment contracts	309,676	189,925	-	499,601
At 30 June 2022	309,676	382,195	-	691,871

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

10. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

Fair value of assets and liabilities that are carried at fair value (continued)

	Group			Total US\$'000
	Quoted prices in active markets for identical instruments (Level 1) US\$'000	Significant other observable inputs (Level 2) US\$'000	Significant unobservable inputs (Level 3) US\$'000	
2021				
Assets measured at fair value				
Financial assets:				
Investment securities at FVOCI	35,058	263,557	66,686	365,301
Investment securities at FVPL	326,846	-	-	326,846
Derivatives:				
- Forward currency contracts, options and cross currency interest rate swaps	-	137,265	-	137,265
- Futures, options, swap contracts, interest rate swap and firm commitment contracts	232,664	206,008	-	438,672
At 31 December 2021	<u>594,568</u>	<u>606,830</u>	<u>66,686</u>	<u>1,268,084</u>
Non-financial assets:				
Biological assets	-	-	66,012	66,012
Investment properties	-	-	38,286	38,286
At 31 December 2021	<u>-</u>	<u>-</u>	<u>104,298</u>	<u>104,298</u>
Liabilities measured at fair value				
Financial liabilities:				
Derivatives:				
- Forward currency contracts, options and cross currency interest rate swaps	-	180,912	-	180,912
- Futures, options, swap contracts, interest rate swap and firm commitment contracts	298,379	142,600	-	440,979
At 31 December 2021	<u>298,379</u>	<u>323,512</u>	<u>-</u>	<u>621,891</u>

Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), and
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

10. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

Fair value of assets and liabilities that are carried at fair value (continued)

Methods and assumptions used to determine fair values

The methods and assumptions used by management to determine fair values of assets and liabilities other than those whose carrying amounts reasonably approximate their fair values are as follows:

Assets and liabilities	Methods and assumptions
<ul style="list-style-type: none">• Quoted equity instruments	Other than the quoted equity instruments disclosed in level 3, fair value is determined directly by reference to their published market bid price at the balance sheet date.
<ul style="list-style-type: none">• Investment funds	The fair value is determined by reference to valuation provided by non-related fund managers.
<ul style="list-style-type: none">• Unquoted equity instruments	The fair value is derived using valuation methods which include earnings multiple approach and discounted cash flows.
<ul style="list-style-type: none">• Forward currency contracts	Fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.
<ul style="list-style-type: none">• Futures, options and swap contracts, interest rate swap and firm commitment contracts	Where available, quoted market prices are used as a measure of fair values for the outstanding contracts. Where the quoted market prices are not available, the fair values are based on management's best estimate and are arrived at by reference to the market prices of another contract that is substantially similar.
<ul style="list-style-type: none">• Biological assets	Fair value of biological assets has been determined based on the market price and the estimated yield of FFB, net of maintenance and harvesting costs, overhead costs and estimated cost to sell.
<ul style="list-style-type: none">• Investment properties	The fair value of investment property is based on current and estimated future rental income generated from comparable properties.

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

10. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

Fair value of assets and liabilities that are carried at fair value (continued)

Movements in Level 3 assets and liabilities measured at fair value

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable inputs (Level 3).

	Group			
	Investment securities	Biological assets	Investment properties	Total
	US\$'000	US\$'000	US\$'000	US\$'000
At 1 January 2021	71,113	44,724	32,475	148,312
Total gain recognised in the income statement:				
- Net gain arising from changes in fair value of biological assets	-	21,335	-	21,335
- Net gain arising from changes in fair value of investment properties	-	-	2,129	2,129
Additions	1,114	-	-	1,114
Transfer from property, plant and equipment	-	-	2,758	2,758
Transfer to level 2	(8,096)	-	-	(8,096)
Total gain/(loss) recognised in the other comprehensive income:				
- Net gain arising from changes in fair value	4,820	-	-	4,820
- Foreign currency translation	(2,265)	(47)	924	(1,388)
At 31 December 2021	66,686	66,012	38,286	170,984
At 1 January 2022	66,686	66,012	38,286	170,984
Additions	2	-	743	745
Transfer to property, plant and equipment	-	-	(4,621)	(4,621)
Transfer from level 2	7,927	-	-	7,927
Total loss recognised in the other comprehensive income:				
- Net loss arising from changes in fair value	(1,976)	-	-	(1,976)
- Foreign currency translation	(2,810)	(666)	(1,940)	(5,416)
At 30 June 2022	69,829	65,346	32,468	167,643

There has been transfer of investment securities from Level 3 to Level 2 for the financial year ended 31 December 2021 based on offer received.

