

Unaudited Financial Statements for the First Quarter ended 31 March 2019
FINANCIAL HIGHLIGHTS

	1Q2019 US\$'000	1Q2018 US\$'000 Restated*	Change
Revenue	10,444,457	11,137,498	-6.2%
Net Profit	256,992	203,281	26.4%
Net Profit - excluding discontinued operations	269,664	203,281	32.7%
Core Net Profit	250,319	183,496	36.4%
EBITDA	645,420	558,778	15.5%
EPS - Basic (US cents per share)	4.1	3.2	28.1%
EPS - Fully diluted (US cents per share)	4.1	3.2	28.1%
EPS - Basic (US cents per share) - excluding discontinued operations	4.3	3.2	34.4%
EPS - Fully diluted (US cents per share) - excluding discontinued operations	4.3	3.2	34.4%
	31.03.2019	31.12.2018	Change
Net Tangible Asset (US\$'000)	12,019,291	11,553,740	4.0%
Net Asset per share (US\$ per share)	2.61	2.54	2.8%
Net Tangible Asset per share (US\$ per share)	1.90	1.83	3.8%

**Prior period figures were restated upon adoption of SFRS (I) 15 Revenue from Contracts with Customers*

Unaudited Financial Statements for the First Quarter ended 31 March 2019
1(a)(i) Consolidated Income Statement

	Group		
	Three months ended		
	31.03.2019 US\$'000	31.03.2018 US\$'000 Restated*	Change
Revenue	10,444,457	11,137,498	-6.2%
Cost of sales	(9,433,449)	(10,210,618)	7.6%
Gross profit	1,011,008	926,880	9.1%
Other items of income			
Finance income	126,031	103,236	22.1%
Other operating income	73,601	50,029	47.1%
Other items of expense			
Selling and distribution expenses	(464,771)	(484,258)	4.0%
Administrative expenses	(199,930)	(185,241)	-7.9%
Other operating expenses	(28,766)	(9,379)	-206.7%
Finance costs	(233,911)	(155,072)	-50.8%
Non-operating items	22,238	21,603	2.9%
Share of results of joint ventures	9,326	6,586	41.6%
Share of results of associates	11,609	34,871	-66.7%
Profit before tax from continuing operations	326,435	309,255	5.6%
Income tax expense	(42,485)	(73,511)	42.2%
Profit from continuing operations, net of tax	283,950	235,744	20.4%
Loss from discontinued operations, net of tax	(21,721)	-	n.m.
Profit for the period	262,229	235,744	11.2%

Attributable to:

Owners of the Company			
Profit from continuing operations, net of tax	269,664	203,281	32.7%
Loss from discontinued operations, net of tax	(12,672)	-	n.m.
Profit for the period attributable to owners of the Company	256,992	203,281	26.4%
Non-controlling interests			
Profit from continuing operations, net of tax	14,286	32,463	-56.0%
Loss from discontinued operations, net of tax	(9,049)	-	n.m.
Profit for the period attributable to non-controlling interests	5,237	32,463	-83.9%
Profit for the period	262,229	235,744	11.2%

*Prior period figures were restated upon adoption of SFRS (I) 15 Revenue from Contracts with Customers

n.m. - not meaningful

Unaudited Financial Statements for the First Quarter ended 31 March 2019
1(a)(ii) Consolidated Statement of Comprehensive Income

	Group		
	Three months ended		
	31.03.2019 US\$'000	31.03.2018 US\$'000	Inc/(Dec) US\$'000
Profit after tax	262,229	235,744	26,485
Other comprehensive income			
- Items that will not be reclassified subsequently to income statement			
Fair value adjustment on equity instruments at fair value through other comprehensive income	(12,448)	(35,862)	23,414
Gain on disposal equity instruments at fair value through other comprehensive income	-	4,668	(4,668)
	(12,448)	(31,194)	18,746
- Items that may be reclassified subsequently to income statement			
Foreign currency translation	227,826	325,172	(97,346)
Fair value adjustment on cash flow hedges	(2,956)	(17,842)	14,886
Fair value adjustment on forward elements of forward contracts	31,068	(11,319)	42,387
	255,938	296,011	(40,073)
Other comprehensive income from continuing operations, net of tax	243,490	264,817	(21,327)
Other comprehensive income from discontinued operations, net of tax	(753)	-	(753)
Total comprehensive income	504,966	500,561	4,405

Attributable to:

Owners of the Company	478,480	449,815	28,665
Non-controlling interests	26,486	50,746	(24,260)
	504,966	500,561	4,405

