SD Guthrie

Shaping What's Next

Integrated Report 2025

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About This Report

SCOPE AND BOUNDARY OF REPORTING

This report covers the operations of SD Guthrie Berhad (SD Guthrie or Group or Company), our subsidiaries, and joint ventures for the financial period from 1 January 2025 to 31 December 2025, unless stated otherwise.

TARGETED READERS

This report is primarily intended for our financial stakeholders, including investors, financiers, and shareholders. It provides insights into how we balance our growth ambitions with environmental and social responsibilities while maintaining strong corporate governance practices.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements about future performance based on current assumptions and circumstances, which are subject to change. Given the inherent uncertainty and potential for actual results to differ materially from those expressed or implied, we advise readers to not place undue reliance on them.

MATERIALITY

The content of this report focuses on matters of significant importance to our financial stakeholders and other interested parties. These material matters were identified through extensive stakeholder engagements and internal assessments. The report also addresses current and potential risks and opportunities that may impact Guthrie's value creation efforts.

REPORTING FRAMEWORK

The financial statements presented in this report comply with the following regulatory frameworks and standards:

- Main Market Listing Requirements issued by Bursa Malaysia
- Corporate Governance Guide (3rd Edition) issued by Bursa Malaysia
- Malaysian Code on Corporate Governance (MCCG) 2021 issued by Securities Commission Malaysia
- Companies Act 2016
- Malaysian Financial Reporting Standards issued by the Malaysian Accounting Standards Board

Our non-financial statements, including climate-related disclosures, adhere to internationally recognised frameworks and standards:

- Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard
- Sustainability Accounting Standards Board (SASB) Standards
- International Standard on Assurance Engagements (ISAE) 3000
- Sustainability Reporting Guidelines for Malaysian Companies issued by Association of Chartered Accountants (ACCA) Malaysia
- International Standard on Assurance Engagements (ISAE) 3410 "Assurance Engagements on Greenhouse Gas Statements"
- Sustainability Reporting Guide (3rd Edition) issued by Bursa Malaysia Securities Berhad

OUR REPORTING SUITE

INTEGRATED REPORT 2025

Our Integrated Report is our primary report for stakeholders and has been prepared to provide a balanced assessment of the Group's ability to create sustainable value based on our short-, medium-, and long-term strategies whilst supported by our six capitals. It comprises a business review; our annual financial statements, which provide a comprehensive account of the Group's financial performance for the year; a sustainability statement which provides an overview of our environmental, social, and governance (ESG) performance; and a governance section, which presents detailed reporting of our corporate governance statements including reports from each Board Committee.

SUSTAINABILITY REPORT 2025

Our Sustainability Report provides a detailed account of Guthrie's approach to sustainability, our sustainability governance as well as the material matters that we have identified and which guide us in creating sustainable value for our stakeholders. Referencing the Global Reporting Initiative (GRI) standards, it also provides a detailed account of Management's approach to each material matter, our initiatives to manage them, and our performance.

COVER RATIONALE

Guthrie's goal is simple: to drive sustainable behaviour across our value chain. Innovation and sustainability are the twin pillars guiding our growth, shaping a thriving, and responsible palm oil industry.

By harnessing the power of innovation, we unlock sustainable solutions that benefit our people and communities.

FEEDBACK

We welcome all enquiries, comments, and feedback on our Integrated Report to clarify issues and enhance our reporting. Please contact us through the following channels:

communications@sdguthrie.com +(603) 7848 4000

For more information on our business and operations, please visit our corporate website:

www.sdguthrie.com

NAVIGATING OUR REPORT

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The Group at a Glance

VALUES

Integrity

We uphold high levels of personal and professional values in all our business interactions and decisions.

Respect and Responsibility

We have respect for the individuals we interact with, the environment that we operate in, and are committed to acting responsibly in all we do.

Enterprise

We seek and seize opportunities with speed and agility, challenging set boundaries.

Excellence

We stretch the horizons of growth for ourselves and our business through our unwavering ambition to achieve personal and business results.

REVENUE FOR THE YEAR

RM20,895
million

NET PROFIT FOR THE YEAR

RM2,503
million

TOTAL ASSETS FOR THE YEAR

RM31,743
million

SALES VOLUME FOR THE YEAR

3,755
million metric tonnes

Serving customers in
86 countries

Produces 12%
of the world's Certified Sustainable Palm Oil

Landbank
703,115 hectares

Estates
232

Operations
12 countries

Palm oil mills
63

Refineries
10

Research and development (R&D) centres
7

CERTIFICATIONS

- Roundtable on Sustainable Palm Oil (RSPO)
- Malaysian Sustainable Palm Oil (MSPO)
- Indonesian Sustainable Palm Oil (ISPO)

CREDIT RATINGS

Malaysian Rating Corporation Berhad	AAA	Stable
Fitch Ratings	BBB	Stable
Moody's Ratings	Baa2	Stable

INDICES REPRESENTATION

- FTSE Bursa Malaysia KLCI
- FTSE4Good Bursa Malaysia
- FTSE4Good Bursa Malaysia Shariah

CARBON DISCLOSURE PROJECT (CDP) SCORES

Climate Change	Forests	Water Security	Supplier Engagement Assessment
A-	B-	B	A

AWARDS AND RECOGNITIONS

Corporate and Sustainability

Category	Awards and Recognition
The Edge Malaysia ESG Awards 2025	Gold Award, Plantation Sector
The Edge Billion Ringgit Club (BRC) Awards 2025	Winner, Best Corporate Responsibility (CR) Initiative
Fortune 2025 Southeast Asia 500	Ranked 85th
National Corporate Governance & Sustainability Awards (NACGSA) 2025	Industry Excellence Award (Plantation)
Islamic Finance News (IFN) Deals of the Year Awards 2025	Malaysia Deal & Sustainability Deal of the Year (RM2.1 billion sukuk)
The Telly Awards 2025	Silver Award, Branded Content, General ESG

Human Resources

Category	Awards and Recognition
Employee Experience Awards 2025	Gold Award, Best Learning & Development Programme
HR Excellence Awards 2025	Bronze Award, Workplace Culture category
GRADUAN Brand Awards, Malaysia's Most Preferred Employer	1st Runner-Up, Conglomerate category
Partnership for Action Against Child Labour in Agriculture (PAACLA) Award	Multinational Company category

The Group at a Glance

CORPORATE MILESTONES

SD Guthrie (Guthrie) marked a transformative year of strategic growth, balancing European expansion with large-scale industrial and renewable energy ventures in Malaysia, and making further progress in our transition into a diversified, ESG-driven business.

3 February

SD Guthrie International Limited bought 48% equity interest in Netherlands-based Marvesa Supply Chain Services B.V. to strengthen European presence.

18 April

Guthrie entered into a tripartite agreement with Eco World Development Group Berhad (EcoWorld) and NS Corporation (NS Corp) to develop approximately 1,195 acres of land in Bukit Pelandok, Negeri Sembilan, into an integrated industrial park within the Malaysia Vision Valley 2.0 development corridor.

2 May

First tariff-free shipment of RSPO-certified sustainable palm oil (CSPO) entered the United Kingdom under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

20 June

Guthrie and Sime Darby Property Berhad (SDP) signed a joint venture (JV) agreement to develop up to 2,000 acres of land in Carey Island, Selangor, to support sustainable economic growth and innovation.

24 June

Guthrie and Menteri Besar Incorporated (MBI) Negeri Sembilan established a JV to develop an industrial park within a 600-acre strategic zone in Port Dickson, Negeri Sembilan.

8 July

Permodalan Negeri Selangor Berhad, Guthrie, IJM Corporation Berhad, and Yayasan Selangor signed a memorandum of understanding (MoU) to develop a global Food Security and Edu-Tech Hub in Carey Island, Selangor.

18 July

Guthrie launched our B30 Biodiesel pilot project with the Ministry of Plantation and Commodities and other partners to ensure a reliable and scalable supply of higher bio-content diesel for our plantations in Carey Island, Selangor.

12 August

The Securities Commission Malaysia, in collaboration with the Institute of Chartered Accountants in England and Wales (ICAEW) Malaysia, launched the Coastal Flooding Adaptation & Resilience (COFAR) Challenge, targeting university students across the country to develop practical, viable, and future-proof adaptation solutions for Carey Island, Selangor. As technical partner, Guthrie provided site-specific insights to the participants.

20 August

Guthrie and Gamuda Energy Sdn Bhd entered a collaboration agreement to develop, own, and operate solar power assets, including energy storage systems, with an accumulated target capacity of 1.2 GW.

3–26 October

Guthrie organised the inaugural Carey Heritage series of events, a month-long showcase of the island's unique and irreplaceable role in the industry. The series captured the ecological significance of the island and its manifold contributions to the palm oil sector.

14 October

Guthrie expanded our Prisoner Reintegration Programme by providing over 900 work placements for parolees nationwide, in partnership with Malaysia Prisons Department, giving former inmates structured employment and training to support social reintegration.

4 November

Guthrie ranked first in the annual Sustainability Policy Transparency Toolkit (SPOTT) palm oil assessment for the very first time, scoring an outstanding 97.5% in the assessment.

SPOTT

7 November

Guthrie entered into a 50:50 JV with SDP to develop 3,000 acres of land in Kuala Selangor, Selangor into a next-generation industrial and logistics hub.

10 November

Guthrie issued Malaysia's largest sustainability-linked Sukuk of RM2.1 billion.

11 November

Eco Business Park 7 (EBP7) marked a key milestone as the first industrial development to be launched within Parcel C of the Malaysia Vision Valley 2.0 masterplan. This followed the signing of a shareholders agreement between Guthrie, EcoWorld, and NS Corp on 20 May to form Eco Business Park 7 Sdn Bhd – the special purpose vehicle that will develop EBP7.

19 November

Permodalan Darul Ta'zim Sdn Bhd (PDT), Guthrie, and EcoWorld formed a strategic partnership to develop the 935-acre Eco Business Park 8 (EBP8) integrated industrial park in Kulai, Johor, through a JV company to drive long-term high-value industrial growth.

7 December

Guthrie signed an MoU with Kulim Technology Park Corporation Sdn Bhd to explore the potential development of up to 1,000 acres of plantation land in Kulim, Kedah into an industrial development.

22 December

Guthrie and PDT executed a Memorandum of Business Exploration to jointly assess the development of up to 5,000 acres of Guthrie land in Johor's Johor-Singapore Special Economic Zone (JS-SEZ).

26 December

Guthrie committed to implementing a living wage policy for Malaysian employees, with phased rollout through 2026.

Our People

SD Guthrie's (Guthrie) leaders play an active role in shaping industry discourse and advancing our organisation's influence. They actively represent Guthrie at international events and serve on the committees of key industry bodies.

The following are examples of how our senior management has advocated for the palm oil industry and shared their expertise with the wider community.

RESPONSIBLE AND SUSTAINABLE PALM OIL

Presenting the Case for Palm Oil at COP30

The former Group Managing Director Datuk Mohamad Helmy Othman Basha delivered a keynote at the World Climate Summit 2025 in Belém, Brazil, addressing misconceptions about the palm oil industry. The summit is the leading global forum for cross-sector collaboration and climate action, which was held alongside the United Nations Climate Change Conference (COP30).

In his presentation titled *"Land Use That Feeds the World: A Case for Sustainable Palm Oil"*, he said, "Palm oil done right is a remarkable thing. The oil palm is between four and 10 times more productive per hectare than any other edible oil available in the world."

Datuk Mohamad Helmy's presentation can be found on Guthrie's website under Press Releases.

Rethinking the Palm Oil Story at PIPOC 2025

Guthrie was the Diamond Sponsor at the International Palm Oil Congress and Exhibition (PIPOC) 2025, a biennial event organised by the Malaysian Palm Oil Board (MPOB) which is also Malaysia's largest palm oil event.

Datuk Mohamad Helmy gave the welcome speech, while Mr Mohd Haris Mohd Arshad, who was then Deputy Group Managing Director, followed up with a presentation titled *"Lies, Damn Lies and Statistics: How Can We Win?"*. The presentation called on the industry to rethink how it tells its story to counter the misinformation and persistent claims that have unfairly portrayed palm oil in a negative light. Mr Jeffry Faizal Kamaruddin, Chief Executive Officer (CEO), Upstream Malaysia, spoke about strategies to improve the operations of oil palm plantations to enhance competitiveness. Dr David Ross Appleton, then-Chief Innovation and Research Officer, chaired a session focused on biotechnology and breeding of palm oil.

Call for Partnership at RSPO's RT2025

Datuk Mohamad Helmy also spoke at the Roundtable on Sustainable Palm Oil's (RSPO) RT2025 event, where he urged food companies to give their unequivocal support to palm oil companies that have invested in sustainability and traceability. Guthrie was the title sponsor for the event.

"To believe in Certified Sustainable Palm Oil (CSPO) is to defend it – consistently, publicly, and without apology," he said.

Datuk Mohamad Helmy acknowledged the palm oil industry does not get everything right all the time but said companies have made much progress over the past 20 years. "What defines a responsible industry is not perfection; it is progress," he added.

Besides Datuk Mohamad Helmy, Guthrie's Chief Financial Officer Ms Renaka Ramachandran, participated in a panel discussion titled *"Building Credibility and How Businesses Should Respond"*, which touched on due diligence, human rights, and stakeholder responses.

Participating in Palm & Lauric Oils Price Outlook Conference & Exhibition (POC)

Group Managing Director Mr Mohd Haris Mohd Arshad, contributed strategic insights as a panelist at the event's CEO Roundtable session titled "*The Next Decade for Malaysian Palm Oil*". The event also featured Dr Shariman Alwani, CEO of SD Guthrie International, who spoke in a panel titled "*Navigating Palm Oil's Global Access – Certification, Compliance & Market Frontiers*", diving into global market dynamics and responsible access pathways. The programme included a half-day tour of Guthrie's operations on Carey Island, Malaysia.

SD Guthrie International's booth was one of the exhibition highlights, featuring our regenerative agriculture efforts in partnership with WWF-Malaysia, as well as product samples for attendees.

Our People

BIODIVERSITY AND CLIMATE

Working with WWF

Guthrie and the World Wide Fund for Nature Malaysia (WWF-Malaysia) are piloting a five-year regenerative agriculture programme in Sabah, Malaysia. The partnership will cover around 13,000 hectares across five RSPO-certified Guthrie estates. Commencing in 2026, a site biodiversity assessment will be carried out for the proposed wildlife corridors identified by WWF-Malaysia in Binuang Estate, Sabah.

This collaboration is the first of its kind for the palm oil industry.

World Climate & Biodiversity Summit 2025

Guthrie's Chief Sustainability Officer, Mr Rashyid Redza Anwarudin, spoke at the World Climate & Biodiversity Summit 2025 in New York, United States, which took place on the sidelines of Climate Week NYC and the 80th Session of the UN General Assembly.

Mr Rashyid served as a panelist in a discussion titled *"From Risk to Resilience: The Case for Nature-Based Climate Adaptation"*, together with representatives from the World Business Council for Sustainable Development, the Igarapé Institute, the Apparel Impact Institute, and Value Network Ventures.

The session explored how businesses and investors can manage climate and nature-related risks while harnessing opportunities through nature-based solutions, reinforcing Guthrie's commitment to long-term sustainability and resilience.

Carey Heritage Bird Photography Competition

Guthrie held the inaugural Carey Heritage series of events in October 2025 to showcase the ecological and cultural richness of Carey Island. One of the key events was the Bird Photography Competition, which was organised to encourage appreciation of natural heritage and raise public awareness of biodiversity conservation.

Over two days, the competition successfully documented 65 species of birds, bringing the total number of species recorded on Carey Island since 2002 to 85. This reaffirms the island's importance as a habitat for birdlife and its growing appeal as a destination for birdwatchers and nature photographers.

EU Commissioner's Visit to Carey Island

Guthrie's Palm Oil Experience Centre in Carey Island hosted Her Excellency Jessika Roswall, the European Union's (EU) Commissioner for Environment, Water Resilience and a Competitive Circular Economy, together with her delegation as part of the first ASEAN-EU Ministerial Dialogue on Environment and Climate Change.

The visit was led by former Minister of Plantation and Commodities, Datuk Seri Johari Abdul Ghani, and the Ministry, highlighting Malaysia's commitment to sustainability, circular economy, and net-zero emissions.

Our CEO of Upstream Malaysia Mr Jeffry Faizal delivered Guthrie's corporate presentation, while Chief Sustainability Officer Mr Rashyid held a sustainability presentation titled *"Sustainability, Traceability and Transparency"* during the visit.

Ranking First in the Sustainability Policy Transparency Toolkit (SPOTT)

Guthrie ranked first globally in the 2025 SPOTT Palm Oil Assessment, leading in transparency of disclosure on sustainability practices among global palm oil companies with an overall score of 97.5%. The Group scored 98.5% in the Community, Land and Labour Rights category.

Developed by the Zoological Society of London (ZSL), SPOTT scores palm oil, tropical forestry, and natural rubber companies annually against over 100 sector-specific environmental, social, and governance (ESG) indicators to benchmark their progress over time.

TALENT MANAGEMENT AND DEVELOPMENT

HR Business Leaders Asia Conference 2025

Chief Human Resources Officer (CHRO) Ms Shahrizan Aini Shamsul Khalil shared how Guthrie's flexible work models have supported employee engagement and retention during the HR Business Leaders Asia 2025 Conference.

The adoption of such models underscores the Group's commitment to putting care, values, and people at the centre of our business, she said during a session titled *"The Flexible Future: Innovative Work Models That Drive Retention"*.

Economic Times Future Forward Malaysia Summit 2025

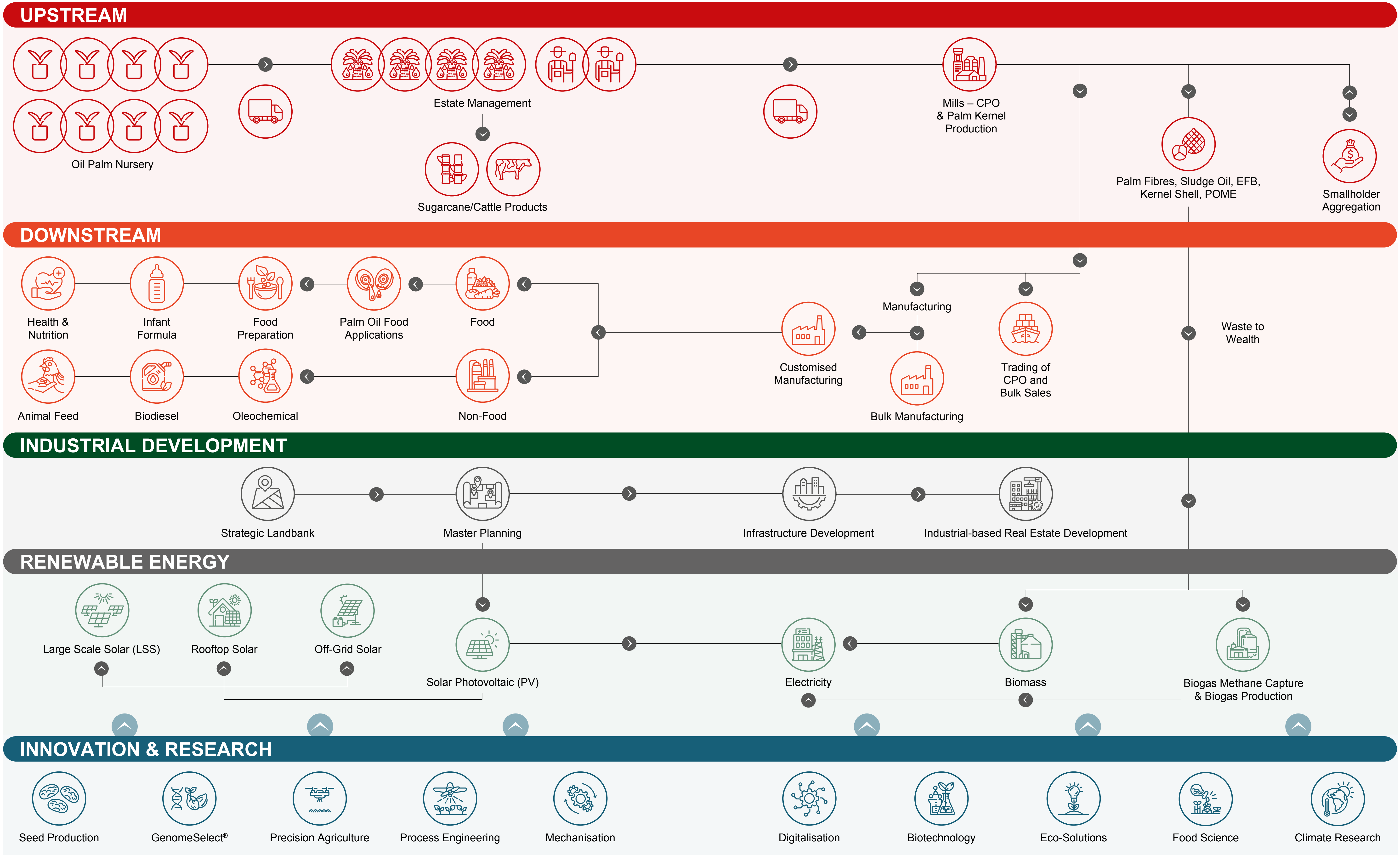
CHRO Ms Shahrizan Aini also spoke about how excellence at Guthrie is powered by purpose, culture, and people. This involved embedding the Group's new brand identity and Culture Framework across global operations. Leaders at Guthrie also foster safe spaces for open dialogue and regularly engage with staff at their workplaces.

Women in Focus 2025

Guthrie's Board Members Dato' Halipah Esa, Dato' Sri Sharifah Sofianny Syed Hussain, and Ms Jenifer Thien shared their thoughts on leadership, empathy, and staying grounded in values at a fireside chat with employees, which was moderated by CHRO Ms Shahrizan Aini.

From leading with heart to embracing purpose, the session reminded attendees that true leadership is rooted in compassion.

Our Integrated Value Chain



Chairman's Message

Guthrie's investments in talent, technology, and sustainability, along with our unique brand positioning and forward-looking strategy, will drive growth in years to come.

TAN SRI DR NIK NORZRUL THANI NIK HASSAN THANI
Chairman

DEAR STAKEHOLDERS,

It is my pleasure to report an improved performance by SD Guthrie (Guthrie) in FY2025, upholding a legacy that spans over 200 years. The Group performed well, not only on the earnings front but also in terms of sustainability, innovation, and corporate stewardship.

This year's theme, "Shaping What's Next", is meaningful, as it highlights our success in executing the transformation strategy laid out over the past two years. We have strengthened our position as one of the world's leading producers of certified sustainable palm oil (CSPO); we continue to develop palm oil products that meet the most exacting quality standards; and we saw progress in growing our industrial development & renewable energy businesses.

Guthrie remains true to our purpose, "Care to Nourish, Dare to Flourish", making strides in employee well-being and in our partnerships with customers, suppliers, smallholders, and local communities. We believe ethical leadership and responsible corporate citizenship are essential to creating long-term value.

REVIEW OF FY2025

In FY2025, despite subdued demand in major downstream markets and flooding in Malaysia and Indonesia towards the end of the year, which affected palm oil production, we managed to grow revenue by 5% to RM20.895 billion. Net profit increased by 16% to a record RM2.503 billion, driven by better results from the Upstream segment and the new Industrial Development business. This allowed us to declare a total dividend of 18.10 sen per share for FY2025, up from 16.36 sen in FY2024.

Guthrie's share price rose 16% over the course of the calendar year, while shareholding by foreign investors rose to a seven-year high of 12.58% in December – signalling rising global confidence in our long-term viability and governance.

Another vote of confidence came from the Islamic bond market. We issued a RM2.1 billion sustainability-linked sukuk, following a book-building exercise when orders peaked at twice the initial RM1.5 billion target. The issue was the plantation industry's largest ringgit issuance, as well as the largest sustainability-linked sukuk issued in Malaysia to date. The deal was named Malaysia Deal of the Year 2025 and Sustainability Deal of the Year 2025 by Islamic Finance News (IFN).

Our new businesses continued to gain traction, with the commissioning of our first utility scale solar photovoltaic (PV) plant in Bukit Selarong, Kedah, Malaysia, in December 2025. Our Industrial Development & Renewable Energy vertical delivered our first-ever contribution to the Group's bottom line in FY2025 – led by RM430 million in profit before interest and tax (PBIT) from Industrial Development. This marked a significant milestone in our continuous efforts to unlocking value from our strategically located landbank across Malaysia.

ADVANCING OUR SUSTAINABILITY EFFORTS

Following the unveiling of our "Beyond Zero" sustainability framework in 2024, Guthrie continues to work towards improving deforestation safeguards, traceability, regenerative agriculture practices, and improving human rights.

A testament to this progress is our significant achievement in the 2025 SPOTT (Sustainability Policy Transparency Toolkit) palm oil assessment. For the first time, we were the top ranked company in the global rankings with an outstanding transparency score of 97.5%.

As a widely respected benchmark evaluating 100 palm oil companies on their public sustainability disclosures, the SPOTT assessment serves as a vital tool for the financial sector and supply chain stakeholders in managing environmental, social, and governance (ESG) risks.

Furthermore, as a founding member of the MSPO (Malaysian Sustainable Palm Oil) Impact Alliance, Guthrie remains committed to Malaysia's national priority of establishing ourselves as a global leader in sustainable palm oil production.

As we drive towards a fully traceable supply chain, we are also making steady progress in ecosystem restoration and biodiversity conservation. These efforts protect vital natural habitats while accelerating our journey towards 2050 net-zero targets, in alignment with our "Beyond Zero" Framework.

WORKING WITH STAKEHOLDERS

Our commitment to excellence encompasses our entire supply chain.

For FY2025, our top priorities included engaging the broader community, in particular people living near our plantations, through various development programmes such as education, fire prevention, peatland conservation, and investment in infrastructure.

We actively supported smallholders in attaining Roundtable on Sustainable Palm Oil (RSPO) certification, ensuring they can navigate increasingly stringent international sustainability requirements. By promoting sustainable agricultural practices, we helped our partners increase yields and improve their livelihoods.

In another first and through close collaboration with our customers, we developed a slow-melting ice-cream solution designed to meet evolving market needs. In response to shifting consumer preferences for healthier choices, we created a low-calorie fat solution that delivers strong product performance while enabling the development of healthier and more sustainable food products.

Most recently, Guthrie pledged to develop and introduce a living wage policy for Malaysian employees in 2026. The policy will be rolled out in phases to ensure alignment with existing commitments and the Malaysian Employee Provident Fund's *Belanjawanku* Expenditure Guide.

We continue to work towards a healthy and diverse workplace culture, prioritising talent development and employee well-being. One key initiative was the launch of an anonymous, real-time employee engagement and feedback platform to measure workforce sentiment, gather insights, and track engagement trends.

STRONG CORPORATE GOVERNANCE

We uphold the highest standards of corporate governance, guided by the practices of the Malaysian Code on Corporate Governance, Bursa Malaysia's Main Market Listing Requirements, and equivalent standards in all our operating jurisdictions.

In FY2025, women accounted for three of our 10 Board members, reflecting our commitment to diversity and inclusivity.

The Board places strong emphasis on succession planning to ensure continuity of leadership. To this end, our talent development strategy identifies high-potential individuals and provides them with accelerated development programmes to prepare them for future leadership roles.

NEW GROUP MANAGING DIRECTOR

Mohd Haris Mohd Arshad, previously Deputy Group Managing Director, was appointed Group Managing Director effective 1 January 2026. Over his distinguished 12-year tenure with the Group, Mohd Haris demonstrated exceptional leadership across both our upstream and downstream operations, driving excellence across the entire value chain. We are confident he will take Guthrie to new heights and extend our warmest congratulations to him.

We also thank Datuk Mohamad Helmy Othman Basha for his sterling service as Group Managing Director for six-and-a-half years. He led the Group through some challenging times and is leaving on a high note with both operational and financial performance moving on the right trajectory.

Datuk Mohamad Helmy currently serves the Group as Advisor to the Board of Directors until his planned retirement on 30 June 2026.

LOOKING AHEAD

The year ahead promises exciting opportunities for Guthrie both in the palm oil industry and in our new industrial development and renewable energy businesses.

While US import tariffs, volatility in foreign exchange rates, disrupted trade flows, and geopolitical tensions are expected to continue creating uncertainty, Guthrie's investments in talent, technology, and sustainability, along with our unique value proposition and forward-looking strategy, will drive growth in the years to come.

I thank all our stakeholders for your continued trust and support. Your partnership has been instrumental to our progress, and we look forward to working closely together, to shape what's next for the Group, and chart Guthrie's path towards sustainable, inclusive growth as we head into the future.

TAN SRI DR NIK NORZRUL THANI NIK HASSAN THANI
Chairman

Q&A with the Group Managing Director

2025 was a strong year for Guthrie, marked by a clear acceleration in our transition from a traditional plantation company into a diversified, integrated agrobusiness.

MOHD HARIS MOHD ARSHAD
Group Managing Director

HOW HAS YOUR JOURNEY IN SD GUTHRIE PREPARED YOU TO LEAD THE COMPANY IN YOUR NEW ROLE?

I am deeply honoured to assume the role of Group Managing Director (GMD) at SD Guthrie (Guthrie) and I want to thank the Board for their faith in me; it is a privilege I do not take lightly.

This role carries great responsibility, not just to our shareholders, but to the thousands of employees who drive our success every day, the communities and smallholders who work with us, and the customers who have given us their trust. While there is always more to learn, I am fortunate to be taking over a storied company that is in a strong position – both operationally and financially.

Looking back, my journey here has been incredibly eventful. I joined Sime Darby Berhad in 2014, as the Head of Global Trading & Marketing. Following the demerger of the Sime Darby Group in November 2017, I became Group Chief Operating Officer (GCOO) of the then Sime Darby Plantation Berhad's downstream division, which grew from a modest contributor to the significant business pillar it is today.

Later, as GCOO of the Group, and then Deputy GMD, I took on a wider role that included the upstream operations. These experiences have given me an in-depth understanding of our operations. More importantly, they have allowed me to work closely with our most valuable asset – our talented and passionate people on the ground.

I am particularly grateful for the mentorship and dedication of my predecessor, Datuk Mohamad Helmy Othman Basha. He led the Group through challenging times and his leadership leaves the company in a strong and robust position today.

As I step into this new chapter, I look forward to working with all stakeholders to chart our next phase of growth and long-term value creation. While our recent performance has been strong, we intend to build upon this momentum in the years ahead.

WHAT ARE KEY HIGHLIGHTS OF GUTHRIE'S FY2025 PERFORMANCE?

2025 was a strong year for Guthrie, marked by a clear acceleration in our transition from a traditional plantation company into a diversified, integrated agrobusiness. This transition was reflected in our performance across the value chain and our strategic expansion into new sectors.

We recorded a 16% increase in profit attributable to equity holders of the Company to a record RM2.503 billion, boosted by the stronger operational performance of our upstream business, which benefitted from higher realised prices and oil extraction rates (OER). Our recurring profit before interest and tax (PBIT) rose 33% to RM3.533 billion with Industrial Development contributing RM430 million.

Malaysia recorded higher fresh fruit bunch (FFB) production, supported by improved harvester productivity, continued operational discipline, and ideal weather conditions. Production in Papua New Guinea (PNG) and Solomon Islands (SI) also increased on the back of improved field conditions, favourable weather and enhanced operational supervision.

Indonesia, however, continued to face the lagged impact from dry weather in the past years, which had particularly affected FFB production in Kalimantan for the second consecutive year. Excessive rainfall during the year also disrupted field accessibility in the Sumatra region.

We also saw consistent improvement in our Certified Sustainable Palm Oil (CSPO) quality. Our Peninsular Malaysia operations delivered close to 95,000 tonnes of KALIS™ 3Max-quality CSPO, a result that can only come from getting all the basics right.

In a first for Guthrie, our Sabah operations in February enabled the first-ever tariff-free shipment of Roundtable on Sustainable Palm Oil (RSPO) certified palm oil to our Liverpool refinery under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

THIS YEAR PROVED TO BE CHALLENGING FOR SD GUTHRIE INTERNATIONAL, WHICH RUNS THE GROUP'S DOWNSTREAM OPERATIONS. HOW HAS SD GUTHRIE INTERNATIONAL RESPONDED TO THE CHALLENGING MARKET CONDITIONS?

While downstream operations faced global margin pressures and fluctuating market demand, our trading segment delivered a notable increase in profits, demonstrating our resilience amid the volatile market environment. This resilience was bolstered by our focus on high-value products, which continue to provide stable margins despite broader market shifts.

We continued our geographical expansion by acquiring a 48% stake in Marvesa Supply Chain Services B.V. (Marvesa), strengthening our foothold in Europe and enhancing our presence in the animal feed segment. In Ireland, we established a strategic presence by supplying to all major players in the fat filled milk powder segment, supporting further product diversification. Additionally, we continue to accelerate expansion in the North America and Latin America markets.

Recurring PBIT

2025: RM3.533 billion

2024: RM2.653 billion

A total of

18,409

smallholders within our supply chain achieved Rountable on Sustainable Palm Oil (RSPO) certification

The Group will continue to strengthen our downstream operations to support our traceability, transparency, and sustainability commitments across the value chain.

Q&A with the Group Managing Director

HOW DID THE NEW INDUSTRIAL DEVELOPMENT & RENEWABLE ENERGY VERTICAL FARE?

Beyond our core plantation businesses, we reached several milestones in Industrial Development & Renewable Energy in Malaysia.

We progressed significantly with the development of Eco Business Park (EBP) 7 and 8. Together with our strategic partners, Eco World Development Group Berhad (EcoWorld) and NS Corporation (NS Corp), we launched the EBP7 sales gallery in November 2025–the first industrial development to be launched within Parcel C of the Malaysia Vision Valley 2.0 masterplan.

For EBP8, we partnered with Permodalan Darul Ta'zim (PDT), alongside EcoWorld, to develop a new integrated industrial park within the Johor-Singapore Special Economic Zone (JS-SEZ), through our subsidiary, SD Guthrie Land Ventures Sdn Bhd. Together with PDT, we are also exploring the potential development of up to 5,000 acres within our Kulai Estate in the JS-SEZ.

In addition, we signed a memorandum of understanding (MoU) with Kulim Technology Park Corporation to explore further industrial development opportunities in Kedah.

In renewable energy, we successfully commissioned our first Utility Scale Solar photovoltaic (PV) plant in Bukit Selarong, Kedah. Size wise, it is only 15 MW, but we now have in-house experience and are looking to scale up. We established a strategic partnership with Gamuda with a target to develop 1.2 GW of solar renewable energy assets, to position us as a serious player in renewable energy.

MOVING FROM FY2025 TO FY2026, WHAT ARE SOME OF THE CHALLENGES TO TAKE NOTE OF?

The most significant headwind facing the Group in 2026 is the marked escalation in geopolitical instability. The conflict has triggered a sharp surge in global oil and gas prices, creating an inflationary ripple effect that impacts everything from agricultural inputs and transport costs to trade flows and customer demand.

Guthrie will navigate these obstacles through our focus on process optimisation, and disciplined and prudent cost management. With the Group's fertiliser and agricultural chemical needs secured under contracts for the entirety of 2026, we also aim to ensure supply stability while mitigating the impact on our business from further price volatility.

In the upstream segment, crude palm oil (CPO) prices are expected to remain elevated in the near term, supported by energy risk premiums arising from the conflict in the Middle East. Whilst high inventory levels may exert some pressure, steady global demand for vegetable oils and slower growth in global production will support CPO prices, aided by developments such as Indonesia choosing to go ahead with its B50 palm-oil based biodiesel mandate. Palm oil's competitiveness is expected to relatively decrease in the second quarter of this year if prices remain elevated in the absence of conflict de-escalation and the influx of South American soybeans currently in its peak harvesting season.

Meanwhile, changing weather conditions may have a negative impact on FFB production. Climate patterns have become increasingly volatile, with more frequent extremes in temperature and rainfall affecting planting, harvesting, and maintenance schedules. We will monitor weather conditions more closely so that we can react faster to changes in the environment.

While the downstream business faces margin pressures, we see opportunities in areas such as customer-specific differentiated products.

Against these headwinds, we remain focused on the execution of our strategies across our core business segments.

BEYOND FINANCIAL AND OPERATIONAL PERFORMANCE, HOW IS GUTHRIE EVOLVING OUR APPROACH TO SUSTAINABILITY AND SOCIAL RESPONSIBILITY?

We believe growth is measured by more than financial performance. Our "Beyond Zero" Framework guides us in ensuring our business remains resilient, ethical, and sustainable in an evolving global landscape.

Our commitment to environmental, social, and governance (ESG) principles is a core competitive advantage. Global partners choose to work with us due to our governance, environmental stewardship, and the verifiable traceability of our products.

A key focus of our strategy involves supporting smallholders in navigating increasingly stringent international sustainability regulations. We conduct rigorous assessments prior to sourcing to ensure all suppliers align with our Responsible Sourcing Guidelines (RSG). To date, a total of 18,409 smallholders within our supply chain have achieved Roundtable on Sustainable Palm Oil (RSPO) certification, reflecting our ongoing commitment to inclusive growth.

Developing our people and looking after their interests is another key area. We are currently developing a Living Wage policy in Malaysia, with the first phase – covering 8,000 non-plantation employees – targeted for rollout by the end of 2026. We have also enhanced worker well-being through digital platforms like *Suara Kami* and "Oil Palm Pal". Our Social Dialogue initiative also serves as formal two-way communication platform between Worker Representatives (WR) and the Management at all operation levels.

Our recruitment practices for migrant workers are built on an informed consent process and a strict zero-recruitment fee policy. All wages, benefits, housing, and amenities are accurately described in their employment contracts which are issued in the workers' countries of origin and prepared in their national languages to ensure full transparency.

We continue to invest in the next generation through our Digital Academy, Graduate Accelerated Programmes and "The Crest", Guthrie's latest learning academy that was launched on 22 December 2025. By prioritising mental health and flexible work arrangements, we ensure that Guthrie remains an employer of choice.

Guthrie targets to develop 1.2 GW of solar renewable energy assets, positioning the Company as a serious player in renewable energy.

WHAT ARE YOUR PRIORITIES MOVING FORWARD?

The Group's strategy and priorities are already well-outlined. My primary focus now is on disciplined and effective execution of the strategy and priorities across all parts of the business.

Across our upstream operations in Malaysia, Indonesia, PNG, and SI, we continue to invest in mechanisation and digitalisation to improve productivity, enhance labour efficiency, and strengthen operational resilience. We are scaling proven innovations such as GenomeSelect® planting materials to deliver higher and more consistent yields, even under increasingly variable climatic conditions.

At the same time, we are advancing regenerative agriculture practices to improve soil health, sustain long-term productivity, and reduce environmental impact. Through precision agriculture technologies, we are optimising yields across our planted areas while improving the efficiency of key inputs such as fertilisers.

Across the Group, we are actively leveraging digital technologies and Generative Artificial Intelligence (GenAI) to extract deeper insights from operational and supply-chain data. The aim is to use these insights in supporting better decision-making, faster reporting, and stronger oversight.

Our downstream operations remain focused on operational excellence, product quality, and meeting evolving customer and regulatory expectations, while supporting our traceability, transparency, and sustainability commitments across the value chain.

Beyond our core palm oil business, industrial development and renewable energy will remain a growing focus. This aligns with Malaysia's aspiration to attract high-value manufacturing and accelerate the national transition towards renewable energy, while unlocking additional long-term value from our land assets.

Ultimately, my priority is to ensure that our "One Stream" approach, which integrates every part of the Group from upstream to downstream, fosters closer collaboration, stronger execution, and better alignment across Guthrie.

ARE THERE ANY FINAL THOUGHTS YOU'D LIKE TO SHARE?

Guthrie's success is a collective achievement, built on the unwavering support of our shareholders, staff, customers, and partners. I take this opportunity to thank our many stakeholders who have trusted us over the years. As we move forward under our theme of "Shaping What's Next," I look forward to your continued support in shaping the next chapter of this storied organisation together.

Thank you.