There has been transfer of investment securities from Level 2 to Level 3 for the financial period ended 30 June 2022 as offer received to sell the securities has been withdrawn.

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

10. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

Fair value of assets and liabilities that are carried at fair value (continued)

Impact of changes to key assumptions Level 3 fair value measurement of financial instruments

The following table shows the impact on Level 3 fair value measurement of financial instruments by using reasonably possible alternative assumptions:

	Group			
	30 June 2022		31 December 2021	
	US\$'000		US\$'000	
	Carrying amount	Effect of reasonably possible alternative assumptions	Carrying amount	Effect of reasonably possible alternative assumptions
Investment securities				
- Quoted equity instruments	33,430	(i)	35,270	(i)
- Unquoted equity instruments	36,399	(ii)	31,416	(ii)

- (i) The fair value of the quoted equity instruments is estimated using a discounted cash flow model, which includes some assumptions that are not supported by observable market data, including future estimated dividend income.
- (ii) The estimated fair value of unquoted equity instruments were determined based on valuation methods including the earnings multiple approach and discounted cash flow model.

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

11. SEGMENT AND REVENUE INFORMATION

Reporting format

For the management purposes, the Group is organised into business units based on the types of products and services, and has four reportable operating segments as follows:

Food Products

This segment comprises the processing, branding and distribution of a wide range of edible food products, which includes vegetable oil produced from palm and oilseeds, sugar, flour, rice, noodles, specialty fats, snacks, bakery and dairy products. These food products are sold in either consumer and medium packaging or in bulk depending on customer requirements.

Feed and Industrial Products

This segment comprises the processing, merchandising and distribution of products, which includes animal feeds, non-edible palm and lauric products, agricultural commodities, oleochemicals, gas oil and biodiesel.

Plantation and Sugar Milling

This segment comprises oil palm plantation and sugar milling activities, which includes the cultivation and milling of palm oil and sugarcane.

Others

This segment includes logistics & jetty port services and investment activities.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain aspects, is measured differently from operating profit or loss in the consolidated financial statements. Group income taxes are managed on a group basis and are not allocated to operating segments.

Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income tax, deferred tax assets and liabilities, loans and borrowings, corporate assets and related expenses.

Inter-segment sales took place on terms agreed between the various business segments. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

11. SEGMENT AND REVENUE INFORMATION (CONTINUED)

	Food Products US\$'000	Feed and Industrial Products US\$'000	Plantation and Sugar Milling US\$'000	Others US\$'000	Eliminations US\$'000	Per Consolidated Financial Statements US\$'000
6 months ended 30 June 2022						
Revenue:						
Sales to external customers	15,465,365	19,606,440	980,972	81,005	-	36,133,782
Inter-segment	450,228	2,054,203	1,196,780	106,198	(3,807,409)	-
Total revenue	15,915,593	21,660,643	2,177,752	187,203	(3,807,409)	36,133,782
Results:						
Segment results	520,519	502,669	435,788	2,299	-	1,461,275
Share of results of joint ventures	24,271	3,383	-	248	-	27,902
Share of results of associates	22,141	47,916	30,317	24,800	-	125,174
Unallocated expenses						(2,907)
Profit before tax						1,611,444
Income tax expense						(330,505)
Profit for the period						1,280,939
Assets and Liabilities: (As at 30 June 2022)						
Segment assets	23,320,592	26,270,323	7,341,746	9,391,534	(8,740,559)	57,583,636
Investment in joint ventures	180,035	195,889	-	3,842	-	379,766
Investment in associates	1,385,272	929,762	483,753	510,982	-	3,309,769
Unallocated assets						389,881
Total assets						61,663,052
Segment liabilities	16,623,869	17,707,000	2,933,808	9,357,192	(8,740,559)	37,881,310
Unallocated liabilities						1,336,923
Total liabilities						39,218,233