Attributable to:
Owners of the Company

Total comprehensive income from continuing operations, net of tax	491,591	449,815	41,776
Total comprehensive income from discontinued operations, net of tax	(13,111)	-	(13,111)
	478,480	449,815	28,665

Unaudited Financial Statements for the First Quarter ended 31 March 2019
1(b)(i) Balance Sheets

	Group		Company	
	31.03.2019 US\$'000	31.12.2018 US\$'000	31.03.2019 US\$'000	31.12.2018 US\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	10,124,044	9,309,701	47,445	43,543
Bearer plants	687,341	676,570	-	-
Investment properties	22,275	21,782	-	-
Intangible assets	4,512,678	4,495,085	-	-
Investment in subsidiaries	-	-	8,999,783	9,093,313
Investment in joint ventures	1,107,954	1,092,207	124,230	124,230
Investment in associates	2,633,094	2,622,953	36,644	36,644
Investment securities	566,132	573,188	-	-
Deferred tax assets	393,603	330,979	-	-
Derivative financial instruments	7,117	7,012	-	-
Other financial receivables	232,417	197,760	341,593	369,799
Other non-financial assets	70,149	72,481	-	-
	20,356,804	19,399,718	9,549,695	9,667,529
Current assets				
Inventories	7,126,181	7,911,302	-	-
Trade receivables	3,848,235	4,349,147	-	-
Other financial receivables	7,956,143	7,517,691	4,317,951	4,259,606
Other non-financial assets	1,393,351	1,467,301	6,451	5,543
Derivative financial instruments	347,057	524,989	-	-
Investment securities	344,973	326,164	-	-
Other bank deposits	1,992,799	1,719,077	-	-
Cash and bank balances	2,151,264	1,650,478	10,393	1,848
	25,160,003	25,466,149	4,334,795	4,266,997
Assets of disposal group classified as held for sale	833,217	814,024	-	-
	25,993,220	26,280,173	4,334,795	4,266,997
TOTAL ASSETS	46,350,024	45,679,891	13,884,490	13,934,526

Unaudited Financial Statements for the First Quarter ended 31 March 2019
1(b)(i) Balance Sheets (continued)

	Group		Company	
	31.03.2019 US\$'000	31.12.2018 US\$'000	31.03.2019 US\$'000	31.12.2018 US\$'000
EQUITY AND LIABILITIES				
Current liabilities				
Trade payables	1,285,705	1,441,729	-	-
Other financial payables	1,459,911	1,492,732	3,536,212	3,492,000
Other non-financial liabilities	291,195	411,577	-	-
Derivative financial instruments	342,324	321,857	-	-
Loans and borrowings	17,822,391	17,821,225	-	72,110
Tax payables	188,204	139,746	-	-
	21,389,730	21,628,866	3,536,212	3,564,110
Liabilities directly associated with disposal group classified as held for sale	1,233,619	1,186,834	-	-
	22,623,349	22,815,700	3,536,212	3,564,110
NET CURRENT ASSETS	3,369,871	3,464,473	798,583	702,887
Non-current liabilities				
Other financial payables	157,347	75,851	-	-
Other non-financial liabilities	136,888	126,329	-	-
Derivative financial instruments	36,240	32,673	-	-
Loans and borrowings	5,793,375	5,523,374	241,799	244,015
Deferred tax liabilities	315,422	339,392	-	-
	6,439,272	6,097,619	241,799	244,015
TOTAL LIABILITIES	29,062,621	28,913,319	3,778,011	3,808,125
NET ASSETS	17,287,403	16,766,572	10,106,479	10,126,401
Equity attributable to owners of the Company				
Share capital	8,458,995	8,458,995	8,895,134	8,895,134
Treasury shares	(152,299)	(153,315)	(152,299)	(153,315)
Retained earnings	9,555,167	9,306,876	1,133,272	1,161,712
Other reserves	(1,329,894)	(1,563,731)	230,372	222,870
	16,531,969	16,048,825	10,106,479	10,126,401
Non-controlling interests	755,434	717,747	-	-
TOTAL EQUITY	17,287,403	16,766,572	10,106,479	10,126,401
TOTAL EQUITY AND LIABILITIES	46,350,024	45,679,891	13,884,490	13,934,526

Unaudited Financial Statements for the First Quarter ended 31 March 2019
1(b)(ii) Group's Borrowings and Debt Securities

	Group		Group	
	31.03.2019		31.12.2018	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
(a) Amount repayable in one year or less, or on demand	2,800,663	15,021,728	2,900,145	14,921,080
(b) Amount repayable after one year	524,200	5,269,175	308,922	5,214,452
	3,324,863	20,290,903	3,209,067	20,135,532

Details of any collateral

A portion of the bank term loans and short term working capital loans is secured by a pledge over property, plant and equipment, bearer plants, fixed deposits and other deposits with financial institutions, trade receivables and corporate guarantees from the Company and certain subsidiaries.