MOHD HARIS MOHD ARSHAD
Group Managing Director

Our Value Creating Business Model

VALUES Integrity · Respect & Responsibility · Enterprise · Excellence

OUR CAPITAL | **INPUT** | **OUTPUT** | **OUTCOMES** | **ACTIONS TO ENHANCE OUTCOMES**

Financial Capital (FC)

Input
- Total Equity: **RM20.871 billion**
- Total Assets: **RM31.743 billion**
- Borrowings: **RM5.030 billion**

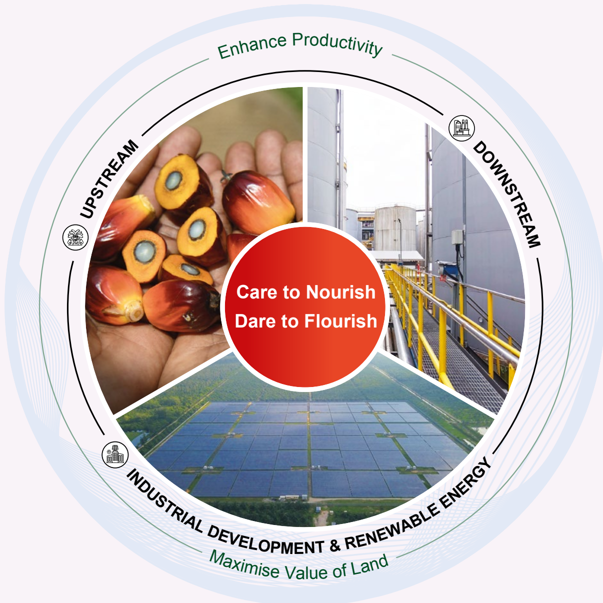
Outcomes
- Net Profit for the Year: **RM2.503 billion** (2024: RM2.164 billion)
- Dividend Declared: **18.10 sen per share** (2024: 16.36 sen per share)
- Net Debt to Equity Ratio: **21%** (2024: 21%)

Actions to Enhance Outcomes
- Exercise prudent capital management while minimising risk
- Drive strategic cost optimisation while maintaining operational efficiency
- Strive to balance capital allocation between capital preservation and expansionary investments
- Optimise borrowing profile and assess funding alternatives
- Enhance our overall financial management framework

Manufactured Capital (MC)

Input
- Estates: **232 estates (including sugar and grazing pastures)**
- Palm Oil Mills: **63**
- Palm Oil Refineries: **10**
- Bulking Installation Capacity: **201,700 MT**
- Biogas Plants: **20**
- Landbank: **703,115 hectares**

Output
- **8,881,165 MT** Fresh Fruit Bunch (FFB) Production
- **2,224,833 MT** Crude Palm Oil (CPO) Production
- **489,313 MT** Palm Kernel (PK) Production
- **68,814,478 Nm³** biogas produced for methane capture (including Malaysia, Indonesia, and Papua New Guinea (PNG))



Outcomes
- Yield per Hectare (MT/ha): **18.95** (2024: 18.41)
- Oil Extraction Rate (%): **21.18** (2024: 20.97)
- Palm Kernel Extraction Rate (%): **4.66** (2024: 4.63)
- SD Guthrie International Sales Volume ('000 MT): **3,755** (2024: 4,006)
- Group Revenue: **RM20.895 billion** (2024: RM19.831 billion)
- Total CAPEX: **RM2.056 billion** (2024: RM2.042 billion)

Actions to Enhance Outcomes
- "Back to Basics" operational initiative in enhancing core agronomic practices to improve yields and oil extractions
- Transform upstream operations through deploying mechanisation and digitalisation to enhance mill efficiency and increase productivity
- Strengthen mill standards through 3 pillars of Health, Safety, and Environment (HSE), Food Safety (FS), and Operational Equipment Effectiveness (OEE)
- Strengthen our trading and risk management capabilities and extend these services to our customers

Intellectual Capital (IC)

Input
- R&D Centres: **7**
  R&D Malaysia (3) + R&D PNG + R&D Indonesia (Minamas Research Centre) + Innovation Centres connected to R&D (Africa & Europe)
- Scientists: **196**
- Innovation Centres: **3**
- Genetic Testing Facility: **1**
- **Technology and Digital Solutions** that enhance operations including Drones and Artificial Intelligence (AI) Technology
- Total investments/expenditure in R&D: **RM192.4 million**

Outcomes
- **1,290** Trademark Filings; **756** Registered Trademarks; **534** Pending Trademark Applications (Subjected to timing differences)
- Enhanced the **Palm Digital platform** to digitalise water-level monitoring and GPS-tracked machine productivity at the field
- **Expanded data analytics capabilities** while developing models and insights that assist decision making process including digital enhancement to support operations
- **Mechanisation and Digitalisation** efforts to reduce labour reliance while enhancing productivity, operational efficiency, and supporting environmental sustainability

Actions to Enhance Outcomes
- Innovation and Research will continue to work in multidisciplinary teams and collaborate to address critical challenges and opportunities for the Group in the areas of product development, productivity, climate change, and growth
- Accelerate replanting of all estates with GenomeSelect®
- Enhance Traceability to Plantation to enhance our reputation and customers' trust

Human Capital (HC)

Input
- Total Employees: **82,380**
- Employees by gender:
  - Female: **16,021** (19.4%)
  - Male: **66,359** (80.6%)
- Workers in plantations and mills: **66,744**
- Permanent Employees: **59,859 (73%)**
- Non-Permanent Employees: **22,521 (27%)**
- High Performance and Innovative Culture

Outcomes
- **RM45.1 million** allocated for **learning and development**
  - Overall Attrition Rate **22.2%**
  - **19.5%** Women in Overall Workforce
- Lost Time Injury (LTI) cases: **1,518** hours
- Lost Time Injury Frequency Rate (LTIFR): **7.5**

Actions to Enhance Outcomes
- Establishment of "The Crest", a unified learning ecosystem that brings together core programmes, digital resources, and on-the-job development to strengthen workforce capability across the Group
- Attract and retain employees through fair remuneration and career development opportunities
- Continue to provide multiple platforms for employee listening, transparent communication, and consistent follow-through
- Integrating our Purpose to build a unified identity that aligns with our guiding principles
- Ensure strict adherence to safety protocols designed to prevent accidents, while fostering a culture of safety across all operations
- Driving effective deployment and adherence to comprehensive Life-Saving Rules throughout all operational activities

Social & Relationship Capital (SRC)

Input
- Strong network of **3,489 vendors** approved and registered via Guthrie's Online Vendor Registration portal
- Smallholders support programmes and **supply chain collaborations**
- Deepen **communication and collaboration** to strengthen relationships with our key stakeholders
- High **integrity, trust and transparent communication** with our key stakeholders

Outcomes
- Taxation paid: **RM0.629 billion** (2024: RM0.743 billion)
- **RM55.9 million** invested in community (2024: RM55.4 million)
- **173,061 individuals** benefitted from Guthrie's CSR initiatives (2024: 272,610 individuals)

Actions to Enhance Outcomes
- Provide ongoing training for smallholders, including indigenous farmers, on No Deforestation, No Peat, and No Exploitation (NDPE) compliance and sustainability certification
- Increase engagement with local communities, such as in the area of fire prevention for teachers and students.
- Explore collaborative initiatives for Guthrie to support Non-governmental organisations (NGOs) and strengthen relationships

Natural Capital (NC)

Input
- Water consumption: **45,637,553 m³**

Output
- Biomass – Empty Fruit Bunch (EFB) and Palm Kernel Shells (PKS)
  - **2,030,383 MT** EFB
  - **680,967 MT** PKS
- **10.3 million tonnes** carbon dioxide equivalent (tCO_2e) across Scope 1, 2 and 3 emissions (2020: 12.2 million tCO_2e)
- **159,357 MT** waste (scheduled and non-scheduled) generated

Outcomes
- Water Withdrawn Intensity: **1.52 m³/tonne** FFB processed at mills in all our operations (2024: 1.45 m³/tonne FFB processed)
- **3.1 million trees** planted to date (2024: 2.7 million trees)
- Sustainable palm oil practices support climate action and maintain ecosystem health
- Renewable energy capacity:
  - Biogas: **29.5 MWe** (Megawatt electric) (2024: 28.95 MWe)
  - Rooftop Solar: **3.82 MWp** (Megawatt peak) (2024: 2.73 MWp)

Actions to Enhance Outcomes
- Regenerative Agriculture Framework developed. Pilot implementation at Binuang and West Estates in Malaysia to commence in 2026
- Initiatives to promote sustainable practices
- Execute the Net-Zero Roadmap
- Focus on biogas and solar expansion

Stakeholder Engagement: Needs and Expectations

SD Guthrie (Guthrie) engages with a broad network of stakeholders who both influence and are affected by our operations. We value these stakeholders and strive to strengthen our connections through transparency and open communication. By building strong, collaborative relationships, we enhance our reputation and reinforce our position in the market.

Customers

WHY WE ENGAGE

To build lasting partnerships and gain insights that enable us to better tailor our products and services, as well as optimise supply chains to meet diverse needs.

How We Engage	Key Focus Areas
• SD Guthrie International Customer Day. • Digital Customer Dashboard. • Surveys and feedback. • Exhibitions, events, visits, webinars, forums, and meetings. • Collaborative platforms and working groups. • Social media platforms.	• Product quality, food safety, delivery, and security of supply and services. • Product innovation and development. • Traceability of palm oil used in products. • No Deforestation, No Peat, and No Exploitation (NDPE) policy – to protect the environment, biodiversity, and human rights • Short-term and long-term product pricing. • Ethical business conduct.

Our Approach	How We Measure Value
• Compliance with Hazard Analysis Critical Control Points (HACCP), Roundtable on Sustainable Palm Oil (RSPO), Malaysian Sustainable Palm Oil (MSPO), Indonesian Sustainable Palm Oil (ISPO) certifications, and NDPE. • Focus on innovation & research to develop new products, formulation, and product enhancement. • Tailor our communication approach to regional needs and local customs. • Build customer pipeline. • Leverage Crosscheck to ensure transparency in tracking the origins of our palm oil. • Drive "Not All Palm Oil is Created Equal" marketing campaign. • Engage customers on sustainability progress and performance.	• Customer satisfaction measured via annual survey. • Number of new products and customer relationships. • Revenue contribution from new and improved products. • Traceability to Mills (TTM) and Traceability to Plantation (TTP) rates. • Various environment, social, and governance (ESG) metrics on workers' well-being and environmental footprint.

Employees

WHY WE ENGAGE

Our global workforce of nearly 83,000 employees plays a vital role in driving our business operations and implementing our strategic objectives.

How We Engage	Key Focus Areas
• Employee engagements including Global Culture Day, World Mental Health Day, Employee Assistance Programme (EAP), global townhalls and podcasts, recreational activities, and other social events like Global Sports Carnival, Battle of the Bands, and Long Service Awards. • Employee feedback platforms and channels. • Muster, Union, Social Dialogue sessions, and Gender committee meetings. • *Suara Kami* helpline for workers. • "Oil Palm Pal" app for plantation workers. • Volunteer programmes.	• Organisational culture enhancement and alignment. • Employee engagement and well-being. • Performance management and rewards. • Workers' welfare, wages, and overtime. • Succession pipeline and Talent Bench Strength. • Learning and development programmes. • Diversity and Inclusion.

Our Approach	How We Measure Value
• Integrate Guthrie's Identity and Purpose across all operations to ensure a unified identity and activated global engagement initiatives. • Introduced Culture Framework anchored on our Core Values. • Mobilised Change Agents to drive culture conversations. • Refreshed Employee Value Proposition (EVP). • Robust succession plan for key positions. • Leadership capability development programmes for all working levels. • Holistic development opportunities for all employees, including those in remote locations. • Quarterly employee performance conversations and annual appraisals. • Employee wellness programme including 24-hour hotline • Enhanced recruitment in line with Migrant Worker Responsible Recruitment Procedures. • Promote diversity. • Provide accessible and confidential channels for staff to raise grievances.	• Employee Net Promoter Score (eNPS). • Turnover rate. • Ratio of talent to key positions. • Targeted talent development programmes. • Employee feedback via trusted platform. • Number of grievances reported through workers' helpline. • Training hours for all employees.

Stakeholder Engagement: Needs and Expectations

NGOs/Civil Society Organisations

WHY WE ENGAGE

To build trust, engage constructively, address concerns, and work collaboratively to elevate our impact on the environment and communities.

How We Engage

- ESG engagements such as information sharing forums, roundtables, discussions, and events.
- Surveys and feedback mechanisms.
- Collaborative projects and mentoring programmes.
- Third-party verification of our supply chain.

Key Focus Areas

- Impact on existing operations and expansion plans.
- Human rights and labour standards.
- Traceability of palm-based suppliers within our supply chain.

Our Approach

- Adhere to Responsible Agriculture Charter, RSPO principles, NDPE Policy, Human Rights Charter, and International Labour Organization (ILO) guidelines.
- Ensure supply chain traceability and transparency via Crosscheck.
- Consult stakeholders during policy development and revision.

How We Measure Value

- Compliance with ILO labour indicators.
- Compliance with NDPE across our supply chain.
- Number of engagements with Non-governmental organisations (NGOs) and communities.

Local Communities

WHY WE ENGAGE

To understand and prioritise community needs and concerns that may arise due to proximity to our operations.

How We Engage

- Community meetings and other channels for dialogue.
- Community and cultural engagement initiatives such as the Carey Heritage Events and Mangrove Community Nursery Project involving the Mah Meri community on Carey Island.
- Collaboration with selected schools under the MADANI Adopted School Programme in Malaysia.
- Collaboration with local communities to address shared challenges.
- Mechanisms for reporting grievances.
- Implementation of community fire prevention programme in Indonesia.

Key Focus Areas

- Well-being of communities.
- Land rights of local communities.
- Local ecosystem protection.
- Community's employment and other needs.
- Access to quality education, school infrastructure, and learning environments.

Our Approach

- Community development through philanthropy, provision of scholarships, and investment in educational and health infrastructure within estates.
- Adherence to the Free, Prior, and Informed Consent (FPIC) principle before any land development activities are conducted.
- Educating and sharing knowledge with communities on best agricultural practices for responsible land management.
- Hire locals and provide training through Internship Programme, Cadet Programme, and Graduate Accelerated Programme, while continuing to provide skilled job opportunities for youth.
- Work closely with schools to provide learning resources and strengthen digital literacy, reading proficiency, and co-curricular development.

How We Measure Value

- Area restored, rehabilitated, or conserved.
- Number of people in communities who benefitted from improved access to job opportunities and essential infrastructure.
- Total investment in improving education access and standards, and number of adopted schools.
- Number of programmes and educators engaged on fire prevention, management and the areas covered.

Smallholders

WHY WE ENGAGE

Smallholders are an integral part of our supply chain, accounting for around 15% of our fresh fruit bunches.

How We Engage

- Smallholder Inclusion projects.
- Engagement sessions and field visits.

Key Focus Areas

- Market trends and regulatory pressures on smallholder livelihoods.
- Fair dispute resolutions.
- Streamlined procurement practices.
- Access to resources such as funding, fertilisers, quality seeds, and training.
- Palm oil productivity and yield.

Our Approach

- Support smallholders in attaining RSPO certification.
- Build smallholder capacity.
- Support smallholder schemes.
- Provide tools and resources, including technical expertise such as Good Agricultural Practices (GAP).
- Facilitate access to market.
- Adherence to NDPE Policy and Responsible Agriculture Charter.

How We Measure Value

- Number of RSPO-certified smallholders in supply chain.
- Number of smallholders participating in and benefitting from support programme initiatives.

Suppliers and Vendors

WHY WE ENGAGE

A strong partnership with suppliers and vendors enables us to build a resilient and sustainable supply chain, ensuring long-term business stability and success.

How We Engage

- Bumiputera Vendor Development Programme (BVDP) and Bumiputera Entrepreneur Development Programme (BEDP) in Malaysia.
- Supplier engagement, capacity building forums, and webinars.
- Supplier assessments on sustainability compliance.
- Grievance management and monitoring.

Key Focus Areas

- Ethical sourcing of vendors.
- ESG requirements and safety standards.
- Transparent communication about needs and expectations.
- NDPE compliance, including having a deforestation-free supply chain.
- Traceability of palm-based suppliers within our supply chain.

Our Approach

- Enhance traceability by harnessing technology, e.g. Crosscheck.
- Supplier engagement to ensure compliance with our Responsible Sourcing Guidelines.
- Review vendor performance, conduct audits, and enforce high standards to ensure zero ambiguity in supplier practices.
- Training and capacity building.
- Monitor and manage supply chain risks.

How We Measure Value

- Using the Service Level Agreement (SLA) to ensure adherence to agreed service levels.
- Science Based Targets initiative (SBTi) Scope 3 progress.
- Progress in Traceability to Mill (TTM) and Traceability to Plantation (TTP).
- Supplier's compliance with Code of Conduct.

For more information on our SBTi Scope 3 progress, refer to the section on Climate-related Risks and Opportunities in our Sustainability Report on pages 15 to 33.

Our Market Landscape

DEMAND FACTORS

Market Trends Impacting SD Guthrie	Our Response
Rising Demand for Vegetable Oils	
• Demand for food continues to account for 69% of world edible oil demand, followed by biofuels at 21% and industrial use at 10%[1]. • Palm oil accounts for around 31% or about 50 million metric tonnes (MT) of total vegetable oil demand in 2025, driven by global population growth[2]. • Asia Pacific, our largest regional revenue engine, is expected to continue to account for about 60% of global demand by volume in the coming years[2]. • The Compound Annual Growth Rate (CAGR) for vegetable oil was around 2.6% annually from 2021 to 2025 and is expected to continue growing at around 2.5% CAGR from 2026 to 2030[2]. • While demand for vegetable oils continues to grow, the European downstream market is experiencing an increase in refining capacity that outpaces growth in feedstock availability, pressuring margins.	• Support customers to ensure their existing and future business needs are met through consistent delivery of quality products. • Strengthen our regional presence while expanding into new markets, leveraging our geographical footprint and supply chain flexibility to meet diverse customer needs, logistical requirements, and shifts in feedstock availability. • De-commoditise palm oil production by increasing the proportion of differentiated product offerings over commodity products to cater to a wider customer base in existing and new geographies. • Leverage trade agreements to ensure cost competitiveness for refined, bleached, and deodorised (RBD) palm oil. • Build capabilities in non-food or industrial uses.
Price Competitiveness between Competing Oils	
• Palm oil has traditionally dominated global edible oil consumption due to its affordability and versatility, but rising supplies of soybean oil is increasing price volatility and narrowing palm oil's cost advantage as the cheaper alternative. – From July 2024 to May 2025, soybean oil was traded at a discount[2,3]. – Analysts indicated that global soybean oil (SBO) production growth between 2021 and 2025 was around 6 times faster than palm oil, due to significant expansion in Brazil[2].	• Continue efforts to move up the value chain through a focus on value added palm-based products and tailored customer solutions. • Explore expansion into new markets to strengthen market presence.
• Price-sensitive markets such as India and China substitute palm oil with SBO whenever palm oil prices trade at a premium. – In 2025, India's palm oil imports fell by 15% while SBO imports rose by 30%[4]. – In 2025, China's palm oil imports from Malaysia declined by 33%[5] to 895,000 MT. Soybean imports reached a record high of 111 million MT, a 6.4% increase amid fears of supply shortfalls and the price competitiveness of Brazilian soy.	• Continue to utilise trading and hedging strategies to manage inherent market volatility and optimise margins.

1. GlobalData The Oilseeds & Oils Report, Oct 2025
2. GlobalData Databases
3. Reuters
4. GlobalData Oils Price View, Jan 2026
5. Oils and Fats International
6. Malaysian Palm Oil Board (MPOB)
7. European Commission
8. National Palm Oil Policy (NPOP)

DEMAND FACTORS

Market Trends Impacting SD Guthrie	Our Response
Biodiesel and Policy Shifts	
• Biodiesel demand has grown by a CAGR of 8.4% from 2020 to 2025 and is expected to grow by 4.3% from 2025 to 2030 to around 63.2 million MT[2]. – Palm oil has historically contributed between 25%–30% of the total feedstock for biodiesel globally[2]. • Indonesia has announced its intention to proceed with B50 biodiesel mix in 2026[3]. – Implementation of B50 was expected to absorb an additional 2.2 million MT of crude palm oil (CPO), tightening palm oil exports[3]. – Indonesia has raised its CPO export levies primarily to fund biodiesel subsidies and stabilise the domestic palm oil sector[3]. • In 2025, Malaysia introduced B20 in specific sectors or regions, after implementation of B10 biodiesel programme nationwide in 2019[3]. – Introducing B20 nationwide would require an additional 1.1 million MT of CPO, potentially leaving a domestic shortfall of 600,000 MT in 2025/2026[6]. • In the European Union (EU), biodiesel demand faces increasing pressure from evolving policy and trade barriers, intensified competition for sustainable feedstock, and the emergence of hydrotreated vegetable oil (HVO) and sustainable aviation fuel (SAF) facilities.	• The biofuel mandate in Indonesia acts as a key long-term growth catalyst for plantation players, enhancing Malaysia's CPO export competitiveness while strengthening regional demand fundamentals across the sector. • In Malaysia, ahead of the national mandate, the Group has implemented a B30 pilot programme at Carey Island and will continue to assess and undertake appropriate measures in response to evolving biofuel policies and market conditions. • Prioritise operational excellence and supply chain optimisation to support consistent biodiesel delivery while strengthening long-term customer relationships.
Delayed Implementation of EU Deforestation Regulation (EUDR)	
• The EU postponed the application of the EUDR to 30 December 2026 to allow a smoother transition and provide additional time for supply chain traceability and IT systems to be fully implemented[7].	• Continue to test and strengthen the operational readiness, governance controls, and traceability mechanisms embedded within our EUDR compliance framework, in preparation for the implementation of the EUDR in 2027.

SUPPLY FACTORS

Market Trends Impacting SD Guthrie	Our Response
Government Policy in Indonesia and Papua New Guinea	
• The Indonesian Government enhanced scrutiny and enforcement on overlapping forest areas through *Satuan Tugas Penertiban Kawasan Hutan* (SATGAS PKH). The steps taken included the repossession of land[3]. – In 2025, the government seized over 4.1 million hectares of oil palm land and is expected to seize around 4 million to 5 million hectares of palm oil plantation in 2026[3]. • In 2025, the Papua New Guinea (PNG) Government launched the National Palm Oil Policy framework to regulate, develop, and sustainably expand the palm oil industry while strengthening smallholder participation, landowner benefits, and responsible investment[8].	• Strengthen our compliance and land governance practices, engage proactively with relevant authorities and continue undertaking ongoing reviews of land portfolio to manage regulatory and operational risks. • Continue to work closely with the PNG government and explore potential to grow our footprint in PNG. This includes supporting sustainable supply growth and strengthening smallholder participation.

Our Market Landscape

SUPPLY FACTORS

Market Trends Impacting SD Guthrie	Our Response
Geopolitical Instability	
• In end-February 2026, the impact of the US-Israel conflict in Iran further disrupted an already unsettled geopolitical situation[1]. • Disruption to international trade has had far-reaching impacts across the world: – About 20 million barrels of oil that had passed through the Strait of Hormuz daily, before the war[2], are no longer reaching intended markets. – Oil prices have surged as a result of the war[3].	• Monitor financial exposures, protect payments, and implement corrective action plans to protect cash flow. • Revisit long-term and short-term contracts for pricing adequacy, flexibility, and risk clauses. • Enable alternative routing strategies to ensure supply continuity and to mitigate logistics and supply chain risks, including port congestion, disruptions, or geopolitical risks. • Ensure adequate insurance coverage for cargoes, delays, loss, damage, and force majeure events.
Trade Tariffs	
• Tariff actions by the US at the start of 2025 disrupted global trade flows. • In February 2026, the U.S. Supreme Court ruled that the implementation of broad tariffs was illegal, introducing uncertainty over the continuity of existing trade agreements[4].	• Continue leveraging on our integrated value chain to flexibly allocate supply across different footprints, enabling us to meet customer demand across global markets. • Closely monitor global trade policy developments.
Adverse Weather Condition	
• Malaysia: Heavy rainfall across multiple states disrupted productivity and harvesting activities[5]. • Indonesia: Indonesia experienced heightened wet weather in late 2025[6]. • For 2026, there is a possibility of *El Niño* conditions developing towards the end of the year[6].	• Continue implementing and promoting climate risk management initiatives, e.g. water conservation, soil management, water irrigation, retention strategies, and community awareness on fire prevention in Indonesia.
Labour Constraints in Malaysia	
• Labour shortages remain a critical challenge due to the Malaysian industry's reliance on migrant workers for around 80% of its plantation workforce[7]. – In 2025, the government approved quotas for around 34,000 migrant workers to help address labour shortages in the plantation sector[8].	• Prioritise investments in mechanisation, automation, and productivity enhancing initiatives to improve harvest efficiency, maximise output, and reduce reliance on manual labour amid labour availability risks.

1. Reuters
2. BBC
3. Financial Times
4. AlJazeera
5. Malaysian Palm Oil Board (MPOB)
6. Badan Meteorologi, Klimatologi, dan Geofisika (BMKG)
7. The Star
8. New Strait Times (NST)
9. Malaysian Palm Oil Council (MPOC)
10. Indonesia Palm Oil Association (GAPKI)
11. GlobalData The Oilseeds and Oils Report Oct 2025
12. Malaysian Investment Development Authority
13. The Edge Malaysia

SUPPLY FACTORS

Market Trends Impacting SD Guthrie	Our Response
Low Replanting Rate	
• According to the Malaysian Palm Oil Council (MPOC), Malaysia is falling short of its annual replanting target of 4%, with the national average standing at 2.0%[9]. • The Indonesian Palm Oil Association (GAPKI) has highlighted slow replanting progress, particularly among smallholders[10]. GAPKI estimates only around 10% of Indonesia's 2.5 million hectares replanting target had been achieved by 2025[1].	• Adhere to our replanting policy of 4% per year to maintain the ideal age profile of our oil palm trees. • In Indonesia, our accelerated replanting programme carried out since 2016 has helped to regularise the age profile of our plantations. • In PNG and Solomon Islands (SI), we continue to drive smallholder replanting efforts while facilitating the adoption of responsible agricultural practices through support and training.

OUTLOOK FOR DEMAND AND SUPPLY FACTORS

Looking ahead, population growth, biofuel mandates, geopolitical conflicts, and EUDR requirements will continue to shape global demand for palm oil and vegetable oils. Other factors like weather conditions and limited supply growth are expected to support CPO prices. Palm oil production in Malaysia and Indonesia is anticipated to remain steady at 19.58 million MT and 46.78 million MT, respectively, in 2026[11].

INDUSTRIAL DEVELOPMENT AND RENEWABLE ENERGY

Market Trends Impacting SD Guthrie	Our Response
Industrial Development and Renewable Energy Infrastructure Demand in Malaysia	
Industrial Development • Demand growth observed for industrial land in key states, including Selangor, Negeri Sembilan, and Kedah. – Investment activity has been strongest in Johor, supported by Malaysia–Singapore collaboration under the Johor–Singapore Special Economic Zone (JS-SEZ), with the state accounting for around 32% of Malaysia's total approved investments[12]. **Renewable Energy** • Government-led initiatives under the National Energy Transition Roadmap (NETR)[12], including Large Scale Solar (LSS), Corporate Renewable Energy Supply Scheme (CRESS), and battery energy storage systems (BESS)[13], are driving Malaysia's renewable energy transition and supporting grid resilience. • Increasing share of solar in Malaysia's grid energy mix, alongside the rollout of the first BESS in Peninsular Malaysia, highlights the growing need for energy storage to support grid stability.	• Identify strategic landbanks to be developed to support Malaysia's economic growth and plans for energy transition. • Work in collaboration with robust partners with commercial and technical expertise to guide and mitigate execution risks. • Ensure returns generated are stable and sustainable.

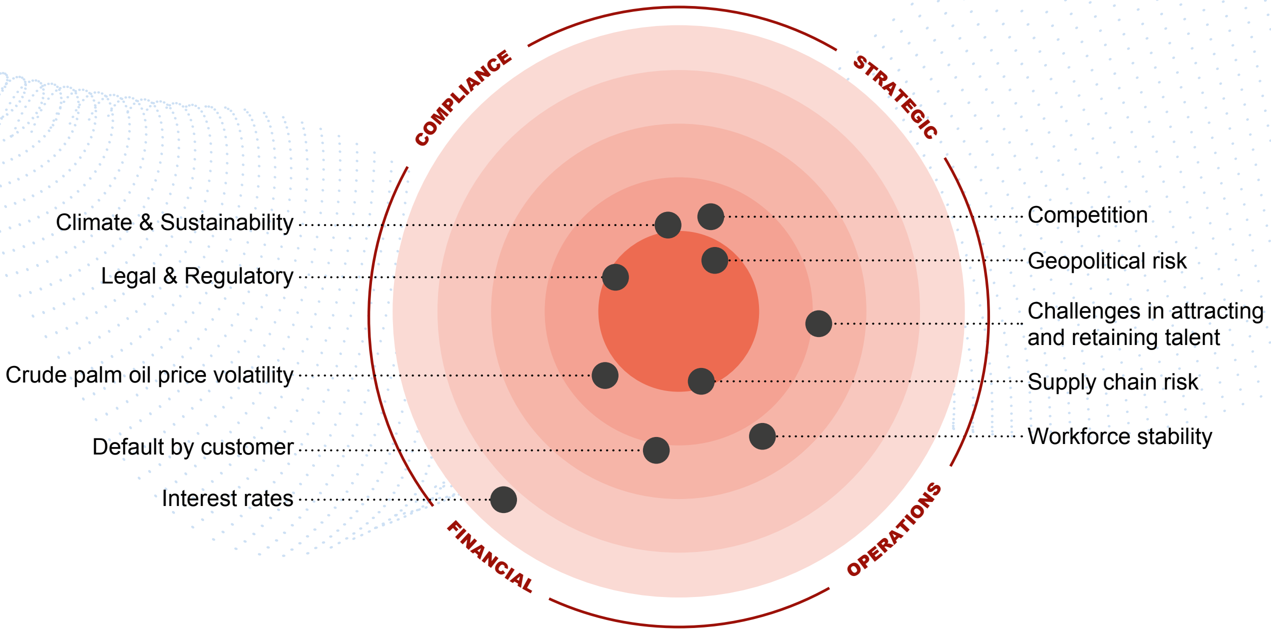
OUTLOOK FOR INDUSTRIAL DEVELOPMENT AND RENEWABLE ENERGY

Demand growth in Malaysia for industrial development in strategic locations and commercially viable sources of renewable energy like solar will likely to remain robust over the medium term.

Managing Our Key Risks

The industries that the Group operates in are exposed to various risks that could disrupt operations and hinder the achievement of strategic objectives. To address this, SD Guthrie (Guthrie) takes a proactive approach by systematically identifying current and emerging risks and implementing targeted mitigation strategies. The following sections highlight the key risks and measures in place to minimise their potential impact.

ENTERPRISE RISK PERSPECTIVES RADAR



Note: Risk perspectives that are closer to the centre of the radar have either a significant impact/strategic importance to Guthrie and/or have a higher probability of occurrence.

Key Enterprise Risks	Description	Key Mitigation Strategies	Risk Trend
Geopolitical Risk	Geopolitical uncertainties, including shifts in international trade policies and global market dynamics, may create volatility and unpredictable fluctuations in customer demand across the Group's key markets. The risk environment has intensified in FY2026 amidst rising protectionism in several regions and ongoing geopolitical tensions globally. Such developments may strain international relations, disrupt global supply chains, and contribute to commodity price and foreign exchange volatility. Prolonged uncertainty may dampen investor and consumer confidence, potentially affecting demand while increasing operating and compliance costs.	• Ongoing monitoring and assessment of geopolitical and policy developments that may pose systemic risks to the Group and realign strategies accordingly, including supply chain decisions. • Active engagement with key customers and suppliers to assess and respond to geopolitical impacts. • Close monitoring of global raw material prices to ensure accurate budget costing for projects. • Proactive engagement with relevant authorities and communities to support operational continuity amidst evolving regulatory and geopolitical environments.	↑

Key Enterprise Risks	Description	Key Mitigation Strategies	Risk Trend
Supply Chain Risk	Geopolitical uncertainties remain a threat to global supply chains, as international conflicts have already impacted shipping routes, freight rates and cargo availability, resulting in operational disruptions and higher costs of doing business.	• Implement effective planning and inventory management to mitigate supply chain disruptions. • Manage costs strategically by consolidating orders for optimal container utilisation and leveraging bulk purchases to achieve economies of scale. • Maintain close engagement with logistics providers and monitor geopolitical developments to enable timely response and adjustment to supply chain arrangements. • Strengthen contractual safeguards to mitigate the risk of counterparty non-performance or contract termination arising from force majeure events.	↑
Legal and Regulatory Risk	Regulatory changes and evolving legal requirements in the markets where the Group operates may expose the Group to increased compliance costs, regulatory scrutiny and material financial exposure, particularly in jurisdictions with complex and evolving land and forestry regimes such as Indonesia. Given the Group's presence across multiple jurisdictions, including markets with complex land tenure, forestry, and permitting regimes, navigating diverse legal and regulatory frameworks presents challenges in maintaining consistent and compliant operations. In certain jurisdictions, heightened regulatory enforcement may place at risk a material quantum of capital already deployed over many years through investments, reinvestment and statutory contributions, and may crystallise into cash outflows, asset impairment, reduced operational contribution and incremental financing requirements, in addition to increasing the likelihood of legal disputes, project delays and operational disruption. Such exposure underscores the importance of regulatory predictability and proportionate enforcement in supporting the Group's long-term investment horizon and cross-border investments.	• Proactively engage and communicate with stakeholders to understand and mitigate the potential impact of regulatory changes. • Maintain close collaboration with local regulators and authorities to ensure ongoing compliance with policy updates. • Leverage appropriate government and institutional channels, where relevant, to support constructive engagement and dialogue with regulators on complex and legacy regulatory matters • Continuously monitor potential policy changes to prevent non-compliance. • Strengthen compliance oversight and coordination through the Group Legal, Risk and Compliance function to support consistent implementation of regulatory requirements across the Group.	↑
Climate and Sustainability Risk	Sustainability and climate change remained key risks in FY2025, with increasing scrutiny from stakeholders, including customers and regulators. Climate- and sustainability-related risks that could reasonably be expected to affect the Group's prospects over the short-, medium-, and long-term include exposure to climate-related physical and transition risks, human rights considerations, water and effluent management, biodiversity, and smallholder inclusion. Heightened regulatory and disclosure expectations, including International Financial Reporting Standards (IFRS) S1/S2 and evolving requirements such as EU Deforestation Regulation (EUDR), act as key external drivers that amplify the impact, scrutiny and potential consequences associated with these risks. *Refer to our Sustainability Report for more details.*	• Continued implementation of the "Beyond Zero" Framework to guide sustainability priorities and long-term commitments. • Released the Group's first IFRS S1 and S2 compliant sustainability report. • Continuously enhance EUDR compliance readiness through engagement with customers, third-party partners and internal stakeholders. • Climate risk management initiatives, including fire prevention, water conservation, soil management, irrigation and retention strategies.	↑

Risk Trend

↑ INCREASED ↓ DECREASED ↔ STATIC

Managing Our Key Risks

Key Enterprise Risks	Description	Key Mitigation Strategies	Risk Trend
People Risk	**Workforce stability** Labour shortages and ongoing worker repatriation have resulted in a higher proportion of newly recruited workers across the Group's operations. This may affect productivity and operational efficiency, as additional time is required to build workforce capability and operational proficiency.	• Accelerate mechanisation and digitalisation initiatives across plantations, including the use of drones and satellite imagery to enhance harvesting efficiency and operational planning. • Strengthen efforts to attract, retain, and motivate local workers through improved remuneration, recruitment drives, enhanced training modules, and collaboration with government agencies and educational institutions. • Provide structured on-the-job training to accelerate skills development among harvesters, supported by ongoing monitoring of productivity and coverage. • Implement operational improvements to enhance collaboration and productivity.	↔
	Attracting and retaining talent The expansion of global job markets, rising cost-of-living pressures and increases in statutory minimum wages across key operating markets may pose challenges in attracting and retaining talent. These factors may increase workforce costs, intensify competition for skilled employees, and impact the Group's ability to maintain a stable and capable workforce.	• Development of comprehensive succession plans for critical job functions, with succession planning established as a key performance indicator (KPI) for key management personnel. • Periodic rewards review and benchmarking to ensure competitive remuneration packages. • Management trainee programme and collaboration with Yayasan Sime Darby to attract and nurture future talent. • Continuous training and development through Digital Academy and LinkedIn Learning to enhance employees' skills and competencies. • Robust performance management framework to identify and develop key talent. • Purpose and Culture initiatives, including employee engagement and well-being programmes in collaboration with Naluri. • Establishing "The Crest" academy to support continuous professional and talent development.	↓
Competition Risk	Competition risk intensifies in challenging economic conditions, driven by factors such as shifting market demand for vegetable oils, rising operating costs, inflationary pressures, and regulatory changes.	• Close monitoring of customer and competitor strategies to anticipate market shifts. • Active engagement with customers to better understand their needs and expectations. • Marketing efforts to strengthen the Group's brand presence in key markets. • Operational initiatives to ensure product and service quality, along with product differentiation. • Further strengthening of Guthrie's Research and Development (R&D) and innovation capabilities to improve competitiveness.	↑

Key Enterprise Risks	Description	Key Mitigation Strategies	Risk Trend
Commodity Risk	**Crude Palm Oil (CPO) price volatility** While CPO prices may continue to stabilise into 2026, Guthrie remains exposed to the inherent volatility of the global vegetable oil markets. This exposure may affect profitability and could result in higher inventories if demand softens in response to price fluctuations.	• The Group uses derivative instruments to hedge against the risk of adverse price fluctuations. • Enhancing operational efficiency to ensure reliable, cost-effective, and high-capacity plant operations, while consistently maintaining product quality to safeguard margins amid fluctuating CPO prices. • Improving product and service offerings through diversification and differentiation of existing products.	↔
Financial Risk	**Default by customer** Soft demand for palm oil, driven by economic conditions, competition from other oils, and high inventory levels, may increase the risk of payment defaults and non-performance of contracts.	• Active monitoring of credit exposures and outstanding contracts at various management levels, including the Group Credit Committee. • Implementation of controls to manage deferment of delivery (e.g. obtaining appropriate approvals). • Enforcement of advance payment terms or more secured payment methods on higher-risk contracts. • Secure trade credit insurance to mitigate credit risk.	↑
	Interest rates High interest rates could escalate financing costs for Guthrie by increasing the expense of borrowing and debt servicing, while also placing pressure on the Group's balance sheet and refinancing costs. This environment could also impact suppliers and customers, potentially leading to higher overall business expenses across the value chain.	• The Group's gearing is closely monitored and maintained at a reasonable level by optimising cash utilisation and assessing the currency of our borrowings to manage interest rate risks. • The Group has secured long-term sustainability-linked sukuk at a low fixed rate to mitigate interest risk.	↓

Risk Trend

↑ INCREASED ↓ DECREASED ↔ STATIC

Our Strategy Compass

Our Strategy Compass shows the synergy between our Upstream, Downstream, and Industrial Development & Renewable Energy businesses. All three business verticals are supported by robust foundations of good governance practices, effective capital management, innovation & research capabilities, and people development.

UPSTREAM

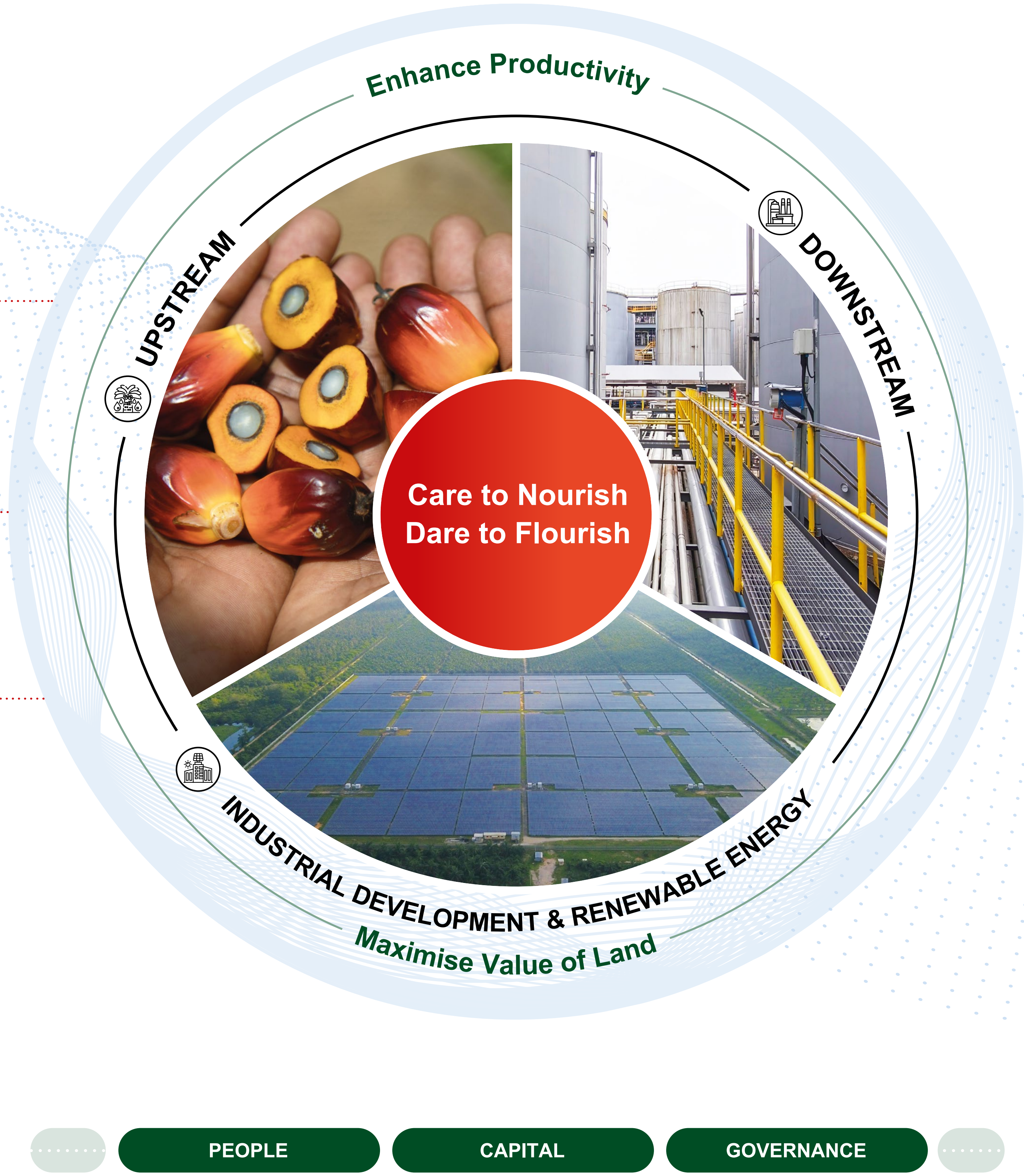
Continue pathway towards increasing palm oil yield in Malaysia, Indonesia, Papua New Guinea, and Solomon Islands

DOWNSTREAM

Drive global growth and expand product offering to enhance returns

INDUSTRIAL DEVELOPMENT & RENEWABLE ENERGY

Unlock land value by advancing industrial development and renewable energy opportunities, supporting Malaysia's national development and energy transition



Chief Financial Officer's Review

SD Guthrie issued Malaysia's largest Sustainability-Linked Sukuk of RM2.1 billion in November 2025, earning the Group two Islamic Financial News awards.

