

**WILMAR INTERNATIONAL LIMITED**

## **ANNUAL GENERAL MEETING**

21 April 2022



  
**wilmar**



# Wilmar International Global HQ at One North



- In **May 2021**, the Wilmar International Headquarters relocated to **one-north** in the Biopolis precinct, the R&D heart of Singapore.
- Nestled within lush greenery, the new office features amenities such as an extensive research laboratory, auditorium, a staff cafeteria, café, gym and a jogging track on the rooftop.
- The building was awarded the Green Mark Gold Plus Award by the Building and Construction Authority for its energy usage and responds to its tropical climate with passive cooling effects through the continuous 2m projecting fins that adorn each office floor.
- Won Silver in the Best Office Development category at the MIPIM Asia Awards 2021.



# IMPORTANT NOTICE

Information in this presentation may contain projections and forward looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on current assumptions which are subject to various risks and which may change over time. No assurance can be given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct. Actual results may differ materially from those projected.

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# Agenda

|          |                                                    |
|----------|----------------------------------------------------|
| <b>1</b> | 2021 Financials                                    |
| <b>2</b> | Business Developments                              |
| <b>3</b> | Successful Listing of Wilmar's India Joint Venture |
| <b>4</b> | ESG Initiatives                                    |

# 1. 2021 Financials

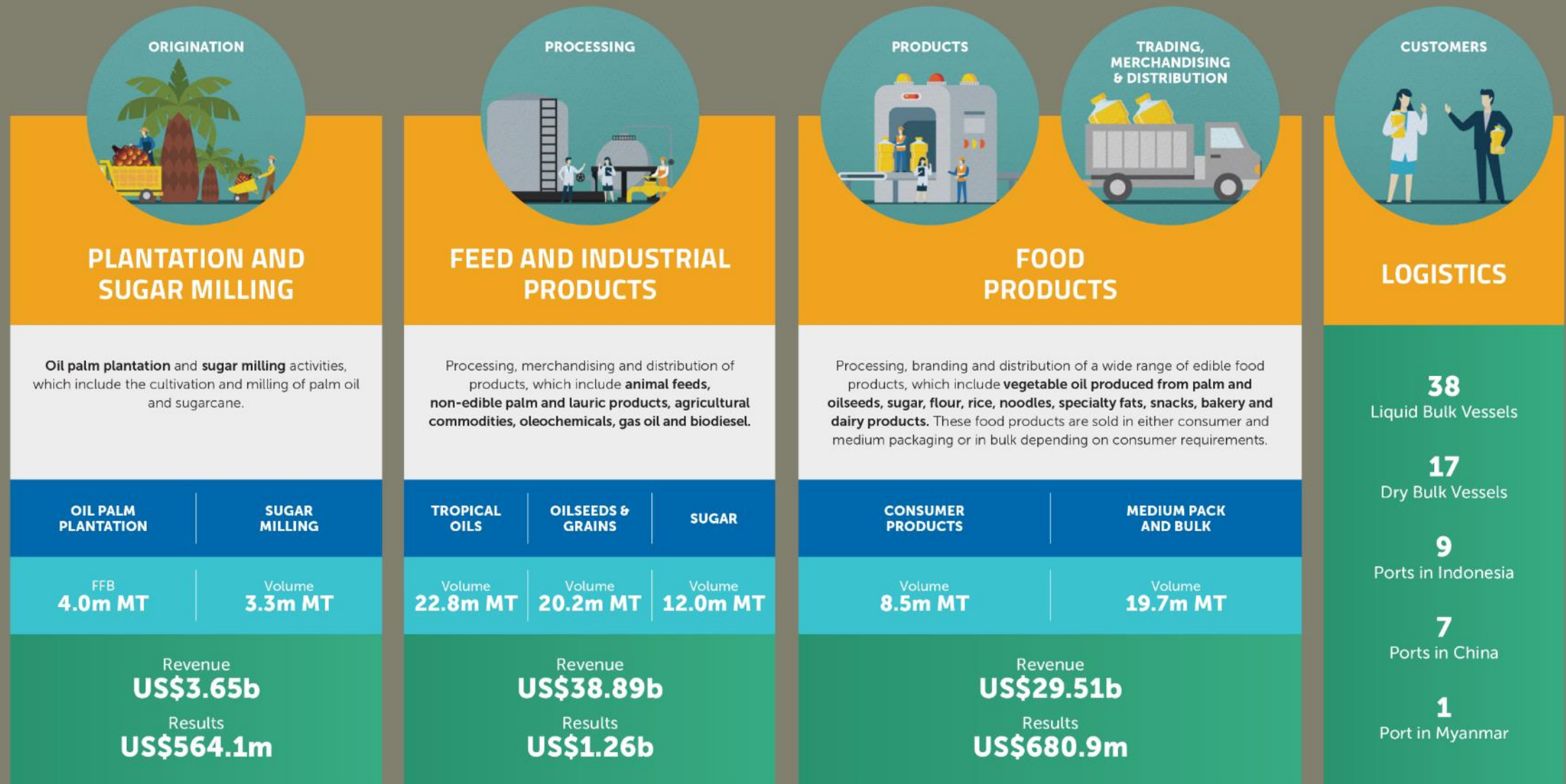
By Charles Loo Cheau Leong  
Chief Financial Officer