The Group's bank loans and other bank deposits amounting to approximately US\$975,977,000 are disclosed off balance sheet as at 31 March 2019 as the Group has transferred substantially all the risks and rewards of the cash flows arising from the deposits and have also legally been released from the responsibility for the loans.

Unaudited Financial Statements for the First Quarter ended 31 March 2019
1(c) Consolidated Cash Flow Statement

	Group	
	Three months ended	
	31.03.2019 US\$'000	31.03.2018 US\$'000
Cash flows from operating activities		
Profit before tax from continuing operations	326,435	309,255
Loss before tax from discontinued operations	(21,721)	-
Profit before tax, total	304,714	309,255
Adjustments for:		
Depreciation of bearer plants	13,759	13,483
Depreciation of property, plant and equipment	188,080	177,116
Gain on disposal of investment in associates	(2,311)	(1,732)
Fair value loss arising from changes of interest in a joint venture resulting in change of control	-	231
Fair value gain arising from changes of interest in an associate resulting in change of control	(907)	-
Amortisation of intangible assets	281	334
(Gain)/loss on disposal of property, plant and equipment	(277)	344
Loss/(gain) on disposal of biological assets	52	(1)
Gain on disposal/liquidation of subsidiaries	-	(189)
Gain on disposal of investment securities at fair value through profit or loss	-	(4,999)
Grant of share options to employees	7,497	3,572
Net fair value loss on derivative financial instruments	203,100	188,246
Net fair value (gain)/loss on investment securities at fair value through profit or loss	(19,252)	23,411
Foreign exchange differences arising from translation	95,339	112,991
Dividend income from investment securities at fair value through profit or loss	(4,103)	(3,657)
Investment income from investment securities at fair value through other comprehensive income	(6,564)	(43,318)
Interest expense	242,896	161,826
Interest income	(126,031)	(103,236)
Share of results of joint ventures	(9,326)	(6,586)
Share of results of associates	(11,609)	(34,871)
Operating cash flows before working capital changes	875,338	792,220
Changes in working capital:		
Decrease in inventories	899,220	1,033,801
Decrease in receivables and other assets	603,375	71,234
(Decrease)/increase in payables	(465,539)	60,296
Cash flows generated from operations	1,912,394	1,957,551
Interest paid	(222,073)	(173,919)
Interest received	85,801	86,546
Income taxes paid	(82,157)	(85,788)
Net cash flows generated from operating activities	1,693,965	1,784,390

Unaudited Financial Statements for the First Quarter ended 31 March 2019
1(c) Consolidated Cash Flow Statement (continued)

	Group	
	Three months ended	
	31.03.2019 US\$'000	31.03.2018 US\$'000
Cash flows from investing activities		
Net cash flow on acquisition of subsidiaries	7,556	(142,709)
Decrease in plasma investments	819	1,219
Decrease in investment securities at fair value through profit or loss	744	11,242
Payments for property, plant and equipment	(376,755)	(276,104)
Payments for bearer plants	(19,088)	(13,134)
(Increase)/decrease in investment securities	(1,183)	16,287
Dividend income from investment securities at fair value through profit or loss	4,103	3,657
Investment income from investment securities at fair value through other comprehensive income	6,564	43,318
Payments for investment in joint ventures	(12,429)	(25)
Increase in investment in associates	-	(147,851)
Payments for intangible assets	(258)	-
Dividends received from joint ventures	24,504	20,033
Dividends received from associates	95	5,925
Proceeds from disposal of property, plant and equipment	39,195	25,781
Proceeds from disposal/liquidation/dilution of interest in associates	12,183	15,112
Net cash flow from disposal/liquidation of subsidiaries	-	2,888
Net cash flows used in investing activities	(313,950)	(434,361)
Cash flows from financing activities		
(Increase)/decrease in net amount due from related parties	(478)	276
(Increase)/decrease in net amount due from joint ventures	(4,878)	78,074
Decrease/(increase) in net amount due from associates	10,537	(10,209)
Decrease in advances from non-controlling shareholders	(12,972)	(7,647)
Proceeds from loans and borrowings	424,837	789,568
(Increase)/decrease in fixed deposits pledged with financial institutions for bank facilities	(117,367)	541,205
Increase in other financial receivables	(991,123)	(2,160,187)
Increase in other deposits with maturity more than 3 months	(299,152)	(99,420)
Interest paid	(10,786)	(7,899)
Net cash flow from acquisition of additional interest in subsidiaries	(19,278)	-
Dividends paid to non-controlling shareholders by subsidiaries	(4,241)	(5,423)
Proceeds from reissuance of treasury shares by the Company	1,021	1,487
Proceeds from issue of shares by subsidiaries to non-controlling shareholders	6,366	12,003
Net cash flows used in financing activities	(1,017,514)	(868,172)
Net increase in cash and cash equivalents	362,501	481,857
Cash and cash equivalents at the beginning of the financial period	1,595,494	1,435,225
Cash and cash equivalents at the end of the financial period	1,957,995	1,917,082
Represented by:		
Total cash and bank balances	4,144,063	3,772,661
Less: Fixed deposits pledged with financial institutions for bank facilities	(1,238,667)	(1,047,726)
Less: Other deposits with maturity more than 3 months	(754,132)	(793,007)
Bank overdrafts	(193,269)	(14,846)
Total cash and cash equivalents	1,957,995	1,917,082