RENAKA RAMACHANDRAN
Chief Financial Officer

For the year 2025, SD Guthrie (Guthrie) reported a record net profit of RM2.503 billion, bolstered by operational improvements and contributions from industrial development. This translated into earnings per share (EPS) of 36.19 sen, which supported an increased total dividend per share of 18.10 sen for FY2025. The Group strengthened our balance sheet as the net debt-to-equity (DE) ratio fell marginally to 21.1% as of 31 December 2025, having touched a quarterly low of 19.3% in September.

NAVIGATING CHALLENGES AND OPPORTUNITIES

Geopolitical tensions intensified in 2025 across multiple regions, with armed conflicts, sanctions, and geo-economic confrontations reshaping the global risk landscape. Conditions worsened further in 2026 following the escalation of conflict in the Middle East. This disrupted global energy markets, with oil prices spiking due to supply interruptions through the Strait of Hormuz.

Interest rates stabilised in 2025. The United States Federal Reserve kept rates at 4.25% to 4.50% for most of the year before a rate cut in September, while Bank Negara Malaysia maintained its Overnight Policy Rate (OPR) at 2.75% throughout the year. Both central banks moved cautiously, balancing inflation control with economic growth.

The Malaysian Ringgit was Asia's best-performing currency in 2025, appreciating by 9-10% against the United States Dollar to close the year at around RM4.06/dollar. A stronger Ringgit eases the burden of dollar-denominated borrowings, even though it dampens export competitiveness.

In contrast, the Indonesian Rupiah weakened by around 3% against the dollar during the same period. The negative outlook issued by Moody's recently signals concerns over rising policy uncertainty, reduced credibility in fiscal management, and weaker governance and policy communication. Although Indonesia-based exporters gained from the Rupiah's depreciation, more expensive imports and dollar-denominated borrowings eroded overall profitability.

Papua New Guinea's Kina declined by 5-6% against the dollar in 2025. Limited foreign reserves, reliance on resource exports, and constraints in tourism and remittances contributed to the downward pressure.

Crude palm oil (CPO) prices remained buoyant for most of 2025, with Malaysian Palm Oil Board (MPOB) average prices ranging between RM3,800 and RM4,800 per tonne. Strong demand and subdued production growth helped sustain firm price levels, although prices eased slightly toward the end of the year.

Favourable weather conditions across Malaysia, Papua New Guinea, and Solomon Islands supported fruit development and harvesting, driving an increase in palm oil production. This cushioned the decline in Indonesia, which continued to face the lagged impact from severe dry weather in the past years, particularly in Kalimantan, as well as excessive rainfall in Sumatra which disrupted field accessibility.

Against this backdrop of geopolitical uncertainty, currency volatility, and shifting commodity price dynamics, the Group delivered a strong set of results in 2025. This achievement reflects the resilience of Guthrie's diversified operations, disciplined cost management, and ability to capture opportunities across multiple markets.

RECORD FINANCIAL PERFORMANCE

Guthrie registered a record net profit of RM2.503 billion, marking a 16% increase from the previous year, despite lower contributions from non-recurring transactions.

GROUP PROFIT/LOSS (RM million)	2024	2025
Revenue	19,831	**20,895**
Recurring profit before interest and tax	2,653	**3,533**
Non-recurring transactions	605	**60**
Profit before interest and tax	3,258	**3,593**
Finance income	26	**24**
Finance costs	(145)	**(87)**
Profit before tax	3,139	**3,530**
Tax expense	(796)	**(842)**
Profit after tax	2,343	**2,688**
Perpetual Sukuk	(124)	**(124)**
Non-controlling interests	(55)	**(61)**
Profit attributable to equity holders of the Company	2,164	**2,503**

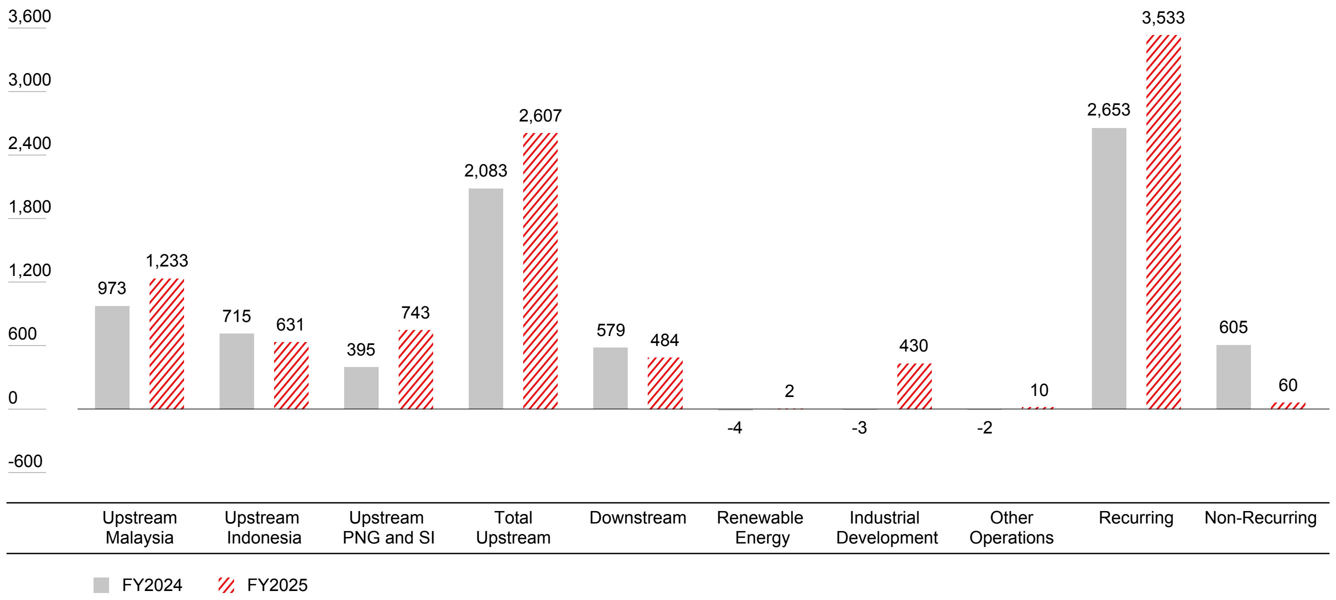
Profit before interest and tax (PBIT) was largely boosted by the upstream and industrial development segments, which compensated for the weaker results in downstream. The upstream segment recorded higher CPO and palm kernel (PK) average realised prices, and overall improvements in the Group's fresh fruit bunch (FFB) production and extraction rates. The industrial development segment, formed in 2024 to maximise the potential of the Group's landbank, reported our maiden profit as we sold land for development to our joint venture entity, Eco Business Park 7 Sdn Bhd, during the year.

Finance costs fell 40% to RM87 million, due to the reduction in our average borrowing balances and a lower average interest rate. As of 31 December 2025, the Group's total borrowings reduced to RM5.029 billion from RM5.102 billion last year. The average interest rate paid by Guthrie fell by 0.5 percentage point to 4.7% per annum.

Chief Financial Officer's Review

CORE SEGMENTAL PERFORMANCE

PROFIT BEFORE INTEREST & TAX (RM million)



Upstream operations recorded a 25% increase in total recurring PBIT to RM2.607 billion, contributing to 73% of the Group's PBIT. The Group's FFB production increased 1% year-on-year (YoY), boosted by improvements in our operations in Malaysia, Papua New Guinea, and Solomon Islands, which mitigated the decline in Indonesian production due to weather-related disruptions. The Group's average oil extraction rate (OER) increased by 0.21 percentage points to 21.18%, while the average realised CPO and PK prices improved by 4% and 33% YoY to RM4,254 and RM3,219 per tonne.

The downstream segment reported a recurring PBIT of RM484 million, a 16% decline from RM579 million in the previous year, due to softer product demand that impacted our performance worldwide. However, the Asia Pacific differentiated operations achieved higher margins, which partially cushioned the impact from lower volume.

The industrial development segment recorded its first significant contribution to the Group's PBIT in FY2025. It reported profit of RM430 million from the sale of land to Eco Business Park 7 Sdn Bhd, a joint venture with Eco World Development Group Berhad (EcoWorld) and NS Corporation (NS Corp).

Guthrie holds a 30% equity stake in this joint venture, which aims to develop an integrated industrial park on 1,195 acres of land in the Group's Bukit Pelandok Estate in Negeri Sembilan.

MANAGING OUR FINANCIAL CAPITAL

As the Group pursues expansion through organic growth and growing a new vertical, disciplined financial capital management remains paramount. Sustaining long-term viability while delivering competitive returns requires a balanced capital allocation strategy – preserving capital prudence while selectively investing in growth opportunities designed to maximise shareholder value. We remain firmly committed to prudent capital management, recognising that any lapses could expose the Group to risks such as capital erosion, financial distress, value dilution, or potential credit rating downgrades.

Guthrie's capital allocation in 2025 was as follows:

RM million	2024	2025
Funds from operations & divestments:		
Operating cash flow	2,759	**3,318**
Proceeds from disposals	727	**757**
Dividend income & others	7	**5**
Finance cost, net of finance income	(259)	**(207)**
Total available capital	3,234	**3,873**
Uses of funds:		
Capital expenditure & investments	2,042	**2,327**
Dividends & Perpetual Sukuk distribution	1,280	**1,526**
Movements in net debt	(137)	**(46)**
Repayment of leases & others	49	**66**
Total allocation	3,234	**3,873**

Funds from operations are defined as free cash flow plus capital expenditure.

We continue to invest strategically in our operations to secure future production growth. In FY2025, the Group allocated RM971 million – representing 47% of total capital expenditure of RM2.06 billion – towards oil palm replanting to further improve the average age profile of our oil palm trees. In addition, RM536 million was invested in our downstream facilities, including the development of a new refinery in North Sumatra.

In November 2025, we issued a Sustainability-Linked Sukuk of RM2.1 billion, earning the Group two Islamic Financial News (IFN) awards. The "Malaysia Deal of the Year" award recognised the issuance as the country's largest sustainability-linked Sukuk to date, while the "Sustainability Deal of the Year" award validated Guthrie's Environmental, Social, and Governance (ESG) framework and transition roadmap.

The Sustainability-Linked Sukuk replaced the Perpetual Sukuk, which had its first redemption call in March 2026, saving the Group approximately RM42 million annually.

OUR LEVERAGE

At the end of 2025, the Group's net debt (borrowings less cash balance) stood at RM4.406 billion, a 2% reduction from the previous year. This improvement was driven by cash generated from operations and divestments of RM4.075 billion, which more than offset the payment of dividends and distribution to shareholders and Perpetual Sukuk holders of RM1.526 billion, as well as the capital expenditure and financing obligations of RM2.601 billion.

As a result, the Group's net DE ratio eased slightly to 21.1% as of 31 December 2025 from 21.2% at the end of the previous financial year. The lower net debt cushioned the fall in total equity, which resulted from the decline in the value of foreign exchange reserves due to the strengthening Ringgit.

The Group's leverage position has strengthened markedly since it was first listed at the end of 2017, when the net DE ratio was 39.4% while net debt was RM6.540 billion.

During the year, Guthrie established an Islamic notes issuance programme of RM5.0 billion in nominal value for the issuance of senior Islamic medium-term notes and/or subordinated perpetual Islamic notes. The notes include Sustainability Sukuk Wakalah and Sustainability-Linked Sukuk Wakalah, based on the Shariah principle of Wakalah Bi Al-Istithmar. The programme was set up to meet the Group's near-term funding requirements, including the redemption of the Perpetual Sukuk in March 2026.

On 10 November 2025, Guthrie issued a RM2.1 billion Sustainability-Linked Sukuk Wakalah, comprising 2 tranches as follows:

Tranche 1: RM700 million in nominal value at a fixed profit rate of 3.80% per annum, maturing in November 2035.

Tranche 2: RM1.4 billion in nominal value at a fixed profit rate of 3.97% per annum, maturing in November 2040.

Upon issuance, the proceeds from the Sukuk were utilised to pare down existing loans. As such, there was no impact on total borrowings or DE ratio at the point of issuance as the Sukuk proceeds replaced existing borrowings, which were mainly revolving credits. However, the redemption of the Perpetual Sukuk will lead to a rise in total borrowings and the DE ratio. This is primarily because the Perpetual Sukuk is classified as Equity, whereas the Sustainability-Linked Sukuk Wakalah comes under Non-current Liabilities.

The redeemed Perpetual Sukuk had a higher distribution rate of 5.65% per annum.

OUR DIVIDEND POLICY

The Company declared a total dividend of RM1.252 billion for FY2025, which translates to 18.10 sen per share. This is one of the highest payouts to-date, representing an increase of 1.74 sen compared to FY2024.

Details of the dividends are as follows:

	FY2024		FY2025	
	Net per share (sen)	RM million	Net per share (sen)	RM million
Interim dividend	4.65	322	**7.75**	**536**
Final dividend	11.71	810	**10.35**	**716**
	16.36	1,132	**18.10**	**1,252**

OUTLOOK FOR 2026

CPO prices are expected to remain elevated in the near term, with support from energy risk premiums arising from the conflict in the Middle East. Whilst high inventory levels may exert some pressure, slower supply growth and steady global demand for vegetable oils remain supportive to CPO prices. Indonesia's decision to go ahead with its B50 palm-oil based biodiesel mandate will also help the industry.

The upstream segment will continue advancing our operational excellence initiatives to enhance both quality and volumes of combined oil yields. The downstream segment remains focused on leveraging our integrated supply chain for agile, customer-responsive operations. The Group will also continue to grow both the industrial development and renewable energy segments through strategic collaborations.

The ongoing conflict in the Middle East materially increased logistics and diesel costs, adding pressure to operational margins. Nevertheless, the Group's fertilisers and agricultural chemicals requirements for the whole of 2026 have already been contracted, providing certainty of supply and insulating core inputs from further price volatility.

Barring a prolonged Middle East conflict and other unforeseen circumstances, the Group expects to deliver a satisfactory performance in FY2026.

RENAKA RAMACHANDRAN
Chief Financial Officer

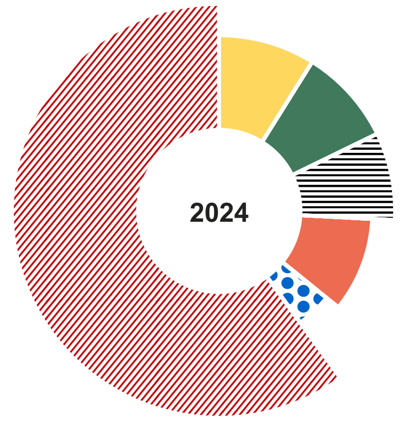
5-Year Group Financial Summary

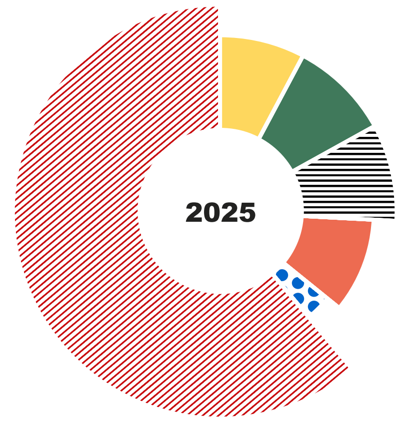
FINANCIAL YEAR ENDED (RM'000)	FY 31 December 2021	2022	2023	2024	2025
FINANCIAL RESULTS					
Revenue	18,532,714	21,029,690	18,427,883	19,831,040	**20,894,745**
Earnings before interest, tax, depreciation and amortisation (EBITDA)	5,005,271	4,987,137	4,359,334	4,711,160	**5,031,865**
Profit before interest and tax	3,673,916	3,614,596	2,927,303	3,258,407	**3,592,644**
Profit before tax	3,600,069	3,492,200	2,752,455	3,139,318	**3,530,083**
Profit after tax	2,490,685	2,683,270	2,033,379	2,343,510	**2,688,250**
Perpetual Sukuk	(124,300)	(124,300)	(124,300)	(124,640)	**(124,300)**
Non-controlling interests	(111,694)	(70,895)	(49,039)	(55,062)	**(60,912)**
Profit attributable to equity holders of the Company	2,254,691	2,488,075	1,860,040	2,163,808	**2,503,038**
FINANCIAL POSITION					
Share capital	1,633,790	1,633,790	1,633,790	1,633,790	**1,633,790**
Reserves	13,554,332	14,733,439	16,108,766	16,852,193	**16,604,714**
Shareholders' equity	15,188,122	16,367,229	17,742,556	18,485,983	**18,238,504**
Perpetual Sukuk	2,231,398	2,230,717	2,231,058	2,231,398	**2,231,398**
Non-controlling interests	436,641	418,068	432,799	443,263	**400,929**
Total equity	17,856,161	19,016,014	20,406,413	21,160,644	**20,870,831**
Borrowings	6,250,676	6,096,488	5,282,303	5,102,094	**5,029,704**
Liabilities associated with assets held for sale	138,513	139,100	12,260	11,032	**–**
Other liabilities	6,090,382	5,896,524	6,185,478	5,773,235	**5,842,368**
Total equity and liabilities	30,335,732	31,148,126	31,886,454	32,047,005	**31,742,903**
Non-current assets	23,318,312	23,908,544	25,511,672	25,500,011	**25,203,405**
Current assets excluding bank balances, deposits and cash	5,806,885	5,953,585	5,378,541	5,769,839	**5,894,923**
Assets held for sale	607,972	651,004	165,859	151,773	**20,872**
Bank balances, deposits and cash	602,563	634,993	830,382	625,382	**623,703**
Total assets	30,335,732	31,148,126	31,886,454	32,047,005	**31,742,903**
FINANCIAL RATIOS					
Operating margin (%)	19.6	16.9	15.7	16.6	**17.2**
Return on shareholders' equity (%)	14.8	15.2	10.5	11.7	**13.7**
Net Debt/Equity (%)	31.6	28.7	21.8	21.2	**21.1**
Net Debt/EBITDA (times)	1.1	1.1	1.0	1.0	**0.9**
SHARE INFORMATION[1]					
Basic earnings per share (sen)	32.60	35.98	26.90	31.29	**36.19**
Net assets per share attributable to equity holders of the Company (RM)	2.20	2.37	2.57	2.67	**2.64**
Net dividend per share (sen)	20.28	16.04	15.00	16.36	**18.10**

Note:
1. Based on number of ordinary shares in issue of 6,915,714,601.

Simplified Statements of Financial Position

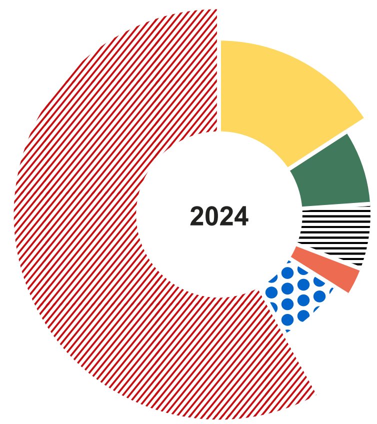
TOTAL ASSETS

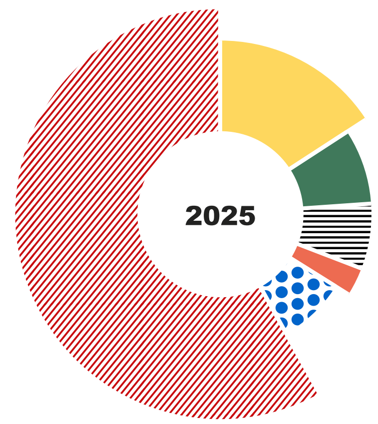




	2024	2025
Property, plant and equipment	60%	**61%**
Intangible assets	9%	**8%**
Inventories	9%	**9%**
Trade and other receivables	8%	**9%**
Other non-current assets	10%	**10%**
Other current assets and assets held for sale	4%	**3%**
TOTAL ASSETS	100%	**100%**

TOTAL EQUITY AND LIABILITIES



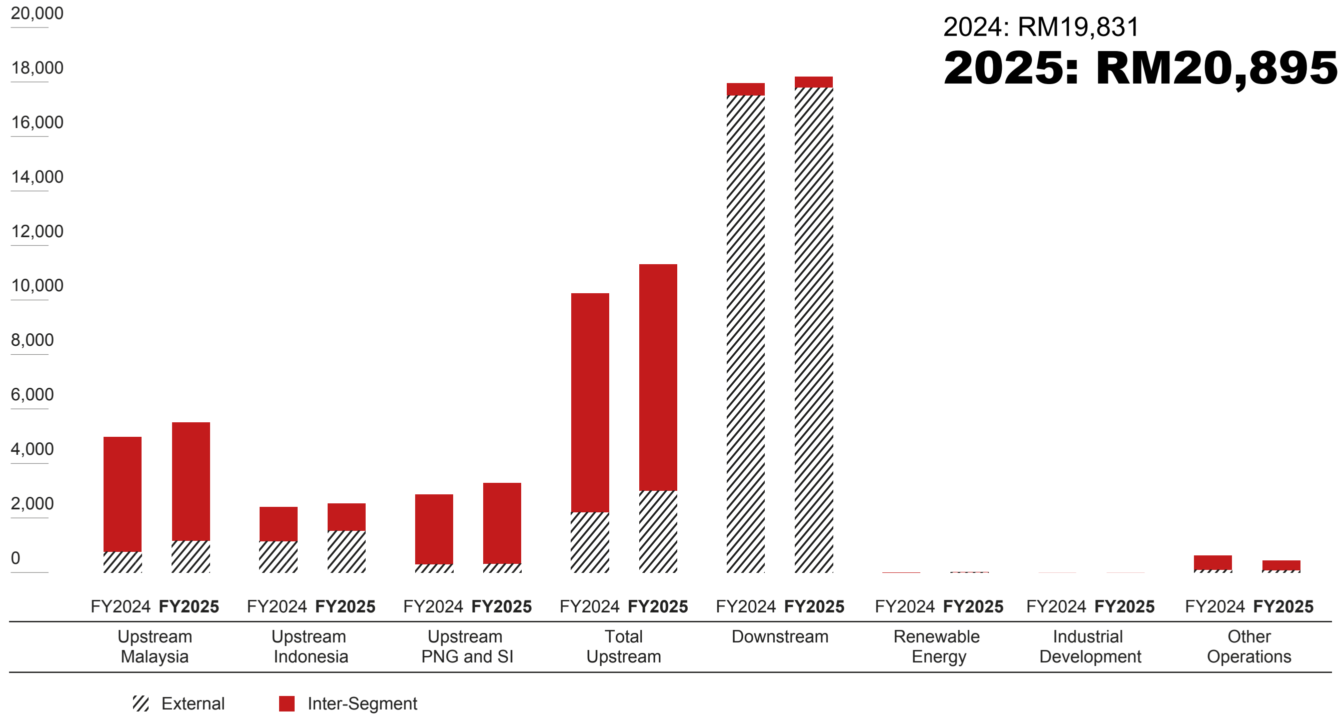


	2024	2025
Shareholders' funds	58%	**58%**
Borrowings	16%	**16%**
Deferred tax liabilities	8%	**8%**
Trade and other payables	7%	**7%**
Other liabilities	3%	**3%**
Perpetual Sukuk and non-controlling interests	8%	**8%**
TOTAL EQUITY AND LIABILITIES	100%	**100%**

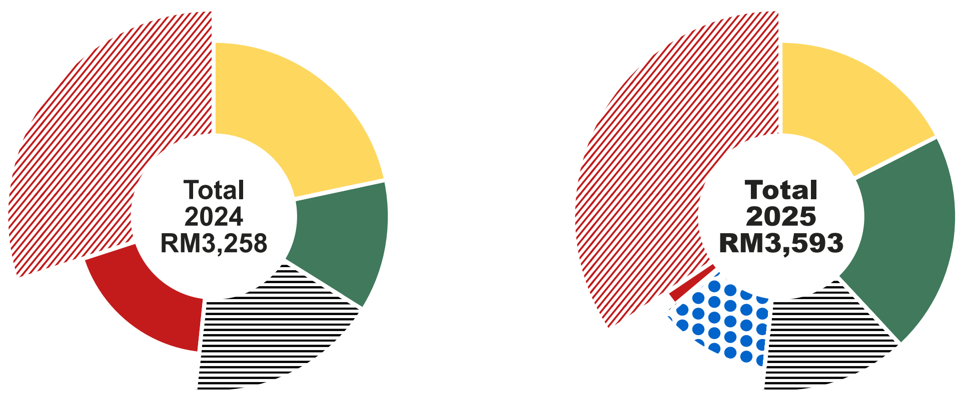
Segmental Analysis

REVENUE (RM million)

Total of
2024: RM19,831
2025: RM20,895



PROFIT BEFORE INTEREST & TAX (RM million)



	FY2024 RM million	FY2025 RM million
Upstream Malaysia	973	1,233
Upstream Indonesia	715	631
Upstream PNG and SI	395	743
Downstream	579	484
Renewable Energy	(4)	2
Industrial Development	(3)	430
Other Operations	(2)	10
Non-recurring	605	60

Note: Negative values and amounts less than RM1 million are excluded from the chart.

Statement of Value Added & Value Distribution

VALUE ADDED

RM million	2024	2025
Turnover	19,831	20,895
Direct and Indirect Costs	(12,807)	(13,386)
Value Added from Operations	7,024	7,509
Other Operating Income	848	737
Other (Losses)/Gains	(36)	27
Share of Results of Joint Ventures	(31)	(13)
Share of Results of Associates	3	4
Finance Income	26	24
Total Value Added	7,834	8,288

VALUE DISTRIBUTED

RM million	2024	2025
Employees	3,112	3,250
Government and Society	826	872
	3,938	4,122
Providers of Capital		
Dividends to Equity holders of the Company	1,134	1,346
Finance Costs	296	245
Non-controlling Interests	55	61
Perpetual Sukuk	124	124
	1,609	1,776
Reinvestment and Future Growth	2,287	2,390
Total Value Distributed	7,834	8,288

Quarterly Performance

RM million	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year 2025
Revenue	4,817	5,169	5,411	5,498	20,895
Operating profit	826	802	1,222	752	3,602
Profit before interest and tax	818	804	1,264	707	3,593
Profit for the period/year	616	549	980	543	2,688
Profit attributable to equity holders of the Company	567	505	935	496	2,503
Earnings per share (Sen)	8.2	7.3	13.5	7.2	36.2

RM million	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year 2024
Revenue	4,342	4,965	5,267	5,257	19,831
Operating profit	390	620	1,146	1,130	3,286
Profit before interest and tax	376	629	1,151	1,102	3,258
Profit for the period/year	253	459	815	816	2,343
Profit attributable to equity holders of the Company	211	415	766	772	2,164
Earnings per share (Sen)	3.1	6.0	11.1	11.2	31.3

3-Year Plantation Statistics

	FY2023 (January 2023 - December 2023)				FY2024 (January 2024 - December 2024)				FY2025 (January 2025 - December 2025)			
	Malaysia	Indonesia	PNG and SI	Total	Malaysia	Indonesia	PNG and SI	Total	Malaysia	Indonesia	PNG and SI	Total
FFB Production (in MT)	4,149,629	2,684,735	1,870,821	**8,705,185**	4,740,951	2,320,643	1,706,931	**8,768,525**	4,823,239	2,250,585	1,807,341	**8,881,165**
OP Hectarage (in ha)												
• Mature hectares	253,864	149,202	83,752	**486,818**	249,810	147,835	80,956	**478,601**	247,989	139,123	78,137	**465,249**
• Immature hectares	41,274	33,021	7,210	**81,505**	44,698	33,524	9,710	**87,932**	44,133	35,464	12,412	**92,009**
• Total planted hectares	295,138	182,223	90,962	**568,323**	294,508	181,359	90,666	**566,533**	292,122	174,586	90,550	**557,258**
Yield per Hectare (in MT/ha)	16.71	17.58	22.07	**17.92**	19.10	15.88	20.83	**18.41**	19.73	15.61	22.61	**18.95**
FFB Processed (in MT)												
• Own	4,149,622	2,676,343	1,870,821	**8,696,786**	4,740,947	2,320,643	1,706,931	**8,768,521**	4,814,871	2,250,585	1,807,341	**8,872,797**
• Outside	623,774	537,837	558,922	**1,720,532**	543,632	476,087	506,295	**1,526,014**	522,502	549,478	560,529	**1,632,509**
• Total	4,773,396	3,214,180	2,429,743	**10,417,319**	5,284,579	2,796,730	2,213,226	**10,294,535**	5,337,373	2,800,063	2,367,870	**10,505,306**
Mill Production												
• Crude Palm Oil (in MT)	973,859	696,177	536,008	**2,206,044**	1,080,661	589,978	487,645	**2,158,284**	1,112,817	586,589	525,427	**2,224,833**
• Palm Kernel (in MT)	229,759	140,636	135,484	**505,879**	241,372	116,110	118,725	**476,207**	245,582	115,982	127,749	**489,313**
• Oil Extraction Rate (%)	20.40	21.66	22.06	**21.18**	20.45	21.10	22.03	**20.97**	20.85	20.95	22.19	**21.18**
• Kernel Extraction Rate (%)	4.81	4.38	5.58	**4.86**	4.57	4.15	5.36	**4.63**	4.60	4.14	5.40	**4.66**
Coconut												
• Planted hectare (in ha)	304			**304**	304			**304**	304			**304**
Sugar Cane												
• Planted hectare (in ha)			5,637	**5,637**			4,559	**4,559**			4,559	**4,559**
• Cane yield (in MT/ha)			41.02	**41.02**			34.14	**34.14**			38.79	**38.79**
Beef Production												
• Total herd as at December (in heads)			28,189	**28,189**			27,189	**27,189**			26,266	**26,266**
• Average deadweight (kg/head)			279	**279**			286	**286**			295	**295**
Total Landbank	340,953	242,127	146,790	**729,870**	340,506	242,127	147,078	**729,711**	339,867	216,270	146,978	**703,115**

Financial Calendar

For the financial year ended 31 December 2025

Announcement of Unaudited Consolidated Results

1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Ended 31 March 2025	Ended 30 June 2025	Ended 30 September 2025	Ended 31 December 2025
7 MAY 2025	**7 AUGUST 2025**	**5 NOVEMBER 2025**	**25 FEBRUARY 2026**

Dividend

Interim dividend of 7.75 sen per ordinary share

Announcement Date	Entitlement Date	Payment Date
7 AUGUST 2025	**17 OCTOBER 2025**	**31 OCTOBER 2025**

Final single tier dividend of 10.35 sen per ordinary share

Announcement Date	Entitlement Date	Payment Date
25 FEBRUARY 2026	**8 MAY 2026**	**22 MAY 2026**

23rd Annual General Meeting

Notice Date	AGM Date
28 APRIL 2026	**11 JUNE 2026**

Investor Relations

Investors and shareholders of SD Guthrie (Guthrie) are more than providers of capital; they play a vital role in our governance and long-term growth. Maintaining their confidence and aligning expectations remain top priorities for our Investor Relations (IR) team.

Our IR team actively engages analysts, fund managers, and rating agencies alongside retail and institutional investors. We provide timely, balanced updates on material developments, reinforcing Guthrie's "One Stream" approach as an integrated, data-driven, and sustainability-led agribusiness. We also engage with non-governmental organisations and analysts who track our progress in environmental, social, and governance (ESG) matters.

Engagements follow a structured calendar, including quarterly results announcements and briefings, the Annual General Meeting (AGM), roadshows, site visits, and one-on-one meetings. We ensure prompt responses and maintain an up-to-date IR microsite, with all financial disclosures publicly available.

On 26 May 2025, we held our 22nd AGM in hybrid physical and virtual format for the first time since 2020. This allowed shareholders to attend in person and interact directly with directors and management, while virtual shareholders were able to vote remotely. This inclusive hybrid format will continue for the upcoming AGM on 11 June 2026.

In November 2025, Guthrie issued our maiden RM2.1 billion Sustainability-linked Sukuk. This followed a strong book-building exercise on 27 October 2025 when orders peaked at twice the initial RM1.5 billion target. The exceptional demand resulted in the transaction being upsized to RM2.1 billion, making it the plantation industry's largest Malaysian Ringgit issuance and the largest Sustainability-linked Sukuk issued in Malaysia to-date.

On 21 January 2026, we held our inaugural Investor Day. Unlike our regular quarterly briefings, this event enabled investors to engage directly with leaders across our business segments, providing deeper insights into our operations. Under the theme "One Guthrie, One Stream," we highlighted our integrated, traceable supply chain and progress in operations, innovation, and sustainability.

The IR team's key focus areas are:

1 Group Strategy and Financial Performance

We keep investors informed with timely updates on our expansion plans and financial performance through direct engagements, stock exchange announcements, our website, emails to stakeholders, quarterly bulletins and social media updates.

2 Operational Excellence and Automation

Guthrie consistently emphasises the value of our "One Stream" approach, demonstrating how our integrated Upstream-to-Downstream model delivers a secure, transparent, and traceable supply chain with scale and global reach.

Supported by innovations, our latest high-yielding planting material, the GenomeSelect®, achieved fresh fruit bunches (FFB) yields of 32–37 metric tonnes (MT) per hectare in 2025 across our best commercial fields for coastal and inland soils. Our investments in mechanisation and digitalisation have also resulted in greater efficiency and productivity.

Our flagship operations in Carey Island serve as a key showcase, offering investors a firsthand look into our integrated operations and advancements in mechanisation and food innovation.

3 Strategic New Portfolio Milestones

We provide regular updates on our new business vertical, Industrial Development & Renewable Energy, offering transparency on progress and key milestones.

A key milestone was Eco Business Park 7 (EBP7) completing the acquisition of 1,195 acres of freehold land in Mukim Jimah, Port Dickson, Negeri Sembilan. EBP7 is the special purpose vehicle representing Eco World Development Group Berhad, Guthrie, and NS Corporation. The official opening of the EBP7 sales gallery in November 2025 marked the launch of the first industrial development within Parcel C of the Malaysia Vision Valley 2.0 (MVV 2.0) masterplan.

4 Sustainability

Guthrie aligns investor engagements with our sustainability commitments, including our "Beyond Zero" Framework and our "Not All Palm Oil is Created Equal" campaign. Through site visits to Carey Island and sustainability-focused engagements, investors gain firsthand insights on Certified Sustainable Palm Oil (CSPO) and our efforts to conserve biodiversity and manage ecosystems responsibly.

Investor Relations

To ensure credibility and effective communication, our IR engagements are led by authorised spokespersons, including the Group Managing Director, Chief Financial Officer, Chief Group Strategy Officer, and Head of IR.

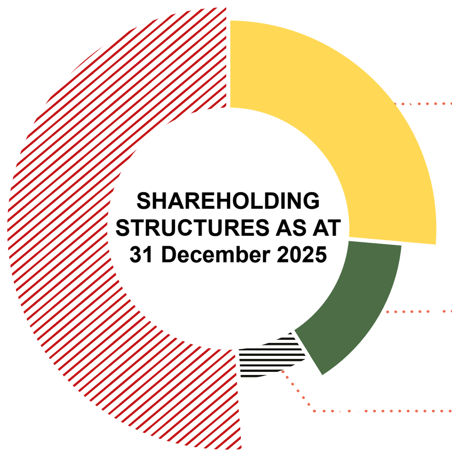
In FY2025, the IR team's key engagements and events included the following:

54	4	3	5	1
Investors meetings/ engagements	Quarterly analyst briefings	Conferences	Non-deal roadshows	Annual general meeting

9
Site visits

- Palm Oil Experience Centre (POEC) in Carey Island, providing first-hand experience of our innovations, best practices, and sustainable advancements across the entire value chain.
- Bulk, differentiated, and biodiesel refineries in Johor and Selangor, showcasing Guthrie's downstream capabilities and value-creation processes.
- GenomeSelect®-planted field in Carey Island, highlighting Guthrie's advanced planting and crop management practices that drive productivity and sustainability.

SHAREHOLDER INFORMATION



PNB Permodalan Nasional Berhad **51.01%**

OTHERS* 26.46%
E.g. Prudential, Vanguard, Lembaga Tabung Haji

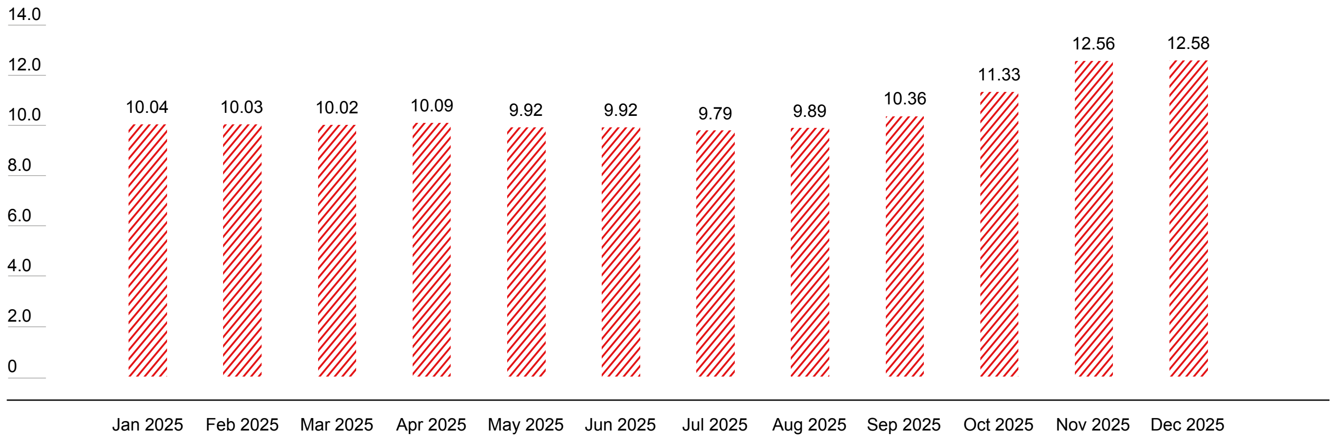
KWSP EPF **14.79%**

KWAP **7.75%**

* Includes 12.58% foreign shareholding

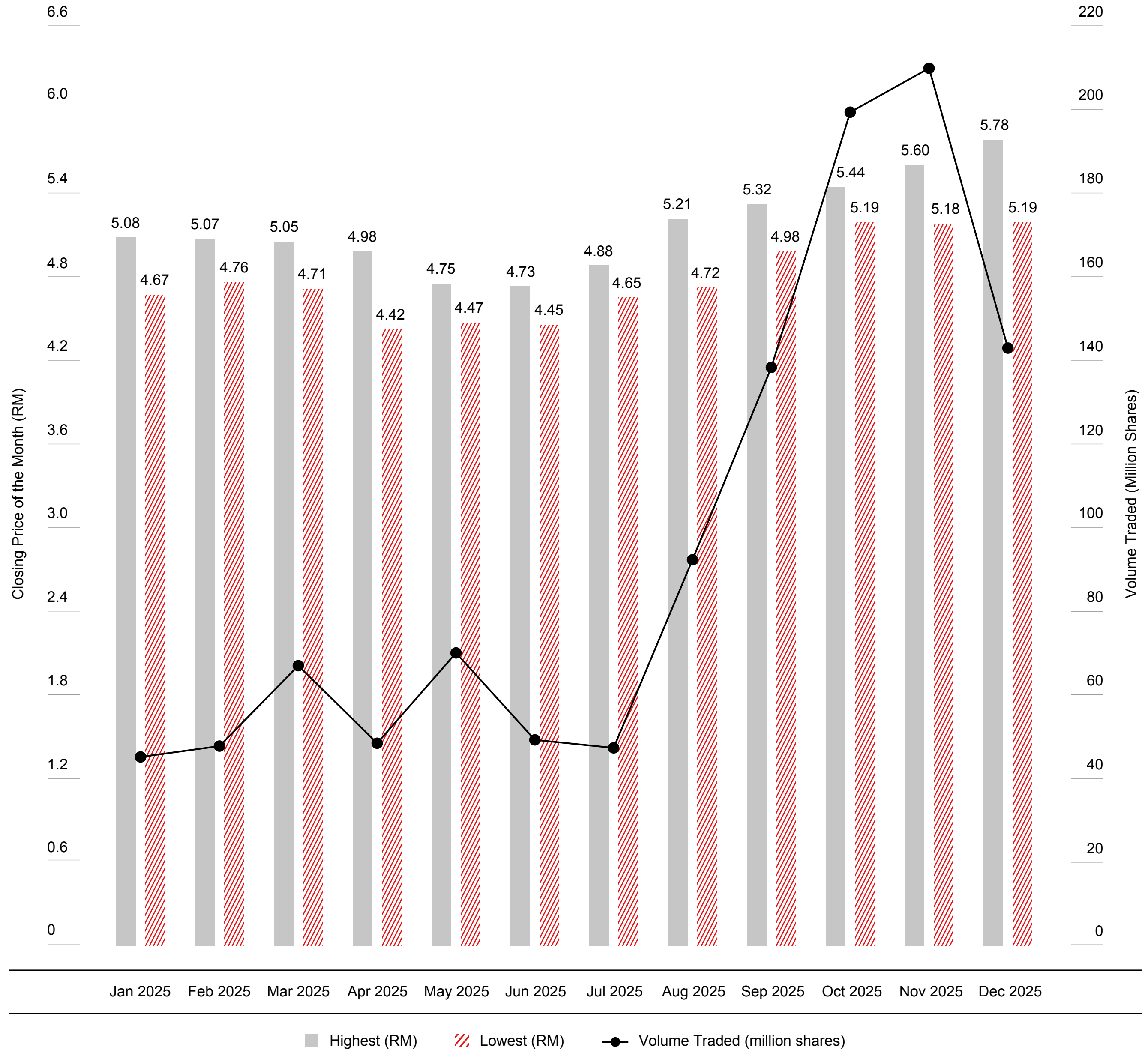
FOREIGN SHAREHOLDING IN GUTHRIE#

As of 31 December 2025



Foreign shareholding peaked in December 2025, marking the highest level since 2018.