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

11. SEGMENT AND REVENUE INFORMATION (CONTINUED)

	Food Products US\$'000	Feed and Industrial Products US\$'000	Plantation and Sugar Milling US\$'000	Others US\$'000	Eliminations US\$'000	Per Consolidated Financial Statements US\$'000 Restated*
6 months ended 30 June 2021						
Revenue:						
Sales to external customers	13,427,170	15,531,540	510,624	65,083	-	29,534,417
Inter-segment	218,221	1,632,553	935,598	71,716	(2,858,088)	-
Total revenue	<u>13,645,391</u>	<u>17,164,093</u>	<u>1,446,222</u>	<u>136,799</u>	<u>(2,858,088)</u>	<u>29,534,417</u>
Results:						
Segment results	428,334	478,831	163,952	8,736	-	1,079,853
Share of results of joint ventures	3,962	36,388	-	(343)	-	40,007
Share of results of associates	24,095	38,997	28,917	7,187	-	99,196
Unallocated expenses						<u>(3,548)</u>
Profit before tax						1,215,508
Income tax expense						<u>(349,964)</u>
Profit for the period						<u>865,544</u>
Assets and Liabilities: (As at 31 December 2021)						
Segment assets	23,133,013	23,903,379	6,914,459	8,688,934	(7,762,512)	54,877,273
Investment in joint ventures	304,662	326,220	-	690	-	631,572
Investment in associates	1,021,406	842,309	489,376	521,865	-	2,874,956
Unallocated assets						<u>334,645</u>
Total assets						<u>58,718,446</u>
Segment liabilities	15,498,435	15,911,456	2,760,326	8,664,906	(7,762,512)	35,072,611
Unallocated liabilities						<u>1,043,506</u>
Total liabilities						<u>36,116,117</u>

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

11. SEGMENT AND REVENUE INFORMATION (CONTINUED)

Geographical information

Revenue information based on the geographical location of customers as follows:

	Revenue	
	6 months ended 30 June 2022 US\$ million	6 months ended 30 June 2021 US\$ million
People's Republic of China	18,055	14,398
South East Asia	7,463	6,712
India	1,040	917
Europe	1,402	1,033
Australia/New Zealand	1,300	1,168
Africa	2,791	2,247
Others	4,083	3,059
	36,134	29,534

12. DIVIDENDS

	6 months ended 30 June 2022 SGD per share	6 months ended 30 June 2021 SGD per share
Interim ordinary dividend	0.060	0.050

	6 months ended 30 June 2022 US\$'000	6 months ended 30 June 2021 US\$'000
Annual Dividend		
Ordinary		
- Interim #	272,462	231,768

Interim ordinary dividend for the 6 months ended 30 June 2022 is estimated based on number of shares outstanding (excluding treasury shares) as at 31 July 2022.

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

13. ACQUISITION OF SUBSIDIARIES

Acquisition of subsidiaries

The list of major acquisition of subsidiaries during the financial period:

Name of subsidiaries acquired	Equity interest acquired %	Consideration US\$'000	Month of acquisition
Agrifert Malaysia Sdn Bhd ^	100	105,421	Apr 2022
African Tank Terminals Limited ^	50	23,000	Apr 2022
Bright Agrocomm DMCC ^	50	2,443	Apr 2022
Wilmar Tanzania Limited ^ (formerly known as Murzah Wilmar East Africa Limited)	50	20,289	Apr 2022
Wilmar Pasta Tanzania Limited ^ (formerly known as Tanzania Pasta Industries Limited)	50	9,100	Apr 2022
Wilmar Rice Tanzania Limited ^ (formerly known as MW Rice Millers Limited)	50	1,500	Apr 2022

^ In accordance with SFRS(I) 3, the management is required to identify the fair value of the identifiable assets, liabilities and contingent liabilities at the date of acquisition. The final allocation of the purchase price to the identifiable assets, liabilities and contingent liabilities assumed in the business combination is currently being determined and has not been completed as at 30 June 2022.