## 2021 Results at a Glance

|                                           |                    | vs 2020 |
|-------------------------------------------|--------------------|---------|
| <b>Total Revenue</b>                      | US\$ 65.79 billion | 30%     |
| <b>EBITDA</b>                             | US\$ 4.17 billion  | 16%     |
| <b>Net Profit</b>                         | US\$ 1.89 billion  | 23%     |
| <b>Core Net Profit</b>                    | US\$ 1.84 billion  | 24%     |
| <b>Earnings per share</b> (fully diluted) | US\$ 0.299         | 24%     |
| <b>Dividends per share</b>                | S\$ 0.155          | 19%     |
| <b>Net Debt/Equity</b>                    | 0.87x              | 0.72x   |

# Vertically Integrated Across Business Segments



# Key Segment Results

| US\$ million unless otherwise stated                                        |                              | 2021           | 2020           |
|-----------------------------------------------------------------------------|------------------------------|----------------|----------------|
| Food Products<br>(Consumer Products, Medium Pack and Bulk)                  | Volume (M MT)                | 28.3           | 27.2           |
|                                                                             | Revenue                      | 29,508.1       | 23,596.7       |
|                                                                             | PBT                          | 680.9          | 1,152.4        |
| Feed and Industrial Products<br>(Tropical Oils, Oilseeds and Grains, Sugar) | Volume (M MT)                | 55.0           | 58.1           |
|                                                                             | Revenue                      | 38,894.5       | 28,932.6       |
|                                                                             | PBT                          | 1,261.0        | 795.9          |
| Plantation and Sugar Milling                                                | Volume (M MT) <sup>(1)</sup> | 3.3            | 3.5            |
|                                                                             | Revenue                      | 3,650.9        | 2,154.4        |
|                                                                             | PBT                          | 564.1          | 104.8          |
| Others                                                                      | Revenue                      | 298.5          | 780.6          |
|                                                                             | PBT                          | 47.2           | 59.2           |
| Share of Results of Associates & Joint Ventures                             | PBT                          | 219.5          | 202.2          |
| Unallocated Expenses                                                        | PBT                          | (6.8)          | (3.4)          |
|                                                                             | <b>Total PBT</b>             | <b>2,765.9</b> | <b>2,311.1</b> |