Unaudited Financial Statements for the First Quarter ended 31 March 2019
1(d)(i) Statements of Changes in Equity

	Attributable to owners of the Company					Non-controlling interests	Equity total
	Share capital	Treasury shares	Retained earnings	Other reserves	Equity attributable to owners of the Company, total		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
For the period							
From 01.01.2019 to 31.03.2019							
Group							
Opening balance at 1 January 2019	8,458,995	(153,315)	9,306,876	(1,563,731)	16,048,825	717,747	16,766,572
Profit for the period	-	-	256,992	-	256,992	5,237	262,229
Other comprehensive income	-	-	-	221,488	221,488	21,249	242,737
Total comprehensive income	-	-	256,992	221,488	478,480	26,486	504,966
Grant of equity-settled share options	-	-	-	7,497	7,497	-	7,497
Share capital contributed by non-controlling shareholders	-	-	-	-	-	6,366	6,366
Reissuance of treasury shares pursuant to exercise of share options	-	1,016	-	5	1,021	-	1,021
Dividends paid to non-controlling shareholders by subsidiaries	-	-	-	-	-	(4,241)	(4,241)
Net transfer to other reserves	-	-	(8,701)	8,701	-	-	-
Total contributions by and distributions to owners	-	1,016	(8,701)	16,203	8,518	2,125	10,643
Acquisition of subsidiaries	-	-	-	-	-	24,500	24,500
Acquisition of additional interest in subsidiaries	-	-	-	(3,854)	(3,854)	(15,424)	(19,278)
Total changes in ownership interests in subsidiaries	-	-	-	(3,854)	(3,854)	9,076	5,222
Closing balance at 31 March 2019	8,458,995	(152,299)	9,555,167	(1,329,894)	16,531,969	755,434	17,287,403

Unaudited Financial Statements for the First Quarter ended 31 March 2019
1(d)(i) Statements of Changes in Equity (continued)

	Attributable to owners of the Company					Non-controlling interests	Equity total
	Share capital	Treasury shares	Retained earnings	Other reserves	Equity attributable to owners of the Company, total		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
For the period							
From 01.01.2018 to 31.03.2018							
Group							
Opening balance at 1 January 2018	8,458,995	(156,209)	8,680,262	(950,738)	16,032,310	1,021,507	17,053,817
Profit for the period	-	-	203,281	-	203,281	32,463	235,744
Other comprehensive income	-	-	4,668	241,866	246,534	18,283	264,817
Total comprehensive income	-	-	207,949	241,866	449,815	50,746	500,561
Grant of equity-settled share options	-	-	-	3,572	3,572	-	3,572
Share capital contributed by non-controlling shareholders	-	-	-	-	-	12,003	12,003
Reissuance of treasury shares pursuant to exercise of share options	-	1,479	-	8	1,487	-	1,487
Dividends paid to non-controlling shareholders by subsidiaries	-	-	-	-	-	(5,423)	(5,423)
Net transfer to other reserves	-	-	(3,869)	3,869	-	-	-
Total contributions by and distributions to owners	-	1,479	(3,869)	7,449	5,059	6,580	11,639
Closing balance at 31 March 2018	8,458,995	(154,730)	8,884,342	(701,423)	16,487,184	1,078,833	17,566,017