The fair values of the identifiable assets and liabilities of the subsidiaries acquired and the effect thereof as at the date of above acquisition were as follows:

	Fair value recognised on acquisition US\$'000
Property, plant and equipment	173,343
Inventories	133,124
Trade receivables and other assets	103,789
Cash and cash equivalents	47,715
	457,971
Trade and other payables (including provision for employee gratuity)	225,196
Loans and borrowings	9,189
Deferred tax liabilities	23,288
	257,673
Identifiable net assets acquired	200,298
Less: Transfer from investment in joint ventures	(2,268)
Less: Transfer from investment in associates	(79,313)
	118,717
Positive goodwill arising from acquisition recognised as part of intangible assets	45,111
Fair value gain arising from changes of interest in a joint venture resulting in change of control	(386)
Total consideration for acquisition	163,442

G. Notes to the unaudited condensed interim consolidated financial statements (continued)

13. ACQUISITION OF SUBSIDIARIES (CONTINUED)

Total cost of business combination

The total cost of the business combination is as follows:

	Cashflow on acquisition US\$'000
Consideration for acquisition	163,442
Less: Advance for acquisition	(30,400)
The effects of acquisition on cash flow are as follows:	
Consideration settled in cash	133,042
Less: Cash and cash equivalents of subsidiaries acquired	(47,715)
Net cash outflow on acquisition	<u>85,327</u>

H. Other information required by listing rule appendix 7.2

1. Review

The condensed interim balance sheets of Wilmar International Limited and its subsidiaries as at 30 June 2022 and the related condensed interim consolidated income statement, condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated cash flow statement for the six-month period then ended and certain explanatory notes have not been audited or reviewed by the Company's auditors.

2. Review of performance of the Group

Overview

The Group continued to perform well in 2Q2022 and achieved record first-half results, surpassing US\$1 billion for the first time since listing. Core net profit for 2Q2022 more than doubled to US\$652.1 million (2Q2021: US\$308.5 million), resulting in a 57.8% increase in 1H2022 core net profit of US\$1.16 billion (1H2021: US\$732.2 million). Despite challenging operating conditions, the Group achieved a strong set of results due to its resilient and diversified business model, with improved performance across all its core businesses in 1H2022.

Margins for the Plantation & Sugar Milling segment were higher on the back of firmer palm oil prices and better performance by the sugar milling operations in India. Further, the gain on dilution of interest in Adani Wilmar Limited recognised in 1Q2022 contributed to the higher profits recorded in Food Products segment. Although margins for food products improved in 2Q2022, overall segment results were still dragged down by higher raw material costs during the period. The recovery in crushing margins and higher volume of soybeans crushed during the period also led to a better performance for the Feed and Industrial Products segment. Contributions from the Group's associates and joint ventures in Europe and Southeast Asia were also higher in 1H2022.

Together with gains from non-operating items, net profit for the period increased by 55.1% to US\$1.16 billion (1H2021: US\$750.9 million).

Revenue and Cost of Sales

Revenue for 1H2022 grew by 22.3% to US\$36.13 billion (1H2021: US\$29.53 billion) in line with higher commodity prices during the period. This was further supported by improvement in sales volume of Food Products and Feed and Industrial Products (specifically, Oilseeds and Grains) sold in 1H2022. Correspondingly, cost of sales for the period increased by 23.8% to US\$32.44 billion (1H2021: US\$26.20 billion).

Finance Income

Finance Costs

	1H2022	1H2021
	US\$ million	US\$ million
Finance income	201.7	160.7
Finance costs	(365.6)	(272.3)

Higher effective interest rates and average deposits placed during the period resulted in finance income increasing to US\$201.7 million (1H2021: US\$160.7 million). Average borrowings by the Group also increased during the period, and together with higher effective interest rates, overall finance cost increased to US\$365.6 million (1H2021: US\$272.3 million).

H. Other information required by listing rule appendix 7.2 (continued)

Other Operating Items – Net

	1H2022	1H2021
	US\$ million	US\$ million
Other operating income	341.1	112.6
Other operating expenses	(133.0)	(92.6)
Other operating items – net	208.1	20.0

Net other operating gains was higher at US\$208.1 million in 1H2022 (1H2021: US\$20.0 million gain) mainly due to the exceptional gain of US\$175.6 million from the dilution of interest in Adani Wilmar Limited recognised in 1Q2022.