SHARE PRICE MOVEMENT IN 2025



	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025
Highest (RM)	5.08	5.07	5.05	4.98	4.75	4.73	4.88	5.21	5.32	5.44	5.60	5.78
Lowest (RM)	4.67	4.76	4.71	4.42	4.47	4.45	4.65	4.72	4.98	5.19	5.18	5.19
Volume Traded (Million shares)	45.18	47.78	67.00	48.46	70.05	49.26	47.35	92.31	138.32	199.34	209.85	142.94

Business Review

Upstream

Our upstream business encompasses the cultivation of oil palm and the milling of fresh fruit bunches (FFB) to produce crude palm oil (CPO). SD Guthrie (Guthrie) manages a 703,115-hectare landbank consisting of 232 estates and 63 mills across Malaysia, Indonesia, Papua New Guinea (PNG), and Solomon Islands (SI). Beyond oil palm, our portfolio includes coconut, sugarcane, and cattle-rearing for beef production.

We are transforming our upstream operations to be more efficient, resilient, and sustainable through initiatives that include mechanisation and digitalisation, in order to raise productivity and attract skilled local talent.

The Group integrates environmental, social, and governance (ESG) standards into operations to maintain workplace safety and resource sustainability. This focus on responsible production generates long-term stakeholder value through disciplined resource management.

2025 OVERVIEW

Guthrie recorded a 1% year-on-year (YoY) increase in FFB production to 8.88 million metric tonnes (MT) in FY2025. Our oil extraction rate (OER) improved to 21.18%, resulting in a 3% YoY growth in crude palm oil (CPO) production, which closed the year at 2.22 million MT. These results were driven by favourable harvesting conditions, increased harvester productivity, and enhanced operational efficiencies.

Malaysia recorded 2% YoY FFB growth to 4.82 million MT, driven by improved harvester productivity and sustained operational discipline. Excessive rainfall in the first quarter hindered harvesting and milling capacity, but favourable weather for the rest of 2025 led to higher crop volume and loose fruit quality, resulting in a stronger annual OER performance.

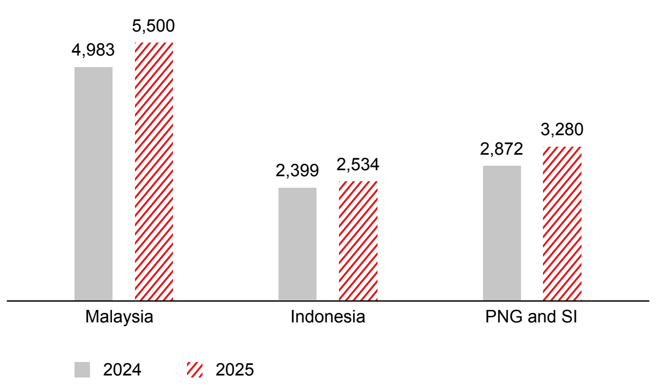
Indonesia saw FFB production declined by 3% to 2.25 million MT. Output was affected by the lagged effects of dry weather, particularly in Kalimantan, for a second consecutive year. Year-long excessive rainfall also disrupted field accessibility, increased crop moisture levels, and slowed evacuation efficiency during critical harvesting periods, affecting both overall OER and total output.

In PNG and SI, FFB production increased 6% to 1.81 million MT, supported by improved field conditions, favourable weather, and enhanced operational supervision. OER growth for the year was facilitated by increased fleet availability and reduced logistics disruptions.

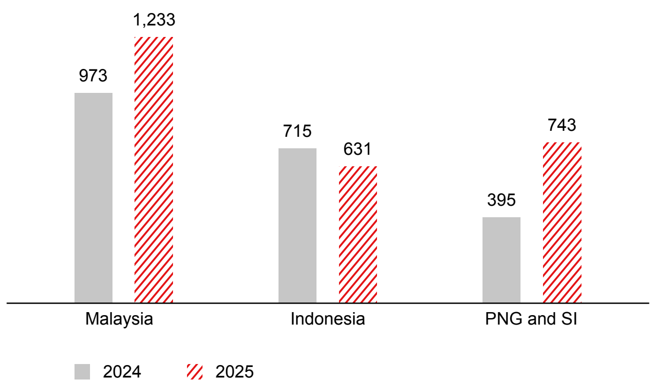
PERFORMANCE HIGHLIGHTS

Financial

REVENUE (RM million)



RECURRING PBIT (RM million)



Non-Financial

Machines deployed
950
for non-harvesting operations in Malaysia since FY2021

Malaysian estates employing
514
local Machine Specialists

Training/job placement
236 people trained
through upskilling programmes for technical and support staff in collaboration with Institute Kemahiran Belia Negara (IKBN) and Incorporated Society of Planters (ISP)

Replacement of houses
2,350 homes replaced
in Indonesia, PNG, and SI as of end-2025 to improve workers' living conditions

All mills achieved
100%
Hazard Analysis and Critical Control Point (HACCP) certification

BUSINESS PERFORMANCE

Key Initiatives	Achievements	Potential Challenges and Mitigation
Operational Excellence	**Project OMEGA** • Project OMEGA is a strategic initiative to transform Guthrie's palm oil mills into certified food-safe facilities. At the end of FY2025, 55 out of 63 mills have achieved the required readiness standard, based on the three pillars of Health, Safety and Environment (HSE), Food Safety (FS), and Operational Equipment Effectiveness (OEE). **Health, Safety, and Environment** • Significant improvement in Malaysia's, PNG's, and SI's Lost Time Injury Frequency Rate (LTIFR). Focused follow-up actions will be implemented in Indonesia to improve performance. • All mills recorded zero cases of fatality or Occupational Total Permanent Disability (OTPD) in FY2025. **Food Safety** • 60 out of 63 mills meet Mineral Oil Saturated Hydrocarbon (MOSH) requirements. • All mills achieved 100% HACCP certification, reflecting strong adherence to food safety and quality standards. **KALIS™ Production** • KALIS™ is a specialised line of CPO developed to meet strict, evolving food safety standards. • Its specifications are as follows: Free Fatty Acid (FFA)<3%, MOSH<10 parts per million (ppm) and Mineral Oil Aromatic Hydrocarbon (MOAH)<1 ppm. • KALIS™ production in Malaysia rose more than threefold to 97,901 MT in FY2025 from 28,960 MT in FY2024. **Overall Equipment Effectiveness** • 46 out of 63 mills recorded fewer breakdown hours in FY2025.	**Safety** • Guthrie will continue to strengthen protocols aimed at enhancing employee and food safety. • This will require greater discipline among staff, a robust safety culture, consistent supervision, and high-quality reporting. **Regulations** • Guthrie anticipates heightened regulatory scrutiny of our operations and human rights standards. • Our responses include setting industry-leading compliance standards for ourselves and consistent monitoring of implementation effectiveness. We will proactively adopt measures to ensure long-term resilience. **Uncertain weather conditions** • Global warming has resulted in the increased frequency of extreme weather conditions such as drought and heavy rain, affecting bunch formation, harvesting, and OER. • To alleviate this, Guthrie prioritises water management planning, consistent drainage and roads maintenance, and improved logistics planning.

Business Review
Upstream

BUSINESS PERFORMANCE (continued)

Key Initiatives	Achievements	Potential Challenges and Mitigation
Operational Excellence (continued)	**Operational Efficiency and Productivity** • Rolled out "Back-to-Basics" operational practices and initiatives to reinforce discipline in both field and mill operations. • Strengthened data-driven performance management, visibility tracking system, regular monitoring, and robust culture of responsibility. • Intensified agronomic interventions, strengthened nutrient and water management, prioritised rehabilitation, and enhanced targeted recovery programmes.	
Sustainability	**Employment and Working Conditions** • In Indonesia, nine clinics received accreditation from the Ministry of Health as part of ongoing efforts to provide better healthcare to employees, their dependants and the surrounding communities. • Guthrie has implemented zero child labour prevention initiatives in collaboration with Indonesia's Ministry of Women Empowerment and Child Protection. **Housing Replacement Plan:** • Plans to improve living conditions for plantation workers are on track. • In Indonesia, 2,179 houses have been replaced as of the end-2025. Replacement of the remaining 4,182 units targeted for completion by 2035. • In PNG and SI, 171 houses have been replaced as of the end of 2025. The remaining 3,593 houses are targeted for completion by 2038. **Peat Soil Management** • Carried out a feasibility study on the monitoring of peat emissions and removals at PT Bhumireksa Nusa Sejati in Indonesia. **Renewable energy** • The Group targets having an additional 27 biogas plants by 2030. 20 biogas plants are currently in operation with 15 in Malaysia, two in Indonesia, and three in PNG and SI. • One biogas plant is scheduled to commence operations in Indonesia in 2026, while the construction of three biogas plants will begin this year. • In Malaysia, construction of four biogas plants will start in 2026.	**Employment of Locals** • Recruitment of locals in Malaysia for plantation operations is hindered by the prevailing perception of the sector as Dirty, Dangerous and Difficult (3D jobs). • Guthrie plans to overcome this challenge through training and mechanisation, and offering higher pay and career paths. **Housing** • Guthrie may speed up the replacement housing programme due to high demand. • We will continue to allocate more resources, while paying attention to the progress made by vendors and costs. **Renewable energy** • Amid rising pressure on companies to cut their carbon emissions, Guthrie will continue to expand the use of renewable energy.

Key Initiatives	Achievements	Potential Challenges and Mitigation
Innovation	**Malaysia** • Mechanisation of non-harvesting activities through the deployment of 53 machines to enhance efficiency and productivity in estate maintenance, fertiliser application, and pest control. • Other prototypes under development include advanced machines to collect loose fruit, for bunch collection and distribution of agrichemicals. • Guthrie is strengthening data analytics capabilities to support faster, more informed decision-making, including digital enhancements across operations. **Indonesia** • Implementation of Self-Service Fuel System. This involves the deployment of an automated vehicle refuelling solution to manage, monitor, and secure fuel inventory through controlled access, real-time usage tracking and reporting. • Used drones for a Voronoi Analysis to determine the optimal space needed for individual plants to thrive, resulting in more efficient use of land. • Two mills have been equipped with Programmable Logic Controllers for more efficient automation and monitoring of the different processes. **PNG and SI:** • Use of drones, satellite imaging, and GeoAI to monitor plantations. • Initiated a pilot project in the Milne Bay Region of PNG where drones fitted with multispectral cameras are used to monitor and evaluate palm health. The project focuses on the early identification of Ganoderma disease, water stress, and other key agronomic indicators to support data-driven plantation management.	• Guthrie will continue to explore technologies that can help improve operations at our mills and plantations.

OUTLOOK

The Group expects CPO prices to strengthen, driven by ongoing geopolitical tensions, weather-related risks constraining future supply, and the implementation of Indonesia's B50 Biodiesel mandate, which is anticipated to further limit export availability.

FFB production and OER are expected to be stable, reflecting better yields from prime productive areas in Malaysia and Indonesia, and the maturation of young palms in PNG and SI.

We remain focused on bolstering operational efficiencies by planting high-quality seeds, and through mechanisation, and digitalisation. In addition, we will expand the use of renewable energy like biogas and solar to reduce our greenhouse gas (GHG) emissions and work towards our net-zero commitment by 2050.

Business Review

SD Guthrie International

As the downstream division of the Group, SD Guthrie International operates a diverse portfolio to meet global demand for edible oils, palm-based biodiesel, nutraceuticals, and other palm oil derivatives. Driven by a customer-centric philosophy, we engineer bespoke solutions that cater to our partners' evolving requirements.

Today, SD Guthrie International owns and manages 10 refineries with a combined capacity of 3.97 million metric tonnes (MT). This is supported by our bulking installations with a total capacity of 201,700 MT, four kernel crushing plants with a combined capacity of 465,000 MT, and a biodiesel plant producing 270,000 MT. We also operate two copra mills in Papua New Guinea (PNG) with a joint annual output of 42,000 MT.

2025 OVERVIEW

Amidst challenging operational conditions, SD Guthrie International delivered a resilient performance, particularly in Europe and Asia Pacific.

In Europe, the differentiated market segment was impacted by several factors including margin compression and softer market demand, along with intense competition that led to aggressively low pricing.

While Asia Pacific saw higher profits in the bulk segment in Q1 and Q3, the differentiated market segment declined due to weak demand and rising feedstock costs.

Our Trading and Oceania segments showed resilient profit growth, despite market challenges including compressed margins and increased cost.

We worked to move forward strategically, even with increased supply chain costs and heightened risks from tariff uncertainty, which was driven primarily by the US "Liberation Day" tariffs and negative margin pressures.

Despite the challenges, we continued to achieve strategic milestones in pursuit of sustained growth, which included:

- Accelerated expansion in North America and Latin America, leveraging tariff dynamics.
- Breakthrough in Ireland through our Liverpool business, supplying all major players in the Fat Filled Milk Powder segment and opening doors for other products.
- Strengthened our downstream footprint through the acquisition of a 48% stake in Netherlands-based Marvesa, expanding into the animal feed segment and new market adjacencies.
- Significant progress in the construction of a differentiated refinery in Sei Mangkei, in Northern Sumatra, Indonesia.

PERFORMANCE HIGHLIGHTS

Financial	Non-Financial	
PBIT **2025: RM484 million** 2024: RM579 million	Sales Volume ('000 MT) **3,755 MT** 2024: 4,006 MT	Capacity Utilisation **56.2%** 2024: 54.6%

BUSINESS PERFORMANCE

Key Initiatives	Achievements	Potential Challenges and Mitigation
Food Safety	• Strengthened robust food safety and Quality Assurance and Quality Control (QAQC) systems across operations to meet regulatory and customer requirements in key export markets. • Controlled key contaminants through our Hazard Analysis Critical Control Points (HACCP) management system, monitoring, and best hygiene practices. • Heightened collaboration with upstream to ensure high quality of feedstock.	• Evolving and increasingly stringent food safety regulations across markets may increase compliance complexity and operational costs. • Risk of contamination arising from processing conditions, packaging or logistics remains inherent to operations. • Continued initiatives to strengthen personal hygiene, housekeeping, and operational prerequisite programme (OPRP) controls. • Ongoing conformance with Food Safety System Certification (FSSC) 22000 Version 6 and Brand Reputation through Compliance Global Standards (BRCGS), regular internal audits, and monitoring. • Timely corrective actions to minimise food safety risks and strengthen customer confidence.
Operational Excellence & Digitalisation	• Strengthened technical governance by standardising practices across Business Units through four SD Guthrie Technical Standards. • Launched Operational Learning Bulletins covering key reliability and operational risks to enhance operational discipline and cross-facility learning. • Launched digital Unplanned Downtime Management System to replace manual processes. • Built strategic technology partnerships with 15+ world-class vendors. The tie-ups include a memorandum of understanding (MoU) with Emerson and Key Account Conditions with GEA Group. • Installed online vibration sensors in six global Business Units to enable early detection of potential machine failures. • Enhanced technical capability and future readiness via the Global Technical Excellence Programme (GTEP). • Enabled real-time product visibility and cross functional collaborations through digital product dashboards.	• Geopolitical uncertainties may result in disruption of supply chain and demand from key markets, as well as increased operating costs, requiring engagement with customers and suppliers. • Our investments in digitalisation allow for better coordination within the Group and with external partners.
Sustainability	• Ranked No.1 in Sustainability Policy Transparency Toolkit (SPOTT), an initiative by the Zoological Society of London, demonstrating leadership in transparency of disclosures on sustainability practices among global palm oil companies. • Conducted a European Union Deforestation Regulation (EUDR) dry run with the Nederlandse Voedsel-en Warenautoriteit (NVWA), the competent authority in the Netherlands. • Achieved 89% deforestation free, verification for palm based raw materials and compliant with our No Deforestation, No Peat, and No Exploitation (NDPE) commitments, alongside 98% Traceability to Mill (TTM) and 90% Traceability to Plantation (TTP) for all palm based raw materials. Full TTP (100%) was achieved for all fresh fruit bunches processed in Guthrie-owned mills. • Completed detailed greenhouse gas emissions profiling across our business units to support data-driven decarbonisation efforts, as well as the establishment of low carbon oils supply chains.	• Continue to test and strengthen the operational readiness, governance controls and traceability mechanisms embedded within our EUDR compliance framework, in preparation for the implementation of the EUDR in 2027. • Continue to address traceability gaps in key areas via targeted supplier engagement, improved data collection, and collaborative smallholder support programmes.

Business Review
SD Guthrie International

BUSINESS PERFORMANCE (continued)

Key Initiatives	Achievements	Potential Challenges and Mitigation
Innovation	• KEMCOA KC35 is a superior-quality cocoa butter substitute developed to meet trans fatty acid regulations, offering reliability, and performance in confectionery products. Compound chocolate made with KC35 has excellent mouthfeel, gloss, melting properties and good shelf life. • Using KEMIE range within differentiated products help to slow down melting of frozen dessert in tropical regions. • Completion of Trilogy, positioning us to monetise this investment through the delivery of high-quality low 3-monochloropropane diol (3-MCPD)/Glycidyl fatty acid esters (GE) products.	• Leveraged Artificial Intelligence (AI) and tailored customer engagement to stay ahead of fast-changing product life cycles.
Health, Safety and Environment	• Completed road transport safety audits for external transporters and conducted defensive driving and riding training for our employees. • Held a Road Transporter Engagement Day to share audit findings, raise safety awareness, recognise transporters, and drive corrective actions on high-risk issues. • Conducted rigorous Process Safety Management (PSM) Health Checks across all Business Units, strengthening safety governance and lowering insurance premiums. • Conducted multiple sessions of Life Saving Rules briefings and iCARE & Take 5 for Safety training, involving 2,139 workers. A total of 14,006 iCARE reports were received, representing the number of potential incidents that may have been prevented.	• Rising number of potential fire cases detected by iCARE demonstrated the system's effectiveness while highlighting the need for ongoing mitigation and fire risk management. • Ageing plants require close monitoring and diligent predictive maintenance.
Strategic Marketing & Brand Perception	• Brand Perception: Customer perception of Guthrie's sustainability performance remains strong, with 96% of respondents rating our performance as 'Good' and 'Excellent'. Of the 519 customers surveyed, 264 rated our sustainability performance as 'Excellent', an improvement from 192 respondents in 2024, while 236 rated it as 'Good'. • "Not All Palm Oil Is Created Equal" (NAPOICE) campaign has gained recognition from internal and external stakeholders, strengthening Guthrie's competitive edge and showcasing our commitment to sustainability as a customer differentiator. • Expanded customer engagement through localised sustainability initiatives, including the Sarawak Rainforest World Music Festival. Such events are educational and actively involve customers in our sustainability efforts.	• Distributed multi-language brand perception surveys to effectively engage our diverse customer base. • Aim to maintain strong sustainability ratings and ensure consistent communication with all relevant stakeholders. • Increase our digital presence through dynamic, educational articles and videos to drive deeper customer engagement.

OUTLOOK

SD Guthrie International remains focused on strengthening profit margins, enhancing capital efficiency through disciplined capital allocation and deployment, and driving value creation via cost optimisation initiatives in order to maximise profits and Returns on Invested Capital (ROIC).

In parallel, we will continue to be customer-focused by listening to customer needs and expectations, while expanding our marketing efforts under the NAPOICE campaign, underpinned by the Group's "Beyond Zero" pillars of Zero, Restore, and Transform.

In driving product excellence, we will work closely with the Group's Upstream Division under the "One Stream" approach, to maintain the consistent production and supply of high-quality crude palm oil. We aim to achieve manufacturing excellence and improve asset reliability by standardising and scaling best practices in operational excellence and plant health.

At the same time, we are putting in place initiatives to strengthen our trading and risk management capabilities and extend these services to our customers.

Commercially, our other priorities for FY2026 include:

- Unlocking greater value from partnerships in the non-food sector, particularly through Marvesa and Emery Oleochemicals, as we explore higher-margin specialty segments.
- Expanding our global footprint to better serve customers across key markets, including Latin America, North America, Africa, China, and Central Asia.

Industrial Development & Renewable Energy

The Industrial Development & Renewable Energy vertical was established to maximise the value of the Group's strategic landbank in Malaysia while progressively diversifying our earnings profile beyond our core palm oil business. By selectively repurposing suitable plantation land, SD Guthrie (Guthrie) is positioning our assets to support Malaysia's evolving industrial and energy transition landscape.

Through Industrial Development, Guthrie is driving the development of future-ready industrial parks designed to cater to high-value industries such as electronics, semiconductors, data centres, and halal manufacturing. These developments are intended to incorporate green infrastructure including renewable energy solutions, in particular solar generation, to support low-carbon industrial operations. The initiatives are aligned with Malaysia's New Industrial Master Plan 2030, which seeks to strengthen the country's position in high-technology and sustainable industries.

In parallel with the industrial development strategy, Guthrie is expanding our renewable energy portfolio across solar, biogas, biomass, and energy storage. The primary focus is on large-scale solar projects to supply clean energy to industrial and commercial users while supporting the Group's ambition to develop up to 1 GW of solar power capacity. Guthrie's biogas and biomass initiatives aim to reduce the Group's carbon footprint, while moving towards energy self-sufficiency and a circular economy.

Looking beyond commercial returns, these initiatives also reflect Guthrie's long-term commitment to sustainability, including our aspiration to achieve net-zero greenhouse gas (GHG) emissions across our value chain by 2050. Guthrie's initiatives also align with Malaysia's national energy transition goals, which include achieving 70% renewable energy mix by 2050.

PERFORMANCE HIGHLIGHTS

Industrial Development

Financial	Non-Financial
Income from Industrial Development PBIT of **RM430 million** from disposal of land to a joint venture company in FY2025	Number of collaborations announced A total of **four** joint ventures; **two** Memorandum of Understanding (MoU); and **one** Memorandum of Business Exploration (MoBE) 2024: four MoUs

Business Review
Industrial Development & Renewable Energy

Renewable Energy

Financial

Revenue Stream from Renewable Energy Segment
RM9.38 million
from land rental and other revenue streams
2024: RM8.202 million

Savings from Solar/Biogas (Malaysia)
RM3.222 million
in net savings (2024: RM6.189 million)
The reduction in net savings was due to major maintenance at Sandakan Bay and Merotai, as well as a lower average price of diesel in 2025 compared with 2024

Non-Financial

Solar
Solar rooftop initiatives at our Malaysia upstream and downstream operations contributed reduction
2025: 2,993 tCO_2e
2024: 1,775 tCO_2e reduction

Biogas
Total emissions reductions through biogas initiatives
2025: 460,669 tCO_2e
2024: 411,943 tCO_2e

BUSINESS PERFORMANCE

Key Initiatives	Achievements
Industrial Development	Guthrie partners with established players to develop manufacturing and logistics facilities on plantation land in strategic growth areas, with key partnerships announced in FY2025 including: • A 30% stake in a joint venture with Eco World Development Group and NS Corporation to develop a 1,195-acre integrated industrial park at Bukit Pelandok Estate, Negeri Sembilan. • A 50:50 joint venture with Sime Darby Property to develop an industrial and logistics hub up to 2,000 acres in Carey Island. • A 45% stake in a joint venture with Eco World Development Group and Permodalan Darul Ta'zim to develop Eco Business Park 8, an integrated industrial park within the Johor-Singapore Special Economic Zone (JS-SEZ). • An MoU with Kulim Technology Park Corporation to assess the potential development of up to 1,000 acres at Bukit Selarong Estate in the Kulim Industrial Corridor. • An MoBE with Permodalan Darul Ta'zim to explore the development of up to 5,000 acres in Kulai Estate within the JS-SEZ. • An MoU with Permodalan Negeri Selangor to undertake industrial development on Carey Island, supporting the broader integrated port and industrial ecosystem. • A 50:50 joint venture with Sime Darby Property to develop an industrial and logistics hub within the Kuala Selangor master development, aligned with regional growth and infrastructure expansion.
Renewable Energy	Guthrie's renewable energy initiatives are aimed at developing clean energy sources and reducing the Group's GHG emissions. With our portfolio spanning solar, biogas, and biomass, it forms an integrated approach to optimising internal energy use and supporting external energy opportunities. For solar, this involves building large-scale solar farms on under-utilised plantation land and installing rooftop solar panels and off-grid solar systems with battery storage to reduce the Group's conventional energy and diesel consumption. Complementing our solar efforts, Guthrie's biogas and biomass operations convert palm oil by products into renewable energy. Our biogas plants convert methane generated during the treatment of Palm Oil Mill Effluent (POME) that would otherwise be released into the atmosphere into renewable energy, while our biomass initiatives involve using waste such as empty fruit bunches and palm kernel shells to generate renewable energy for our mills.

Key Initiatives	Achievements
Renewable Energy (continued)	Guthrie currently operates 20 biogas plants (15 in Malaysia, two in Indonesia, and three in Papua New Guinea (PNG)). Major developments in FY2025 include: Solar • Successfully achieved Initial Operation Date (IOD) at a 15 MWac solar plant in Bukit Selarong, Kedah on 17 December 2025. This is the Group's first utility scale, ground mounted facility under the Corporate Green Power Programme (CGPP) scheme. • Entered into a collaboration agreement with Gamuda Energy to potentially develop, own, and operate solar power assets (including energy storage systems) with an accumulated target capacity of 1.2GW. • Achieved Commercial Operation Date (COD) on 18 June 2025 for our rooftop solar installation in Pasir Gudang, Johor with capacity of 1.02 MWp. The plant is expected to generate 1,285.6 MWh of solar power annually. • From solar photovoltaic (PV) land tenancy, one of our tenants managed to achieve COD in 2025. In addition, two land tenancy agreements for utility scale solar PV projects were executed in 2025. Biogas • Commenced construction of two biogas plants, one at Sukamandang Estate, Central Kalimantan, Indonesia (600 kW, March 2025) and another one at Tanah Merah Estate, Negeri Sembilan, Malaysia (1,000 kW, November 2025). • Commissioned Sangara, Higaturu Estate, Oro Province, PNG biogas plant (950kW, June 2025). • Awarded Engineering, Procurement, Construction, and Commissioning (EPCC) contract for biogas plant in Binuang Estate in Sabah, Malaysia (800kW, December 2025). Biomass • Evaluated the techno-commercial feasibility of small-scale biomass captive power generation to reduce fossil fuel dependency, driving both cost-efficiency and Scope 2 emission reductions. • Concluded research into microalgae cultivation for carbon sequestration after determining the technology is commercially unviable based on the current market and operational framework.

OUTLOOK

Guthrie's extensive landbank across Malaysia provides a strategic platform to maximise our asset value through selective development guided by our environmental stewardship. These initiatives complement the Group's core plantation business while contributing to Malaysia's industrial expansion and energy transition.

Building on collaborations entered into FY2025, the Group will closely manage project implementation, aligning it with market demand, infrastructure readiness and regulatory approvals to ensure prudent capital deployment and disciplined risk management.

Looking ahead, Guthrie will continue to identify and capitalise on opportunities to develop land parcels within key growth corridors in Selangor, Negeri Sembilan, and Johor through joint ventures with established industrial development partners.

In renewable energy, we will build on our collaborations with reputable partners, including Gamuda Energy to develop, own, and operate solar power assets including energy storage systems. Our renewable energy roadmap also includes the completion of another 27 biogas plants by the end of 2030.

Through these developments, Guthrie targets a 42% reduction in our Scope 1 and 2 carbon emissions from energy and industrial operations by 2030.

By adopting a balanced approach of selective land development and the creation of long-term recurring income assets, the Group aims to strengthen earnings resilience while contributing to sustainable industrial and renewable energy growth in Malaysia.

Business Review

Innovation & Research

At SD Guthrie (Guthrie), Research and Development (R&D) and Innovation combine to drive sustainable growth and long-term value creation across the palm oil value chain.

Collaborating across business verticals, our global team of close to 200 scientists develops technologies to optimise operations, address evolving customer requirements, and advance sustainable agricultural practices in alignment with our “Beyond Zero” Framework.

Through the “One Stream” approach, we are developing a culture where employees across the Group are encouraged to innovate, proactively contribute ideas, and work with R&D to come up with solutions for Guthrie and our customers.

2025 OVERVIEW

In FY2025, we made progress in the following priority areas:

- **Yield Optimisation:** Improved yield per hectare and productivity through genomics-enabled planting materials and targeted agronomic intervention.
- **Smart Operations:** Drove cost efficiencies and enhanced operational decision-making through mechanisation, automation, and digital field intelligence.
- **Quality Assurance:** Strengthened food safety protocols and enhanced quality control systems, ensuring consistent product standards across the Group.
- **Process Excellence:** Improved operational reliability and boosted milling efficiency through Advanced Process Control (APC) and data-driven decision-making.
- **Sustainability:** Continued to lead the palm oil industry through improved resource efficiency and emissions-reduction initiatives.
- **Compliance and Operational Excellence:** Helped stakeholders meet safety, regulatory and operational targets.

PERFORMANCE HIGHLIGHTS

Financial

R&D Investment (Capital and Operational Expenditure)
RM192.4 million

Non-Financial

Implemented Separate Oil Recovery System (SORS) across
22 mills

Area monitored using drones
74,400 hectares

A global team of close to 200 scientists advance innovation and sustainable agricultural practices under the "Beyond Zero" Framework.

Non-Financial

GenomeSelect® materials
24,317 hectares
planted since 2016

3.22 million
GenomeSelect® seeds supplied for replanting

Publications and patents
11 publications
in scientific journals
2 new patent filings in Malaysia
7 new patents granted

Total number of new product developments released globally:
24
including APAC, South Africa, and the Netherlands

Reduced-calorie baking fats

Guthrie’s reduced-calorie baking fats provide consistent functionality and sensory performance through advanced fat structuring and ingredient optimisation. These trans-fat-free formulations deliver stable aeration, smooth texture, and reliable volume, providing a healthier choice for customers.

Plant-based solution for slow-melting ice cream

R&D continued to develop sustainable solutions aligned with evolving market needs, including customised fats for slow-melting ice cream. We are partnering with local ice cream producers in Malaysia to commercialise this formulation.

BUSINESS PERFORMANCE

Key Initiatives	Achievements	Potential Challenges and Mitigation
Biotechnology and Breeding	• In FY2025, palm oil fields planted with GenomeSelect® seeds achieved 15-21% higher yield than fields planted with the older calix600®. • SD Guthrie Seeds and Agricultural Services (SDGSAS) supplied 3.22 million GenomeSelect® seeds or 88% of the group’s replanting requirement. • SDGSAS sold 403,686 GenomeSelect® seeds to external customers, demonstrating confidence in the quality and reliability of our seeds. • Developed proprietary genetic testing technologies, TracKrown® and Legit100®, that reduced dura contamination in commercial fields to negligible levels and brought crown disease incidence below 5%.	• To minimise genetic contamination of the seeds during production through digitalisation and automation. • This will result in higher operational efficiency since there will be fewer non-conforming seeds to detect and dispose of.
Plantation Research and Advisory	• Commercialised arbuscular production to maintain soil fertility. • Used drones to map 74,400 hectares of plantations in FY2025, freeing manpower for other roles. • Piloted controlled-release fertiliser across 1,000 hectares of newly planted fields, reducing total consumption by over 80%.	• Accelerated the adoption of advanced practices and capabilities to address climate change, which has affected planting, harvesting, and maintenance schedules. • Increased reliance on field research to ensure timely and effective responses. • Strengthened weather monitoring with the gradual deployment of an Automated Weather Station for real-time data gathering.

Business Review
Innovation & Research

BUSINESS PERFORMANCE (continued)

Key Initiatives	Achievements	Potential Challenges and Mitigation
Mills Research	• Introduced a Real-Time APC Fibre Cyclone Control System at Tennamaram and Sua Betong in Malaysia, which reduced average kernel losses and increased process conformance at both mills. • Advised on effluent treatment plant (ETP) discharge and operational compliance.	• The sustained performance of such systems depend on the availability of real-time data, precise sensor placement, strong control logic, and data training. • Stricter water discharge requirements will require redesign of ETPs and/or revisions to standard operating procedures (SOPs). Managing the ETPs together with biogas plants will also necessitate technology and/or design improvements.
Laboratory Services	• Continued support from the Food Safety lab for positive release SOPs to be enforced, enabling delivery of committed amounts of low-contaminant crude palm oil (CPO). • Faster processing of samples from Sabah and Sarawak from the new waste water testing facility in Sabah.	• To work on improving delivery and handling time for samples sent to testing site.
Advanced Mechanisation Technology	• Our Mechanised Rock Phosphate Applicator is scheduled for commercial release in 2026. • The system enables precise, site-specific application of 2 kg of fertiliser per palm, reducing wastage, and improving nutrient utilisation. • Our Nursery Automation initiative has successfully delivered a seedling line machine, which improves seedling quality and uniformity. • The machine, which is still at the pre-commercial stage, reduces the need for manual labour and supports the development of sustainable, standardised nursery operations across estates.	• Continuous design refinement, structured field validation, and equipment standardisation to address challenges such as variability in terrain and field conditions across estates.
Oils and Fats	• Clinched the Outstanding Partner Award at Nestlé Supplier Day for low Mineral Oil Saturated Hydrocarbons (MOSH) and Mineral Oil Aromatic Hydrocarbons (MOAH) contaminant levels across key product lines. • Developed a functional plant-based oil and fat solution for the meat-alternative industry to replicate the appearance, melting behaviour, texture, and mouthfeel of animal fat. • Enhanced CERTIO frying oil performance through optimised feed specifications and improved supply chain consistency.	• To meet the rapidly evolving needs of different customers, we continue to: – Strengthen lab capability, harmonise analytical methods, and enhance supply chain controls. – Deepen technical collaboration, engage in customised formulation work, and conduct targeted application trials.
Product Innovation and Development (PID)	• In FY2025, PID Asia supported 32 customer requests, providing tailored product development for customers already using plant-based fat products.	• While requirements are often evolving, we strive to stay at the forefront of change, through events, tailored customer engagement, and the use of artificial intelligence (AI) for accelerated idea generation.

OUTLOOK

Technology and Innovation will play a greater role in supporting the growth of the palm oil industry amid evolving customer requirements and climate change. Our targets include producing sufficient GenomeSelect® seeds to meet 100% of replanting requirements by 2027. We will continue to transform upstream operations through technology- and data-led innovations that improve productivity and reduce costs.

In addition, we remain committed to a 20% increase in fertiliser use efficiency (FUE) by 2040. We aim to double the Group's commercial yield by 2050 through a combination of in-house developed, state-of-the-art genetic technologies, novel oil palm traits, and improved agronomic systems.

Human Capital Growth

At SD Guthrie (Guthrie), our people are at the core of ongoing transformation. We focus on professional growth by equipping employees with the skills to navigate change and drive operational efficiency.

This improves synergy across business verticals, enabling us to progress as "One Stream" while advancing towards increased mechanisation, and digitalisation.

Guthrie's Human Capital Framework is built on three key pillars:

- **Creating Alignment:** Ensuring clarity between strategy and daily operations;
- **Quality of Execution:** Driving effective implementation of strategic initiatives; and
- **Capacity for Renewal:** Fostering innovation and equipping employees with future-ready skills.

2025 OVERVIEW

In FY2025, we launched the Refreshed Identity & Culture Framework, which was supported by global workshops and change agent activation across regions, to align all business streams under the Guthrie brand.

Employee engagement improved, driven by strong listening and inclusion efforts, as reflected in the rise of our Employee Net Promoter Score (eNPS).

We also launched "The Crest", Guthrie's new learning ecosystem, to develop talent, strengthen capabilities, and unify learning across the Group.

This year, Guthrie received the Gold Award for Best Learning & Development Programme at the Employee Experience Awards 2025, and the Bronze Award in the Excellence in Workplace Culture category at the HR Excellence Awards 2025. We were also recognised as the Winner of the LinkedIn Talent Awards 2025 for the AI Pioneer: Learning Champion category, and a Finalist for AI Pioneer: Best Talent Acquisition Team category.

PERFORMANCE HIGHLIGHTS

Financial

Learning and Development Budget	Learning Hours
2025: RM45.1 million 2024: RM45.0 million	**2025: 225,232 hours** 2024: 212,572 hours

Non-Financial

Workers Satisfaction	Lost Time Injury (LTI)	Lost Time Injury Frequency Rate (LTIFR)
96.7% satisfaction based on a 94% response rate *(25,167 responses out of 26,740 respondents)*	**2025: 1,518 hours** 2024: 1,203 hours	**2025: 7.52 per million hours worked** 2024: 5.9 per million hours

Business Review
Human Capital Growth

BUSINESS PERFORMANCE

Key Initiatives	Achievements
Commitment to ESG	• Ranked first globally in the 2025 Sustainable Palm Oil Transparency Toolkit (SPOTT) Palm Oil Assessment with an overall score of 97.5%, The Group scored 98.5% in the Community, Land, and Labour Rights category. • Committed to a Living Wage Policy for employees in Malaysia, aligned with the EPF *Belanjawanku* Expenditure Guide and international standards including Roundtable on Sustainable Palm Oil (RSPO) and International Labour Organization (ILO) requirements. • Supported 3,699 students and 385 teachers across 15 primary and secondary schools located within Guthrie's estates in Malaysia through the MADANI Adopted School Programme. Thirteen senior leaders from Guthrie visited the schools to engage with the communities. Guthrie's contributions include the upgrading of the schools' facilities. • Strengthened foundational skills, improved academic outcomes, and fostered digital literacy at SJKT Pulau Carey Timur through programmes such as the Genius Readers initiative.
Employee Listening	• Launched an anonymous, real-time employee engagement and feedback platform, which received over 35,000 verbatim responses. The platform measures workforce sentiment, gathers insights, and tracks engagement trends. These insights enabled Guthrie to identify priority areas of concern and develop focused action plans. • Employee engagement results, measured through eNPS, improved from +25 in 2024 to +35 in 2025, demonstrating the impact of culture and engagement initiatives and growing confidence in leadership. • Our *Suara Kami* hotline and social dialogue sessions continued to serve as vital two-way communication channels, enabling employees to voice concerns whenever necessary.
Employee Value Proposition	• Introduced "Thrive" – a refreshed Employee Value Proposition to strengthen our position as an employer of choice. • "Thrive" is built on the four pillars of Enable, Enrich, Elevate, and Empower. They articulate our promise to provide employees with a strong foundation for success, support their well-being, develop future-ready capabilities, and inspire meaningful contributions beyond their official roles.
Talent Management and Development	**The Crest** • Established "The Crest", a unified learning ecosystem that brings together core programmes, digital resources, and on-the-job development to strengthen workforce capability across the Group. • Develops and grows an internal trainer pool to reinforce "The Crest" ecosystem. This initiative, which relies on experienced employees to deliver in-house programmes, enhances knowledge transfer, builds internal expertise, and embeds a stronger learning culture within Guthrie. **Other training and development programmes** • EMPOWER serves as a key talent pipeline for estate and mill operations across Malaysia, Indonesia, as well as Papua New Guinea and Solomon Islands. The programme comprises a standardised curriculum, strengthened technical modules, and an integrated classroom to on-the-job training model. • The Graduate Accelerated Programme (GAP) provides structured development programme to prepare high potential young talents to step into leadership roles in the future. The programme lasts two years with cross-functional rotations, providing these young talents with broad exposure across key business areas. • The SD Guthrie Protégé Programme provides graduates with on-the-job training and exposure across various business units, supporting the national agenda for youth empowerment and development.
Enhance Digital Literacy	**Artificial Intelligence (AI)** • Conducted several AI and data literacy courses to help employees adapt to evolving digital and business requirements. These programmes included Supercharge Your Work with AI, Smarter Work with AI, Exploring AI from Basic to Big Wins, Productivity Hacks for Employees with AI, and Humanify AI: Leading Change Together. **SD Guthrie Digital Academy** • The Academy recorded 1,147 programme participants involving 866 unique learners in 2025. Fifty-seven employees completed the Data Translator Beginner programme and 28 progressed to the Intermediate level. • Programmes involved the use of structured learning pathways complemented by online learning and hybrid delivery models to ensure inclusive participation from regional offices.