<sup>(1)</sup> Excludes oil palm plantation volume

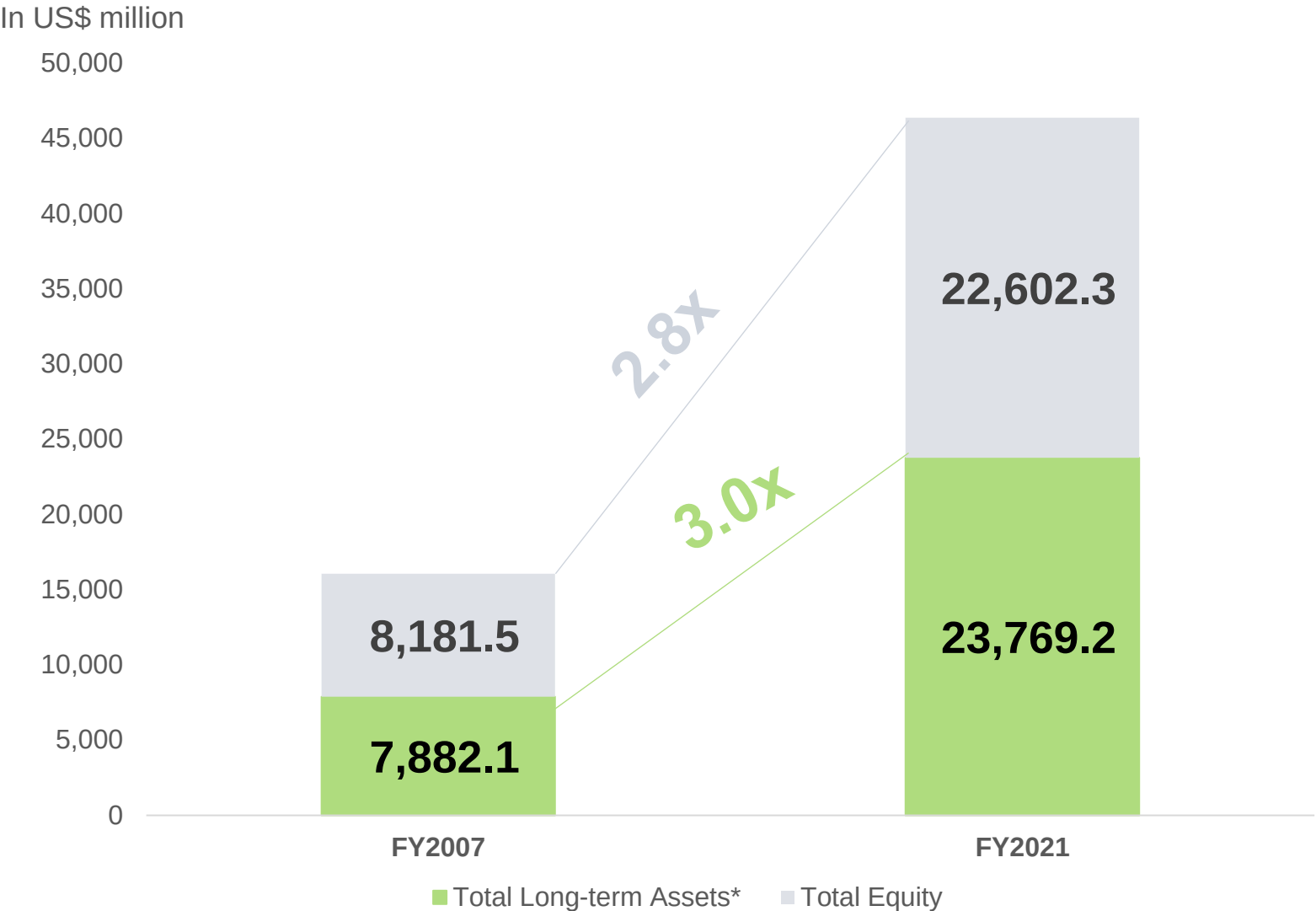
# Cash Flow Highlights

| <b>US\$ million</b>                                                           | <b>FY2021</b> | <b>FY2020</b> |
|-------------------------------------------------------------------------------|---------------|---------------|
| Operating cash flow before working capital changes                            | 3,994         | 3,594         |
| Changes in working capital, interest (paid)/received and income taxes paid    | (4,039)       | (3,041)       |
| Less: Acquisitions of subsidiaries, joint ventures and associates             | (81)          | (317)         |
| Capital expenditure                                                           | (2,527)       | (1,976)       |
| Net increase/(decrease) from bank borrowings*                                 | 3,088         | (2,072)       |
| Decrease in other deposits and financial products with financial institutions | 514           | 2,822         |
| Dividends                                                                     | (968)         | (619)         |
| Proceeds from dilution of interest in a subsidiary                            | -             | 2,021         |
| Others                                                                        | 23            | 123           |
| <b>Net cash flow</b>                                                          | <b>4</b>      | <b>535</b>    |

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.

