OPERATIONS REVIEW

A GLOBAL INTEGRATED AGRIBUSINESS

Wilmar's strategy is built on a resilient business model that spans the entire agricultural commodity value chain — from origination and processing to merchandising and manufacturing a wide range of branded consumer products. This integrated approach has enabled us to navigate global uncertainties and overcome adversity with agility and strength.

Over the years, we have made significant investments in creating an integrated agri and food business, which provides us with economies of scale, operational efficiencies and geographical diversity, making us one of the most efficient producers in the industry. Additionally, we own a fleet of liquid and dry bulk carriers to support our shipping needs. As of 31 December 2025, the Group owned and controlled tankers and dry bulk vessels with a total tonnage of about 2.5 million MT.

Our business operations are further bolstered by our research and development (R&D) capabilities, which focus on improving manufacturing processes, ensuring product quality and consistency, and developing innovative new products. Our R&D teams collaborate across borders and with external organisations to share knowledge and resources, enhancing our collective innovation efforts.

At the heart of our resilience are our people. We believe we have some of the most dedicated and experienced professionals in the industry, many of whom have been with us for years and have played a pivotal role in building the Group. Our business partners are equally vital, contributing to our success across diverse markets and helping us weather challenges together.

Our food park in Kunshan, China.

COMPANY DEVELOPMENTS

Throughout the year, we focused on consolidating past investments while exercising disciplined capital management and driving efficiency improvements. In FY2025, we reduced capital expenditure to US$1.08 billion, down from US$1.57 billion in FY2024. Despite a challenging environment, we successfully completed key projects, selectively expanded our operational footprint and undertook strategic acquisitions.

In China, our food parks in Kunshan and Huai'an commenced partial operations in mid-2025. By year-end, construction of three out of five buildings at our ninth food park in Guangzhou was completed, with final regulatory procedures underway and tenant onboarding in progress. Meanwhile, two additional sites in Haikou and Bazhou are under construction for completion in 2026/27, reflecting ongoing growth even as we prudently phase our capital projects.

2025 also marked significant progress in strengthening our control over key joint ventures. In India, the Adani Group exited the AWL Agri Business Limited (AWL) joint venture (formerly Adani Wilmar Limited) due to internal strategic considerations, divesting its 44% stake progressively over the year. This process included Wilmar's acquisition of an additional 13% stake in AWL from the Adani Group, increasing our ownership to approximately 57%, resulting in AWL becoming a subsidiary of Wilmar. This strategic consolidation enhances our agility in decision-making and ensures stronger alignment with Wilmar's long-term objectives in the Indian market.

As AWL's flagship brand, Fortune, celebrated its 25th year in India, it reinforced its leadership in the country's consumer food market, maintaining strong positions in edible oils, wheat flour and basmati rice. In April 2025, AWL further expanded its Foods and FMCG portfolio through the acquisition of G.D. Foods Manufacturing (India) Private Limited (GD Foods). GD Foods' flagship brand, Tops, is a trusted culinary brand with a 40-year heritage. This acquisition added more than 80 complementary products to AWL's range, including sauces and condiments, pickles, noodles, breakfast cereals, instant mixes and cooking aids.

In Nigeria, we acquired PZ Cussons plc's 50% stake in the PZ Wilmar joint venture, securing full ownership of one of the country's largest edible oil businesses.

FOOD PRODUCTS

This segment comprises the processing, branding and distribution of a wide range of edible food products including vegetable oils, sugar, flour, rice, noodles, ready-to-eat meals, central kitchen products, specialty fats, snacks, bakery, eggs, poultry and dairy products. These food products are sold in either consumer and medium packaging or in bulk.

We are the largest producer of consumer pack edible oils and a leading producer of consumer pack flour and rice in the world, with leading positions in China, India, Indonesia, Vietnam, Bangladesh, Sri Lanka and several African countries. Our sugar brands are market leaders in Australia, New Zealand, India and Saudi Arabia. We also have growing sales of noodles and condiments. Our range of high-quality essential food products has enabled us to build extensive sales and distribution networks in many countries. Our consumer brands are well-established and renowned for their quality, having won numerous product awards (**https://www.wilmar-international.com/about-us/awards**) in their respective markets.

Market Trends

In 2025, China's consumer segment remained stable with modest growth in food staples and strong volume gains in condiments and household products, while the bulk segment benefited from a shift towards branded offerings due to food safety regulations. India saw robust growth in edible oils, pulses, soya nuggets and sugar, driven by economic recovery, urbanisation and rising consumer demand for premium and functional foods. E-commerce and quick commerce continue to drive ongoing shifts in consumption patterns.