Key Initiatives	Achievements
Culture Transformation	• Deepened organisation-wide adoption of the Refreshed Identity & Culture Framework, anchored in our purpose statement, "Care to Nourish, Dare to Flourish", shifting from purpose activation to sustained internalisation across diverse businesses and geographies. • Embedding efforts included 37 culture workshops for 934 employees, supported by 88 Global Change Agents who led over 800 engagements. • Pulse checks reflected strong engagement and alignment, while a groupwide survey recorded a positive culture eNPS of 35, which is 7 points above the benchmark. • Employee engagement initiatives brought together global operations to strengthen a positive workplace culture. Employee engagements include Global Culture Day, World Mental Health Day, Global Sports Carnival, and Global Battle of the Bands.

OUTLOOK

In 2026, Guthrie will continue to nurture future leaders and a workforce that is agile, capable, and aligned with our long-term ambitions.

The Group will intensify local recruitment for upstream operations and upskill technical competencies across our businesses to further drive operational excellence. At the same time, we will continue to strengthen feedback mechanisms, enhance employee engagement, as well as foster organisational unity and diversity.

By prioritising human rights and employee wellness, we remain committed to transforming the livelihoods of our people.

›› Recognition of long-serving employees, demonstrating the Group's commitment to nurturing talent and building a resilient workforce.

A Summary of Our Sustainability Report

OUR SUSTAINABILITY DISCLOSURE

This Sustainability Statement charts our progress from 1 January to 31 December 2025. It is a summary of our Sustainability Report, which is prepared in accordance with the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB), specifically IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures*.

This report also aligns with the Bursa Malaysia Securities Main Market Listing Requirements and the Companies Act 2016 in Malaysia.

OUR SUSTAINABILITY GOVERNANCE

Sustainability at SD Guthrie (Guthrie) is overseen by the Sustainability Committee, a dedicated Board Committee that assists the main Board of Directors. Our sustainability governance structure ensures accountability and oversight by establishing clear roles and responsibilities across the organisation.

"BEYOND ZERO" PROGRESS

The "Beyond Zero" Framework underscores our strategy to move beyond mitigating the negative impact of our operations on people and the planet to restoring nature and creating positive change for the communities we serve. This is done through three core pillars: Zero, Restore, and Transform.

KEY ACHIEVEMENTS IN FY2025

ZERO

NET-ZERO PROGRESS

Net total Scope 1 and 2 emissions reduced by

30%

(compared to FY2020 baseline)

DEFORESTATION-FREE FUTURE

100% of our operations are deforestation-free

89% of palm-based raw materials are deforestation-free across our entire supply chain

SUPPLY CHAIN TRANSPARENCY

100% Traceability to Plantation (TTP) for all fresh fruit bunches (FFB) processed in Guthrie-owned mills

98% Traceability to Mill (TTM) for all palm-based raw materials

90% TTP for all palm-based raw materials

HEALTH AND SAFETY

7.5 Lost time injury frequency rate (LTIFR)

RESTORE

CONSERVATION AND RESTORATION

51,212 hectares

protected or restored across Guthrie's operations and surrounding landscapes

REGENERATIVE AGRICULTURE

Regenerative Agriculture Framework developed

Pilot implementation at Binuang and West Estates in Malaysia to commence in 2026

TRANSFORM

WORKER PROTECTION

100%

of workers across our operations have access to grievance mechanisms

WORKER GRIEVANCES

1,825 cases

resolved in Malaysia as of end-2025, representing 99% of total cases logged since 2022*

Total 2022–2025: 1,846 cases

ETHICAL RECRUITMENT

0.49% of newly arrived migrant workers in Malaysia (2025 cohort) reported recruitment-related allegations to be investigated

99% of total allegations related to recruitment fee payment have been resolved

EMPOWERING SMALLHOLDERS

37,793

smallholders benefitted from programmes since 2024

Details are available in the Performance Data Annex FY2025.

OUR MATERIAL SUSTAINABILITY RISKS AND OPPORTUNITIES

Sustainability-related risks and opportunities (SROs) are embedded within the Group's risk management framework. In FY2025, we identified seven key SROs that could potentially affect the Group's prospects over the short-, medium-, and long-term, which can be found in the table below and in our sustainability report.

Climate-related Physical Risks	Rising frequency, severity of flooding, and prolonged dry seasons constitute an acute climate-related physical risk that could disrupt operations and damage the Group's assets. Risk intensity varies depending on location and topography.
Climate-related Transition Risks and Opportunities	**Carbon Pricing** Increasing exposure to tightening climate-related regulations (i.e. carbon pricing mechanisms and energy efficiency requirements).
	No Deforestation, No Peat, and No Exploitation (NDPE) Expectations Increasing market pressure as stakeholders tighten expectations for NDPE compliance and full supply chain traceability.
	Failure to Meet Climate-related Targets Given our net-zero commitment, failure to decarbonise may undermine reputation.
	Opportunity: Low-carbon Technologies Material opportunity to accelerate the Group's decarbonisation plan and generate additional revenue.
Water and Effluent Management	Inadequate water supply combined with inefficient water consumption would increase competition for water with surrounding communities and increase fire risks in peat areas. Failure to meet discharge-quality requirements leads to compliance risk.
Biodiversity and Conservation	Nature-related risks arising from our dependencies and impacts on ecosystem services, such as loss of pollinator populations, reduced effectiveness of natural pest control, diminished habitat connectivity, and weakened landscape resilience.
Smallholder Inclusion	Expanding smallholder inclusion helps to ensure good FFB quality and cost, supply consistency, and compliance with sustainability requirements.
Human Rights	Risk arising from violation of human rights standards and conventions, and unsafe working conditions.
Sustainability Certification	Risk of suspension or withdrawal of sustainability certificates would affect the entire supply chain, with operational, financial, and reputational consequences.

Refer to page 14 of our Sustainability Report for further details of the risk and opportunities, as well as the efforts and progress the Group has taken in implementing mitigation actions.

Bursa Prescribed Table

SD Guthrie Berhad
IFRS S1

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FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Water and Effluent Management	Total water withdrawn	'000 m3	54,031	No target	No assurance
Water and Effluent Management	Total water consumed	'000 m3	45,638	No target	No assurance
Water and Effluent Management	Percentage of total water withdrawn in regions with High or Extremely High Baseline Water Stress	% by volume	0.74	No target	No assurance
Water and Effluent Management	Percentage of total water consumed in regions with High or Extremely High Baseline Water Stress	% by volume	0.59	No target	No assurance
Water and Effluent Management	Percentage of palm-based agricultural products sourced from Tier 1 suppliers in regions with High or Extremely High Baseline Water Stress	% by volume	2.38	No target	No assurance
Water and Effluent Management	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Number	3	0	No assurance
Biodiversity and Conservation	Total areas restored, rehabilitated, or conserved	Hectare	51,212	Restore, rehabilitate, or conserve 100,000 hectares by 2030	No assurance
Smallholder Inclusion	Cumulative number of smallholders who benefitted from the programmes	Number	37,793	Develop and roll out support programmes for 50,000 smallholders across key sourcing countries by 2035	No assurance
Human Rights	Number of grievance cases	Number	312	Not applicable	No assurance
Human Rights	Percentage of grievance cases resolved	%	91	100	No assurance
Human Rights	Work-related fatalities	Number	3	0	No assurance
Human Rights	Near miss frequency rate (NMFR)	Rate	1.45	No target	No assurance
Human Rights	Lost time injury frequency rate (LTIFR)	Rate	7.5	10% reduction from previous year	No assurance

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SD Guthrie Berhad
IFRS S1

Date & Time: 2026-04-20 13:47:14
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Sustainability Certification	Percentage of Roundtable on Sustainable Palm Oil (RSPO) certification for operational palm oil mills	% certified	100	Maintain 100%	No assurance
Sustainability Certification	Percentage of agricultural products sourced from Tier 1 suppliers that are RSPO certified	% by volume	26	No target	No assurance

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Bursa Prescribed Table

SD Guthrie Berhad
IFRS S2

Date & Time: 2026-04-20 13:47:14
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate-related Risks and Opportunities	Traceability to Mill (TTM) for all palm-based raw materials	%	98	100	No assurance
Climate-related Risks and Opportunities	Traceability to Plantation (TTP) for all palm-based raw materials	%	90	100	No assurance
Climate-related Risks and Opportunities	Gross Scope 1 emissions	tCO_2e	9,090,257	Guthrie has Science Based Targets initiative (SBTi)-validated targets	External (Limited)
Climate-related Risks and Opportunities	Gross Scope 2 emissions (Location-based)	tCO_2e	174,883	Guthrie has SBTi-validated targets	External (Limited)
Climate-related Risks and Opportunities	Gross Scope 3 emissions	tCO_2e	8,074,824	Guthrie has SBTi-validated targets	External (Limited)
Climate-related Risks and Opportunities	Net Scope 1 and Scope 3: Forest, Land and Agriculture (FLAG) GHG emissions	tCO_2e	6,576,286	30.3% absolute reduction by 2030 (against 2020 baseline)	No assurance
Climate-related Risks and Opportunities	Gross Scope 1 and Scope 2: Energy and Industrial Processes GHG emissions	tCO_2e	1,604,374	42% absolute reduction by 2030 (against 2020 baseline)	No assurance
Climate-related Risks and Opportunities	Scope 1 and Scope 2 GHG emissions (net of removal) intensity of estates and mills	tCO_2e/MT CPO	1.39	1.37	External (Limited)
Climate-related Risks and Opportunities	GHG emissions (net of removal) intensity of refineries	tCO_2e/MT refined products	2.53	No target	External (Limited)
Climate-related Risks and Opportunities	Operational energy consumed	GJ	41,823,955	No target	No assurance
Climate-related Risks and Opportunities	Percentage of grid electricity	%	2.3	No target	No assurance
Climate-related Risks and Opportunities	Percentage of renewable energy	%	87	No target	No assurance
Climate-related Risks and Opportunities	Total biogas and solar energy installed capacity	MW	48	Achieve 1 GW installed capacity	No assurance

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Corporate Information

Board of Directors

Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani
Non-Independent Non-Executive Chairman

Mohd Haris Mohd Arshad
Group Managing Director

Dato' Halipah Esa
Senior Independent Non-Executive Director

Tan Sri Mohd Zuki Ali
Non-Independent Non-Executive Director

Dato' Mohd Nizam Zainordin
Non-Independent Non-Executive Director

Datuk Mohd Anwar Yahya
Independent Non-Executive Director

Dato' Idris Kechot
Independent Non-Executive Director

Dato' Sri Sharifah Sofianny Syed Hussain
Independent Non-Executive Director

Mohd Irwan Ahmad Mustafa
Non-Independent Non-Executive Director

Jenifer Thien Bit Leong
Independent Non-Executive Director

Ariff Ismail
Alternate Director to Mohd Irwan Ahmad Mustafa

GROUP MANAGING DIRECTOR
Mohd Haris Mohd Arshad

SECRETARY
Azrin Nashiha Abdul Aziz
(LS 0007238)
(SSM Practicing Certificate No. 202208000233)

REGISTERED OFFICE
Level 10, Main Block, SD Guthrie Tower
No. 2, Jalan PJU 1A/7, Ara Damansara
47301 Petaling Jaya, Selangor, Malaysia.

Telephone : +(603) 7848 4000
Facsimile : +(603) 7848 5360
Email : communications@sdguthrie.com
Website : www.sdguthrie.com

SHARE REGISTRAR
Tricor Investor & Issuing House Services Sdn Bhd
Registration No. 197101000970 (11324-H)

Office:
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur, Malaysia.

Telephone : +(603) 2783 9299
Facsimile : +(603) 2783 9222
Email : is.enquiry@vistra.com

Drop-In Box located at:
Unit G-3, Ground Floor, Vertical Podium
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur, Malaysia.

AUDITORS
PricewaterhouseCoopers PLT
(LLP0014401-LCA & AF 1146)
Chartered Accountants
Level 10, Menara TH 1 Sentral, Jalan Rakyat
Kuala Lumpur Sentral, P O Box 10192
50706 Kuala Lumpur, Malaysia.

Telephone : +(603) 2173 1188
Facsimile : +(603) 2173 1288

FORM OF LEGAL ENTITY
Incorporated on 2 April 2004 as a private company limited by shares under the Companies Act, 1965 and converted into a public company limited by shares on 20 July 2017.

STOCK EXCHANGE LISTING
Listed on the Main Market of Bursa Malaysia Securities Berhad since 30 November 2017.

Stock Code : 5285
Stock Name : SDG

PLACE OF INCORPORATION AND DOMICILE
Malaysia

Board of Directors' Profiles

Board Committees

G GAC N NRC R RMC S SC B BTC ● Denotes Committee Chairman

TAN SRI DR NIK NORZRUL THANI NIK HASSAN THANI
Chairman, Non-Independent Non-Executive Director

Nationality	Malaysian
Age/Gender	65/Male
Date of Appointment	16 June 2022

Academic/Professional Qualification/ Membership(s):
- Chevening Fellow, Oxford Centre for Islamic Studies, University of Oxford, United Kingdom
- Visiting Fulbright Scholar, Harvard Law School, United States
- Advocate & Solicitor of the High Court of Malaya, admitted to the Malaysian Bar
- Barrister of Lincoln's Inn, admitted to the Bar of England and Wales
- Doctorate in Law, School of Oriental and African Studies (SOAS), University of London, United Kingdom
- Master of Laws (LL.M), Queen Mary College, University of London, United Kingdom
- Bachelor of Laws (Hons), University of Buckingham, United Kingdom

Other Present Directorship(s):
Listed Issuers
T7 Global Berhad
IHH Healthcare Berhad

Public Companies
Malaysian Rating Corporation Berhad
Cagamas Holdings Berhad
MARC Ratings Berhad
ZICO Trust (M) Berhad

Areas of Expertise:
Legal, Business and Regulatory Affairs.

Relevant Experience
Tan Sri Dr Nik Norzrul Thani began his legal career with an international law firm, Baker & McKenzie, Singapore. In 2017, he was appointed as Chairman of the Malaysia-Singapore Business Council by the Ministry of International Trade and Industry of Malaysia. He currently serves as the Executive Chairman of Zaid Ibrahim & Co., Malaysia's largest law firm. His expertise includes Islamic finance, banking, offshore finance, debt restructuring, as well as international, corporate and commercial law.

He also oversees debt and corporate restructuring transactions and the issuance of private debt securities, encompassing Islamic financial instruments for both domestic and international clients. With extensive experience in corporate and commercial law, he provides valuable insights in establishing a robust governance framework for the Group.

Industry Background
Legal Services, Plantation, Rating Agency, Healthcare

MOHD HARIS MOHD ARSHAD
Group Managing Director

Nationality	Malaysian
Age/Gender	53/Male
Date of Appointment	1 January 2026

Academic/Professional Qualification/ Membership(s):
- Advanced Management Programme, Harvard Business School, Boston, Massachusetts, United States
- Bachelor of Science Degree in Business Administration, University of Arizona, United States

Other Present Directorship(s):
Listed Issuers
None

Public Companies
Malaysian Palm Oil Council
Malaysian Sustainable Palm Oil

Areas of Expertise:
Palm Oil & Agribusiness Leadership, Downstream & Upstream Operations Management, Strategic Transformation, Operational Excellence, Sustainability & Industry Governance.

Relevant Experience
Mr Mohd Haris Mohd Arshad has over 30 years of global experience in the palm oil and agribusiness industry, especially in commodity trading, procurement, and business transformation. He has led both upstream and downstream operations, driving business growth and operational improvements across multiple countries. He also has strong experience from multinational companies like Cargill, Nestlé and Unilever, and plays an active and vital role in Malaysia's palm oil industry leadership.

Industry Background
Palm Oil and Agribusiness, Global Commodity Trading, Food Supply Chain Industries

DATO' HALIPAH ESA
Senior Independent Non-Executive Director

Nationality	Malaysian
Age/Gender	76/Female
Date of Appointment	1 September 2020

Academic/Professional Qualification/ Membership(s):
- Certificate in Circular Economy and Sustainability Strategies, University of Cambridge, United Kingdom
- Certificate in Advanced Management Programme, Adam Smith Institute, United Kingdom
- Certificate in Economic Management, IMF Institute, Washington and Kiel Institute for World Economy, Germany
- Master of Economics, University of Malaya
- Bachelor of Arts (Hons) in Economics, University of Malaya

Other Present Directorship(s):
Listed Issuers
None

Public Companies
None

Areas of Expertise:
Economics and Public Administration.

Relevant Experience
Dato' Halipah has served as a consultant to the World Bank and United Nations Development Programme. She has also held various senior public administration roles in the Economic Planning Unit (EPU) of the Prime Minister's Department and the Ministry of Finance. She was Director General of EPU prior to her retirement. During her tenure, one of the priority areas was the formulation of national policies, programmes and projects to address environmental and sustainability issues.

Dato' Halipah brings a broad and dynamic perspective on public policy, which helps to broaden the Guthrie's strategic outlook on social issues.

Industry Background
Economic Development Planning and Budgeting, Public Administration and Intergovernmental Institutions, Property Development, Port and Shipping, Education and Training

TAN SRI MOHD ZUKI ALI
Non-Independent Non-Executive Director

Nationality	Malaysian
Age/Gender	63/Male
Date of Appointment	15 January 2025

Academic/Professional Qualification/ Membership(s):
- Master of Business Administration (Finance), Nanyang Technological University, Singapore, in collaboration with Massachusetts Institute of Technology, Boston, United States
- Bachelor of Economics, Universiti Kebangsaan Malaysia

Other Present Directorship(s):
Listed Issuers
PESTEC International Berhad

Public Companies
None

Areas of Expertise:
Policy & Regulatory Affairs, Public Administration, Intergovernmental Institutions.

Relevant Experience
Tan Sri Mohd Zuki Ali is the Chairman of the Employees Provident Fund. With over 30 years in Government service, he brings expertise in policy setting, public administration, and intergovernmental institutions.

Tan Sri Mohd Zuki served as the Chief Secretary of Malaysia from 1 January 2020 until his retirement on 10 August 2024. Prior to that, he was the Chief Secretary of the Ministry of Defence in 2019. He has also held various leadership roles in the Prime Minister's Department, including Senior Deputy Chief Secretary, Sarawak State Federal Secretary, Director General of Legal Affairs Division, Deputy Chief Secretary (Management), Divisional Secretary, and Senior Consultant.

In addition to his government roles, Tan Sri Mohd Zuki currently serves as the Pro-Chancellor of Universiti Kebangsaan Malaysia and Universiti Malaysia Terengganu. He previously served as the Chairman of MRL Sdn Bhd, Cyberview Sdn Bhd, Sinergi Perdana Sdn Bhd, Razak School of Government, and the Malaysian Institute of Integrity. He is also a Member of PR1MA Corporation Malaysia.

Industry Background
Government Administration, Defence and Security, Finance and Investment, Infrastructure and Energy, Real Estate and Housing

DATO' MOHD NIZAM ZAINORDIN
Non-Independent Non-Executive Director

Nationality	Malaysian
Age/Gender	62/Male
Date of Appointment	14 July 2017

Academic/Professional Qualification/ Membership(s):
- Member, Malaysian Institute of Accountants
- Fellow, Association of Chartered Certified Accountants, United Kingdom
- Executive Master in Business Administration, Asian Institute of Management

Other Present Directorship(s):
Listed Issuers
None

Public Companies
None

Areas of Expertise:
Finance and Investment Management.

Relevant Experience
Dato' Mohd Nizam has over 29 years of regional fund management experience in various senior roles at Permodalan Nasional Berhad (PNB). He served as Deputy President and Group Chief Financial Officer of PNB prior to his retirement. He brings invaluable financial expertise to the Group, playing a key role in implementing robust financial governance as well as ensuring a consistent enterprise-wide approach to the Group's investment and capital allocation strategy.

Industry Background
Fund Management, Plantation, Motors

DATUK MOHD ANWAR YAHYA
Independent Non-Executive Director

Nationality	Malaysian
Age/Gender	71/Male
Date of Appointment	10 May 2021

Academic/Professional Qualification/ Membership(s):
- Member, Malaysian Institute of Certified Public Accountants
- Member, Malaysian Institute of Accountants
- Fellow, Institute of Chartered Accountants in England & Wales, United Kingdom
- Bachelor of Science (Hons) Degree in Economics and Accountancy, University of Hull, United Kingdom

Other Present Directorship(s):
Listed Issuers
Fraser & Neave Holdings Berhad

Public Companies
Amanah Saham Nasional Berhad
Public Islamic Bank Berhad

Areas of Expertise:
Strategy and Corporate Finance.

Relevant Experience
Datuk Mohd Anwar has over 40 years of experience in accounting and finance. He has held various financial and business advisory roles at PricewaterhouseCoopers, spanning a wide range of industries. With extensive industry experience and expertise in real estate, utilities and financial services, among others, he contributes to the establishment of best practices within a robust financial governance framework, as well as effective financial and risk management.

Industry Background
Accounting and Finance, Corporate Finance, Mergers and Acquisitions, Specialist Valuation, Policy Strategy

Board of Directors' Profiles

Board Committees

G GAC N NRC R RMC S SC B BTC ● Denotes Committee Chairman

DATO' IDRIS KECHOT
Independent Non-Executive Director

Nationality	Malaysian
Age/Gender	71/Male
Date of Appointment	29 December 2022

Academic/Professional Qualification/ Membership(s):
- Accelerated Development Programme, London Business School, United Kingdom
- Master of Business Administration (Finance), University of Stirling, United Kingdom
- Bachelor of Science in Agribusiness, Universiti Putra Malaysia

Other Present Directorship(s):
Listed Issuers
Kumpulan Fima Berhad

Public Companies
None

Areas of Expertise:
Corporate Governance, Risk Oversight, Investment and Financial Management, Leadership across Multi-Industry Sectors.

Relevant Experience
Dato' Idris has over 35 years of experience and expertise in the unit trust and investment management business. He started his career as a research analyst with PNB in 1983, focusing on industry and sectoral research. He has an impressive track record of successfully leading PNB, one of the largest fund management companies in Malaysia, in the unit trust and investment management operations until his retirement in 2018 from the position of Deputy President and Group Chief Operating Officer, Asset Management. He currently serves as Chairman of Kumpulan Fima Berhad.

His diverse business experience and expertise in various industries, including plantations, make him an asset as he provides unique insights into both upstream and downstream businesses.

Industry Background
Fund Management, Plantation, Automotive, Electronics, Real Estate Investment Trust

DATO' SRI SHARIFAH SOFIANNY SYED HUSSAIN
Independent Non-Executive Director

Nationality	Malaysian
Age/Gender	64/Female
Date of Appointment	29 December 2022

Academic/Professional Qualification/ Membership(s):
- Alumna, London Business School, United Kingdom
- Bachelor's Degree in Accounting, University of Missouri, Columbia, United States

Other Present Directorship(s):
Listed Issuers
None

Public Companies
Maybank Investment Bank Berhad

Areas of Expertise:
General Management, Accounting/Financial Management, Banking and Finance.

Relevant Experience
Dato' Sri Sharifah Sofianny has more than 20 years of experience holding various leadership roles in stockbroking and wholesale banking businesses. She began her career at Shell Malaysia, where she spent 11 distinguished years before moving to K&N Kenanga Berhad. She then joined Maybank Investment Bank Berhad as Deputy Managing Director, Equities, and rose to the position of Managing Director, Client Coverage at Maybank in early 2014. Her appointment brings additional financial and banking expertise to the Group, while providing valuable insights and perspectives to the Board's deliberations.

Industry Background
Oil and Gas, Securities Investment, Banking, Fund Management

MOHD IRWAN AHMAD MUSTAFA
Non-Independent Non-Executive Director

Nationality	Malaysian
Age/Gender	45/Male
Date of Appointment	23 August 2023

Academic/Professional Qualification/ Membership(s):
- Chartered Accountant, Member of Chartered Accountants of Australia and New Zealand
- Master of Finance, Australian National University, Canberra, Australia
- Bachelor of Commerce (Accounting and Finance), Australian National University, Canberra, Australia

Other Present Directorship(s):
Listed Issuers
None

Public Companies
None

Areas of Expertise:
Fund Management, Private Equity, Infrastructure, Consumer Services, Transportation, Banking and Finance.

Relevant Experience
Mr Mohd Irwan is currently the Group Chief Strategy and Financial Officer of PNB, a role he assumed after serving as Group Head of Private Markets where he was responsible for private equity and infrastructure investments. Prior to joining PNB, he was the Director of Investment at Ekuiti Nasional Berhad. His previous roles include Vice President for Business Development at Integrax Berhad and Halim Rasip Holdings Sdn Bhd.

He began his career in Assurance Services at PricewaterhouseCoopers Malaysia, where he then moved to Corporate Finance in Advisory Services.

Industry Background
Finance, Transportation, Consumer Services, Banking, Fund Management, Private Equity and Infrastructure Investments

JENIFER THIEN BIT LEONG
Independent Non-Executive Director

Nationality	Malaysian
Age/Gender	58/Female
Date of Appointment	22 December 2023

Academic/Professional Qualification/ Membership(s):
- Alumna, Executive programmes at:
  - London Business School, United Kingdom
  - INSEAD, France/Singapore
  - Harvard Business School, United States
  - Center for Creative Leadership
- Bachelor of Science (Hons) in Food Science and Technology, Universiti Putra Malaysia

Other Present Directorship(s):
Listed Issuers
UEM Edgenta Berhad
AEON Co. (M) Berhad
Malaysian Pacific Industries Berhad

Public Companies
None

Areas of Expertise:
Supply Chain Management and Procurement, Operations and Manufacturing, Strategy and Business Transformation, International Business Leadership and Sustainability.

Relevant Experience
Ms Jenifer Thien has over 30 years of senior executive experience in the consumer-packaged goods industry, holding regional and global leadership roles while being based in various countries across Asia and the United States. She spent 25 years at Mars Incorporated, where she last served as the Global Chief Procurement Officer. Throughout her career, Ms Thien has led complex business transformation and sustainability initiatives, gaining deep expertise in driving change across large-scale organisations. She also brings valuable experience in agriculture supply chain management and commodities risk management.

Industry Background
Consumer Goods, Global Agribusiness, Oil and Gas, Retail, Electronics, Asset Management and Infrastructure Services

ARIFF ISMAIL
Alternate Director to Mohd Irwan Ahmad Mustafa

Nationality	Malaysian
Age/Gender	37/Male
Date of Appointment	15 April 2026

Academic/Professional Qualification/ Membership(s):
- Bachelor of Science, Computer & Business Studies, University of Warwick, United Kingdom
- Certificate Shariah, Universiti Islam Antarabangsa Malaysia

Other Present Directorship(s):
Listed Issuers
None

Public Companies
None

Areas of Expertise:
Property and Construction, Telecommunications, Pharmaceuticals and Healthcare, Financial Institutions.

Relevant Experience
Mr Ariff is currently Head of Cluster in the Strategic Investments Division at PNB, where he is responsible for monitoring the performance and value creation initiatives for strategic and core investee companies. Mr Ariff also has experience working in the Prime Minister's Office, where he was seconded in 2021.

He began his career at PNB as a Management Trainee in 2012 and subsequently served in the Office of the President and Group Chief Executive in 2013. Over the year, he has served in various positions within PNB, including Senior Analyst and Associate Manager in Public Equity, and has occupied several managerial positions in the Strategic Investments Division of PNB.

Industry Background
Property and Construction, Pharmaceuticals and Healthcare, Telecommunications, Financial Institutions

Additional Information

1. Save as disclosed below, none of the Directors has any family relationship with and is not related to any director and/or major shareholder of SD Guthrie, nor has any personal pecuniary interest in any business arrangement involving the Company:

   i. The nominee Directors of PNB are as follows:
      - Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani;
      - Dato' Mohd Nizam Zainordin;
      - Mr Mohd Irwan Ahmad Mustafa; and
      - Mr Ariff Ismail (Alternate Director to Mr Mohd Irwan Ahmad Mustafa).

   ii. The nominee Director of Employees Provident Fund is as follows:
      - Tan Sri Mohd Zuki Ali.

2. None of the Directors has any conviction for offences within the past five years, nor public sanctions or penalties imposed by the relevant regulatory authorities during the financial year, other than traffic offences, if any.

3. Save as disclosed below, none of the Directors has any conflict of interest with SD Guthrie:

   i. Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani by virtue of his directorship in MARC Ratings Berhad, which serves as a credit rating agency to SD Guthrie.

   ii Datuk Mohd Anwar Yahya by virtue of his indirect shareholding in Mizou Holdings Sdn Bhd, which is a vendor of SD Guthrie and his directorship in Public Islamic Bank Berhad, which is one of the financiers of SD Guthrie.

   iii Dato' Idris Kechot by virtue of his position as Chairman and Director of Kumpulan Fima Berhad, which is a vendor of and in the same business sector as SD Guthrie.

   iv Ms Jenifer Thien by virtue of her position as Director of Olam Agri Holdings Limited, which is in the same business sector as SD Guthrie.

   Given the above, the Group maintains independent controls, procedures and safeguards when reviewing transactions as they arise.

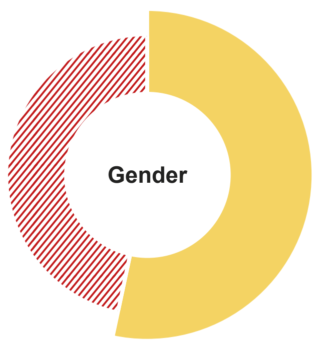
4. None of the Directors hold more than five directorships in listed issuers.

5. The details of Directors' attendance at Board Meetings held in the financial year ended 31 December 2025 are set out in the Corporate Governance Overview Statement on pages 76 to 82.

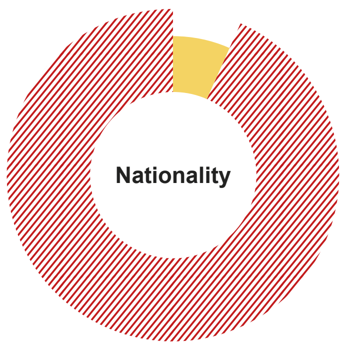
For more information on the Directors' past experiences, refer to the Our Leaders section of SD Guthrie's website at www.sdguthrie.com/who-we-are/our-leaders

Senior Leadership Team

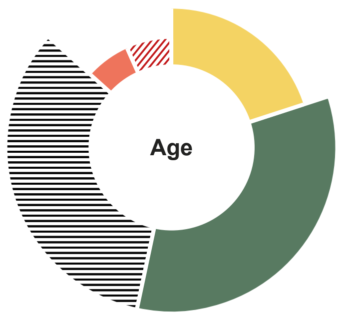
SD GUTHRIE LEADERSHIP COMMITTEE



Male	7
Female	8



Malaysian	14
New Zealander	1



40-44 years	1
45-49 years	3
50-54 years	5
55-59 years	5
60-64 years	1

For more information on the particulars of the Senior Leadership Team refer to the Our Leaders section of SD Guthrie's website at www.sdguthrie.com/who-we-are/our-leaders

Standing from left to right:

RASHYID REDZA ANWARUDIN
Chief Sustainability Officer

LEELA BARROCK
Chief Communications Officer

AZRIN NASHIHA ABDUL AZIZ
Group Secretary

JEFFRY FAIZAL KAMARUDDIN
Chief Executive Officer, Upstream Malaysia

DR DAVID ROSS APPLETON
Chief Innovation & Technology Officer

NIK MAZIAH NIK MUSTAPHA
Chief Executive Officer, Upstream Papua New Guinea and Solomon Islands

GAJANI NAYAGI SEEVENESERAJAH
Chief Transformation Officer

AZMI JAAFAR
Chief Executive Officer, Upstream Indonesia

Seated from left to right:

DR SHARIMAN ALWANI MOHAMED NORDIN
Chief Executive Officer, SD Guthrie International

MELISSA LOKMAN
Chief Group Strategy Officer

RENAKA RAMACHANDRAN
Chief Financial Officer & Chief Executive Officer, Land and Renewable Energy

MOHD HARIS MOHD ARSHAD
Group Managing Director

SHAHRIZAN AINI SHAMSUL KHALIL
Chief Human Resources Officer

ANIL ABRAHAM
Chief Legal & Risk Officer

SUHAILAH MOHAMED ABDULLA
Chief Integrity and Assurance Officer

Corporate Governance Overview Statement

As a market leader operating in 12 countries and serving a global customer base, SD Guthrie Berhad (Guthrie) thrives in a fast-paced and dynamic environment. Among the key global megatrends shaping our industry is the growing emphasis on environmental, social, and governance (ESG) considerations.

Stakeholders increasingly demand greater transparency and stronger commitment to sustainability, expecting ESG principles to be deeply integrated into corporate strategies and operations. Good governance is imperative as it forms the foundation on which organisations are able to drive responsible and sustainable business practices that protect stakeholder interests.

At Guthrie, we fully embrace the evolving focus on corporate governance as a natural extension of our core values: integrity, respect and responsibility, enterprise and excellence. For us, good governance is more than just compliance; it is central to our business philosophy and underpins everything we do.

We maintain a strong focus on governance within our industry by progressively strengthening our governance framework and policies to support sustainable business practices and deliver long-term value for our stakeholders.

KEY GOVERNANCE HIGHLIGHTS

In 2025, we reinforced our commitment to corporate governance through several industry-leading initiatives. Key achievements included:

- The Key Performance Indicators (KPIs) for the sustainability sukuk were overseen, endorsed and approved through established governance bodies, including an executive-level Steering Committee, the Group Leadership Committee and the Board Sustainability Committee.
- Conducting external assurance on greenhouse gas (GHG) related disclosures in the Group's FY2025 Sustainability Report.
- Defining a Strategy Charter that integrates sustainability, operational excellence, and innovation to drive growth over the next five years.

DISCLOSURE FRAMEWORK

The Group's corporate governance practices are guided by the latest regulatory and best practice standards, including:

- Main Market Listing Requirements of Bursa Malaysia Securities Berhad (the Listing Requirements);
- Companies Act 2016 (Malaysia);
- Corporate Governance Guide – 4th Edition issued by Bursa Malaysia Berhad; and
- Malaysian Code on Corporate Governance (MCCG) 2021.

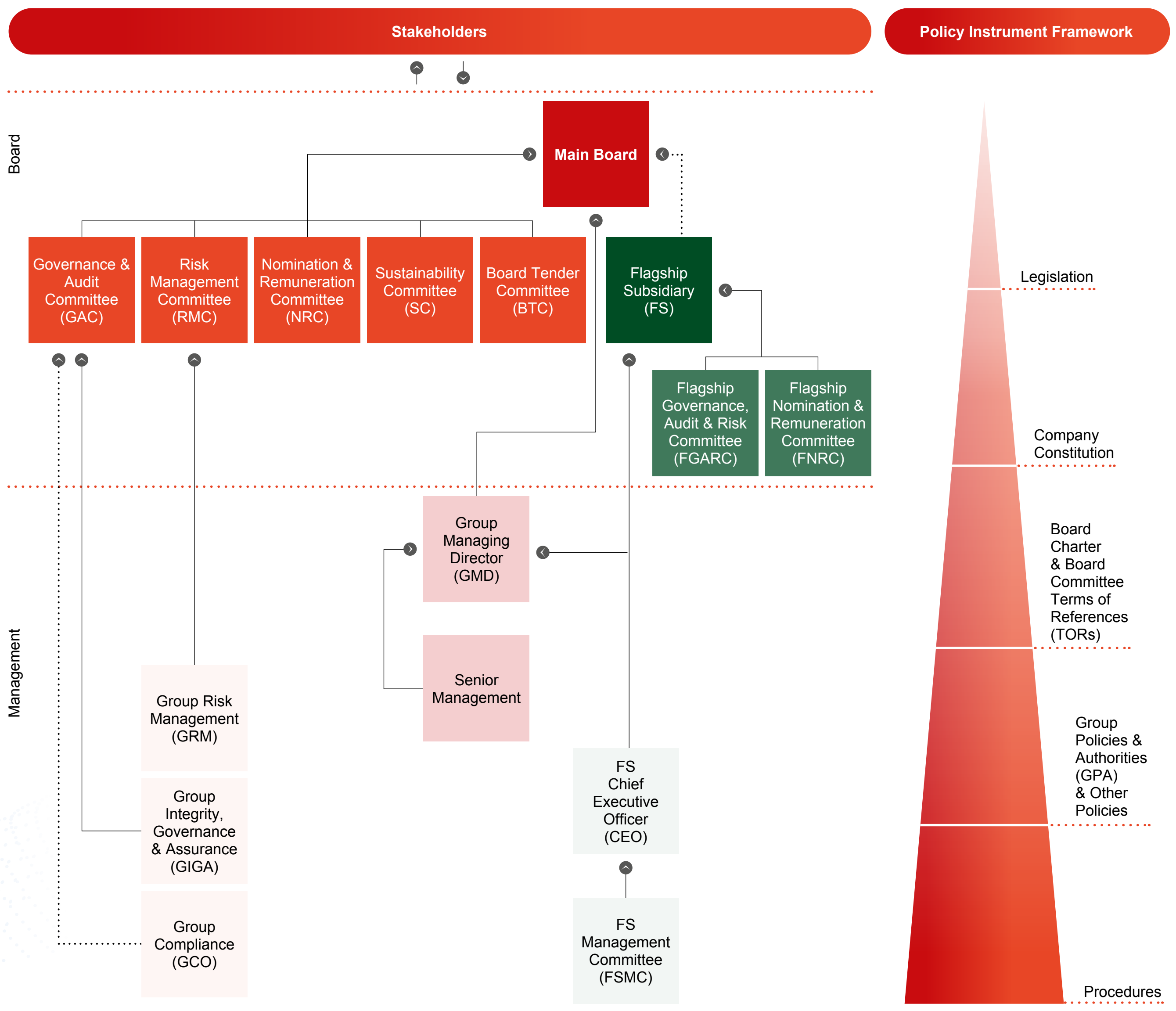
For the period under review, we have substantially complied with the practices outlined in MCCG 2021. The Group's Corporate Governance Report 2025 provides a detailed overview of our application of MCCG 2021 and is available on our website under the Corporate Governance section at www.sdguthrie.com.

This statement is issued in accordance with a resolution of the Board of Directors dated 14 April 2026.

CORPORATE GOVERNANCE FRAMEWORK

The Group's corporate governance framework is guided by the following principles:

- Transparency, accountability, and responsiveness in all aspects of governance.
- Balanced oversight that grants operational autonomy to the various Group Companies while maintaining appropriate checks, balances, and performance benchmarks.
- Ethical business conduct, fostering integrity and responsible behaviour in alignment with the Group's Core Values and Business Principles, as outlined in the Code of Business Conduct (COBC).



- Chief Integrity & Assurance Officer (CIAO) reports administratively to the GMD.
- Chief Legal & Risk Officer (CLRO) reports to GMD, with a functional reporting to RMC for Risk Management and to GAC for Group Compliance.
- The Main Board approves key transactions and strategic decisions of the Flagship Subsidiary in accordance with the Group's Limits of Authority (LOA).

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Roles and Responsibilities

The Board plays a pivotal role in promoting and safeguarding the interests of the Group, including its shareholders and stakeholders. It is responsible for setting the Group's strategic direction, ensuring long-term success and delivering sustainable value. The Board provides thought leadership, refines corporate strategies, and ensures effective execution, while upholding good governance and ethical practices.

Recognising the alignment between shareholder value and broader stakeholder interests, the Board enforces appropriate checks and balances in its sustainability journey. Committed to transparency, the Board provides credible and comprehensive reporting, fostering meaningful engagement with stakeholders on the Group's strategy, activities and outcomes.

The Board Charter defines the Board's strategic intent, clearly outlining the roles and powers it retains and those delegated to Management.

The roles and responsibilities of the Board, Chairman, Directors, Senior Independent Non-Executive Director, and GMD are detailed in the Board Charter, which is available under the Corporate Governance section at www.sdguthrie.com/who-we-are/corporate-governance.

Corporate Governance Overview Statement

To support its oversight responsibilities, the Board has established five Board Committees, each ensuring independent supervision of risk management and internal controls. These Committees remain focused on their respective mandates, enabling the Board to take a broader, enterprise-level perspective on strategy and governance.