# Asset Growth Supported by Equity



\*includes property, plant and equipment, intangibles, investment in associates/joint ventures, bearer plants, biological assets

## CAPEX – Funded Internally

| US\$ million                               | FY2021       | FY2020       | FY2019       | FY2018       | FY2017       |
|--------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>EBITDA</b>                              | <b>4,172</b> | <b>3,609</b> | <b>3,024</b> | <b>2,937</b> | <b>2,615</b> |
| Less: net tax paid                         | (687)        | (407)        | (247)        | (388)        | (286)        |
| Less: net interest paid                    | (266)        | (213)        | (450)        | (253)        | (223)        |
| Less: dividend (ordinary)                  | (741)        | (699)        | (555)        | (532)        | (351)        |
| Less: special dividend                     | (309)        | -            | -            | -            | -            |
| Less: share buy back                       | (98)         | (141)        | -            | -            | -            |
| Add: funds from IPO used to purchase Capex | 414          | 621          | -            | -            | -            |
|                                            | <b>2,485</b> | <b>2,770</b> | <b>1,772</b> | <b>1,764</b> | <b>1,755</b> |
| Less: CAPEX spent                          | (2,527)      | (1,976)      | (1,813)      | (1,325)      | (938)        |
| <b>(Deficit)/surplus funds</b>             | <b>(42)</b>  | <b>794</b>   | <b>(41)</b>  | <b>439</b>   | <b>817</b>   |

- Healthy returns to shareholders via dividends / share buyback each year.
- Adequate internally generated funds used for capital expenditure.

## Funding and Liquidity

| US\$ million                       | 31 Dec 2021   | 31 Dec 2020   |
|------------------------------------|---------------|---------------|
| Liquid working capital             | 11,889        | 8,567         |
| Cash & bank balances (current)     | 6,342         | 5,928         |
| Structured deposits                | 3,197         | 3,616         |
|                                    | <b>21,428</b> | <b>18,111</b> |
| <b>Total short-term borrowings</b> | <b>22,292</b> | <b>17,146</b> |

| US\$ million                   | As at Dec 31, 2021 |               | Balance       |
|--------------------------------|--------------------|---------------|---------------|
|                                | Available          | Utilised      |               |
| Credit facilities :            |                    |               |               |
| Committed                      | 10,503             | 8,400         | 2,103         |
| Trade finance                  | 43,103             | 20,157        | 22,946        |
| Short term                     | 1,350              | 557           | 793           |
| <b>Total credit facilities</b> | <b>54,956</b>      | <b>29,114</b> | <b>25,842</b> |

- 69% of utilised facilities were trade financing lines as at December 31, 2021.
- 53% of total facilities were utilised as at December 31, 2021.
- In July 2021, Wilmar raised US\$1,500 million through a syndicated loan facility comprising a 5-year revolving credit facility of US\$1,200 million and a 5-year term loan of US\$300 million. The facility was upsized from US\$840 million to US\$1,500 million due to strong interest from lenders.

## 2. Business Developments



# Business Developments

| Development   | Highlights                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Food Products | <b>China:</b> <ul style="list-style-type: none"><li>Continued on our path of accelerated growth, adding flour and rice mills and consumer edible oil, flour and rice packing plants in existing and new sites.</li><li>Our Central Kitchen Food Park project is progressing well with the first facility in Hangzhou commencing operations earlier this month. It started to provide meals to the quarantined in Shanghai and Hangzhou, and will be supplying meals for the coming Asian Games in Hangzhou. In addition, central kitchens in Chongqing, Langfang and Xi'an are progressing well.</li></ul> |
|               | <b>India:</b> <ul style="list-style-type: none"><li>Initiated an investment programme for our Kandla sugar refinery to improve quality grade, logistics and efficiency, thus lowering cost performance. The benefits of these investments are expected to show in 2H2022 and will allow the Kandla refinery to continue to be one of the lowest-cost producers in the country.</li><li>Expanded sugar packing capacities and planning new capacities for flour milling and edible oil packing.</li></ul>                                                                                                   |



