

**Wilmar International Limited (“Wilmar” or the “Company”)  
For the period ended 30 September 2020  
Executive Summary**

Key highlights of results for the Wilmar Group for the period ended 30 September 2020:

	3Q2020	3Q2019		9M2020	9M2019	
	US\$'000	US\$'000	Change	US\$'000	US\$'000	Change
Revenue	13,317,544	11,163,634	19.3%	35,975,261	31,390,156	14.6%
Net Profit	536,563	447,135	20.0%	1,147,430	855,004	34.2%
Core Net Profit	501,366	419,239	19.6%	1,137,238	846,381	34.4%
EBITDA	1,087,627	907,862	19.8%	2,576,267	2,094,973	23.0%
<b>Sales statistics ('000MT)</b>						
<b>Food Products</b>						
- Consumer Products	2,454	2,077	18.2%	7,180	5,750	24.9%
- Medium Pack and Bulk	4,964	4,324	14.8%	12,502	12,473	0.2%
	7,418	6,401	15.9%	19,682	18,223	8.0%
<b>Feed and Industrial Products</b>						
- Tropical Oils	5,603	6,059	-7.5%	16,317	17,673	-7.7%
- Oilseeds and Grains	6,309	5,099	23.7%	16,491	13,478	22.4%
- Sugar	4,543	3,015	50.7%	9,992	7,080	41.1%
	16,455	14,173	16.1%	42,800	38,231	12.0%
Cash flows from operating activities	162,091	1,222,742	-86.7%	2,234,157	3,615,426	-38.2%
				<b>30.09.2020</b>	<b>31.12.2019</b>	
Net Debt				13,370,733	13,218,677	1.2%
Equity attributable to owners of the Company				17,204,548	16,762,509	2.6%

**Performance for 3Q2020**

The Group achieved another strong set of results in the quarter ended 30 September 2020 (“3Q2020”) as it recorded core net profit of US\$501.4 million for the quarter (3Q2019: US\$419.2 million), the highest third quarter core results since listing. All core segments continued to perform better than the previous year, in terms of both revenue and profit, on the back of strong demand for our food products and higher crushing activities as the African Swine Fever situation in China eased. The results were further boosted by better performance in the Plantation and Sugar Milling segment due to higher prices achieved during the quarter. Refining margins for our tropical oil and sugar refining operations also remained robust throughout the period. Further, the Group recorded stronger contributions from its associates and joint ventures, particularly from India and Africa. Together with non-operating gains from investment activities, net profit for the quarter increased by 20.0% to US\$536.6 million (3Q2019: US\$447.1 million).

The three consecutive quarters of sustained good performance resulted in a strong core net profit for the nine months ended 30 September 2020 (“9M2020”) of US\$1.14 billion (9M2019: US\$846.4 million), an increase of 34.4% over the corresponding period last year.

Overall volume for Food Products increased by 15.9% to 7.4 million metric tons in 3Q2020 (3Q2019: 6.4 million metric tons), driven by strong volume growth for Sugar and Flour products, as well as contributions from sales of products of the Company’s subsidiary, Goodman Fielder Pty Ltd. The increased volume was also due to sales for medium pack and bulk Food Products in 3Q2020 showing signs of recovery, as lockdown measures eased in most of the regions where the Group operates.

Feed and Industrial Products recorded sales growth of 16.1% to 16.5 million metric tons in 3Q2020 (3Q2019: 14.2 million metric tons) on the back of strong sugar merchandising and high soybean crushing activities during the quarter, resulting in better performance for the segment. In addition, Tropical Oils business continued to contribute favourably to the segment as a result of good refining margins during the quarter, despite lower sales. Performance for Plantation and Sugar Milling segment improved over last year due to higher commodities prices during the quarter.

Equity attributable to owners of the Company improved by 2.6% to US\$17.20 billion on the back of higher profits during the period, while net debt increased marginally by 1.2% to US\$13.37 billion.

### **Cash Flow**

Cash flows from operating activities remained strong and healthy at US\$2.23 billion for 9M2020 as a result of sustained strong operating profit for the period. This was partially offset by higher working capital requirements due to an increase in raw material prices during the quarter. At the end of the reporting period, the Group has unutilised banking facilities amounting to US\$22.49 billion.

### **Outlook**

With the containment of the Coronavirus in China and the rebounding of the China economy coupled with greater emphasis by consumers on the importance of eating safer and healthier food, our range of quality food products will benefit from this development. We also expect volume to pick up in those Asian countries where lockdown measures have eased.

With the tight global vegetable oils situation, we expect palm prices to remain firm into early 2021, driving our Palm Oil Mill and Plantation results for the next quarter. Processing margins for Tropical Oils and Oilseed crushing margins are also expected to be satisfactory for the rest of the year. Our Sugar operations are expected to do well for this year, aided by the strong white sugar premium and the recent recovery in sugar prices.

Barring unforeseen circumstances, we expect results for the rest of the year to be good.

Our China subsidiary, Yihai Kerry Arawana Holdings Co., Ltd. ("YKA"), now a 89.99% subsidiary of Wilmar, was officially listed on the Shenzhen Stock Exchange ChiNext Board and commenced trading on 15 October 2020. Net proceeds amounting to US\$2.05 billion were received from the new YKA shares issued in connection with its initial public offering ("IPO") amounting to 10% of the enlarged share capital of YKA. The IPO was well received, with both Offline Investors and Online Retail Investors tranches being oversubscribed by 600.52 and 1,749.61 times respectively. The YKA shares traded as high as RMB62.65 on its first trading day and closed at 118% above its IPO price of RMB25.70 per share, resulting in a market capitalisation of RMB303.61 billion (approximately US\$45.24 billion) as at 15 October 2020. In addition, YKA has been added to the MSCI China All Share Index with effect from 29 October 2020. The enthusiastic response and market valuation of YKA reflects Chinese investors' understanding of our business model, appreciation of the steady growth and potential of YKA's products and business segments as well as the prospect of its expansion plans.

The Board is pleased to announce that a special dividend, of approximately 15% of the total IPO proceeds, will be declared in 2021 to commemorate the successful listing of YKA. Details of the special dividend will be disclosed in February 2021, together with the release of Wilmar's full year results for the year ending 31 December 2020.

**30 October 2020**