Selling and Distribution Expenses

Selling and distribution expenses increased by 4.9% to US\$1.73 billion in 1H2022 (1H2021: US\$1.65 billion) mainly due to higher freight cost incurred by the Group, in line with increasing freight rates globally. In addition, higher export duties were imposed in both Indonesia and Malaysia during the period. This was partially offset by lower advertising and promotional expenses incurred.

Administrative Expenses

Administrative expenses increased by 4.1% to US\$561.1 million in 1H2022 (1H2021: US\$538.9 million) due to higher personnel and depreciation cost.

Non-operating Items

The Group recorded non-operating gains of US\$12.6 million in 1H2022 (1H2021: US\$21.0 million gain) mainly from investment income from the Group's investment portfolio.

Share of Results of Joint Ventures & Associates

Share of results of joint ventures and associates improved by 10.0% to US\$153.1 million in 1H2022 (1H2021: US\$139.2 million) mainly as a result of better contributions from the Group's investments in Europe and Southeast Asia.

Income Tax Expense

Excluding gains on disposal of associates and subsidiaries, the Group recorded an effective tax rate of 26.3% in 1H2022 (1H2021: 32.5%) as a result of higher profits recognised in lower tax jurisdictions in the current period.

H. Other information required by listing rule appendix 7.2 (continued)

Group Financial Performance by Business Segment

Sales Volume of Key Segments

	Sales Volume			Sales Volume		
	2Q2022 MT'000	2Q2021 MT'000	Inc/(Dec) %	1H2022 MT'000	1H2021 MT'000	Inc/(Dec) %
Food Products						
- Consumer Products	1,941	1,618	20.0%	4,271	4,103	4.1%
- Medium Pack and Bulk	4,979	4,719	5.5%	9,554	9,213	3.7%
Feed and Industrial Products						
- Tropical Oils	4,890	5,776	-15.3%	9,948	10,969	-9.3%
- Oilseeds and Grains	5,519	4,932	11.9%	9,617	9,074	6.0%
- Sugar	2,491	3,700	-32.7%	5,209	6,133	-15.1%
Plantation and Sugar Milling #						
- Sugar Milling	532	617	-13.8%	911	1,054	-13.6%

Excludes oil palm plantation volume

Six Months Ended 30 June

Revenue	1H2022	1H2021	Variance	
	US\$'000	US\$'000	US\$'000	%
Food Products				
- Consumer Products	6,698,446	5,717,979	980,467	17.1%
- Medium Pack and Bulk	9,217,147	7,927,412	1,289,735	16.3%
Feed and Industrial Products				
- Tropical Oils	14,057,260	10,509,828	3,547,432	33.8%
- Oilseeds and Grains	4,921,056	4,058,380	862,676	21.3%
- Sugar	2,682,327	2,595,885	86,442	3.3%
Plantation and Sugar Milling				
- Oil Palm Plantation	1,728,913	1,018,625	710,288	69.7%
- Sugar Milling	448,839	427,597	21,242	5.0%
Others	187,203	136,799	50,404	36.8%
Eliminations	(3,807,409)	(2,858,088)	(949,321)	-33.2%
Total revenue	36,133,782	29,534,417	6,599,365	22.3%

Six Months Ended 30 June

Profit before tax	1H2022	1H2021	Variance	
	US\$'000	US\$'000	US\$'000	%
Food Products	520,519	428,334	92,185	21.5%
Feed and Industrial Products	502,669	478,831	23,838	5.0%
Plantation and Sugar Milling	435,788	163,952	271,836	165.8%
Others	2,299	8,736	(6,437)	-73.7%
Share of results of joint ventures	27,902	40,007	(12,105)	-30.3%
Share of results of associates	125,174	99,196	25,978	26.2%
Unallocated expenses #	(2,907)	(3,548)	641	18.1%
Total profit before tax	1,611,444	1,215,508	395,936	32.6%

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

H. Other information required by listing rule appendix 7.2 (continued)

Food Products (Consumer Products, Medium Pack and Bulk)

The segment reported favourable results for the period, with profit before tax increasing by 21.5% to US\$520.5 million in 1H2022 (1H2021: US\$428.3 million). This was mainly due to the gain on dilution of interest in Adani Wilmar Limited amounting to US\$175.6 million. In 2Q2022, the Group made further upward price adjustments to its consumer products to mitigate the impact of continuous increases in commodity prices but they were insufficient to offset the higher raw material costs during the period.