# Business Developments

| Development                                                         | Highlights                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Food Products</b>                                                | <ul style="list-style-type: none"> <li>Continued to expand our <b>Indonesian</b> operations with new flour mills, specialty fats plant and edible oil packing plant and planning new capacities for edible oil refining, rice and flour milling and edible oil, rice and flour packing.</li> <li>Expanded edible oil refining, flour milling and flour and rice packing capacities in new and existing sites in <b>Vietnam</b>.</li> </ul> |
| <b>Feed and Industrial Products</b><br><i>Tropical Oils</i>         | <ul style="list-style-type: none"> <li>Expanded our biodiesel capacities in <b>Indonesia</b> and oleochemicals capacities in <b>India</b>.</li> </ul>                                                                                                                                                                                                                                                                                      |
| <b>Feed and Industrial Products</b><br><i>Oilseeds &amp; Grains</i> | <ul style="list-style-type: none"> <li>In <b>China</b>, we expanded capacities of oilseed crushing, rice bran extraction and soap plants and planning for new capacities for oleochemicals processing.</li> <li>Expanding soybean crushing capacity in <b>Vietnam</b>.</li> </ul>                                                                                                                                                          |



# Business Developments

| Development                                                       | Highlights                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Feed and Industrial Products</b><br><i>Sugar</i>               | <ul style="list-style-type: none"> <li>We are planning new ethanol capacities as we pursue our strategic move to renewable energy and to ethanol. We will explore 2G ethanol introduction in our production sites in <b>India</b>.</li> </ul>                                                                                                                                                                                                                   |
| <b>Plantation and Sugar Milling</b><br><i>Oil Palm Plantation</i> | <ul style="list-style-type: none"> <li>We are expanding our oil palm plantation acreage selectively in <b>Africa</b>.</li> </ul>                                                                                                                                                                                                                                                                                                                                |
| <b>Joint Ventures and Associates</b>                              | <ul style="list-style-type: none"> <li>Increased sugar refining capacity in <b>Morocco</b>.</li> <li>In <b>Ukraine</b>, due to the ongoing conflict, our joint venture there has suspended operations of one of its plants. The other plant is partially running. Our top priority is the safety of our employees and we will continue to monitor the situation very closely. Impact on the Group's overall business is not expected to be material.</li> </ul> |



# Recognised for its Leading Brands and Quality Products

|                                                                                    |                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| China:<br><b>Arawana</b>                                                           | <ul style="list-style-type: none"> <li>• 中国粮油领军品牌 by 粮油市场报主办的“第十届中国粮油榜</li> <li>• 中国品牌力指数 (C-BPI) 食用油品牌榜榜首, 面粉和大米品牌榜第二名 by 中国品牌评级与品牌顾问机构 Chnbrand</li> <li>• 十佳品牌奖 by 中国粮油学会</li> </ul>                                                                                                                                                                    |
| Indonesia:<br><b>Sania</b>                                                         | <ul style="list-style-type: none"> <li>• Superbrand (Cooking Oil Category) by Superbrands Indonesia</li> <li>• Top Brand Award 2021 in Recognition of Outstanding Achievement in Building the Top Brand (Cooking Oil Category) by Frontier Consulting Group and Majalah Marketing</li> <li>• WOW Brand Award (Cooking Oil Category) by MarkPlus</li> </ul> |
| Bangladesh:<br><b>Rupchanda</b>                                                    | <ul style="list-style-type: none"> <li>• The Most Loved Brand (Edible Oil) by Bangladesh Brand Forum</li> </ul>                                                                                                                                                                                                                                            |
| Nigeria:<br><b>Devon King's</b>                                                    | <ul style="list-style-type: none"> <li>• Cooking Oil Brand of the Decade Award by Marketing Edge 2021</li> <li>• Cooking Oil Brand of the Year by WIMCA 2021</li> </ul>                                                                                                                                                                                    |
| Vietnam:<br><b>Simply</b>                                                          | <ul style="list-style-type: none"> <li>• Top 100 Products – Services Selected and Voted by Consumers by Vietnam Economic Times</li> </ul>                                                                                                                                                                                                                  |
| Zimbabwe:<br><b>Buttercup Margarine</b>                                            | <ul style="list-style-type: none"> <li>• Superbrand Winner (FMCG Spreads Category) by Marketers Association Zimbabwe</li> </ul>                                                                                                                                                                                                                            |
| Uganda:<br><b>White Star Bar</b><br><b>Magic Detergent</b><br><b>Fortune Butto</b> | <ul style="list-style-type: none"> <li>• Best Laundry Soap by People's Choice Quality Awards</li> <li>• Best Detergent by People's Choice Quality Awards</li> <li>• Best Oil by People's Choice Quality Awards</li> </ul>                                                                                                                                  |
| Australia:<br><b>Helga Continental Bakehouse</b>                                   | <ul style="list-style-type: none"> <li>• Best White Bread &amp; Best Multigrain Bread by Canstar Blue 2021</li> </ul>                                                                                                                                                                                                                                      |



