

OPERATIONS REVIEW



PLANTATION & SUGAR MILLING

This segment comprises oil palm plantation and sugar milling activities, which include the cultivation and milling of palm oil and sugarcane, as well as the production of compound fertilisers.

As at 31 December 2024, our total planted area for oil palm stands at 230,951 hectares (ha). Through joint ventures, we own plantations in Uganda and West Africa totalling approximately 60,000 ha. Wilmar also directly manages 36,030 ha under smallholder schemes in Indonesia and Africa, and another 175,737 ha under smallholder schemes through associates in Africa.

In recent years, we stepped up our re-planting programme and thus maintaining the average age of our plantations at a relatively young 13 years. This will support the medium to long-term growth of our plantation operations. Around 56% of the plantations are at the prime production age of seven to 18 years and 22% are at age six years and below.

We operate sugar cane and sugar beet mills in Australia, India, Myanmar and China. We are Australia’s largest raw sugar producer accounting for more than half of Australia’s raw sugar. Each year we crush about 15 million MT of sugarcane to make around two million MT of raw sugar. About 80% of the raw sugar we produce is shipped to overseas markets.

We own 62% of Shree Renuka Sugars Limited (SRSL), the leading sugar company in India. SRSL has a cane crushing capacity of 9.2 million MT per annum and ethanol distillery capacity of 1,250 kilolitres per day. In Myanmar, we have a total sugar production capacity of 1.4 million MT and a bioethanol plant. In China, we process sugar beet in Inner Mongolia.

Our Performance

In FY2024, the Plantation and Sugar Milling segment’s pre-tax profit decreased 46% to US\$269.1 million mainly due to the absence of the US\$231.0 million gain recognised on disposal of our Moroccan associate, Cosumar, in FY2023. Furthermore, the sugar milling business was impacted by the temporary change in ethanol production policy in India in the first half of 2024, as well as lower sugar prices and sales volume during the year.

This was cushioned by better performance from the palm plantation business which benefitted from higher palm oil prices in second half of the year. In oil palm plantations, poorer weather conditions resulted in a lower production yield of 19.5 MT per hectare for FY2024, which resulted in an 8% decline in fresh fruit bunches (FFB) production to 4.1 million MT.

Sales Volume

MT’000	FY2024	FY2023	Δ
Sugar Milling	3,090	3,565	-13%

FFB Production

MT	FY2024	FY2023	Δ
Oil Palm Plantation	4,109,244	4,450,452	-8%

Outlook & Strategy

Oil palm production for the industry is projected to increase slightly in 2025, particularly in Indonesia, as the impact of El Niño subsides. In the long term, we anticipate oil palm production will level off as new plantings decline due to stricter sustainability standards and limited suitable land. However, we will continue to explore ways to enhance FFB yields without expanding our land area.

For sugar milling, we should see some impact on the sugarcane crop in Australia, affected by the recent floods.