Overall sales volume for the segment grew by 3.8% to 13.8 million MT (1H2021: 13.3 million MT), backed by volume growth in consumer, medium and bulk products. Demand for consumer products was higher in the current period, especially in China, due to the resurgence of Covid-19 and reimposition of lockdowns in more parts of China in 2Q2022. The Group's flour and rice businesses continued to expand during the period, further contributing to the volume growth of the segment. Together with higher commodity prices during the period, overall revenue for the segment increased by 16.6% to US\$15.92 billion in 1H2022 (1H2021: US\$13.65 billion).

Feed and Industrial Products (Tropical Oils, Oilseeds and Grains and Sugar)

The segment reported a 5.0% improvement in profit before tax, from US\$478.8 million in 1H2021 to US\$502.7 million in 1H2022, with the recovery of crushing margins and higher volume of soybean crushed during the period, as well as prudent procurement of feedstock. Nevertheless, overall profit was partially impacted by weaker sugar merchandising activities in 1H2022. Results of the tropical oils business for 1H2022 was also satisfactory, given the challenging operating conditions amidst frequent changes in palm oil related government policies during the period.

Overall revenue for the segment increased by 26.2% to US\$21.66 billion for the period (1H2021: US\$17.16 billion) as a result of higher commodity prices in 1H2022. However, overall sales volume for the segment decreased by 5.4% to 24.8 million MT in 1H2022 (1H2021: 26.2 million MT) mainly due to lower sales volume of tropical oils and sugar during the period.

Plantation and Sugar Milling

Profit for the segment more than doubled during the period to US\$435.8 million (1H2021: US\$164.0 million), driven by higher palm oil prices and better performance by the sugar milling operations in India. In addition, fresh fruit bunches production increased by 2.9% to 2,132,339 MT in 1H2022 (1H2021: 2,071,579 MT), further improving performance for oil palm plantation business. The improvement in production was mainly from Indonesia, due to better weather conditions and crop profile.

Revenue for the oil palm plantation business increased by 69.7% to US\$1.73 billion in 1H2022 (1H2021: US\$1.02 billion) on the back of firm palm oil prices. Strong sugar prices during the period also led sugar revenue to increase by 5.0% to US\$448.8 million during the period (1H2021: US\$427.6 million) even though sugar sales volume was lower at 0.9 million MT (1H2021: 1.1 million MT).

Others

The segment recorded a profit before tax of US\$2.3 million in 1H2022 (1H2021: US\$8.7 million profit) mainly from investment income from the Group's investment portfolio.

H. Other information required by listing rule appendix 7.2 (continued)

Review of Balance Sheet and Cash Flows

Inventories increased by 4.6% to US\$12.27 billion as at 30 June 2022 largely due to higher commodity prices during the period. Average turnover days improved to 70 days for the period (1H2021: 75 days).

Trade receivables increased marginally by 0.3% to US\$6.86 billion in 1H2022. However, average turnover days was higher at 32 days (1H2021: 29 days) due to slower repayment from customers in the earlier part of the period. Trade receivables aging remained healthy.

Trade payables increased by US\$206.8 million to US\$2.22 billion in 1H2022 mainly due to timing of purchases. Average turnover days decreased to 13 days in 1H2022 (1H2021: 14 days).

While the Group delivered a strong set of results in 1H2022, shareholders' funds was at a lower of US\$19.81 billion (FY2021: US\$19.92 billion) as a result of weakening regional currencies which led to lower translation reserve as of 30 June 2022.

For 1H2022, the Group generated strong operating cash flows before working capital changes of US\$1.52 billion. With a more gradual increase in commodity prices during the quarter, the Group generated cash inflow from operating activities of US\$222.0 million in 2Q2022. Together with higher cash outflow from operating activities in 1Q2022 when commodity prices soared, net cash flow used in operating activities for 1H2022 was lower at US\$274.1 million.