Our Performance

In FY2025, pre-tax profit for the Food Products segment declined by 10% to US$449.7 million, mainly due to the absence of a pre-tax gain from the share swap exercise of our China associates and joint venture, Luhua, which was recognised in FY2024. Excluding the prior year's pre-tax gain, profit was higher than in 2024, as improved profitability in the flour and rice businesses was partially offset by weaker results in the sugar business. Overall sales volume grew by 5% to 34.7 million MT, supported by volume growth from existing businesses as well as the consolidation of one month of AWL's results in fourth quarter of FY2025.

Sales Volume

MT'000	FY2025	FY2024	Δ
Consumer Products	8,842	8,332	6%
Medium Pack and Bulk	25,858	24,668	5%
Total Food Products	**34,700**	**33,000**	**5%**

Outlook & Strategy

Looking ahead to 2026, our strategic focus is on premiumisation, operational efficiency and deeper market penetration. In China, efforts will centre on expanding higher-margin products such as functional health foods and enhancing foodservice offerings. India's AWL aims to consolidate its leadership in edible oils while accelerating growth in food staples such as wheat flour, rice, pulses and soya nuggets, supported by rural expansion and exploring opportunities in the HORECA, institutional and export segments.

AWL's flagship brand, Fortune, celebrated its 25th year in India.

Across all regions, the emphasis remains on leveraging cross-segment synergies, enhancing local manufacturing capabilities and aligning with regulatory trends to sustain growth. We will also continue to expand our distribution networks and leverage our existing network to introduce new complementary products.

OPERATIONS REVIEW

FEED & INDUSTRIAL PRODUCTS

This segment comprises the processing, merchandising and distribution of animal feeds, non-edible palm and lauric products, oleochemicals, and biodiesel.

We operate crushing plants in China, India, Vietnam, Malaysia, Indonesia, Philippines, Zimbabwe, Zambia, Nigeria, Ghana, Ivory Coast, Uganda and South Africa. We are one of the world's largest oilseeds crushers and we crush a wide range of oilseeds including soybeans, rapeseed, groundnut, sunflower seed, sesame seed and cotton seed. We are also one of the world's largest copra and palm kernels crushers as well as the world's largest producer of palm biodiesel and oleochemicals, offering a wide range of products from basic oleochemicals, derivatives to biofuels.

We also operate an integrated sugar business with milling, refining, ethanol production and merchandising. We are one of the world's largest sugar traders with offices in Singapore, Dubai, Geneva, Sao-Paulo, and Mexico, and trade about 12 million MT of raw and white sugar globally on an annual basis.

Oilseeds & Grains - Crushing

In 2025, soybean prices were subdued, reflecting favourable weather conditions in South America and Brazil's record soybean production.

Meanwhile, demand for soybean meal from the hog industry in China remained resilient, supported by relatively lower raw material prices which led to higher inclusion rates in feed formulations.

Tropical Oils

Crude palm oil (CPO) prices remained elevated in 2025, averaging slightly above 2024 levels. Prices opened around RM 4,819 and briefly traded at a premium to soybean oil in the first quarter of the year. CPO prices were supported by Indonesia's B40 biodiesel mandate, seasonally weaker output and festive restocking ahead of Ramadan and Lunar New Year. With Indonesia's shift from B35 to B40 blending, biodiesel production increased by 12% from 12.1 million MT in 2024 to approximately 13.6 million MT in 2025.

By mid-year, CPO prices eased as palm oil production picked up seasonally and supply of competing vegetable oils became more abundant. However, prices rebounded in the third quarter of 2025, due to revived demand as palm regained its price competitiveness against soybean oil, as well as Indonesia's announcement of a B50 biodiesel plan for 2026 and India's mid-year cut in import duty on crude edible oils. Towards the end of the year, CPO prices moderated, as production in Malaysia increased, closing at around RM 3,933, down 18% from the beginning of the year.

Integrated manufacturing complex in Xingping, Shaanxi, China.

Sugar

In early 2025, sugar prices rose on the back of a tight Brazilian off-season between harvests (known as "intersafra"), reflecting the weak 2024 Centre-South production. Prices then reversed sharply after India unexpectedly authorised a one million MT sugar export quota. The price decline accelerated with the start of the new Centre-South Brazil harvest, pushing sugar prices down to around 14 US cents per pound by the end of the year, the lowest level since 2020 and a decline of over 30% from the peak in February 2025.