Unaudited Financial Statements for the First Quarter ended 31 March 2019
1(d)(i) Statements of Changes in Equity (continued)

	Attributable to owners of the Company				
	Share capital	Treasury shares	Retained earnings	Other reserves	Equity attributable to owners of the Company, total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
For the period					
From 01.01.2019 to 31.03.2019					
Company					
Opening balance at 1 January 2019	8,895,134	(153,315)	1,161,712	222,870	10,126,401
Profit for the period	-	-	(28,440)	-	(28,440)
Total comprehensive income	-	-	(28,440)	-	(28,440)
Grant of equity-settled share options	-	-	-	7,497	7,497
Reissuance of treasury shares pursuant to exercise of share options	-	1,016	-	5	1,021
Total transactions with owners in their capacity as owners	-	1,016	-	7,502	8,518
Closing balance at 31 March 2019	8,895,134	(152,299)	1,133,272	230,372	10,106,479

	Attributable to owners of the Company				
	Share capital	Treasury shares	Retained earnings	Other reserves	Equity attributable to owners of the Company, total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
For the period					
From 01.01.2018 to 31.03.2018					
Company					
Opening balance at 1 January 2018	8,895,134	(156,209)	1,544,230	211,991	10,495,146
Profit for the period	-	-	(3,151)	-	(3,151)
Total comprehensive income	-	-	(3,151)	-	(3,151)
Grant of equity-settled share options	-	-	-	3,572	3,572
Reissuance of treasury shares pursuant to exercise of share options	-	1,479	-	8	1,487
Total transactions with owners in their capacity as owners	-	1,479	-	3,580	5,059
Closing balance at 31 March 2018	8,895,134	(154,730)	1,541,079	215,571	10,497,054

Unaudited Financial Statements for the First Quarter ended 31 March 2019
1(d)(ii) Share Capital

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

	Number of shares	
	31.03.2019	31.03.2018
Issued and fully paid ordinary shares		
Balance at the beginning of the financial period	6,403,401,106	6,403,401,106
Balance at the end of the financial period	6,403,401,106	6,403,401,106
Treasury shares		
Balance at the beginning of the financial period	(76,432,850)	(77,714,000)
Reissuance of treasury shares pursuant to exercise of share options	452,000	646,550
Balance at the end of the financial period	(75,980,850)	(77,067,450)
Issued ordinary shares excluding treasury shares	6,327,420,256	6,326,333,656
The number of shares that may be issued on exercise of share options outstanding at the end of the financial period	57,569,250	144,627,850

1(d)(iii) The total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding financial year.

The Company's total number of issued shares as at 31 March 2019 and 31 December 2018 were 6,403,401,106, of which 75,980,850 shares and 76,432,850 shares were held by the Company as treasury shares as at 31 March 2019 and 31 December 2018 respectively.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Please refer to item 1(d)(ii) above.

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

The financial statements presented above have not been audited or reviewed by the Company's auditors.

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

Not applicable.

Unaudited Financial Statements for the First Quarter ended 31 March 2019

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

The Group has applied the same accounting policies and methods of computation in the preparation of the consolidated financial statements for the current reporting period compared with the audited financial statements as at 31 December 2018 except for the adoption of Singapore Financial Reporting Standards (International) (SFRS(I)) and new or revised SFRS(I) and INT SFRS(I) that are mandatory for financial years beginning on or after 1 January 2019. The adoption of these SFRS(I) and INT SFRS(I) has no significant impact on the Group's consolidated financial statements, except as disclosed in item 5 below.

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

Adoption of SFRS(I) 16 Leases

SFRS(I) 16 requires lessees to recognise most leases on balance sheets. The standard includes two recognition exemptions for lessees – leases of 'low value' assets and short-term leases. At commencement date of a lease, a lessee will recognise a liability to make a lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use (ROU) asset).

The Group has applied the practical expedient to recognise amounts of ROU assets equal to its lease liabilities at 1 January 2019. The impact of the adoption of SFRS(I) 16 Leases is as follows:-

The effects on adoption of SFRS(I) 16 on 1 January 2019 are set below:

	US\$'000
	Increase / (decrease)
Right of use asset	1,085,361
Lease liabilities	130,800
Land and land rights	(935,654)
Prepayments	(18,907)

Unaudited Financial Statements for the First Quarter ended 31 March 2019
6. Earnings Per Ordinary Share (EPS)