TOR for each Board Committee are available under the Corporate Governance section at www.sdguthrie.com/who-we-are/corporate-governance.

BOARD MEETINGS AND ATTENDANCE

Board and Board Committee Meetings: 114 total hours

GAC	16 hours	SC	14 hours
NRC	15 hours	BTC	4 hours
RMC	13 hours	Board (including Board Retreats)	56 hours

The table below provides a breakdown of Directors' attendance at the Board and Board Committee meetings during FY2025:

Directors	Designation/ Independence	Composition	Meeting Attendance[#]					
			Board	GAC	NRC	RMC	SC	BTC
Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani	Chairman, Non-Independent		8/8					
Mohd Haris Mohd Arshad[1]	GMD		N/A					
Dato' Halipah Esa	Senior Independent	**N** S B	8/8		6/6		6/6	4/4
Tan Sri Mohd Zuki Ali	Non-Independent		7/8					
Dato' Mohd Nizam Zainordin	Non-Independent	G R	8/8	7/7		7/7		
Datuk Mohd Anwar Yahya	Independent	**R** G N	8/8	7/7	6/6	7/7		
Dato' Idris Kechot	Independent	**G** R S	7/8	7/7		7/7	6/6	
Dato' Sri Sharifah Sofianny Syed Hussain	Independent	**B** N	8/8		6/6			4/4
Mohd Irwan Ahmad Mustafa	Non-Independent	N R B	8/8		5/6	7/7		4/4
Jenifer Thien Bit Leong	Independent	**S** G	7/8	7/7			6/6	
Datuk Mohamad Helmy Othman Basha[2]	GMD		8/8					

Notes:
[#] Reflects the number of meetings held during the time the Director held office.
[1] Mohd Haris Mohd Arshad was appointed to the Board on 1 January 2026.
[2] Datuk Mohamad Helmy Othman Basha resigned on 31 December 2025.

Board Committees

G GAC   N NRC   R RMC   S SC   B BTC   ● Denotes Committee Chairman

KEY DELIBERATIONS BY THE BOARD

In FY2025, the key deliberations by the Board include:

Key Initiatives	Achievements
Strategy	• The Board has structured regular forums with Management through Board Retreats and Board meetings to review the Group's operational performance, deliberate on strategic priorities, and evaluate risks, thereby ensuring alignment and timely, appropriate responses. • These forums also provide a platform to explore strategic opportunities that may support the Group's growth objectives. In addition, the GMD shares updates on market developments, global economic trends, and the competitive landscape, highlighting factors with potential impact on the Group's business performance at the start of every quarterly Board meeting. • Two Board Retreats were held in March 2025 and September 2025, attended by Board members and Senior Management. These retreats serve as dedicated platforms for in-depth discussions on both operational and strategic matters. • The September 2025 Board Retreat was attended by the Boards of Flagship and Major Subsidiary Companies, where engagement sessions were held to strengthen strategic alignment across the Group.
New Business Pillars	• As part of the Group's strategic expansion into new business verticals, specifically industrial park development and renewable energy, the Board deliberated on growth opportunities and approved numerous projects to support these initiatives. The Board evaluated Management's recommendations, challenged assumptions and ensured that all major investment decisions were subject to appropriate governance and risk assessment. • Key strategic collaborations and development projects deliberated include: **Industrial Park Development** a. Planned development of the Kerian Integrated Green Industrial Park, a national priority project. b. Collaboration with Eco World Development Group Berhad and NS Corporation to develop an Industrial Park in Bukit Pelandok, Negeri Sembilan. c. Collaboration with Sime Darby Property Berhad to develop up to 2,000 acres of land in Carey Island, Selangor. d. Collaboration with Permodalan Negeri Selangor Berhad to explore the development of an approximately 470-acre visionary Edu-Technology Park and Food Security Hub on Carey Island, Selangor. e. Collaboration with Eco World Development Group Berhad and Permodalan Darul Ta'zim to develop Industrial Park of an approximately 942 acres in Kulai Estate, Johor. f. Collaboration with Sime Darby Property Berhad to develop up to 1,000 acres of land in Kerayong Estate, Selangor. **Renewable Energy** a. Bid participation and submission for the Large Scale Solar (LSS) Programme. b. Utility Scale Solar Development Collaboration with strategic partners via LSS Programme (for Peninsular Malaysia, as well as in Sarawak and Sabah) and Corporate Renewable Energy Supply Scheme (CRESS). c. Joint participation with a strategic partner in a Battery Energy Storage System for Peninsular Malaysia. d. Exploration of business opportunities with a strategic partner in biomass energy crops. *For further details on the new business pillars, refer to the GMD's review and Chairman's Message on pages 12 to 17.*
Finance and Business Performance	• The Board exercised close oversight over the Group's financial performance, capital management, and business performance throughout the year. This includes considering and approving various financing proposals such as the sukuk programme, external borrowings, working capital facilities, and corporate guarantees. Through these deliberations, the Board ensured that financial decisions were prudent, supported strategic priorities and safeguarded the Group's financial resilience. • The Group's financial report is circulated on a monthly basis in addition to the quarterly reporting at Board meetings. The reports tracked the business performance against targets.

Corporate Governance Overview Statement

Key Initiatives	Achievements
Board Composition	• The Board undertook reviews of the board composition across the Guthrie Board and its Flagship and Major Subsidiary Boards. The review resulted in changes to the composition of the Boards and Board Committees of the Flagship and Major Subsidiary Companies. • An independent consultant conducted a comprehensive assessment on the desired future composition of the Guthrie Board and each of its Board Committees. The outcome of the assessment is being expanded and worked on by Management. • The year saw some changes to the composition of the Board, in particular, the change in Nominee Director representing the Employees Provident Fund (EPF). Tan Sri Mohd Zuki Ali, Nominee Director of EPF, was appointed as a Non-Independent Non-Executive Director on 15 January 2025. • On 17 March 2026, Ahmad Faiz Ahmad Shahrudin resigned as Alternate Director to Mohd Irwan Ahmad Mustafa. Following his resignation, Ariff Ismail was appointed as the new Alternate Director to Mohd Irwan, effective 15 April 2026. *For further details on the nomination process and appointment, refer to the NRC Report on pages 86 to 90.* *For further details of the changes to the Board and Board Committee composition, refer to the table on the breakdown of Directors' attendance at the Board and Board Committee on page 78.*
Board Remuneration Review	• In 2023, the Board reviewed the Board Remuneration Framework for Flagship and Major Subsidiary Companies. The review has concluded with the shareholders approving the two-phased remuneration adjustments in 2024 and 2025. • In 2025, the Board also reviewed and proposed revisions to the benefit-in-kind (BIK) of the Guthrie Board to remain competitive and to provide better clarity for some of the benefits. Club Membership/Privileges was introduced as a new BIK for the Chairman with effect from 1 June 2025, following approval by shareholders at the 2025 Annual General Meeting (AGM).
Governance, Risk and Compliance	• The Board has implemented a robust governance framework to ensure checks and balances while creating long-term sustainable value for our stakeholders. During the year, the Board reviewed and considered updates to key policies, procedures, and delegated authority limits, including: a. GPA b. COBC Handbook c. Group Conflict of Interest Guidelines *For further details on Governance, Risk and Compliance, refer to the GAC Report on page 83, the RMC Report on page 93, and the Statement on Risk Management and Internal Control on page 94.*
Succession Planning	• The Board, together with the NRC, ensured that there is an appropriate succession plan for members of the Board and Senior Management. • The year also marked a leadership transition for the Group. Mr Mohd Haris Mohd Arshad was appointed as the GMD of Guthrie, succeeding Datuk Mohamad Helmy Othman Basha, ensuring continuity in leadership. *For further details on succession planning, refer to the NRC Report on page 86.*

BOARD COMPOSITION AND DIVERSITY

The Board aims to have an appropriate level of diversity in the Boardroom to reflect the diverse nature of the Company's operations and to support the achievement of the Company's strategic objectives. Diversity in terms of skills, background, knowledge, international and industry experience, culture, independence, age and gender, among many other factors, will be taken into consideration when seeking to appoint a new Director to the Board so as to bring relevant perspectives to Board discussions.

For further details on Board Composition and Diversity, refer to the NRC Report on pages 86 to 90.

BOARD & DIRECTORS' EFFECTIVENESS EVALUATION

The NRC conducts the Board & Directors' Effectiveness Evaluation (BDEE) annually. The findings of the BDEE 2025 included strengths and focus areas for FY2026. The evaluation reflected satisfactory performance by the Board and its Committees. All Directors have responded that they are fit and proper.

For further details on BDEE 2024, including the assessment criteria and findings, refer to the NRC Report on pages 86 to 90 and Practice 6.1 of the Corporate Governance Report 2025, available on our website under the Corporate Governance section at www.sdguthrie.com/who-we-are/corporate-governance.

BOARD COMMITTEES' EFFECTIVENESS

The Board has reviewed the effectiveness of all Board Committees in fulfilling their responsibilities as outlined in the respective TORs. The Board is satisfied that all Committees have discharged their duties effectively and in accordance with their TORs.

CORPORATE CULTURE AND VALUES

Guthrie's corporate culture and values are embedded in our Core Values and Business Principles. Our policies, procedures and guidelines serve as the foundation for achieving best practices and streamlining internal processes. A key component of this framework is the GPA, which defines responsibility, accountability and authority limits, formally delegating the Board's powers and functions to Management. These policies also set the expected standards of behaviour in dealings with stakeholders, which are clearly outlined in key documents and operationalised through the Group's processes. All key policies are available on the intranet and the Group's website.

The Group takes any breaches of these standards seriously and provides grievance and whistleblowing channels for stakeholders to report genuine concerns without fear of retaliation.

KEY POLICIES AND MEASURES INCLUDE:

- **COBC:** Provides guidance on the expected standards of behaviour for Directors, employees and, where applicable, counterparties and business partners, based on our Core Values and Business Principles.
- **Vendor COBC:** Aligns with the Group's Core Values and guides vendors on the required standards of behaviour, including compliance with labour and human rights, sustainability, health, safety and environment, ethics and management practices.
- **Anti-Corruption Management System:** Demonstrates the Group's zero tolerance for bribery and corruption, reinforcing our commitment to integrity and combatting corruption.
- **Group Conflict of Interest Guidelines:** Set out procedures to manage conflicts of interest for Directors and employees, ensuring that all business decisions serve the best interests of the Group and comply with relevant laws.
- **Grievance and Whistleblowing Channels:** Provide a confidential avenue for reporting genuine concerns without fear of retaliation.

For more details on these measures, refer to our website under the Corporate Governance section at www.sdguthrie.com/who-we-are/corporate-governance.

PROFESSIONAL DEVELOPMENT AND CONTINUOUS EDUCATION

Following the Directors' Training Needs Assessment for FY2025, training areas that were relevant to the focus areas were shared with the Board in 2025. All Directors are encouraged to participate in continuous education programmes, as well as visits to Guthrie's various operations to enhance their skills and knowledge, and to ensure that they keep abreast of new developments and legislation affecting the business and palm oil industry – including the new pillars.

Our Directors regularly undertake professional development and upskilling programmes to ensure they are well-equipped to perform their duties effectively. All Directors have completed the Mandatory Accreditation Programme (MAP) Part I and Part II, except for Tan Sri Mohd Zuki Ali, who was appointed on 15 January 2025 and is scheduled to attend MAP Part II by 15 July 2026.

The Board Education Programme (BEP), launched in 2024, is designed as the apex education programme for the Guthrie Board. The BEP aims to transform the Board into a Global Board by reframing norms, as well as to equip the Board with the necessary knowledge and expertise to effectively support the Company's rebranding and strategic shift towards expanding into the new business verticals, while continuing to strengthen the core plantation operations. The BEP has been well-received by the Board, and will be completed by the end of 2026. The post-2026 BEP is being worked on.

The NRC has also identified areas of interest from the Directors' Training Needs Assessment for FY2026, covering a broad range of topics relevant to the Group's business, the Directors' responsibilities and current industry concerns.

For further details on Directors' Training and Continuous Education Programme, refer to the Board of Directors' profiles in the Our Leaders section on our website at www.sdguthrie.com/who-we-are/our-leaders and the NRC Report on pages 86 to 90 of this Integrated Report.

BOARD REMUNERATION

The Directors' remuneration policy is regularly reviewed to ensure that the framework remains competitive and benchmarked against companies of similar size and business scope.

It is imperative that the Directors are remunerated in alignment with their roles and responsibilities to attract and retain top talent. This is done while considering the Group's performance, business direction, growth and aspirations.

A summary of the Directors' remuneration policy and the Executive Director's remuneration package is outlined in Practice 8.1 of the Corporate Governance Report 2025, available on our website under the Corporate Governance section at www.sdguthrie.com/who-we-are/corporate-governance.

The remuneration (in the form of fees) for the Board's Non-Executive Directors and members of the Board Committees for FY2025 is shown below:

Board/Board Committee	Chairman (RM/Year)	Member (RM/Year)	Meeting Allowance (RM/Meeting)
Board	600,000	240,000	1,500
GAC	80,000	50,000	1,000
NRC	60,000	35,000	1,000
RMC	60,000	35,000	1,000
SC	60,000	35,000	1,000
BTC	60,000	35,000	1,000

For further details on the Directors' remuneration (including benefits-in-kind) and the aggregate remuneration for the Group's Directors in FY2025, refer to Practice 8.1 of the Corporate Governance Report 2025, available on our website under the Corporate Governance section at www.sdguthrie.com/who-we-are/corporate-governance.

REMUNERATION OF SENIOR MANAGEMENT

The NRC reviewed the performance of the GMD and recommended a salary increment and bonus proposal for the Board's approval. Additionally, the NRC recommended salary increments, bonuses, and contract renewals for the Direct Reports to the GMD.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Governance & Audit Committee (GAC)

Dato' Idris Kechot, an Independent Non-Executive Director, serves as the Chairman of the GAC. The GAC comprises three Independent Non-Executive Directors and one Non-Independent Director.

The GAC's TOR outlines its mandate, purpose, composition, appointment, authority, functions, and duties. In FY2025, the GAC convened seven meetings, where they discussed and reviewed key matters relating to, among others, financial reporting and external audit, internal audit, governance & compliance, related party transactions, and conflicts of interest.

In fulfilling its oversight role on governance and internal controls, the GAC is supported by the CIAO, who leads the Group's in-house internal audit, integrity and governance functions.

For further details on the GAC's role and activities, refer to the GAC Report on pages 83 to 85 of this Integrated Report, and Practices 9.1, 9.2, 9.3, 9.4, 9.5, 11.1 and 11.2 of the Corporate Governance Report 2025, available on our website under the Corporate Governance section at www.sdguthrie.com/who-we-are/corporate-governance.

Risk Management and Internal Control Framework

The Board is responsible for identifying key risks and ensuring the implementation of effective internal controls and mitigation measures. The Board acknowledges that business decisions inherently involve risks, and its understanding of these risks, alongside the strategies to address them, is crucial to maintaining an appropriate balance of risks and controls across the Group.

The Board defines the Group's risk appetite and expects Management to establish a comprehensive risk management framework to identify, analyse, evaluate, manage, and monitor significant financial and non-financial risks. Additionally, the Board is tasked with reviewing the adequacy and integrity of the Group's information management and internal control systems, ensuring a robust framework for reporting on internal controls and regulatory compliance.

The Board has delegated these responsibilities to the GAC and the RMC to ensure independent oversight of risk and internal control matters across the Group.

For further details of the Risk Management and Internal Control Framework, refer to the Statement on Risk Management and Internal Control on pages 94 to 100 of this Integrated Report, and Practices 10.1, 10.2 and 10.3 of the Corporate Governance Report 2025, available on our website under the Corporate Governance section at www.sdguthrie.com/who-we-are/corporate-governance.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Communication with Stakeholders

The Board is committed to maintaining effective, transparent and regular communication with stakeholders to build trust and foster a mutual understanding of each other's objectives and expectations.

Timely and Quality Disclosure

The Board is dedicated to ensuring that all communication with the investing public regarding the Group's business, operations and financial performance is accurate, timely, factual, informative, consistent, and in compliance with legal and regulatory requirements. The AGM serves as an opportunity for shareholders to engage directly with the Board, the GMD, and Senior Leaders on the Group's performance.

The Group's website is a key communication channel for shareholders, the investment community, and the public. It hosts relevant information on the Group's governance framework, including our values, code of conduct, whistleblowing, and initiatives such as respect for human rights. Financial results, announcements made to Bursa Malaysia Securities Berhad and corporate presentations are also available on the website at www.sdguthrie.com, ensuring easy access to information for shareholders and stakeholders.

Integrated Reporting

The Group's Integrated Report for FY2025 has been prepared with reference to the Global Reporting Initiative Standards and the International <IR> Framework. All financial statements comply with the Companies Act 2016 (Malaysia) and the Malaysian Financial Reporting Standards (MFRS) and have been audited by the Group's external auditors, PricewaterhouseCoopers PLT.

Conduct of General Meetings

The notice of AGM and the Integrated Report will be issued to shareholders at least 28 days before the AGM. The AGM 2026 will be held through a hybrid mode where shareholders, corporate representatives, and proxies will have the option to attend the AGM physically or virtually via Remote Participation and Voting (RPV) facilities provided by the Poll Administrator. The AGM provides an opportunity for the Chairman and other Board members to present the Group's progress and performance, and Directors will be available to address shareholder questions.

For further details on the AGM, refer to the Investor Relations section and Practices 13.1, 13.2, 13.3, 13.4,13.5 and 13.6 of the Corporate Governance Report 2025 under the Corporate Governance section, both available on our website at www.sdguthrie.com/who-we-are/corporate-governance.

Governance & Audit Committee Report

OUR COMPOSITION

The composition of the Governance & Audit Committee (GAC) and its Members' attendance are provided in the Corporate Governance Overview Statement on pages 76 to 82.

In compliance with the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad, all GAC members are Non-Executive Directors, with a majority being Independent Directors. Dato' Idris Kechot serves as the Chairman of the GAC, satisfying the requirement of the Malaysian Code on Corporate Governance (MCCG) 2021, which mandates the separation of powers between the Chairman of the Board and Chairman of the GAC. None of the GAC members are former key audit partners of the Group.

The GAC members bring a diverse range of knowledge and skills, enhancing the Committee's ability to discharge its duties effectively. Among its four members, Dato' Mohd Nizam Zainordin and Datuk Mohd Anwar Yahya are qualified accountants, Dato' Idris Kechot has extensive experience in investment management, and Ms Jenifer Thien possesses substantive expertise in supply chain and sustainability advisory. Collectively, they ensure the GAC is financially literate and well-versed in the Group's operations.

OUR ROLES AND FUNCTIONS

The GAC oversees key areas, including financial reporting, external and internal audit, integrity and governance, compliance, related party transactions, conflict of interest, share issuance schemes, and overall controls and governance.

The Committee's roles and functions are outlined in its Terms of Reference (TOR) which is available under the Corporate Governance section at www.sdguthrie.com/who-we-are/corporate-governance.

SUMMARY OF ACTIVITIES

During the year under review, the GAC fulfilled its responsibilities as outlined in its TOR. Key activities undertaken by the GAC are summarised below:

Financial Reporting	• Reviewed the quarterly financial results, related announcements, and press statements before submission to the Board for approval. • Evaluated significant accounting matters identified by the auditors, including corrected and uncorrected misstatements, internal control recommendations, changes in the accounting policies and practices, and updates on recurring issues. • Reviewed the annual audited financial statements of the Company and the Group, along with the Directors' Report, to ensure compliance with relevant accounting standards and regulatory requirements before recommending approval to the Board. • Considered areas of significant audit risks in the Group's consolidated financial statements, including fraud risks related to revenue recognition and Management's override of controls. • Considered Management's assessments, impact analyses, and financial disclosures on significant audit matters and transactions. • Deliberated on the proposed dividends and recommended them for the Board's approval. • Approved the issuance of letters of financial support to subsidiaries and joint ventures with deficits in shareholders' fund or net current liability positions for the purposes of financial year end audit.
External Audit	• Held quarterly private meetings with the external auditors, PwC, without the presence of Management (except for the Group Secretary) to discuss PwC's reports and ensure unrestricted audit activities. • Reviewed PwC's audit findings, including Key Audit Matters, and monitored Management's responses and resolution actions. • Approved PwC's Group Audit Plan outlining the audit strategy and approach for FY2025. • Evaluated PwC's performance, independence, and recommended their re-appointment to the Board. • Reviewed and approved the proposed global audit fees payable to the Group's external auditors for FY2025.
Internal Audit, Integrity & Governance	• Conducted quarterly private discussion sessions with the Chief Integrity & Assurance Officer (CIAO), without the presence of Management (except for the Group Secretary), to discuss internal audit and governance matters. • Reviewed and approved the Corporate Assurance and Integrity & Governance Charters, which set forth the purpose, responsibilities and the necessary authority to carry out the work. • Reviewed and approved the Group Corporate Assurance (GCA) Plan and Group Integrity & Governance Plan (the Plans) for FY2025, assessing the adequacy of resources in fulfilling the Plans. • Reviewed the internal audit reports issued by GCA and tracked audit progress against the Plan. • Reviewed and recommended revisions to the Code of Business Conduct (COBC) Handbook for Board approval.

Governance & Audit Committee Report

Internal Audit, Integrity & Governance (Continued)	• Approved revisions to the TOR of the Whistleblowing Committee, Group Fraud Control Framework, and Group Anti-Corruption Compliance Framework. • Monitored the Group's Anti-Corruption Compliance Programme on a quarterly basis, including a review of the Anti-Corruption Management System (ACMS) to align with ISO 37001:2025 (Anti-Bribery Management System) certification requirements. The GAC was also kept informed of the implementation of the COBC programmes and ethics awareness initiatives across the Group. • Approved the biannual submission of the "Integrity & Governance Core Function Report" to the Malaysian Anti-Corruption Commission (MACC). • Reviewed the quarterly Whistleblowing and Non-Whistleblowing investigation reports, including whistleblowing investigation outcomes to ensure independent assessments were carried out, appropriate follow-up actions were implemented, and overall statistics on whistleblowing complaints were monitored. • Assessed the CIAO's performance, including proposed KPIs and achievement levels. • Reviewed the External Quality Assessment Review Plan for both the corporate assurance and integrity & governance functions. • Conducted an annual assessment of the corporate assurance and integrity & governance functions to ensure their purpose, authority, and responsibilities remained adequate to achieve set objectives.
Compliance	• Provided oversight on legal, regulatory, and internal policy compliance activities and initiatives. • Apprised of legal and regulatory requirements and assessment of impact on operations/businesses. • Reviewed and recommended revisions to the Group Policies & Authorities for the Board's approval. • Approved revisions to the Group Compliance Management Framework. • Reviewed and assessed compliance risks and mitigation actions relating to reported material compliance matters and/or non-compliance.
Related Party Transactions (RPTs) and Recurrent Related Party Transactions (RRPTs)	• Reviewed the Group's related party disclosures, including Related Party Transactions (RPTs) and Recurrent Related Party Transactions (RRPTs), to ensure compliance with Malaysian Financial Reporting Standards (MFRS) 124, the MMLR, the Malaysian Companies Act 2016, and the Group's internal guidelines. The review was undertaken to confirm that all transactions were in the Group's best interest, conducted on fair and reasonable terms consistent with the Group's normal commercial practices, and not prejudicial to the rights of minority shareholders.
Conflict of Interest	• Reviewed and recommended revisions to the Group Conflict of Interest (COI) Guidelines for the Board's approval. • Reviewed measures taken to resolve, eliminate, or mitigate actual or potential conflicts of interest involving the Board of Directors and key senior management. These included professional services, operational procurement for upstream and downstream businesses, as well as potential investment and business collaborations. In compliance with the MMLR and the Group COI Guidelines, the following measures were implemented: – Conflicted parties abstained from deliberations on relevant transactions, were not involved in negotiations, and had no access to related materials. – All transactions were conducted on an arm's length basis and in the best interests of the Group, in accordance with established policies and procedures. – Actual or potential conflicts of interest that led to an RPT were managed in compliance with the Companies Act 2016, the MMLR, and the Group's internal RPT guidelines. – Transactions involving conflicted parties were approved by an authority level higher than the prescribed limits of authority. – Transactions with conflicted parties were tabled for the GAC's quarterly review.
Integrated Report	• Reviewed and endorsed the following documents for inclusion in the Group's Integrated Report 2025, for the Board's approval: a. The Corporate Governance Report b. The Corporate Governance Overview Statement c. The Governance & Audit Committee Report d. The Statement on Risk Management and Internal Control
Other Matters	• Reviewed and recommended amendments to its TOR for Board approval, ensuring alignment with the organisational restructuring and the realignment of compliance oversight responsibilities. • As a standing agenda, the following reports are presented to the GAC for noting: a. Report on hedges and open positions b. Appointments of financial advisors for non-audit services

GROUP INTEGRITY, GOVERNANCE & ASSURANCE

1. Overview

Group Integrity, Governance & Assurance (GIGA) consists of the internal audit and integrity & governance functions. GIGA operates as an independent function led by the CIAO, Suhailah Mohamed Abdulla, who reports functionally to the GAC and administratively to the GMD. Suhailah is a Certified Fraud Examiner, a Certified Integrity Officer, and a Certified Internal Auditor accredited by the Global Institute of Internal Auditors. She also holds a Certification in Control Self-Assessment from the same Institute. Additionally, she is a member of the Malaysian Institute of Certified Public Accountants, the Malaysian Institute of Accountants, and a Chartered Member of the Institute of Internal Auditors. With over 30 years of experience in audit, governance, risk, and compliance across various industries, Suhailah brings extensive expertise to the Group's integrity and assurance functions.

2. Internal Audit

The internal audit function is carried out by GCA, which is responsible for conducting regular and systematic reviews to assess and enhance the effectiveness of the Group's risk management, control, and governance processes, as defined in the Corporate Assurance Charter.

GCA's activities are governed by the Global Internal Audit Standards issued by the Global Institute of Internal Auditors. In addition to the External Quality Assurance Review (QAR) performed in 2021, periodic internal QARs were undertaken to ensure adherence to these standards. To maintain independence and objectivity, GCA requires that its internal auditors remain free from any conflicts of interest while performing their duties.

During FY2025, GCA provided independent internal audit and advisory services across the Group. To ensure comprehensive internal audit coverage, GCA is supported by Regional Heads in Malaysia, Indonesia, Papua New Guinea, and Solomon Islands, as well as the Head of GCA IT & Analytics, all of whom report to the CIAO. GCA IT & Analytics manages an in-house data analytics unit to enhance the audit processes by leveraging technology and embedding advanced analytics. Operational costs incurred by GCA for FY2025 amounted to approximately RM16.2 million, primarily comprising staff costs (61 personnel) and professional fees.

GCA supports the Group by providing assurance within key focus areas of the Group's global operations, in consideration of the Group's risk universe, strategies, and business objectives as well as the inclusion of auditable areas for emerging risks and critical events impacting the Group's business. Key focus areas include governance and compliance, sustainability, supply chain, trading, sales and marketing, asset and inventory, project management and execution, information technology, and human resources. Thereafter, GCA regularly monitors the implementation of recommended action plans by Management to ensure timely resolution of audit findings/issues in addressing risk and control gaps.

3. Integrity & Governance

The integrity and governance function oversees whistleblowing (complaints management), investigations (detection & verification), integrity enhancement, and governance for the Group. The integrity and governance function is carried out by Group Integrity & Governance (GIG) and Group Fraud & Corruption Risk Management (GFCRM) units under GIGA.

Group Integrity & Governance

GIG's primary objective is to assist the Boards, GACs, and Management in coordinating integrity and governance activities. The GIG function is anchored on the principles of ISO 37001:2025 (Anti-Bribery Management System) and the Group Integrity & Governance Charter, which provide the framework for overseeing integrity and anti-bribery efforts across the Group. ISO 37001:2025 (Anti-Bribery Management System) outlines the key measures for preventing, detecting, and responding to bribery, while the Charter defines the function's mandate, roles, and responsibilities in strengthening governance and ethical conduct.

Details of key GIG activities, including ethics, conflict of interest, anti-corruption compliance, and whistleblowing, are provided in the Statement on Risk Management and Internal Control on pages 94 to 100.

Group Fraud & Corruption Risk Management

GFCRM detects and responds to fraud and corruption incidents/risks by conducting special reviews and investigations of complaints received through the whistleblowing channel, as well as those requested by the GAC and Management. As part of its fraud prevention efforts, GFCRM collaborates with GIG for fraud and corruption risk assessments across all business units. In addition, it issues quarterly newsletters and internal control memos to bolster fraud awareness throughout the organisation. GFCRM operates under the Group Fraud Control Framework, which aligns with the principles of the Fraud Risk Management Guide 2023 (FRMG) by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and Association of Certified Fraud Examiners (ACFE).

This report is made in accordance with the resolution of the Board of Directors dated 14 April 2026.

Nomination & Remuneration Committee Report

OUR COMPOSITION

The composition of the Nomination & Remuneration Committee (NRC) and its Members' attendance are provided in the Corporate Governance Overview Statement on page 78.

OUR ROLES AND FUNCTIONS

The NRC assists the Board in reviewing its size, composition, and balance to ensure an appropriate mix of skills, experience, knowledge, and responsibilities among Directors. The Committee also oversees SD Guthrie Berhad's (Guthrie) succession planning, human capital development, and the remuneration framework for Directors, Management, and employees.

The Committee's roles and functions are outlined in their Terms of Reference (TOR) which is available under the Corporate Governance section at www.sdguthrie.com/who-we-are/corporate-governance.

OUR FOCUS AND ACTION PLANS

In FY2025, the significant initiatives and matters deliberated by the NRC include:

Nomination Activities	
Nomination and Appointment	The NRC reviewed composition of boards and leadership succession at Guthrie, including the following: 1. Changes to the Board and Board Committees of the Flagship and Major Subsidiary Companies. The review was to ensure that the subsidiary boards' size, mix of skills, experience, and other qualities, including core competencies, continue to be in line with the Guthrie Group's requirements. 2. Overseeing the leadership transition, with Datuk Mohamad Helmy Othman Basha stepping down as Group Managing Director (GMD) on 31 December 2025, and succeeded by Mohd Haris Mohd Arshad on 1 January 2026. In preparation for the transition, the NRC deliberated on Mohd Haris' appointment as Deputy Group Managing Director as part of the Guthrie Group's succession plan. *The profile of Mohd Haris Mohd Arshad is available on page 70.* *Further details on the Nomination and Recruitment Process, and Board Composition and Diversity are provided on pages 87 and 88, respectively.*
Board & Directors' Effectiveness Evaluation	The NRC reviewed the actions arising from the Board & Directors' Effectiveness Evaluation (BDEE) 2024. Key priorities included identifying suitable candidates with the desired expertise for appointment as Independent Director to enhance Board diversity, particularly ethnicity, adjustments to strengthen certain Board Committees, and ensuring prompt circulation of board meeting papers. To support these initiatives, an independent consultant has been engaged to conduct a comprehensive assessment on the desired future composition of the Guthrie Board and each of its Board Committees. The outcome of the assessment is being expanded and worked on. Management will also continue its efforts on boardroom administration. For BDEE 2025, the NRC finalised the assessment criteria and agreed to conduct it internally via a questionnaire-based evaluation. The scope covered the Board, Board Committees, and individual Directors, including Independent Directors, and the review of the term of office and performance of the Governance & Audit Committee (GAC). The findings of the BDEE 2025, presented to the NRC and Board in 2026, included the strengths and focus areas for FY2026. The evaluation reflected satisfactory performance of the Board and its Committees. All Directors have responded that they are fit and proper. *Detailed information on the BDEE 2025, including assessment criteria and findings, is disclosed in Practice 6.1 of the Corporate Governance Report under the Stock and Shareholder Information section at www.sdguthrie.com/investor-relations/stock-and-shareholder-information.* The NRC also implemented annual Board Effectiveness Evaluations for the Flagship and Major Subsidiary Boards commencing in FY2025 to identify their collective upskilling or development needs. The evaluations are adapted from the Guthrie Board's BDEE framework, with adjustments to reflect the subsidiary's operations and governance responsibilities. The NRC will review the inaugural evaluation reports and action plans in 2026.
Succession Planning	The NRC reviewed the reassessment outcomes of L1 (direct reports to GMD) successors to supplement readiness and suitability profiles. The assessment, conducted via the Behavioural Event Interview (BEI) approach, validated data from competency assessments, personality traits, cognitive abilities, and situational judgement. Insights gathered were translated into targeted development initiatives for successors, ranging from exposure opportunities, executive coaching, and participation in executive education programmes.

Remuneration Activities	
Board Remuneration	The NRC reviewed and recommended the remuneration of Non-Executive Directors (NEDs) across the Group. *Detailed disclosures of the remuneration of individual Directors are available in Practice 8.1 of the Corporate Governance Report under the Stock and Shareholder Information section at www.sdguthrie.com/investor-relations/stock-and-shareholder-information.* The review of the Board Remuneration Framework for Flagship and Major Subsidiary Companies, initiated in 2023, was concluded in 2024. Shareholders approved two phases of remuneration adjustments effective 2024 and 2025. Given the vital role of the Guthrie Chairman as the public face and spokesperson of the Board, the NRC proposed Club Membership/Privileges as a new benefit-in-kind (BIK) for the Chairman. This was approved by shareholders at the 2025 Annual General Meeting (AGM) and took effect from 1 June 2025.
Group Managing Director Performance Scorecard, Evaluation and Remuneration	The NRC reviewed the GMD's performance and recommended the salary increment and bonus proposal for the Board's approval.
Senior Management Remuneration and Renewals	The NRC recommended for the Board's approval, the salary increments, bonus proposals, and contract renewals of Key Management Positions.

NOMINATION AND RECRUITMENT PROCESS

The NRC drives the recruitment process for new Directors. In assessing potential candidates, the following selection criteria are applied:

- Required skills, knowledge, expertise, and experience
- Time commitment, character, professionalism, and integrity
- Ability to work cohesively with other members of the Board
- Specialist knowledge or technical skills in line with the Group's strategy
- Diversity in age, gender, and experience/background
- Number of directorships held outside the Group.

The assessment is also guided by the Directors' Fit and Proper Policy, as set out in the Board Charter. All newly appointed Directors have been evaluated against these criteria, and the Board is satisfied that they meet the required fit and proper criteria.

Nomination & Remuneration Committee Report

Overview of the Nomination and Recruitment Process

Nomination	Selection	Deliberation and Approval	Immersion
• For Independent Directors, candidates are identified through independent sources and/or recommendations based on the selection criteria • For Nominee Directors, candidates are nominated or recommended by the nominating shareholder with consideration to the selection criteria • Where relevant, the NRC will seek third-party feedback on identified candidates	• Candidates are evaluated on the overarching fit and proper criteria as well as potential conflict of interest/ conflict of interest situations • Shortlisted candidates attend engagement session with the NRC • NRC discusses and recommends shortlisted candidates to the Board	• The Board deliberates and approves the appointment of the selected candidate(s)	• Selected candidate accepts appointment and undergoes onboarding and the Board Immersion Programme

The Group conducts onboarding sessions for newly-appointed Directors to familiarise them with the Group's strategies, businesses, operational and financial performance, challenges, and organisational structure.

Additionally, the Board Immersion Programme (BIP) was designed and developed in 2024 with the objective of providing Directors with a deeper understanding of Guthrie's operations. The BIP includes field visits and on-ground briefings, which provide practical insights into the Group's operations. The BIP complements the existing Board Onboarding Session, which remains the primary programme for new Directors.

RE-ELECTION OF DIRECTORS

The NRC reviews the performance and contributions of Directors seeking re-election to ensure they meet the required standards. This includes conducting a fit and proper assessment. The NRC and Board are satisfied that the following Directors meet the overarching fit and proper criteria and recommend their re-election at the forthcoming AGM in accordance with the Company's Constitution:

Rule 81.2 of the Constitution	Rule 103 of the Constitution
Mohd Haris Mohd Arshad	Dato' Idris Kechot Dato' Sri Sharifah Sofianny Syed Hussain

The Board has accepted the intention of Dato' Halipah Esa not to seek re-election at the forthcoming AGM. Hence, Dato' Halipah Esa will retain office until the conclusion of the forthcoming AGM in accordance with Rule 103 of the Constitution.

The profiles of the above Directors are available in the Board of Directors section on pages 70 to 73.

BOARD COMPOSITION AND DIVERSITY

The Board Composition Policy outlines the Board's aspirations for diversity to reflect the diverse nature of the Company's operations and support its strategic objectives.

The Board's current diversity against the Policy is as follows:

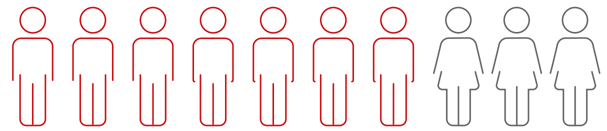
- **Gender Diversity**
  The Board has met its target of 30% women (or three women Directors) based on its current composition.
- **Age Diversity**
  The Board aims to maintain a generationally diverse composition, creating a balance between maturity, experience, flexibility, and adaptability to lead the Company.
- **Ethnic Diversity**
  The Board is committed to enhancing ethnic diversity over time as vacancies arise and suitable candidates are identified.
- **Independence of Directors**
  The Board comprises a balanced composition of five Independent NEDs out of 10 Directors.

  The NRC is highly committed to achieving and maintaining a majority of independent representation on the Board.

  The Board is satisfied that the Independent Directors provide objective judgment, contributing effectively to the Board's deliberations and decisions.
- **Tenure**
  None of the five Independent NEDs has served on the Board for a cumulative period of nine years.

Gender Diversity

7 Male Directors

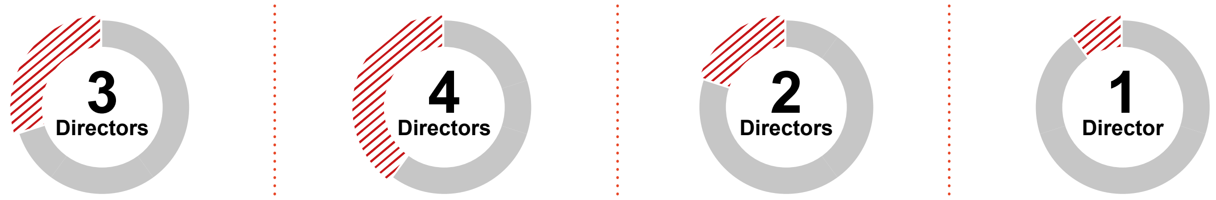


3 Women Directors

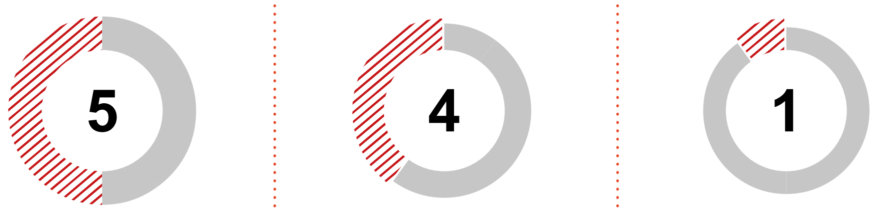
30% Women Directors on the board

Age Diversity

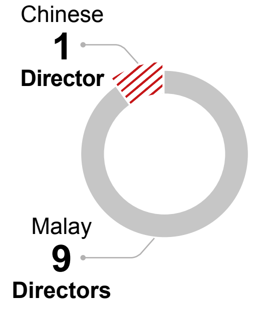
The average age of the Board is 63 years old



Independence of Directors



Ethnic Diversity



Years of Service I Independent Non-Executive Directors

1 Director	1 Director	2 Directors	1 Director
5 Years	4 Years	3 Years	2 Years

Note: As at 20 March 2026

The profiles of the Board of Directors are available on pages 70 to 73 of this Integrated Report.

The Board Composition Policy is implemented and monitored by the NRC to ensure continuous progress towards the achievement of the Board's diversity objectives.

Salient features of the Board Composition Policy are available in the Corporate Governance section at www.sdguthrie.com/who-we-are/corporate-governance.

Nomination & Remuneration Committee Report

DIRECTORS' TRAINING NEEDS ASSESSMENT

The Directors' Training Needs Assessment conducted in 2025 gathered input from all Directors on priority training areas for FY2026. The following areas of interest were identified:

Emerging Trends: Anticipating Disruption in Board-Level Oversight	17%
Global Sustainability Megatrends for the Next 5 Years and Risks and Opportunities for Businesses	13%
Sustainability in Palm Oil: Strategic Supply Chain Reform	13%
Risk Management & Strategy: Linking Risk to Value Creation & Accountability	11%
Leadership Excellence through Awareness and Practice	9%
Navigating Ethical, Legal and ESG Dimensions of Digital Transformation and Artificial Intelligence (AI)	9%
Navigating Sustainability Risk in Global Agriculture Supply Chain	6%
Mergers & Acquisitions and Corporate Restructuring	6%
Human Capital Governance and Talent Strategy	6%
Climate and Nature Risks and How it Impacts and Present Opportunities for Agribusiness	6%
Global Sustainability Reporting and Accounting Developments (IFRS for S1, S2 and Future Upcoming Standards)	4%

Training programmes relating to these focus areas will be monitored and shared with/recommended to the Board as part of ongoing development efforts. When compared to the previous year, the Board has indicated a higher interest in risk management and Board-level oversight, and areas of continued interest are responsible agriculture and AI.