At the same time, Brazilian ethanol prices collapsed due to abundant supply of corn-based ethanol, further pressuring the sugar complex. On the demand side, global sugar consumption weakened, driven by the rapid expansion of GLP-1 receptor agonist drugs—reducing caloric and sugar intake in several markets—as well as stricter anti-sugar policies, including the introduction or increase of sugar taxes in multiple countries.

Our Performance

The Feed and Industrial Products segment recorded a 4% increase in pre-tax profit to US$861.0 million on the back of higher crushing margins and improved contributions from sugar merchandising activities, despite lower sugar sales volume. Overall segment performance was, however, impacted by compressed margins in the tropical oils business. Sales volume for the segment decreased marginally by 1% to 68.0 million MT in FY2025.

Sales Volume			
MT'000	**FY2025**	**FY2024**	**Δ**
Tropical Oils	26,430	25,585	3%
Oilseeds and Grains	30,002	27,453	9%
Sugar	11,543	15,662	-26%
Total Feed & Industrial Products	**67,975**	**68,700**	**-1%**

Outlook & Strategy

The supply of soybeans from South America is expected to remain robust in 2026 which should keep raw material costs stable and help support demand.

For tropical oils, Indonesia is expected to keep its biodiesel mandate at B40 in 2026, while any shift to B50 remains uncertain due to funding and technical considerations. If the mandate stays at B40, it would remove the previously anticipated increase in domestic palm oil demand. Meanwhile, demand from major importers such as China and India remains highly dependent on the relative pricing of palm oil versus other competing vegetable oils.

For the sugar market, good sugar crops are expected in most producing regions. In Brazil, corn ethanol production is expected to expand further and could represent an estimated additional 2.5 million MT of sugar-equivalent output, intensifying competition with cane ethanol.

Meanwhile, sugar consumption will require close monitoring, as the use of GLP-1 drugs is expected to expand further worldwide, posing a structural downside risk to global sugar demand.

Against an evolving geopolitical backdrop, we will continue to closely monitor regulatory developments, trade policies, and other external factors affecting the commodities we handle, to ensure our strategies remain responsive and well-adapted.

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 2025, our total planted area for oil palm stands at 234,334 hectares (ha). Through joint ventures, we own plantations in Uganda and West Africa totalling approximately 58,000 ha. Wilmar also directly manages 36,597 ha under smallholder schemes in Indonesia and Africa, and another 189,806 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 around 14 years. This will support the medium to long-term growth of our plantation operations. Around 47% of the plantations are at the prime production age of 7 to 18 years and 20% are at age 6 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 14 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 62.5% 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

For FY2025, pre-tax profit for the Plantation and Sugar Milling segment rose 32% to US$356.5 million, driven mainly by a strong first-half performance supported by higher palm oil prices, despite weaker results in the second-half due to lower palm oil and sugar prices. Palm oil prices ended lower at the end of FY2025, resulting in losses arising from changes in fair value of biological assets recognised in second half of the year, while the sugar milling business was similarly impacted by softer sugar prices.

In oil palm plantations, unfavourable weather conditions in Indonesia led to a 2% decline in fresh fruit bunch (FFB) production to 4.0 million MT.

FFB production			
MT	FY2025	FY2024	Δ
Oil Palm Plantation	4,039,764	4,109,244	-2%

Sales Volume			
MT'000	FY2025	FY2024	Δ
Sugar Milling	3,113	3,090	1%

For sugar, we have accelerated our big data and Artificial Intelligence (AI) capabilities across market research and operations, with our subsidiary, GeoWatch Labs, now delivering AI crop monitoring. We have also begun deploying satellite-based micro-farming management at our sugar mills.

Outlook & Strategy

In 2026, global oil palm production is expected to be broadly flat, reflecting a high base in 2025 as well as the impact of ageing trees and weather-related variability. We will continue to monitor potential production impact arising from ongoing oil palm plantation land seizures in Indonesia. In the long term, oil palm production is expected to plateau as new plantings slow due to tighter sustainability requirements and limited land availability. Our focus will remain on enhancing FFB yields through operational and agronomic improvements, rather than land expansion.

For sugar milling, we expect a larger sugarcane crop in 2026, which should support higher sugar production, subject to weather-dependent growing conditions. The outlook for global sugar prices, however, remains uncertain and will depend on how market conditions evolve over the year. We will continue to emphasise disciplined cost management, supported by stay-in-business capital investment and site-level productivity and improvement initiatives.