	Group	
	Three months ended	
	31.03.2019	31.03.2018
(a) Based on weighted average number of shares (US cents per share)	4.1	3.2
(b) Based on fully diluted basis (US cents per share)	4.1	3.2
(c) Based on weighted average number of shares (US cents per share) - excluding discontinued operations	4.3	3.2
(d) Based on fully diluted basis (US cents per share) - excluding discontinued operations	4.3	3.2
Weighted average number of shares applicable to basic earnings per share ('000)	6,327,081	6,325,890
Weighted average number of shares based on fully diluted basis ('000)	6,329,649	6,326,727

7. Net Asset Value Per Ordinary Share (NAV)

	Group		Company	
	31.03.2019	31.12.2018	31.03.2019	31.12.2018
Net asset value per ordinary share based on issued share capital as at end of the period (US cents per share)	261.3	253.7	159.7	160.1

Unaudited Financial Statements for the First Quarter ended 31 March 2019**8. Review of Group Performance****Overview**

Core net profit for the Group increased by 36.4% to US\$250.3 million in 1Q2019 (1Q2018: US\$183.5 million) driven by better results in the Tropical Oils and Sugar segments. Tropical Oils benefitted from improved margins and sales volume in its manufacturing and merchandising businesses while stronger performance in milling, refining and merchandising activities lifted the performance of Sugar segment. In addition, volume growth in the Consumer Products businesses further contributed to the improvements in results for the quarter. These improvements were impacted by negative crush margins and lower volume in the Oilseeds and Grains segment due to the African swine fever outbreak in China and the sharp drop in Brazilian beans basis. Through reduced crushing activities and good management of the Group's beans position, Oilseeds losses were minimised in 1Q2019. In addition, the results were also affected by lower contributions from the Group's associates in Africa and China.

Taking into consideration non-operating gains recognised from the Group's investment securities, net profit for the quarter (excluding discontinued operations) increased by 32.7% to US\$269.7 million (1Q2018: US\$203.3 million). Overall net profit (including discontinued operations) was also higher than 1Q2018 at US\$257.0 million (1Q2018: US\$203.3 million) despite losses recorded by the Group's discontinued operations in Brazil.

Revenue and Cost of Sales

While overall sales volume increased by 4.5% during the quarter, lower commodity prices reduced total revenue by 6.2% to US\$10.4 billion in 1Q2019 (1Q2018: US\$11.1 billion). Correspondingly, cost of sales decreased by 7.6% to US\$9.4 billion in 1Q2019 (1Q2018: US\$10.2 billion).

Finance Income**Finance Costs**

	1Q2019	1Q2018
	US\$ million	US\$ million
Finance income	126.0	103.2
Finance costs	(233.9)	(155.1)

Finance income increased by 22.1% to US\$126.0 million in 1Q2019 (1Q2018: US\$103.2 million) on the back of higher average deposits placed during the quarter, partially offset by lower mark-to-market gains from interest rate swaps recognised during the period. Correspondingly, finance cost increased by 50.8% to US\$233.9 million in 1Q2019 (1Q2018: US\$155.1 million) from higher effective borrowing rates and higher average bank borrowings.

Other Operating Items – Net

	1Q2019	1Q2018
	US\$ million	US\$ million
Other operating income	73.6	50.0
Other operating expenses	(28.8)	(9.4)
Other operating items – net	44.8	40.6

Net gain on other operating items of US\$44.8 million in 1Q2019 (1Q2018: US\$40.6 million gain) mainly resulted from favourable foreign exchange revaluation of financial assets and liabilities during the period. The Group recorded a net foreign exchange gain of US\$26.4 million in 1Q2019 (1Q2018: US\$31.6 million loss), after taking into account foreign exchange impact arising from forward exchange instruments entered into for hedging purposes recorded under Cost of Sales.

Unaudited Financial Statements for the First Quarter ended 31 March 2019

Selling and Distribution Expenses

Selling and distribution expenses decreased by 4.0% to US\$464.8 million (1Q2018: US\$484.3 million) mainly due to the removal of export duties in Indonesia.

Administrative Expenses

Administrative expenses increased by 7.9% to US\$199.9 million in 1Q2019 (1Q2018: US\$185.2 million), due to higher personnel costs and IT expenses.

Non-operating Items

During the quarter, the Group recorded a gain of US\$22.2 million (1Q2018: US\$21.6 million gain) on the back of gains arising from its investment portfolio, in line with stronger equity market conditions.

Share of Results of Joint Ventures & Associates

The stronger performances by the Group's Europe and Vietnam investments during the quarter were dragged down by weaker contributions from the African associates and investments in China, resulting in an overall decrease in share of results of joint ventures & associates by 49.5% to US\$20.9 million (1Q2018: US\$41.5 million).