For details of the training and continuous education programmes attended by each Director, please refer to the Board of Directors' profiles under Our Leaders section at www.sdguthrie.com/who-we-are/our-leaders.

The Directors' individual areas of expertise are in the Board of Directors section on pages 70 to 73 of this Integrated Report.

OUR PRIORITIES

The NRC remains focused on the following key areas:

i. **Strengthening Board Independence –** the Board currently maintains a balanced composition, with five out of 10 Directors being Independent NEDs. The NRC will continue its search for suitable candidates to strengthen Board independence and target a majority of Independent Directors, fostering greater objectivity in boardroom deliberations.

ii. **Board Composition –** the Board remains committed to ensuring an optimal balance of skills, experience, and diversity. Oversight and discussions on Board composition will continue in parallel with a comprehensive review of the governance framework for the Main Board and the Flagship/Major Subsidiary Boards. Guided by the updated Board Governance Framework, the NRC will evaluate and determine the most effective composition for all boards, ensuring alignment with evolving governance standards and priorities of the Group.

iii. **Board Education –** the current Board Education Programme (BEP), launched in 2024, is scheduled to be completed by the end of 2026. Designed as the apex education programme for Guthrie Board, the BEP aims to transform the Board into a Global Board by reframing norms, as well as to equip the Board with the necessary knowledge and expertise to effectively support the Group's rebranding and strategic shift towards expanding into the new business verticals, while continuing to strengthen the core plantation operations.

The BEP has received positive feedback from Directors for its practical insights and relevance. The NRC will evaluate options and structure of the next long-term phase for Board Education post-completion of the BEP.

iv. **Strengthening Talent Management –** Guthrie will continue to bolster its talent management in FY2026, focusing on expanding its talent pool, enhancing capabilities, and building a strong succession pipeline. The Talent Management Framework will be progressively enhanced to remain aligned with evolving market practices and industry best practices.

v. **Scaling The Crest –** in FY2026, The Crest will focus on strengthening its role as Guthrie's integrated learning academy by building a robust ecosystem that is aligned to business and talent priorities while ensuring learning and development activities drive impactful people development outcomes.

Sustainability Committee Report

OUR COMPOSITION

The composition of the Sustainability Committee (SC) and its Members' attendance are provided in the Corporate Governance Overview Statement on pages 76 to 82.

OUR ROLES AND FUNCTIONS

The SC ensures the Group operates in line with its overall sustainability objectives to minimise negative impacts, restore and conserve the environment, and transform lives and livelihoods within the communities where the Group operates.

The Committee's roles and functions are outlined in its Terms of Reference (TOR), which is available under the Corporate Governance section at www.sdguthrie.com/who-we-are/corporate-governance.

OUR FOCUS AND ACTION PLANS

The SC oversees the implementation of the Group's "Beyond Zero" Framework and the management of sustainability risks and opportunities impacting operations of SD Guthrie Berhad (Guthrie) and its global supply chain. Throughout the reporting period, the Committee received regular updates on key sustainability initiatives and issues at each meeting. The Committee's focus in FY2025 were as follows:

1. **Providing Oversight of the Group's Sustainability Progress**

   The SC continues to oversee and monitor the implementation of the Group's sustainability progress. These included:

   a. Reviewing and providing feedback on the progress of Guthrie's "Beyond Zero" initiatives to ensure continued advancement and to reinforce the Group's position as a leader in sustainability.
   b. Monitoring the progress of climate-related strategies, including methane capture initiatives, solar energy projects, peat emissions management, and ongoing reforestation efforts across the Group.
   c. Reviewing the effectiveness of sustainability-related enhancements implemented in Malaysia, such as the Responsible Recruitment Procedures and Grievance Mechanisms.
   d. Overseeing the implementation of Occupational Safety and Health policies and procedures across the Group, including detailed reviews of all fatality incidents recorded during the year.
   e. Monitoring progress in improving supply chain traceability and compliance with the Group's No Deforestation, No Peat, and No Exploitation (NDPE) commitments across the Group's supply chain.
   f. Monitoring the Group's progress in complying with emerging regulatory requirements in destination markets, such as the European Union Regulation on Deforestation-free Products (EUDR).
   g. Deliberating on sustainability risks and opportunities that could potentially arise from new businesses and initiatives.

Further details of Guthrie's "Beyond Zero" Framework can be found in the Sustainability Report under 'Strategy and Sustainability Related Goals' on page 6.

2. **Monitoring and Reviewing the Group's Efforts Around Transparency and Engagement**

   The SC engaged in thorough deliberations regarding the Group's sustainability disclosures and stakeholder engagement, ensuring alignment with stakeholder expectations. These included:

   a. Reviewing and endorsing the Key Performance Indicators (KPI) associated with the issued sustainability-linked sukuk and the corresponding Sustainability Performance Targets (SPT) to ensure alignment with the Group's strategic sustainability objectives.
   b. Engaging directly with stakeholders to gather insights and perspectives on sustainable palm oil and wider industry developments. In FY2025, the SC's external engagements included local regulators, key customers and civil society organisations.
   c. Reviewing all sustainability-related disclosures in the Group's FY2024 Annual Report, Sustainability Report, and the Modern Slavery and Human Trafficking Statement FY2024.
   d. Deliberating the outcomes of the limited external assurance process conducted on the Group's FY2024 greenhouse gas (GHG) data.

Further details of Guthrie's sustainability risks and opportunities can be found in the Sustainability Report on page 14.

OUR PRIORITIES

The Group will continue to strengthen its leadership in sustainability across its operations and global supply chain. Key focus areas include:

- **Driving progress on the "Beyond Zero" Framework.** The Group would need to ensure that it demonstrates credible progress against its commitments. From climate and nature-related risks to human rights and smallholder inclusion, the SC will work closely with Management to oversee implementation and closely monitor progress.
- **Future-proofing the Group against evolving expectations.** Recognising the evolving sustainability landscape, the SC continues to work with Management in engaging stakeholders to better understand expectations on sustainable palm oil, emerging trends, and regulatory developments. The SC will also continue to monitor and deliberate on emerging sustainability risks and opportunities that arise from potential new businesses and ventures.
- **Providing oversight over continuous improvement of sustainability compliance.** The Group continues to maintain certification to various sustainability standards, for example the Roundtable on Sustainable Palm Oil (RSPO), Malaysian Sustainable Palm Oil (MSPO), and Indonesian Sustainable Palm Oil (ISPO). The SC will continue to provide oversight over compliance against the backdrop of evolving requirements from the standards that the Group adopts.

Further details of the Group's progress can be found in the Sustainability Report under 'Strategy and Sustainability Related Goals' on page 6.

Board Tender Committee Report

OUR COMPOSITION

The composition of the Board Tender Committee (BTC) and its members' attendance are provided in the Corporate Governance Overview Statement on page 78.

OUR ROLES AND FUNCTIONS

The BTC provides oversight and strategic direction over the Group's procurement and tendering activities, ensuring transparency, accountability, and value creation throughout the procurement process. The Committee plays a critical role in upholding robust governance standards, ensuring strict adherence to the Group Procurement Policies and Authorities (GPPA) and applicable regulatory requirements, while safeguarding the Company's interests in all procurement-related decisions.

Through resolute execution of these duties, the Committee fortifies the Group's procurement governance structure, improves operational performance, and advances ethical, responsible sourcing practices. These actions drive cost savings, minimise risks, and build supply chain robustness, thereby underpinning the Company's enduring growth, sustainability, and stakeholder confidence.

The Committee's roles and functions are outlined in its Terms of Reference (TOR), which is available under the Corporate Governance section at www.sdguthrie.com/who-we-are/corporate-governance.

OUR FOCUS AND ACTION PLANS

In FY2025, the significant initiatives and matters deliberated by the BTC include:

- **Strengthening Procurement Oversight and Operational Efficiency**
  Continued to review and refine the GPPA to deliver superior transparency, efficiency, and oversight. These updates incorporate industry-leading practices, reinforce compliance mechanisms, and enable cost-effective, principled procurement across SD Guthrie Berhad (Guthrie).
- **Strengthening Supply Chain Stability through Strategic Sourcing and Forward Planning**
  Through forward-looking strategies and collaboration with stakeholders, Guthrie deployed a robust strategic sourcing model to procure alternative materials from diverse suppliers. This approach substantially counters global supply disruptions, sustains operations, and boosts efficiency. Diversified sourcing and strengthened supplier partnerships enhance resilience, reduce vulnerability to disruptions, and sustain performance aligned with strategic objectives.
- **Strengthening Cost Optimisation through Procurement Excellence**
  Harmonised specifications, consolidated procurement volumes, and deployed aggressive negotiation tactics to maximise value for Guthrie. These steps improve cost control, elevate procurement performance, and solidify the Group's supply chain operations.
- **Strengthening Bumiputera Empowerment Agenda**
  Consistently achieved 30% Bumiputera participation in line with the national aspiration. This reflects the Company's dedication to inclusive growth and to nurturing Bumiputra businesses.
- **Strengthening Bumiputera Empowerment Agenda Through Strategic Opportunities**
  – Expanded initiatives to nurture Bumiputera entrepreneurs, particularly in agricultural activities within the Company's estates in Peninsular Malaysia, supported by structured monitoring and ensuring alignment with intended outcomes.
  – Continued efforts to nurture Bumiputera vendors in the Bumiputera Vendor Development Programme (BVDP) focused on increasing participation and expanding opportunities in line with established development targets.
- **Fostering Strategic Engagement with Entrepreneurs and Vendors**
  – Organised Vendor Day 2025 on 15 October 2025 to highlight Guthrie's key Bumiputera vendors' progress, supporting the Government's agenda for enhanced food security.

PROCUREMENT REVIEW AND GOVERNANCE

During the year, the BTC reviewed and deliberated on key procurement matters, ensuring all decisions were undertaken with full transparency and in accordance with established requirements and governance standards.

OUR PRIORITIES

The BTC provides oversight of the Group's procurement of goods and services across its global operations, ensuring that major contracts and tenders are conducted with consistent standards of transparency, fairness, and integrity. Through established governance frameworks and disciplined sourcing practices, the BTC supports procurement decisions aligned with the Group's strategic priorities, operational requirements, and the evolving global context.

In carrying out its mandate, the BTC upholds adherence to the GPPA, reinforcing compliance, accountability, and consistency across jurisdictions. The Committee also takes into account broader external factors, including global market conditions and geopolitical developments in its deliberations, while maintaining a focus on cost optimisation and balancing value, quality, and sustainability considerations in procurement outcomes.

The BTC will continue to strengthen procurement oversight and frameworks to support sound decision-making, enhance stakeholder confidence, and sustain the Group's long-term resilience amid an increasingly complex and dynamic global environment.

Risk Management Committee Report

OUR COMPOSITION

The composition of the Risk Management Committee (RMC) and its Members' attendance are provided in the Corporate Governance Overview Statement on page 78.

OUR ROLE AND FUNCTIONS

The RMC supports the Board of Directors in fulfilling its statutory and fiduciary responsibilities by identifying significant risks and ensuring the Risk Management Framework incorporates the necessary policies and mechanisms to manage the Group's overall risk exposure.

The RMC evaluates the adequacy and effectiveness of the Risk Management Framework to ensure alignment with the Group's vision and strategic objectives, while safeguarding stakeholders' interests.

The Committee's roles and functions are outlined in their Terms of Reference (TOR) which is available under the Corporate Governance section at www.sdguthrie.com/who-we-are/corporate-governance.

OUR FOCUS AND ACTION PLANS

In FY2025, the RMC undertook the following key activities:

- Monitored principal risks impacting the Group's strategic objectives. This included reviewing strategic risk reports on external and emerging risks, country risk assessments in key operating regions, and updates on significant internal risk exposures.
- Provided oversight of Risk Management activities for the Group, including:

  Enterprise Risk Management
  – While no material changes were made to the Risk Management Framework during FY2025, the framework continues to be reviewed on an ongoing basis. Any material updates were incorporated and reported to the RMC as and when they arose.
  – A fortnightly key risk perspective newsletter is issued to provide Management with updates on emerging risks, external developments, and potential implications to the Group.
  – Conducting strategic risk assessments of country risk exposures and outlooks across key risk areas to support risk monitoring and strategic planning.
  – Evaluating risk exposures associated with proposed investments and divestments to support Management's decision-making.
  – Updating existing risk profiles and establishing new risk profiles through risk assessment and risk workshops.
  – Reviewing risk exposures relating to ongoing projects and previously approved investment initiatives.
  – Strengthening risk awareness and promoting a risk-aware culture through employee risk communications, including the "All About Risk!" series.

  Business Continuity Management
  – Developing and enhancing Business Continuity Plans (BCPs) across upstream and downstream operations to strengthen continuity of critical business functions.
  – Organising Business Continuity Management refresher sessions and reviewing existing BCPs to ensure continued relevance, preparedness, and awareness across the Group.

- Reviewing cyber security risks and related exposures
- Reviewing new investment opportunities and proposed disposals
- Assessing financial exposure positions across the Group
- Reviewing price risk strategies and trading positions

Where relevant, the RMC also leveraged on the work of other Board committees, including the Sustainability Committee and the Nomination & Remuneration Committee, to ensure comprehensive oversight of specific risk exposures.

OUR PRIORITIES

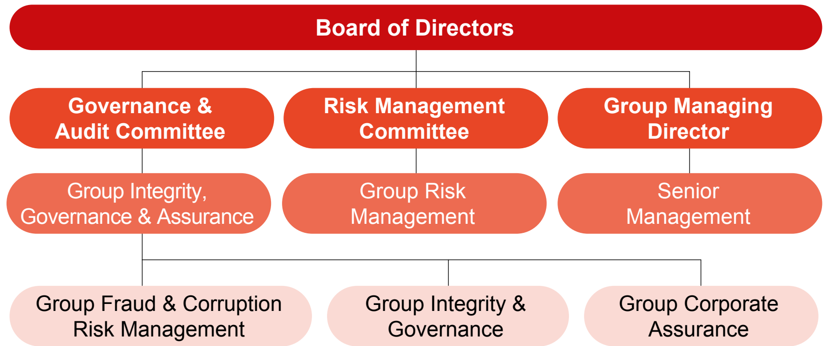
In the year ahead, the RMC will continue to oversee the implementation of the Risk Management Framework across the Group, ensuring effective risk management and mitigation. Key priorities include conducting in-depth assessments of SD Guthrie's most significant risks, monitoring and tracking of follow-up actions, and updating or creating risk profiles for business units globally. Additionally, the RMC will oversee the development of BCPs for key overseas entities in accordance with the Business Continuity Framework, enhancing the Group's resilience in an evolving risk landscape.

Statement on Risk Management and Internal Control

The Board is pleased to present the Statement on Risk Management and Internal Control, which provides an overview of the risk management and internal control within SD Guthrie (Guthrie) for the financial year under review.

RESPONSIBILITIES AND ACCOUNTABILITIES

Guthrie's robust governance structure provides a system of checks and balances that ensures accountability, supports informed decision-making, and creates long-term value for our stakeholders. In navigating the challenges of 2025, our integrated ecosystem of governance, risk management, and internal controls enabled the Group to address challenges effectively while delivering sustainable value to our stakeholders, in line with our commitment to transparency, integrity, and ethical practices.

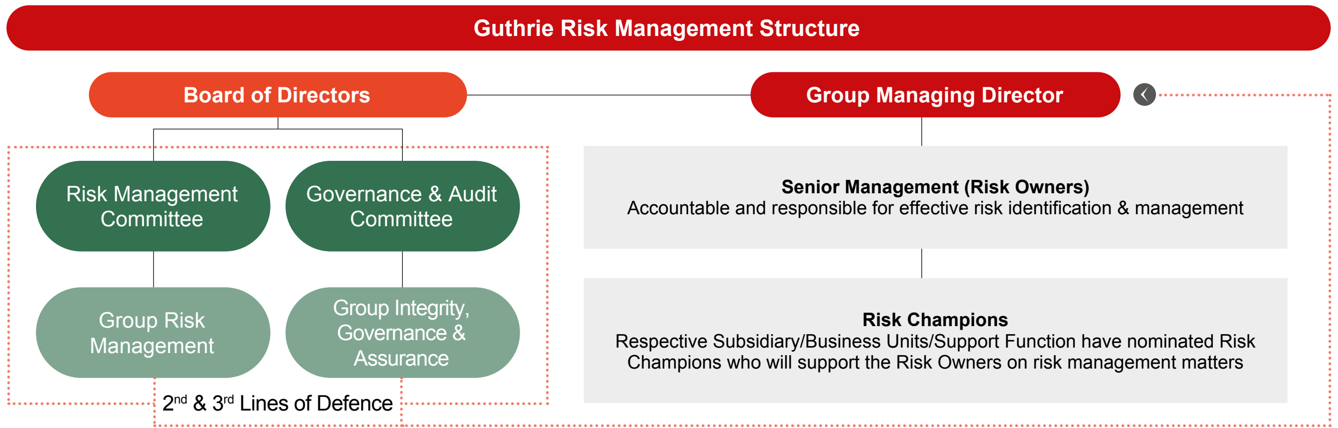


For more information on our governance structure, refer to the Corporate Governance Overview Statement on page 78, the Governance & Audit Committee Report on pages 83 to 85, and the Risk Management Committee Report on page 93.

RISK MANAGEMENT

Risk Management Governance Structure

Our risk management structure establishes a clear governance framework on risk management with defined responsibilities across the relevant levels of management and operations to ensure effective risk oversight.



Board of Directors	• Responsible for the establishment, oversight, and monitoring of the Group's Risk Management Framework, as well as reviewing its effectiveness in supporting Guthrie's vision and strategic objectives while safeguarding shareholders' investments and the Group's assets.
Risk Management Committee (RMC)	• Assists the Board in establishing the Risk Management Framework and providing guidance to business units to operate, identify, and report Group-wide risks. The RMC has a broad mandate to ensure the effective implementation of, and compliance with, the Risk Management Framework across the Group. The RMC is also responsible to report periodically to the Board on material risk exposures and the progress and assessment of risk management activities.
Group Risk Management (GRM)	• Supports the Board and the RMC in overseeing the Group's risk management activities including the establishment, policy updates, and oversight of the Risk Management Framework. GRM integrates risk management into key business processes through a formal risk management process to facilitate effective decision-making and foster a strong risk-aware culture. Working closely with business units, GRM provides expertise and guidance while actively monitoring and challenging risk-related matters to achieve organisational objectives. While risk identification and management remain the responsibility of individual risk owners and managers, GRM plays a key advisory role in facilitating the process and strengthening overall risk governance. *For further details on the activities of the RMC and GRM, refer to the RMC Report on page 93.*
Group Managing Director (GMD) and Senior Management	• The Board delegates to the GMD the responsibility for ensuring the effective implementation, maintenance, and adherence to the Risk Management Framework across the Group. Senior Management supports the GMD in ensuring that risk management practices are adequately carried out, particularly in evaluating and making key strategic and operational decisions. The GMD and Senior Management also provide leadership and sponsorship to business operations in implementing the Risk Management Framework and ensuring that risk considerations are embedded in decision-making and strategic planning.
Risk Owners and Risk Champions	• Heads of business units and support functions serve as designated Risk Owners, responsible for managing risks within their areas of operation. Risk Champions assist the Risk Owners in fulfilling their risk management responsibilities and working with GRM on risk management activities. These include ensuring the timely identification and updating of risks, controls, issues, and action plans within their respective units or projects, as well as escalating risks in their units to their respective heads (Risk Owners) and GRM.

GROUP RISK MANAGEMENT FRAMEWORK

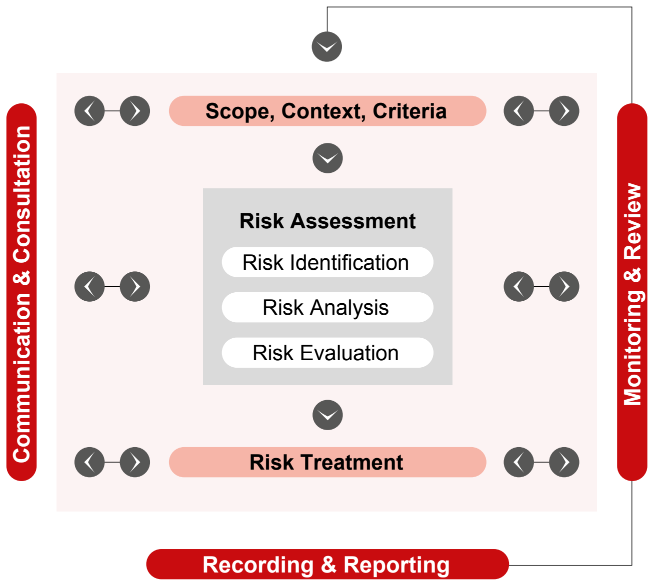
Risk management is embedded within the organisation's structure, processes, objectives, strategies, and activities. The Group's Risk Management Framework, overseen by GRM, promotes three facets of risk management, as illustrated in the diagram below.

Statement on Risk Management and Internal Control

Guthrie's Risk Management Framework is aligned with the ISO 31000:2018 (Risk Management) and Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2017 Enterprise Risk Management – Integrating with Strategy and Performance. This alignment underscores our commitment to embedding enterprise risk management within strategic planning and integrating it into the organisation's value creation and protection measures.

The primary goal of the Risk Management Framework is to identify, evaluate, and manage risks that could impact the achievement of the Group's long-term and short-term strategies. Our risk management approach promotes a culture of risk awareness in decision-making, reinforcing our commitment to proactive and effective risk management. This includes the early identification and evaluation of threats and opportunities, mitigating potential threats before they materialise, and responding swiftly when they arise. Additionally, we actively pursue opportunities that create value within agreed risk tolerances. Our risk management process is designed not to eliminate all risks, but to manage them effectively while accepting an appropriate level of risk to generate sustainable returns.

The Risk Management Framework integrates risk identification and mitigation into both strategy-setting and performance management. Our approach is two-pronged: a top-down strategic perspective complemented by bottom-up operational risk assessments, all while considering the external environment in which we operate. To enhance risk oversight, these assessments are further supported by strategic country risk analyses, fortnightly risk outlooks, and risk assessments for key projects and investments undertaken by the Group. This proactive approach enables us to anticipate and mitigate risk events while strengthening risk understanding and management across all levels of the business. As outlined in the Risk Management Framework, risk management follows a structured process comprising the following steps:



The Risk Management Framework emphasises the role of leadership in embedding risk management as an integral part of the Group's operations. Responsibility for identifying, evaluating, and managing risks rests with all employees and business leaders, who operate within the Group-wide framework to manage risks within approved limits, guided by risk appetite statements. In pursuing our strategic objectives, it is imperative to balance between risk and growth potential to ensure that rewards are commensurate with the associated risks.

RISK APPETITE

Risk appetite refers to the level of risk an organisation is willing to accept in pursuit of its strategic objectives. At Guthrie, the risk appetite framework guides the conduct of business, ensuring that business objectives are pursued within the boundaries of the Group's risk appetite, business ethics, and good governance. Risk considerations are embedded in the strategy-setting and decision-making processes. When defining objectives and strategic goals, the Group evaluates the associated risks and determines its appetite for those risks, ensuring that decisions are made within these established boundaries.

The Group's risk appetite is closely integrated with the business planning and reporting process, including alignment with the Group Strategy Compass. As part of the review of the Group's strategy, business plans and key initiatives are evaluated against established risk appetite parameters to ensure alignment with the Group's risk tolerance. This enables the Board to consider strategic proposals with a clear view of associated risks, while ensuring that execution remains within acceptable boundaries.

Risk Appetite Framework

Provide guidance on how we conduct business to achieve business objectives within the boundaries of the Group's risk appetite, business ethics, and good governance.

Guthrie's approach to risk appetite is explicitly and implicitly defined via various Board approved/endorsed documents, for example:

- Strategy Blueprints
- Investment Guidelines
- Limits of Authority
- Group Policies & Procedures
- Group Procurement Policies & Procedures
- Risk Parameters (likelihood and impact)
- Code of Business Conduct
- Responsible Agricultural Charter (RAC)
- Human Rights Charter (HRC)
- Responsible Sourcing Guideline (RSG)
- Responsible Recruitment Procedure (RRP)

The Group's Risk Appetite Framework incorporates the risk appetite statements, which are approved by the Board through the RMC.

Area	Risk Appetite Statement
Growth	• Guthrie will pursue growth strategies that are clearly stipulated in the Board-approved Strategy Blueprint. Due consideration as to the risks and mitigating actions pertaining to these strategies would be assessed at every iteration of the Strategy Blueprint.
Debt/Funding from operations	• Guthrie is committed to pursue strategies as stated in the Board-approved Strategy Blueprint with investment and capital expenditure implications that facilitate it maintaining an adequate level of liquidity (as prescribed by the Board) and an appropriate credit rating from an external credit rating agency(s).
Reputation and brand image	• Guthrie will avoid any situation or action that will negatively impact our reputation and brand and, if an undesirable situation does arise, manage it aggressively to protect its reputation and brand image.
Robust risk and control environment	• Guthrie aims to maintain adequate controls for all key risks identified (including but not limited to strategic, operations, compliance and financial risks) in which the Group will endeavour to remain vigilant in risk identification and management to protect its business and reputation.
Environment	• Guthrie maintains its businesses in such a way as to minimise, to as low as reasonably practicable, risks to the environment as a matter of principle. The Group will comply with environmental laws and regulations and endeavour to maintain high standards.
Safety and Health	• Guthrie will minimise, to as low as reasonably practicable, risks to safety and health as a matter of principle. The Group will comply with safety and health laws and regulations and endeavour to maintain high standards.

RISK REPORTING

The Risk Management Framework ensures regular review and reporting of risks. Formal risk reports are prepared on a quarterly basis and presented to Senior Management and the RMC. Any potential risks identified are promptly escalated, with appropriate mitigation actions implemented to manage them. Significant risks impacting the business, along with periodic external and emerging risk outlooks, are shared with the RMC. To address the dynamic nature of external risks, a fortnightly newsletter highlighting key external and emerging risks is circulated to the Board and Management.

Group Business Continuity Framework

Our Business Continuity Framework is aligned with the ISO 22301: 2019 (Business Continuity Management Systems) and provides end-to-end guidance for managing crises. Its main objectives are to:

- Safeguard life, property, the environment, and corporate reputation
- Minimise assets and revenue loss, as well as the impact on customers
- Ensure the continued delivery of products and services during adverse conditions
- Facilitate the timely recovery of critical business functions

Process	Emergency and Crisis Management		Recovery and Restoration Management	
Document	Emergency Preparedness and Response (EPR) Procedures	Crisis Communications Plan (CCP)	Disaster Recovery Plan (DRP)	Business Continuity Plan (BCP)
Nature of Document	Documents procedures to manage potential and actual emergency situations with Environment, Safety and Health implications	Documents procedures to manage communications when a crisis is imminent or has happened	Documents procedures to recover and protect business IT infrastructure to support business operations	Documents procedures to recover and restore business operations to normality
Objective of Document	Safety and health of people are maintained	Communication occurs effectively	IT applications/data protected	People relocation and resume operation effectively

The Group is committed to safeguarding the interests of all stakeholders during disasters or emergencies. This commitment entails implementing robust business continuity processes to ensure the Group can continue to operate with minimal impact on stakeholders in the event of a crisis or disruption.

Statement on Risk Management and Internal Control

INTERNAL CONTROL FRAMEWORK

At Guthrie, we have implemented the following key controls to assist the Board in maintaining a robust system of internal controls within the Group.

Policy Instruments

Our policy instruments include a range of policies, procedures, and guidelines that serve as the foundation for achieving best practices and streamlining internal processes.

Board Charter	• Sets out the Board's strategic intent and outlines the Board's roles and powers reserved for the Board, as well as those delegated to Management.
Terms of Reference of the respective Board Committees	• Establishes the purpose, scope, responsibility, and accountability for each Board Committee.
Group Policies & Authorities (GPAs)	• Define the lines of responsibility, accountability, and authority limits, and represent a formal delegation of the Board's powers and functions to Management. The GPAs are designed to empower Management to achieve business objectives while adhering to ethical standards and strong governance practices. They cover functional policies, ethics and conduct, protection of Group assets, key processes, and authority limits.
Policies, Procedures, and Guidelines	• Support the achievement of the principles outlined in the GPAs, and adherence to these standards is mandatory for all Directors and employees of the Group.

All policy instruments are periodically reviewed and updated to ensure their relevance to the current operating environment and alignment with intended practices. To enhance employees' understanding and awareness of their responsibilities within the Group's governance framework, these policy instruments are accessible on the Group intranet and communicated through infographic announcements.

Business Planning and Reporting

Our annual business planning process entails a review of the Group's strategy, with findings, outcomes, and new proposals deliberated at the Flagship Subsidiary Board and Main Board. In addition, the Group Strategy Compass, which charts amongst others Guthrie's business direction, objectives, strategies, action plans, in alignment with the Group Budget, is reviewed annually or as needed. The Group engages key stakeholders for thorough deliberation before presenting to the Board for approval. The progress of strategic initiatives is monitored and reported to the Board on a regular basis with corrective actions taken to address any deviations from the plan.

Human Capital

Performance Management

As a leading organisation in our industry, the Group's Performance Management Framework drives high employee performance by identifying and rewarding top performers, while enhancing the objectivity and consistency of performance evaluations. The KPIs developed are aligned across businesses, functions, and organisational levels, ensuring a unified effort towards achieving business objectives, all while steadfastly upholding robust governance standards.

People Development

For further details on the people development activities of the Group, refer to the section on Human Capital Growth on page 61.

Integrity, Governance & Assurance

Ethics

Our Code of Business Conduct (COBC) guides our employees on the expected standards of behaviour, reinforcing the Group's Core Values of Integrity, Respect and Responsibility, Enterprise, and Excellence.

Integrity | **Respect and Responsibility** | **Enterprise** | **Excellence**

The COBC is readily accessible on the Group's website and intranet and is available in all key languages across the jurisdictions where the Group operates. To ensure employees fully understand its contents, the COBC is shared through a combination of in-person and online briefings, alongside supporting materials such as quizzes, surveys, and infographics. All Directors and employees are required to sign an attestation, confirming their compliance with the COBC and their understanding of the rules, principles and policies outlined within it.

Internal Audit

Our internal audits offer independent, objective and risk-based assurance, and consulting services aimed at adding value and improving the Group's operations. The integration of data analytics and continuous control monitoring leverages the power of real-time auditing to strengthen the control environment.

Fraud Management

We identify and respond to fraud risks through investigative reviews requested by the Governance & Audit Committee or Management, and address complaints from whistleblowing channels and other red flags uncovered during reviews. Fraud & corruption risk assessments and detection strategies are implemented to minimise incidents of fraud and corruption within the Group.

Anti-Corruption

Our Anti-Corruption Compliance Framework incorporates principles from ISO 37001:2025 (Anti-Bribery Management System) and the Corporate Integrity System Malaysia (CISM) Framework for private companies. These principles are extended to our counterparties and business partners to establish a corruption-free supply chain. The Group's commitment to anti-corruption is publicly outlined in our Anti-Corruption Policy Statement on our website.

Conflict of Interest

The Group's Conflict of Interest Guidelines sets out the procedures for managing conflicts of interest involving Directors and employees, ensuring that all business decisions are made in the best interests of the Group and in compliance with relevant laws and regulations.

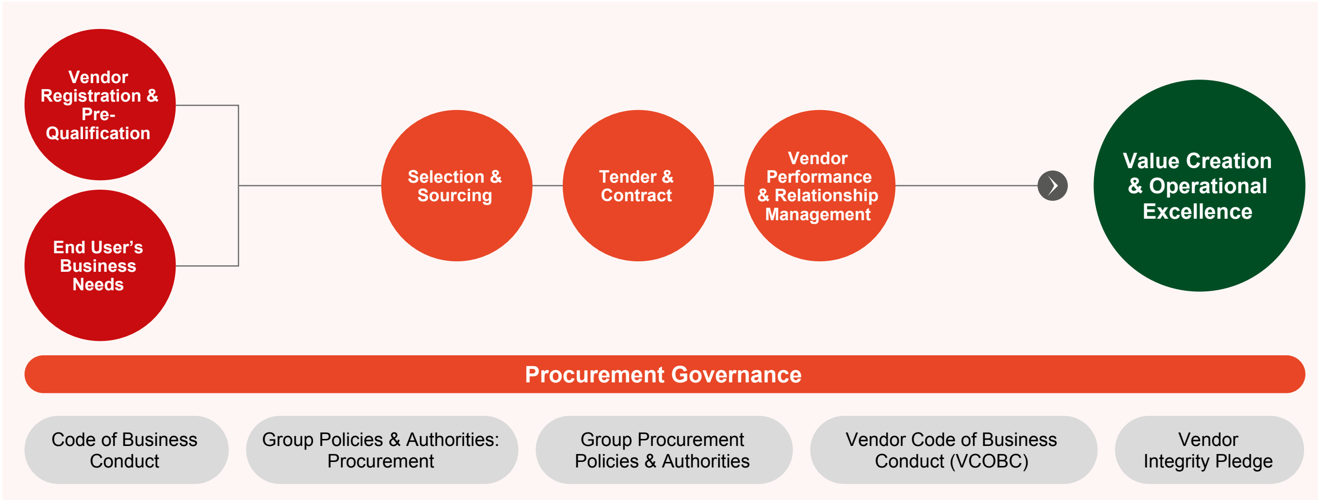
Whistleblowing

Guthrie's whistleblowing process reflects our commitment to cultivating an open and supportive environment where stakeholders can confidentially report wrongdoing by Directors, Management, employees, or vendors without fear of retaliation. Complaints can be submitted via multiple channels across our global operations and are handled independently to ensure transparency and confidentiality. This process complements other grievance channels that allow workers to report concerns related to working conditions, recruitment, safety and other issues.

For further details on compliance initiatives, please refer to the Governance & Audit Committee Report Section on pages 83 to 85.

Vendor Management

Robust procurement governance and effective vendor management are key to our pursuit of operational excellence. The foundation of strong procurement governance at Guthrie is built on strict adherence to procurement policies and procedures, supported by dedicated tools, and control systems. This approach ensures that the Group's values and principles are consistently reinforced across all aspects of our business operations, as illustrated in the procurement governance landscape below:



Our Vendor Code of Business Conduct (VCOBC) outlines standards for vendor behaviour in areas such as labour and human rights, sustainability, health, safety, environment, ethics, and management practices. Vendors seeking to do business with the Group are required to sign the Vendor Integrity Pledge, affirming compliance with the VCOBC, relevant laws and regulations, and a commitment against bribery, corruption, and fraud. Additionally, a mandatory registration and pre-qualification process is required to be listed on the Group's Vendor List, with additional evaluations to assess technical capabilities. Meanwhile, ongoing performance assessments ensure vendors continue to meet the Group's business needs.

Legal & Compliance

Legal

To safeguard the legal interests of the Group and ensure effective management of legal risks, appropriate controls and processes have been established. While our in-house legal function reviews non-standard legal documents, external legal counsel will be consulted, as applicable, for matters involving non-Malaysian law, material or high-value transactions, new or specialised areas of business, and/or where specific subject matter expertise is required.

Compliance

We remain committed to ensuring compliance with applicable laws and regulations to protect the Group's interests. The Group's Compliance Framework and compliance initiatives are designed to ensure that its business and operations are conducted in full alignment with applicable laws, regulations and industry standards. Compliance initiatives are prioritised based on risk assessments with mitigation strategies and internal controls implemented to safeguard against legal, financial, operational and reputational impact.

Statement on Risk Management and Internal Control

Communication and Reporting

Our stakeholder engagement policies and procedures ensure proactive communication and effective management of information dissemination to key stakeholders. Disclosures, including quarterly and annual financial statements, announcements made to Bursa Malaysia Securities Berhad (Bursa Securities) and corporate presentations, are made in compliance with regulatory requirements and are published on our website in a timely manner.

Technology

Information Systems

Our Enterprise Resource Planning (ERP) system captures, compiles, analyses, and reports transactions in a timely and accurate manner. This is in line with the need to maintain a secure, effective, and reliable IT environment to support the Group's business operations. The Group's information systems are automated, providing Management with data, analysis, variations, exceptions, and other inputs relevant to the Group's performance.

The Group's information system platform is governed by a comprehensive set of IT policies and procedures aimed at safeguarding the Group's information, assets, and resources. These include IT governance and authority, information security policies, identity and access management standards, project management protocols, service management practices, and guidelines for computer facility usage.

Cybersecurity

The Group upholds strong cybersecurity hygiene by actively managing cybersecurity risks to protect data privacy and prevent cyber threats. Key initiatives include:

- Implementing enterprise-level cybersecurity technologies, tools, and processes across the Group to mitigate both external and internal cyber threats.
- Conducting periodic reviews, updates, and assessments of policies and procedures to ensure these remain current with the evolving cybersecurity landscape and threats.
- Providing employees with ongoing cybersecurity education through training, newsletters, surveys and security alerts and participation in cybersecurity campaigns, tests, and initiatives.

Digital Transformation

Guthrie remains committed to digitalisation and automation as these are key to increasing operational efficiency and improving productivity. As we transform the Group into a digitally-enabled, future-ready organisation, we are strengthening our enterprise systems and building a digital culture that evolves alongside technology, keeping pace with changes, and opportunities in our operating environment. Across our operations, we are advancing our digital platforms, analytics capability and robotics initiatives to drive productivity and better decision-making. To prepare our employees for a digital future, we have intensified our efforts to upskill our talent in data analytics and AI through our internal Digital Academy.

For more information on our digital initiatives, refer to the section on Innovation & Research on pages 58 to 60.

Sustainability

Our commitment to sustainability – across environmental, social, and governance considerations – is embodied in our "Beyond Zero" Framework. The Framework articulates the Group's sustainability strategy that is designed to address present-day global challenges while supporting our growth as a business. Centred on the three pillars of Zero, Restore, and Transform, this framework guides our current and future efforts to drive responsible growth and create long-term value for our stakeholders.

In line with the National Sustainability Reporting Framework, we have prepared our Sustainability Report in accordance with the International Financial Reporting Standard (IFRS) Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB). As part of the preparation, a materiality assessment was conducted in 2025 to identify and prioritise sustainability risks and opportunities (SROs) that could reasonably be expected to affect the Group's prospects over the short-, medium-, and long-term. Key aspects of the SROs identified i.e.: climate change, biodiversity and conservation, water and effluents management, smallholder inclusion, human rights (including health & safety) and sustainability certification are disclosed in our Sustainability Report.

For more information on our sustainability practices, refer to A Summary of Our Sustainability Report on pages 64 to 68 and Guthrie's Sustainability Report.

Material Joint Ventures and Associates

The disclosures in this statement exclude the risk management and internal control practices of the Group's joint ventures and associates. Guthrie's interests in these entities are safeguarded through the appointment of members of the Group's Senior Management team to the relevant boards of directors and, where applicable, the management or operational committees of these entities.

Review of the Statement by the External Auditors

As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with the Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

Conclusion

For the financial year under review and up to the date of approval of this statement, the Board is satisfied with the adequacy and effectiveness of the Group's risk management and internal control systems in safeguarding shareholders' investments and the Group's assets.

The Board has received reasonable assurance from the GMD and the Chief Financial Officer that the Group's risk management and internal control systems are operating adequately and effectively in all material aspects. This statement complies with Paragraph 15.26(b) of the MMLR of Bursa Securities and Principle B of the Malaysian Code on Corporate Governance 2021 issued by the Securities Commission Malaysia, and is guided by the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers.

This statement is made in accordance with a resolution of the Board dated 14 April 2026.

Statement of Responsibility by the Board of Directors

The Directors are responsible for the preparation, integrity and fair presentation of the annual financial statements of the SD Guthrie Berhad Group. As required by the Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the financial statements for the financial year ended 31 December 2025, as presented on pages 108 to 220, have been prepared in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016.

The Directors consider that in preparing the financial statements, the Group and the Company have used the appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates. The Directors are satisfied that the information contained in the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of the financial performance and cash flows for the financial year.

The Directors have responsibility for ensuring that proper accounting records are kept. The accounting records should disclose with reasonable accuracy the financial position of the Group and the Company to enable the Directors to ensure that the financial statements comply with the Companies Act 2016. The Directors have the general responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

This statement is made in accordance with a resolution of the Board of Directors dated 14 April 2026.

BOARD APPROVAL OF FINANCIAL STATEMENTS

The annual financial statements for the financial year ended 31 December 2025 are set out on pages 108 to 220. The preparation thereof was supervised by the Chief Financial Officer and approved by the Board of Directors on 14 April 2026.

Additional Compliance Information

Information pertaining to SD Guthrie Berhad (Company) and the Group for the financial year under review is as follows:

UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

No proceeds were raised from corporate proposals during the financial year ended 31 December 2025.