### 3. Successful Listing of Wilmar's India Joint Venture



## Successful Listing of Wilmar's India Joint Venture



- Adani Wilmar Limited (AWL), our 50:50 joint venture, made its debut on the National Stock Exchange of India and BSE on 8 February 2022, with a successful initial public offering (IPO) that raised US\$482 million of new capital.
- AWL is the largest food and FMCG company in India.
- Largest edible oils refiner, oleochemicals manufacturer and consumer pack producer, with manufacturing facilities across 50 locations.
- Proceeds from IPO to expand AWL's existing manufacturing facilities, develop new sites and make strategic investments.

## 4. ESG Initiatives



# Established a Board Sustainability Committee

- To provide specific oversight of the our sustainability strategy
- This will include governance over implementation and communications of our sustainability activities with our stakeholders.
- Provide input to the Board on ESG issues and sustainability performance.
- The setting up of a new board-level committee dedicated to sustainability signals the importance of these issues to us, and that the Board is fully committed to integrating sustainability within our business model.

MAKING A  
SUSTAINABLE  
IMPACT

# Our Sustainability Progress

- 2021 marked the 10<sup>th</sup> edition of Wilmar's Sustainability Report, representing 15 years of sustainability disclosure since 2007.
- Today, we are proud to have expanded our scope of ESG disclosure to cover the full breadth of our global businesses from trading, merchandising to product development.
- In **September 2021**, we have launched our No Deforestation, No People Exploitation Sugar Policy which is aligned with and serves as an extension of our original NDPE Policy that was first launched in 2013.
- In **November 2021**, we issued a joint statement at the World Leaders' Summit on Forests and Land Use at the Glasgow Climate Change Conference under the 26<sup>th</sup> UNFCCC Conference of the Parties (COP 26) pledging our commitment to a sectoral roadmap for enhanced supply chain action that is consistent with a 1.5°C pathway to be achieved by COP27.
- We are developing comprehensive initiatives and targets to identify and reduce negative climate impacts from our value chain.

## OUR PAST SUSTAINABILITY REPORTS



## Recognition for Our Sustainability Efforts

- We are encouraged that our efforts and achievements in this space have been reflected in our sustainability credentials:

✓ Inclusion in the Dow Jones Sustainability World Index (**DJSI World**)

✓ Inclusion in the **FTSE4Good** Developed and ASEAN 5 Index

✓ **Ranked 1<sup>st</sup>** in Singapore in Best Strategic Corporate Social Responsibility by Alpha Southeast Asia Corporate Institutional Investor Awards

✓ **Ranked 1<sup>st</sup>** globally in 2021 Palm Oil Benchmark Sustainability Policy Transparency Toolkit (SPOTT) / Zoological Society of London (ZSL)

✓ **Ranked 1<sup>st</sup> Globally** in the 2021 Benchmark Findings Report by Global Child Forum

Thank you