Income Tax Expense

Effective tax rate for the Group was lower at 13.9% in 1Q2019 (1Q2018: 27.5%) mainly due to lower profits recorded in higher tax jurisdictions.

Loss from discontinued operation

The loss from discontinued operations of US\$21.7 million recorded in 1Q2019 was mainly due to operating losses and finance costs incurred by the Brazilian operations under Shree Renuka Sugar Limited.

Unaudited Financial Statements for the First Quarter ended 31 March 2019
Group Financial Performance by Business Segment
Sales Volume of Key Segments

	Sales Volume		
	1Q2019 MT'000	1Q2018 MT'000	Inc/(Dec) %
Tropical Oils #			
- Manufacturing & Merchandising	6,199	5,727	8.2%
Oilseeds and Grains			
- Manufacturing	6,688	7,240	-7.6%
- Consumer Products	1,787	1,615	10.7%
Sugar			
- Milling	348	129	169.8%
- Merchandising, Refining and Consumer Products	2,502	2,058	21.6%

Tropical Oils exclude plantation volume.

Three Months Ended 31 Mar

	1Q2019 US\$'000	1Q2018 US\$'000 Restated*	Variance	
			US\$'000	%
Revenue				
Tropical Oils				
- Plantation	11,373	13,831	(2,458)	-17.8%
- Manufacturing & Merchandising	3,808,136	4,381,043	(572,907)	-13.1%
Oilseeds and Grains				
- Manufacturing	3,384,173	3,683,286	(299,113)	-8.1%
- Consumer Products	2,000,220	1,975,298	24,922	1.3%
Sugar				
- Milling	133,360	45,563	87,797	192.7%
- Merchandising, Refining and Consumer Products	874,579	790,020	84,559	10.7%
Others	467,852	542,119	(74,267)	-13.7%
Eliminations	(235,236)	(293,662)	58,426	19.9%
Total revenue	10,444,457	11,137,498	(693,041)	-6.2%

*Prior period figures were restated upon adoption of SFRS (I) 15 Revenue from Contracts with Customers

Unaudited Financial Statements for the First Quarter ended 31 March 2019
Three Months Ended 31 Mar

	1Q2019 US\$'000	1Q2018 US\$'000 Restated*	Variance US\$'000	%
Profit before tax				
Tropical Oils	183,824	101,672	82,152	80.8%
Oilseeds and Grains	91,077	172,592	(81,515)	-47.2%
Sugar	1,686	(39,002)	40,688	n.m.
Others	36,410	36,108	302	0.8%
Share of results of joint ventures	9,326	6,586	2,740	41.6%
Share of results of associates	11,609	34,871	(23,262)	-66.7%
Unallocated expenses #	(7,497)	(3,572)	(3,925)	-109.9%
Total profit before tax	326,435	309,255	17,180	5.6%

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

n.m. - not meaningful

Unaudited Financial Statements for the First Quarter ended 31 March 2019***Tropical Oils (Plantation, Manufacturing and Merchandising)***

Profit before tax increased by 80.8% in 1Q2019 to US\$183.8 million (1Q2018: US\$101.7 million), boosted by stronger performance from the manufacturing and merchandising businesses, on the back of better sales volume and margins recorded during the quarter. This was partially offset by lower CPO prices and production yields, which reduced contributions from the plantation businesses.

Production yield decreased by 6.1% to 4.6 MT per hectare in 1Q2019 (1Q2018: 4.9 MT per hectare) due to unfavourable weather conditions during the quarter. This resulted in a decrease in total fresh fruit bunches production to 905,261 MT for 1Q2019 (1Q2018: 984,998 MT).

Volume for Tropical Oils (Manufacturing & Merchandising) increased by 8.2% to 6.2 million MT in 1Q2019 (1Q2018: 5.7 million MT). The improvement in sales volume was unable to overcome the lower commodity prices during the quarter, dragging revenue down by 13.1% to US\$3.8 billion in 1Q2019 (1Q2018: US\$4.4 billion).

Oilseeds and Grains (Manufacturing and Consumer Products)

In 1Q2019, the segment saw stronger contributions from the Consumer Products, Rice and Flour milling businesses. These helped offset the poor results from the crushing business, which had been impacted by the African swine fever outbreak in China and the sharp drop in Brazilian beans basis. The negative impact had been mitigated by reduced crushing activities and good management of the Group's beans position. Consequently, overall profit in 1Q2019 was lower at US\$91.1 million (1Q2018: US\$172.6 million).