The higher commodity prices led net loans and borrowings (net of other bank deposits, cash and bank balances and financial products with financial institutions – current) to increase by US\$2.32 billion to US\$19.56 billion as of 30 June 2022, resulting in higher net gearing ratio of 0.99x in 1H2022 (FY2021: 0.87x). Adjusted net gearing ratio was lower at 0.36x. Capital expenditures for the period (including advances paid) was higher at US\$1.26 billion (1H2021: US\$1.10 billion). Including dividend distribution of US\$482.4 million, share buyback of US\$99.0 million and US\$103.2 million used for acquisition of subsidiaries, joint ventures and associates, the Group had a cash inflow of US\$833.1 million at the end of the reporting period. As at 30 June 2022, the Group has US\$23.58 billion of unutilised banking facilities.

Note : 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.

H. Other information required by listing rule appendix 7.2 (continued)

3. 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 Group.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events.

Our integrated and diversified business model as well as our cautious approach to risk management when agri-commodities were at or near historical highs enabled the Group to deliver record results for 1H2022 in the face of highly volatile commodity markets which were reacting to factors such as severe weather conditions, geopolitical conflicts, high inflationary pressures and protective policies introduced by regional governments.

We are fortunate to be in the agri-processing business as the demand for food products is less impacted by slowing economies as compared to other industries. The recent corrections in commodity prices will hopefully restore some of the demand destroyed by high prices and improve margins in the downstream business. At the same time, whilst palm oil prices have fallen from their peak in 2Q2022, they remain higher than the pre-Covid period, thus mitigating the effects on oil palm plantation performance.

We believe our business model will continue to help us achieve long term sustainable growth. Barring unforeseen circumstances, we are optimistic that performance for the rest of the year will be satisfactory.

H. Other information required by listing rule appendix 7.2 (continued)

5. Dividend Information

5a. Current Financial Period Reported on

Any dividend declared for the current financial period reported on?

Yes.

5b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Please see Note 12 for more information.

5c. Date payable

24 August 2022

5d. Books closure date

Notice is hereby given that the Share Transfer Register and Register of Members of the Company will be closed on 17 August 2022 for the purposes of determining shareholders' entitlements to the interim dividend of S\$0.06 per ordinary share for the financial year ending 31 December 2022 (the "Interim Dividend").

Duly completed and stamped transfers in respect of ordinary shares not registered in the name of The Central Depository (Pte) Limited, together with all relevant documents of title thereto, received by the Company's Share Registrar, Tricor Barbinder Share Registration Services of 80 Robinson Road, #02-00, Singapore 068898, up to 5.00 pm on 16 August 2022, will be registered to determine shareholders' entitlement to the Interim Dividend.

Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with the Company's ordinary shares as at 5.00 pm on 16 August 2022 will be entitled to the Interim Dividend.

The Interim Dividend will be paid on 24 August 2022.

H. Other information required by listing rule appendix 7.2 (continued)

6. Interested Person Transactions

Name of Interested Person	Aggregate value of all Interested Person Transactions during the period under review (excluding transactions less than SGD100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all Interested Person Transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD100,000)
	6 months ended 30 June 2022 US\$'000	6 months ended 30 June 2022 US\$'000
Archer Daniels Midland Group	NIL	465,233
Associates of Kuok Khoon Ean & Kuok Khoon Hua [#]	115,127	17,420
Kuok Khoon Hong's Associates	2,764	429
PPB Group Bhd	138,671	NIL
Kuok Brothers Sdn Bhd	NIL	NIL

[#] The IP associates for Mr Kuok Khoon Ean and Mr Kuok Khoon Hua are substantially the same, and are not disclosed separately to avoid duplication.

7. Confirmation pursuant to Rule 720 (1) of the SGX-ST Listing Manual

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720 (1) of the SGX-ST Listing Manual.

BY ORDER OF THE BOARD

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KUOK KHOON HONG
Chairman and
Chief Executive Officer

4 August 2022

H. Other information required by listing rule appendix 7.2 (continued)

Confirmation by the Board

We, Kuok Khoon Hong and Pua Seck Guan, being two of the directors of Wilmar International Limited (“the Company”), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the six months ended 30 June 2022 unaudited financial results to be false or misleading in any material respect.

On behalf of the Board of Directors

KUOK KHOON HONG
Chairman and
Chief Executive Officer

PUA SECK GUAN
Chief Operating Officer

4 August 2022