Overall sales volume decreased by 4.3% to 8.5 million MT in 1Q2019 (1Q2018: 8.9 million MT) as a result of lower meal demands due to the African swine fever outbreak.

Sugar (Milling, Merchandising, Refining and Consumer Products)

The segment recorded profit of US\$1.7 million (1Q2018: US\$39.0 million loss), driven by stronger performance from refining and merchandising activities. The improvement in segment results was further boosted by contributions from Shree Renuka Sugars Limited, in line with the ongoing sugar milling season in India.

For 1Q2019, sales volume increased by 30.3% to 2.9 million MT (1Q2018: 2.2 million MT) on the back of stronger sales across all Sugar businesses. Accordingly, overall revenue for the segment increased by 20.6% to US\$1.0 billion in 1Q2019 (1Q2018: US\$835.6 million).

Others

The segment recorded profit before tax of US\$36.4 million in 1Q2019 (1Q2018: US\$36.1 million) mainly from positive contributions from Shipping and Fertiliser businesses, together with gains from the Group's investment portfolio.

Unaudited Financial Statements for the First Quarter ended 31 March 2019

Review of Balance Sheet and Cash Flows

Inventories decreased by 9.9% to US\$7.1 billion as at 31 March 2019, due to lower inventory stockholding in China which resulted from the post Chinese Spring Festival seasonal impact. Excluding the impact of the acquisition of SRSL, average turnover days was higher at 78 days for 1Q2019 (1Q2018: 70 days) as a result of the African swine fever in China, which slowed down the Group's crushing activities in early 1Q2019.

Trade receivables decreased by US\$500.9 million to US\$3.8 billion in 1Q2019. Excluding the impact of the acquisition of SRSL, average turnover days was at 39 days for 1Q2019 (1Q2018: 33 days). Despite the higher turnover days during the period, the Group continues to maintain a healthy profile of its aging balance.

Trade payables decreased by US\$156.0 million to US\$1.3 billion in 1Q2019 due to timing of purchases made. Excluding the impact of the acquisition of SRSL, average turnover increased to 13 days in 1Q2019 (1Q2018: 10 days).

Other financial receivables (non-current and current) increased by US\$473.1 million to US\$8.2 billion mainly due to higher other deposits and financial products placed with financial institutions.

Net loans and borrowings (net of other bank deposits, cash and bank balances and financial products with financial institutions – current) decreased by US\$1.2 billion to US\$12.3 billion. Correspondingly, net gearing ratio was lower at 0.74x in 1Q2019 (FY2018: 0.84x).

During the quarter, the Group generated US\$1.7 billion from operating activities. Capital expenditures for the period (including advances paid) was higher at US\$395.8 million (1Q2018: US\$289.2 million). Together with a decrease in net debt by US\$1.2 billion, the Group recorded a cash inflow of US\$362.5 million as at 31 March 2019.

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.

Unaudited Financial Statements for the First Quarter ended 31 March 2019

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

No forecast was previously disclosed by the Group.

10. Prospects

The Group reported a reasonably good set of results in 1Q2019, given the tough operating environment. The improved performance by both Tropical Oils and Consumer Products businesses since 2Q2018 has been encouraging. With the exception of sugar milling and palm plantation, most of our businesses are doing reasonably well. Further, crushing margins are also expected to improve in 2Q2019. We are cautiously optimistic that performance for the rest of the year will be satisfactory.

11. Dividend

- (a) Whether an interim (final) ordinary dividend has been declared (recommended) for the current financial period reported on?

None.

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

Not applicable.

- (c) Date Payable

Not applicable.

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

No dividend has been declared for the quarter ended 31 March 2019.

Unaudited Financial Statements for the First Quarter ended 31 March 2019
13. 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)
	1Q 2019 US\$'000	1Q 2019 US\$'000
Archer Daniels Midland Group	NIL	375,512
Pua Seck Guan	NIL	NIL
Associates of Kuok Khoon Ean & Kuok Khoon Hua [#]	NIL	819
Kuok Khoon Hong's Associates	1,827	3,847
PPB Group Bhd	38,043	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.

14. 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 7H) 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

10 May 2019

Unaudited Financial Statements for the First Quarter ended 31 March 2019

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 their knowledge, nothing has come to the attention of the board of directors of the Company which may render the first quarter ended 31 March 2019 financial results to be false or misleading in any material respect.

On behalf of the Board,

KUOK KHOON HONG
Chairman and
Chief Executive Officer

PUA SECK GUAN
Chief Operating Officer

10 May 2019