AUDIT AND NON-AUDIT FEES

i. The amount of audit fees paid or payable to the external auditors, Messrs PricewaterhouseCoopers PLT (PwC) and their affiliated companies for services rendered to the Group for the financial year ended 31 December 2025 is RM12.888 million. The amount paid or payable to PwC for services rendered to the Company is RM2.077 million.

ii. The amount of non-audit fees paid or payable to the external auditors, PwC, and their affiliated companies for services rendered to the Group and the Company for the financial year ended 31 December 2025 amounted to RM1.704 million and RM0.882 million, respectively.

MATERIAL CONTRACTS INVOLVING INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDERS

No material contracts were entered into by the Company and its subsidiaries involving interests of Directors and Major Shareholders during the financial year ended 31 December 2025.

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Group has established appropriate procedures to ensure that all Related Party Transactions (RPTs) and recurrent RPTs are tracked and recorded in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Report on RPTs and recurrent RPTs is submitted to the Governance & Audit Committee on a quarterly basis for monitoring purposes.

The Company did not seek approval of its shareholders on any mandate for its recurrent RPTs during the financial year ended 31 December 2025.

INSIDER TRADING

No insider trading was reported during the financial year ended 31 December 2025.

Directors' Report

For the financial year ended 31 December 2025

The Directors have pleasure in presenting the Directors' Report ("Report") together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company consist of the production, processing, refining and sales of palm oil and palm kernel oil, manufacturing and marketing of specialty fats and edible oils, rubber and other palm oil related products and investment holding.

The principal activities of the Group consist of the production, processing, refining and sales of palm oil and palm kernel oil, manufacturing and blending, marketing and distribution of specialty fats, edible oils, rubber, coconut oil and other palm oil related products, production and sales of sugar and beef, the involvement in other agriculture related business, renewables business and industrial development as disclosed in Note 47 to the financial statements.

The Group and the Company have ceased rubber operations and shall exit the business upon completion of sale of rubberwood.

There was no significant change in the nature of these activities during the financial year.

FINANCIAL RESULTS

	GROUP RM'000	COMPANY RM'000
Profit before tax	3,530,083	1,898,715
Tax expense	(841,833)	(190,852)
Profit for the financial year	2,688,250	1,707,863
Profit for the financial year attributable to:		
– equity holders of the Company	2,503,038	1,583,563
– Perpetual Sukuk holders	124,300	124,300
– non-controlling interests	60,912	–
	2,688,250	1,707,863

DIVIDENDS

Since the end of the previous financial year, the Company has paid the following dividends:

	RM'000
Dividend for the financial year ended 31 December 2024:	
– Final dividend of 11.71 sen per share, paid in cash on 23 May 2025	809,830
Dividend for the financial year ended 31 December 2025:	
– Interim dividend of 7.75 sen per share, paid in cash on 31 October 2025	535,968
	1,345,798

A final dividend of 10.35 sen per ordinary share, amounting to RM715.8 million in respect of the financial year ended 31 December 2025 has been declared on 25 February 2026 and will be paid on 22 May 2026. The entitlement date for the dividend payment is 8 May 2026.

Directors' Report

For the financial year ended 31 December 2025

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

SHARE CAPITAL, PERPETUAL SUKUK AND DEBENTURES

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial year.

DIRECTORS

The Directors in office during the financial year and during the period from the end of the financial year to the date of this Report are:

Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani	
Mohd Haris Mohd Arshad	(Appointed on 1 January 2026)
Dato' Halipah Esa	
Tan Sri Mohd Zuki Ali	(Appointed on 15 January 2025)
Dato' Mohd Nizam Zainordin	
Datuk Mohd Anwar Yahya	
Dato' Idris Kechot	
Dato' Sri Sharifah Sofianny Syed Hussain	
Mohd Irwan Ahmad Mustafa	
Jenifer Thien Bit Leong	
Datuk Mohamad Helmy Othman Basha	(Resigned on 31 December 2025)
Ahmad Faiz Ahmad Shahrudin	(Resigned on 17 March 2026)
(Alternate Director to Mohd Irwan Ahmad Mustafa)	

DIRECTORS' REMUNERATION

Total Directors' remuneration incurred by the Group and the Company for the financial year ended 31 December 2025 were RM13.5 million (2024: RM13.5 million) and RM12.8 million (2024: RM13.0 million) respectively. Further details are disclosed in Note 10 to the financial statements.

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangement subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, as disclosed in Directors' Interests in Shares.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits disclosed as Directors' remuneration in Note 10 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he or she is a member, or with a company in which he or she has a substantial financial interest except for any benefits which may be deemed to have arisen from the transactions disclosed in Note 10 to the financial statements.

The Directors and Officers of the Group and of the Company are covered by Directors and Officers liability insurance for any liability incurred in the discharge of their duties, provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The total insurance premium paid for the financial year amounted to RM0.5 million.

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, no Director in office at the end of the financial year has any interest in shares in, or debentures of, the Company or its related corporations during the financial year.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

a. Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

   i. to ascertain that proper action had been taken in relation to the writing off of bad debts and the impairment for doubtful debts, and satisfied themselves that all known bad debts had been written off and adequate impairment had been made for doubtful debts; and

   ii. to ensure that any current assets, which were unlikely to realise in the ordinary course of business, their values of current assets as shown in the accounting records of the Group and of the Company, have been written down to amounts which they might be expected to realise.

b. At the date of this Report, the Directors are not aware of any circumstances:

   i. which would render the amount written off for bad debts or the amount of the impairment for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent;

   ii. which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

   iii. which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

c. As at the date of this Report:

   i. there are no charges on the assets of the Group or of the Company which have arisen since the end of the financial year to secure the liability of any other person; and

   ii. there are no contingent liabilities in the Group or in the Company which have arisen since the end of the financial year other than those arising in the ordinary course of business.

d. At the date of this Report, the Directors are not aware of any circumstances not otherwise dealt within the Report or financial statements which would render any amount stated in the financial statements misleading.

e. In the opinion of the Directors:

   i. the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transactions or events of a material and unusual nature;

   ii. no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due, other than as disclosed in the financial statements; and

   iii. no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this Report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this Report is made.

Directors' Report
For the financial year ended 31 December 2025

LIST OF DIRECTORS OF SUBSIDIARIES

Pursuant to Section 253 of the Companies Act 2016, the list of Directors of the subsidiaries during the financial year and up to the date of this Report is as follows (excluding Directors who are also Directors of the Company):

Ab Razak Khamis
Abdul Jalil Sulaiman
Achmad Sudarsono
Adrian Mohd Fazrin Mohd Fairoz
Adrianudin Raj Azman
Ahmad Fadhlil Khaliq Ibrahim
Ainor Khaliq Anuarudin
Alagendran Maniam
Amir Hamzah
Andreas Yohanes Kurniawan T
Ary Tri Prasetyo
AS Simanjuntak
Asanee Mallamphut
Azmi Jaafar
Bambang Purwono
Budi Darmono
Budy Suyanto
Burhan Chahyadi
Chen Kim Yin @ Chen Chou Foong
Chim Foong May
Chong Seet Fei
Dali Kumar Sardar
Dato' Philip Tan Puay Koon
Datu Mohamad Junaidi Mohidin
Datuk Franki Anthony Dass
Datuk Haji Abang Abdul Wahap Haji Abang Julai
(Alternate Director to Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Dato Haji Husain)
Datuk Mohamad Nageeb Ahmad Abdul Wahab
David Manoa Toua
Denny Wicaksana
Dr David Ross Appleton
Dr Hirzun Mohd Yusof @ Hassan
Dr K. Harikrishna Dr K. Kulaveerasingam
Dr Shariman Alwani Mohamed Nordin
Drs Jakob Tobing MPA
Edy Suparno
Eliam Tangirongo
Ernie Gangloff
Ery Revlisa
Farid
Fazli Salikin
Febriarso Bimantoro
Gajani Nayagi Seeveneserajah
Ganesan R. Ampalavanar
Godfrey Shiletikwa Urasa
Hanif Siraf
Hersoebeno Brotowinoto
Hissammudin Mohamad Sabidin
Imran Ramli
Indro Respati
Ir Mohd Yusrizal Mohd Yusof
Ir. Safwani
Jeffry Faizal Kamaruddin
Ken Kubota
(Alternate Director to Mitsuyoshi Okita)
Khairil Anuar Sadat Salleh
Khaizarudin Awaludin
Khusboo Beeharry
Lakon Anak Igey
Law Pei Yee
Lisnawati Ibrahim
Loi Martin Bakani
Marie-Claude Priscille Koenig
Mazrina Ahmad Zahidi
(Alternate Director to Chen Kim Yin @ Chen Chou Foong)
Melissa Lokman
Mersal Abang Rosli
Michael Barkhuysen
Michelle Chang Yuet Ling
Mitsuyoshi Okita
Mohamad Fauzi Maulana Ichsan
Mohamad Mahazir Mustaffa
Mohammad Japri Giman
Mohd Amri Baharuddin
Mohd Azlan Shah Mohd Zin
Mohd Azman Mohd Ismail
Mohd Hafiz Hamzah
Mohd Hamdi Abd Karim
Mohd Haziq Jamaludin
Mohd Idzaruddin Hasan
Mohd Razlan Mohd Rahim
Mohmd Hayril Mohd Rapi
Muhammad Hakim See Abdullah
Muhammad Nizar Arshad
Muhammad Nuryadi
Ng Say Guat
Nik Abdul Hamid Shukri Nik Abdullah
Nik Maziah Nik Mustapha
Nono Suharsono
Noor Azam Mohd Nasir
Nuchanand Sukmongkol
Nurain Zarrataj Zulkiffli
Nurwanto
Ondra Utama
Philip KO Kunjappy
Rahmawati Dewi Hidayati, SE
Raphael Yuen Kong Yian
Rashyid Redza Anwarudin
Razlanshah Abd Malek
Renaka Ramachandran
Robert Anak Tugang
Robert Nilkare
Rozli Alwi
Sallim Abdul Kadir
Sandeep Bhan
Shah Nizam Yasin Shah
Shahrakbah Yacob
Shahrizal Suhainy
Shahrizan Aini Shamsul Khalil
Shashi Kumar Rajan
Sri Marlina Md Ison
Subramaniam Govindasarmy
Supasak Chirasavinuprapand
Syed Said Syed Saggaf
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Dato Haji Husain
Vavan Safwan Isman
William Andrew Charlie Laloan
Winardi Nooryanto
Yogesh Kotak
Yustinus Lambang Setyo Putro
Zulkifli Nasution
Zulkifli Salim

SUBSIDIARIES

Details of subsidiaries of the Company are set out in Note 47 to the financial statements.

IMMEDIATE AND ULTIMATE HOLDING COMPANIES

The Directors regard Permodalan Nasional Berhad as its immediate holding company and Yayasan Pelaburan Bumiputra as its ultimate holding company. Both companies are incorporated in Malaysia.

AUDITORS

Total fees for statutory audits provided by the Company's auditors and its member firms are RM12.9 million (2024: RM13.0 million), while total fees for assurance related and non-audit services are RM1.7 million (2024: RM3.9 million). Non-audit services provided by the Company's auditors and its member firms comprised tax related services and other advisory services.

Further details of auditors' remuneration are set out in Note 6 to the financial statements.

The Group and the Company do not indemnify the auditors of the Company for losses in the event of legal actions brought against the auditors for alleged wrongful acts by the auditors.

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

This Report was approved by the Board of Directors on 14 April 2026.

TAN SRI DR NIK NORZRUL THANI NIK HASSAN THANI
DIRECTOR

MOHD HARIS MOHD ARSHAD
DIRECTOR

Selangor
14 April 2026

Statements of Profit or Loss

For the financial year ended 31 December 2025

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Revenue	5	**20,894,745**	19,831,040	**4,502,343**	4,852,166
Operating expenses	6	**(18,055,809)**	(17,357,041)	**(3,421,785)**	(3,051,860)
Other operating income	7	**736,502**	848,198	**869,493**	736,767
Other losses and gains	8	**26,508**	(35,862)	**102,772**	15,721
Operating profit		**3,601,946**	3,286,335	**2,052,823**	2,552,794
Share of results of joint ventures	19a	**(13,471)**	(31,219)	**–**	–
Share of results of associates	20a	**4,169**	3,291	**–**	–
Profit before interest and tax		**3,592,644**	3,258,407	**2,052,823**	2,552,794
Finance income		**23,755**	25,842	**38,074**	34,196
Finance costs	9	**(86,316)**	(144,931)	**(192,182)**	(237,493)
Profit before tax		**3,530,083**	3,139,318	**1,898,715**	2,349,497
Tax expense	11	**(841,833)**	(795,808)	**(190,852)**	(282,016)
Profit for the financial year		**2,688,250**	2,343,510	**1,707,863**	2,067,481
Profit for the financial year attributable to:					
– equity holders of the Company		**2,503,038**	2,163,808	**1,583,563**	1,942,841
– Perpetual Sukuk holders	33	**124,300**	124,640	**124,300**	124,640
– non-controlling interests	34	**60,912**	55,062	**–**	–
		2,688,250	2,343,510	**1,707,863**	2,067,481
		sen	sen		
Basic/Diluted earnings per share attributable to equity holders of the Company	12	**36.19**	31.29		

Statements of Comprehensive Income

For the financial year ended 31 December 2025

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Profit for the financial year		**2,688,250**	2,343,510	**1,707,863**	2,067,481
Items that will be reclassified subsequently to profit or loss:					
Currency translation differences losses:					
– subsidiaries		**(1,395,322)**	(707,834)	**–**	–
– joint ventures and associates		**(21,180)**	(20,767)	**–**	–
Cash flow hedge					
– changes in fair value		**29,305**	(13,372)	**–**	–
– transfers (to)/from profit or loss		**(32,364)**	18,941	**–**	–
Tax expense relating to components of other comprehensive income		**(6,045)**	(1,754)	**–**	–
		(1,425,606)	(724,786)	**–**	–
Items that will not be reclassified subsequently to profit or loss:					
Actuarial (losses)/gains on defined benefit plans	35	**(24,954)**	7,067	**–**	–
Investment at fair value through other comprehensive income ("FVOCI")					
– changes in fair value	22	**(8,600)**	9,198	**(8,600)**	9,195
Share of other comprehensive income of joint ventures	19a	**6,486**	6,609	**–**	–
Tax credit/(expense) relating to components of other comprehensive income		**4,963**	(1,331)	**–**	–
		(22,105)	21,543	**(8,600)**	9,195
Total other comprehensive (loss)/income for the financial year		**(1,447,711)**	(703,243)	**(8,600)**	9,195
Total comprehensive income for the financial year		**1,240,539**	1,640,267	**1,699,263**	2,076,676
Total comprehensive income for the financial year attributable to:					
– equity holders of the Company		**1,098,319**	1,483,408	**1,574,963**	1,952,036
– Perpetual Sukuk holders		**124,300**	124,640	**124,300**	124,640
– non-controlling interests		**17,920**	32,219	**–**	–
		1,240,539	1,640,267	**1,699,263**	2,076,676

Statements of Financial Position

As at 31 December 2025

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	14	**19,341,091**	19,364,673	**8,359,275**	8,140,068
Investment properties	15	**8,258**	7,901	**–**	–
Right-of-use assets	17	**1,850,183**	1,959,345	**237,579**	216,334
Subsidiaries	18	**–**	–	**8,502,482**	8,443,781
Joint ventures	19	**582,507**	373,218	**281,900**	284,884
Associates	20	**51,630**	52,186	**100**	420
Intangible assets	21	**2,732,154**	2,995,078	**2,052,961**	2,051,252
Investments at fair value through other comprehensive income ("FVOCI")	22	**23,711**	32,311	**23,561**	32,161
Deferred tax assets	23	**442,328**	450,509	**–**	–
Tax recoverable	24	**123,042**	202,623	**–**	–
Trade and other receivables	25	**48,501**	62,167	**–**	–
Amounts due from subsidiaries	27	**–**	–	**205,853**	52,204
		25,203,405	25,500,011	**19,663,711**	19,221,104
CURRENT ASSETS					
Inventories	26	**2,801,919**	2,841,714	**107,991**	83,019
Biological assets	16	**181,069**	251,764	**30,736**	46,298
Trade and other receivables	25	**2,765,043**	2,407,817	**103,928**	123,141
Tax recoverable	24	**121,463**	238,336	**1,052**	39,511
Amounts due from subsidiaries	27	**–**	–	**1,826,965**	1,543,243
Amounts due from related parties	27	**358**	340	**180**	130
Derivatives	28	**25,071**	29,868	**–**	3,889
Bank balances, deposits and cash	29	**623,703**	625,382	**167,996**	150,619
		6,518,626	6,395,221	**2,238,848**	1,989,850
Non-current assets held for sale	30	**20,872**	151,773	**52,613**	39,547
TOTAL ASSETS		**31,742,903**	32,047,005	**21,955,172**	21,250,501

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
EQUITY					
Share capital	31	**1,633,790**	1,633,790	**1,633,790**	1,633,790
Reserves	32	**16,604,714**	16,852,193	**10,422,116**	10,192,951
Attributable to equity holders of the Company		**18,238,504**	18,485,983	**12,055,906**	11,826,741
Perpetual Sukuk	33	**2,231,398**	2,231,398	**2,231,398**	2,231,398
Non-controlling interests	34	**400,929**	443,263	**–**	–
TOTAL EQUITY		**20,870,831**	21,160,644	**14,287,304**	14,058,139
NON-CURRENT LIABILITIES					
Retirement benefits	35	**181,992**	180,046	**51,549**	49,265
Deferred income	37	**38,142**	365	**–**	–
Deferred tax liabilities	23	**2,695,017**	2,685,870	**849,783**	810,953
Borrowings	36	**4,539,232**	3,360,229	**3,867,546**	2,887,758
Lease liabilities		**173,884**	176,739	**–**	–
Trade and other payables	39	**50,822**	52,741	**18,959**	24,252
		7,679,089	6,455,990	**4,787,837**	3,772,228
CURRENT LIABILITIES					
Trade and other payables	39	**2,366,026**	2,384,418	**667,941**	518,701
Contract liabilities	38	**55,939**	67,420	**–**	–
Amounts due to subsidiaries	27	**–**	–	**1,845,282**	1,860,549
Amounts due to related parties	27	**15,540**	13,732	**8,623**	6,519
Retirement benefits	35	**17,313**	20,127	**–**	–
Lease liabilities		**32,634**	27,919	**–**	–
Tax payable		**193,461**	151,751	**–**	17,746
Derivatives	28	**21,598**	12,107	**–**	–
Borrowings	36	**490,472**	1,741,865	**358,185**	1,016,619
		3,192,983	4,419,339	**2,880,031**	3,420,134
Liabilities directly associated with non-current assets held for sale	30	**–**	11,032	**–**	–
TOTAL LIABILITIES		**10,872,072**	10,886,361	**7,667,868**	7,192,362
TOTAL EQUITY AND LIABILITIES		**31,742,903**	32,047,005	**21,955,172**	21,250,501

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2025

GROUP

	Note	Share capital RM'000	Hedging reserve RM'000	Capital reserve RM'000	Investments at FVOCI reserve RM'000	Exchange reserve RM'000	Merger reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual Sukuk RM'000	Non-controlling interests RM'000	Total equity RM'000
		Attributable to equity holders of the Company										
At 1 January 2025		**1,633,790**	**12,772**	**9,048**	**29,960**	**578,746**	**(17,696)**	**16,239,363**	**18,485,983**	**2,231,398**	**443,263**	**21,160,644**
Profit for the financial year		**–**	**–**	**–**	**–**	**–**	**–**	**2,503,038**	**2,503,038**	**124,300**	**60,912**	**2,688,250**
Other comprehensive loss for the financial year		**–**	**(9,007)**	**–**	**(8,600)**	**(1,374,568)**	**–**	**(12,544)**	**(1,404,719)**	**–**	**(42,992)**	**(1,447,711)**
Total comprehensive (loss)/ income for the financial year		**–**	**(9,007)**	**–**	**(8,600)**	**(1,374,568)**	**–**	**2,490,494**	**1,098,319**	**124,300**	**17,920**	**1,240,539**
Transactions with equity holders:												
– dividends paid by way of cash	13	**–**	**–**	**–**	**–**	**–**	**–**	**(1,345,798)**	**(1,345,798)**	**–**	**(56,304)**	**(1,402,102)**
– dividends payable		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(3,950)**	**(3,950)**
– distribution to Perpetual Sukuk holders	33	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(124,300)**	**–**	**(124,300)**
At 31 December 2025		**1,633,790**	**3,765**	**9,048**	**21,360**	**(795,822)**	**(17,696)**	**17,384,059**	**18,238,504**	**2,231,398**	**400,929**	**20,870,831**
At 1 January 2024		1,633,790	8,433	9,048	20,763	1,284,535	(17,696)	14,803,683	17,742,556	2,231,058	432,799	20,406,413
Profit for the financial year		–	–	–	–	–	–	2,163,808	2,163,808	124,640	55,062	2,343,510
Other comprehensive income/ (loss) for the financial year		–	4,339	–	9,197	(705,789)	–	11,853	(680,400)	–	(22,843)	(703,243)
Total comprehensive income/ (loss) for the financial year		–	4,339	–	9,197	(705,789)	–	2,175,661	1,483,408	124,640	32,219	1,640,267
Transactions with equity holders:												
– dividends paid by way of cash	13	–	–	–	–	–	–	(739,981)	(739,981)	–	(21,755)	(761,736)
– distribution to Perpetual Sukuk holders	33	–	–	–	–	–	–	–	–	(124,300)	–	(124,300)
At 31 December 2024		1,633,790	12,772	9,048	29,960	578,746	(17,696)	16,239,363	18,485,983	2,231,398	443,263	21,160,644

Company Statement of Changes in Equity

For the financial year ended 31 December 2025

COMPANY

	Note	Share capital RM'000	Investments at FVOCI reserve RM'000	Hedging reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual Sukuk RM'000	Total equity RM'000
		Attributable to equity holders of the Company						
At 1 January 2025		**1,633,790**	**31,056**	**(57)**	**10,161,952**	**11,826,741**	**2,231,398**	**14,058,139**
Profit for the financial year		**–**	**–**	**–**	**1,583,563**	**1,583,563**	**124,300**	**1,707,863**
Other comprehensive income for the financial year		**–**	**(8,600)**	**–**	**–**	**(8,600)**	**–**	**(8,600)**
Total comprehensive income for the financial year		**–**	**(8,600)**	**–**	**1,583,563**	**1,574,963**	**124,300**	**1,699,263**
Transactions with equity holders:								
– dividends	13	**–**	**–**	**–**	**(1,345,798)**	**(1,345,798)**	**–**	**(1,345,798)**
– distribution to Perpetual Sukuk holders	33	**–**	**–**	**–**	**–**	**–**	**(124,300)**	**(124,300)**
At 31 December 2025		**1,633,790**	**22,456**	**(57)**	**10,399,717**	**12,055,906**	**2,231,398**	**14,287,304**
At 1 January 2024		1,633,790	21,861	(57)	8,959,092	10,614,686	2,231,058	12,845,744
Profit for the financial year		–	–	–	1,942,841	1,942,841	124,640	2,067,481
Other comprehensive income for the financial year		–	9,195	–	–	9,195	–	9,195
Total comprehensive income for the financial year		–	9,195	–	1,942,841	1,952,036	124,640	2,076,676
Transactions with equity holders:								
– dividends	13	–	–	–	(739,981)	(739,981)	–	(739,981)
– distribution to Perpetual Sukuk holders	33	–	–	–	–	–	(124,300)	(124,300)
At 31 December 2024		1,633,790	31,056	(57)	10,161,952	11,826,741	2,231,398	14,058,139

Statements of Cash Flows

For the financial year ended 31 December 2025

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit for the financial year		**2,688,250**	2,343,510	**1,707,863**	2,067,481
Adjustments for:					
Amortisation of intangible assets	6a	**47,713**	43,949	**11,367**	13,419
Depreciation of:					
– property, plant and equipment	6a	**1,308,431**	1,323,458	**313,679**	287,660
– investment properties	6a	**14**	41	**–**	–
– right-of-use assets	6a	**83,063**	85,305	**2,283**	2,442
Dividend income:					
– other investments	5b	**(4,639)**	(5,967)	**(4,639)**	(5,967)
– subsidiaries	5b	**–**	–	**(398,998)**	(1,085,943)
Finance costs	9	**86,316**	144,931	**192,182**	237,493
Finance income		**(23,755)**	(25,842)	**(38,074)**	(34,196)
Unrealised fair value losses/(gains):					
– commodities futures and forward contracts (non-hedging derivative)	8	**14,856**	(559)	**–**	–
– forward foreign exchange contracts (non-hedging derivatives)	8	**(12,402)**	5,625	**–**	(347)
Fair value changes in biological assets (net)	6d	**46,667**	(92,484)	**15,562**	(21,488)
Net gains on disposals of:					
– property, plant and equipment	7	**(120,849)**	(68,584)	**(167,106)**	(65,098)
– non-current assets held for sale	7	**(413,000)**	(634,522)	**(584,020)**	(626,865)
- a subsidiary	7	**(1,286)**	–	**–**	–
- a joint venture		**(46,701)**	–	**–**	–
- an associate		**(528)**	–	**(1,680)**	–
Impairment of:					
– property, plant and equipment	6d	**31,024**	31,612	**80**	3,738
– advances for plasma plantation projects	6d	**1,142**	–	**–**	–
– trade and other receivables	6d	**165**	14,542	**–**	–
– amounts due from subsidiaries	6d	**–**	–	**7,844**	9,018
– amounts due from joint ventures	6d	**3,557**	–	**–**	–
– investment in subsidiaries	18	**–**	–	**248**	410
– investment in a joint venture	6d	**–**	–	**2,984**	1,503
– non-current assets held for sale	6d	**–**	12,555	**–**	–
– goodwill	6d	**8,894**	–	**–**	–
(Write back)/Write off of:					
– property, plant and equipment	14	**23,888**	20,312	**17,887**	15,235
– inventories	6d	**3,133**	13,205	**–**	–
– intangible assets	6d	**43**	–	**452**	–
– a subsidiary	6d	**–**	–	**7,400**	–
– bad debts	6d	**131**	(321)	**–**	–
(Write back)/Write down of:					
– inventories (net)	6d	**(15,531)**	14,249	**42**	–
Retirement benefits	6c	**50,718**	39,956	**8,280**	8,335

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)					
Reversal of impairment of:					
– property, plant and equipment	7	**(12,188)**	–	**(696)**	–
– advances for plasma plantation projects	7	**(4,371)**	(1,785)	**–**	–
– investment in a subsidiary	7	**–**	–	**(48,621)**	–
– amounts due from subsidiaries	7	**–**	–	**(20,876)**	(34)
– amounts due from a joint venture	7	**(2,595)**	–	**–**	–
– trade and other receivables	7	**(1,691)**	(4,362)	**–**	–
Share of results of:					
– joint ventures	19a	**13,471**	31,219	**–**	–
– associates	20a	**(4,169)**	(3,291)	**–**	–
Tax expense	11	**841,833**	795,808	**190,852**	282,016
Unrealised exchange losses/(gains) (net)	8	**(22,074)**	(27,927)	**(101,608)**	(135,073)
		4,567,530	4,054,633	**1,112,687**	953,739
Changes in working capital:					
Inventories		**(74,017)**	(317,635)	**(25,015)**	(6,641)
Trade and other payables		**(225,683)**	12,341	**121,333**	44,204
Trade and other receivables		**(435,053)**	(338,961)	**19,210**	(19,081)
Intercompany and related party balances		**1,790**	(160)	**(192,622)**	(14,668)
Cash generated from operations		**3,834,567**	3,410,218	**1,035,593**	957,553
Tax paid		**(655,285)**	(743,229)	**(140,708)**	(90,750)
Tax refunded		**205,001**	129,091	**9,941**	–
Retirement benefits paid	35	**(66,607)**	(37,438)	**(5,996)**	(7,999)
Net cash generated from operating activities		**3,317,676**	2,758,642	**898,830**	858,804
CASH FLOWS FROM INVESTING ACTIVITIES					
Advances for plasma plantation projects		**(3,512)**	(2,395)	**–**	–
Repayment of advances for plasma plantation projects		**1,173**	2,313	**–**	–
Advances to subsidiaries		**–**	–	**(838,841)**	(372,748)
Repayment of advances to subsidiaries		**–**	–	**702,600**	750,662
Dividends received from:					
– associates		**2,438**	1,463	**–**	–
– other investments	5b	**4,639**	5,967	**4,639**	5,967
– subsidiaries		**–**	–	**395,788**	476,545
Finance income received		**23,755**	25,842	**32,781**	28,907
Additional investment in joint venture	19d	**(272,165)**	–	**–**	(1,326)
Proceeds from sale of:					
– property, plant and equipment		**124,285**	85,989	**119,264**	70,399
– non-current assets held for sale		**493,783**	640,848	**493,783**	640,848
– a subsidiary	30b	**97,860**	–	**–**	–
– a joint venture	19d	**39,523**	–	**–**	–
– an associate		**2,000**	–	**2,000**	–
Purchase of:					
– property, plant and equipment	b	**(1,986,632)**	(1,967,850)	**(509,593)**	(429,618)
– right-of-use assets		**(23,795)**	–	**(23,795)**	–
– intangible assets	c	**(44,610)**	(74,388)	**(6,362)**	(3,899)
Net cash (used in)/generated from investing activities		**(1,541,258)**	(1,282,211)	**372,264**	1,165,737

Statements of Cash Flows

For the financial year ended 31 December 2025

		GROUP		COMPANY	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
Finance costs paid		**(230,631)**	(284,738)	**(176,257)**	(221,414)
Loans raised		**6,844,518**	5,159,997	**3,962,908**	2,040,000
Borrowing transaction cost paid		**(2,713)**	–	**–**	–
Loan repayments		**(6,811,076)**	(5,230,728)	**(3,579,353)**	(2,223,102)
Advances from subsidiaries		**–**	–	**630,510**	721,310
Repayment of advances from subsidiaries		**–**	–	**(619,059)**	(1,030,426)
Repayment of lease liabilities		**(63,779)**	(48,647)	**–**	–
Distribution to Perpetual Sukuk holders	33	**(124,300)**	(124,300)	**(124,300)**	(124,300)
Dividend paid to shareholders		**(1,345,798)**	(1,134,177)	**(1,345,798)**	(1,134,177)
Dividend paid to non-controlling interests of subsidiaries		**(56,304)**	(21,755)	**–**	–
Net cash used in financing activities		**(1,790,083)**	(1,684,348)	**(1,251,349)**	(1,972,109)
NET INCREASE/(DECREASE) CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR		**(13,665)**	(207,917)	**19,745**	52,432
Exchange differences		**11,986**	2,917	**(2,368)**	(2,513)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		**625,382**	830,382	**150,619**	100,700
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	29	**623,703**	625,382	**167,996**	150,619

NOTES TO STATEMENTS OF CASH FLOWS

a. The principal non-cash transactions during the financial year included in the intercompany balances are as follows:

	COMPANY	
	2025 RM'000	2024 RM'000
Dividend received through intercompany settlement	**–**	499,977
Proceed of disposal of land converted to deemed equity	**49,290**	–
Proceed of disposal of land offset by way of advances to a subsidiary	**93,000**	–
Tax credit utilisation	**–**	49,945

b. The net cash outflow for the acquisition of property, plant and equipment during the financial year is as follows:

		GROUP		COMPANY	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Acquisition of property, plant and equipment during the financial year	14	**2,331,790**	2,162,743	**577,832**	477,337
Less non-cash items:					
– Net changes in payables for purchase of property, plant and equipment		**(138,836)**	–	**(14,923)**	–
– Depreciation of property, plant and equipment capitalised in bearer plants	14	**(40,560)**	(36,736)	**(13,514)**	(10,143)
– Depreciation of right-of-use assets capitalised in bearer plants	17	**(1,882)**	(1,408)	**(267)**	(281)
– Finance costs capitalised in capital work-in-progress	9	**(47,770)**	(42,337)	**(5,447)**	(8,313)
– Finance costs capitalised in bearer plants	9	**(116,110)**	(114,412)	**(34,088)**	(28,982)
Net cash outflow for the acquisition of property, plant and equipment		**1,986,632**	1,967,850	**509,593**	429,618

c. The net cash outflow for the acquisition of intangible assets during the financial year is as follows:

		GROUP		COMPANY	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Acquisition of intangible assets during the financial year	21	**58,540**	74,388	**14,838**	3,899
Less non-cash items:					
– Net changes in payables for purchase of intangible assets		**(13,930)**	–	**(8,476)**	–
Net cash outflow for the acquisition of intangible assets		**44,610**	74,388	**6,362**	3,899

Statements of Cash Flows
For the financial year ended 31 December 2025

NOTES TO STATEMENTS OF CASH FLOWS (CONTINUED)

d. Reconciliation of liabilities arising from financing activities

A reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities is as follows:

	Note	Borrowings* RM'000	Lease liabilities RM'000	Total RM'000
				GROUP
2025				
At 1 January 2025		**5,125,832**	**204,658**	**5,330,490**
Cash flows from financing activities				
Finance costs paid		**(230,631)**	**–**	**(230,631)**
Loans raised		**6,844,518**	**–**	**6,844,518**
Borrowing transaction cost paid		**(2,713)**	**–**	**(2,713)**
Loan repayments		**(6,811,076)**	**–**	**(6,811,076)**
Repayment of lease liabilities		**–**	**(63,779)**	**(63,779)**
Non-cash changes				
Finance costs	9	**235,741**	**14,455**	**250,196**
Recognition of additional lease liabilities		**–**	**63,668**	**63,668**
Exchange differences		**(105,586)**	**(12,484)**	**(118,070)**
At 31 December 2025		**5,056,085**	**206,518**	**5,262,603**
2024				
At 1 January 2024		5,305,428	219,569	5,524,997
Cash flows from financing activities				
Finance costs paid		(284,738)	–	(284,738)
Loans raised		5,159,997	–	5,159,997
Borrowing transaction cost paid		–	–	–
Loan repayments		(5,230,728)	–	(5,230,728)
Repayment of lease liabilities		–	(48,647)	(48,647)
Non-cash changes				
Finance costs	9	290,863	10,817	301,680
Recognition of additional lease liabilities		–	39,227	39,227
Exchange differences		(114,990)	(16,308)	(131,298)
At 31 December 2024		5,125,832	204,658	5,330,490

* The borrowings include interest payable for the Group which is classified under trade and other payables in Note 39.

NOTES TO STATEMENTS OF CASH FLOWS (CONTINUED)

d. Reconciliation of liabilities arising from financing activities (continued)

A reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities is as follows: (continued)

	Note	Borrowings* RM'000	Amounts due to subsidiaries RM'000	Total RM'000
				COMPANY
2025				
At 1 January 2025		**3,922,209**	**1,794,910**	**5,717,119**
Cash flows from financing activities				
Finance costs paid		**(168,907)**	**(7,350)**	**(176,257)**
Loans raised		**3,962,908**	**–**	**3,962,908**
Loan repayments		**(3,579,353)**	**–**	**(3,579,353)**
Advances from subsidiaries		**–**	**630,510**	**630,510**
Repayment of advances from subsidiaries		**–**	**(619,059)**	**(619,059)**
Cash flows from operating activities				
Working capital changes		**–**	**7,893**	**7,893**
Non-cash changes				
Finance costs	9	**180,418**	**51,299**	**231,717**
Exchange differences		**(69,100)**	**(29,267)**	**(98,367)**
At 31 December 2025		**4,248,175**	**1,828,936**	**6,077,111**
2024				
At 1 January 2024		4,123,293	1,836,285	5,959,578
Cash flows from financing activities				
Finance costs paid		(213,825)	(7,589)	(221,414)
Loans raised		2,040,000	–	2,040,000
Loan repayments		(2,223,102)	–	(2,223,102)
Advances from subsidiaries		–	721,310	721,310
Repayment of advances from subsidiaries		–	(1,030,426)	(1,030,426)
Cash flows from operating activities				
Working capital changes		–	231,034	231,034
Non-cash changes				
Finance costs	9	221,327	53,461	274,788
Exchange differences		(25,484)	(9,165)	(34,649)
At 31 December 2024		3,922,209	1,794,910	5,717,119

* The borrowings include interest payable for the Company which is classified under trade and other payables in Note 39.

Notes to the Financial Statements

For the financial year ended 31 December 2025

1. CORPORATE INFORMATION

The principal activities of the Company consist of the production, processing, refining and sales of palm oil and palm kernel oil, manufacturing and marketing of specialty fats and edible oils, rubber and other palm oil related products and investment holding.

The principal activities of the Group consist of the production, processing, refining and sales of palm oil and palm kernel oil, manufacturing and blending, marketing and distribution of specialty fats, edible oils, rubber, coconut oil and other palm oil related products, production and sales of sugar and beef, the involvement in other agriculture related business, renewables business and industrial development as disclosed in Note 47 to the financial statements.

The Group and the Company have ceased rubber operations and shall exit the business upon completion of sale of rubberwood as disclosed in Note 14a.

There was no significant change in the nature of these activities during the financial year.

The Company is a public limited company incorporated and domiciled in Malaysia, and has been listed on the Main Market of Bursa Malaysia Securities Berhad commencing 30 November 2017. The registered office of the Company is located at Level 10, Main Block, SD Guthrie Tower, No. 2, Jalan PJU 1A/7, Ara Damansara, 47301 Petaling Jaya, Selangor Darul Ehsan.

The Directors regard Permodalan Nasional Berhad as its immediate holding company and Yayasan Pelaburan Bumiputra as its ultimate holding company. Both companies are incorporated in Malaysia.

2. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared under the historical cost convention except as disclosed in the summary of material accounting policy information in Note 3.

The preparation of financial statements in conformity with MFRS, requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

a. Accounting pronouncement that are effective and have been adopted in preparing these financial statements

During the financial year, the Group has considered the new accounting pronouncements in the preparation of the financial statements, as follows:

i. Amendments that are effective on or after 1 January 2025

- Amendments to MFRS 121 on The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

The adoption of these amendments does not have any significant impact on the current period or any prior periods and is not likely to affect future periods.

2. BASIS OF PREPARATION (CONTINUED)

b. Accounting pronouncements that are not yet effective and have not been early adopted in preparing these financial statements

i. Amendments that are effective on or after 1 January 2026

- Amendments to MFRS 9 and MFRS 7 on "Classification and Measurement of Financial Instruments" and "Contracts Referencing Nature-dependent Electricity"
- Annual Improvements to MFRS Accounting Standards for enhanced consistency

iii. Accounting pronouncement that is effective on or after 1 January 2027

- MFRS 18 on the Presentation and Disclosure in Financial Statements

The adoption of MFRS 18 will have no impact on the Group and the Company's net profit but will result in the changes of presentation of statement of profit or loss on the grouping of income and expenses categories, as well as additional disclosure on management-defined performance measures.

Other than the above, the accounting pronouncements listed above are not expected to have any significant effect on the financial statements of the Group and the Company.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The following material accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements, and to all the financial years presented, unless otherwise stated.

a. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries made up to the end of the financial year and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Business combinations under common control are accounted using the predecessor method of accounting.

The difference in cost of acquisition over the aggregate carrying value of the assets and liabilities of the combining entities as of the date of the combination is taken to equity. Transaction costs for the combination are recognised in profit or loss.

A similar treatment applies in the Company's separate financial statements when assets and liabilities representing the underlying businesses under common control are directly acquired by the Company.

b. Foreign currencies

i. Presentation and functional currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

ii. Transactions and balances

Foreign currency transactions and monetary items are translated into the functional currency using the exchange rates prevailing at the transaction dates and at the end of the reporting period, respectively. Foreign exchange differences arising therefrom and on settlement are recognised in profit or loss.

Foreign exchange differences arising from the translation of a monetary item designated as hedge of net investment in a foreign operation are recognised in other comprehensive income in the consolidated financial statements until the net investment is disposed.

Notes to the Financial Statements
For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

b. Foreign currencies (continued)

iii. Translation of foreign currency financial statements

For consolidation purposes, foreign operations' results are translated into the Group's presentation currency at average exchange rates for the financial year whilst the assets and liabilities, including goodwill and fair value adjustments arising on consolidation, are translated at exchange rates ruling at the end of the reporting period. The resulting translation differences are recognised in other comprehensive income and accumulated in exchange reserve.

Intercompany loans where settlement is neither planned nor likely to occur in the foreseeable future, are treated as part of the parent's net investment. Translation differences arising therefrom are recognised in other comprehensive income and reclassified from equity to profit or loss upon repayment or disposal of the relevant entity.

Exchange reserve in respect of a foreign operation is recognised to profit or loss when control, joint control or significant influence over the foreign operation is lost. On partial disposal without losing control, a proportion of the exchange reserve in respect of the subsidiary is re-attributed to the non-controlling interests. The proportionate share of the cumulative translation differences is reclassified to profit or loss in respect of all other partial disposals.

c. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

All costs directly related to bearer plants are capitalised until such time as the bearer plants reach maturity, at which point all further costs are expensed and depreciation commences. Such costs include seedling and planting costs, other upkeep costs and an allocation of overhead costs.

Freehold land is not depreciated as it has indefinite life. Depreciation commences when the bearer plants mature or when the assets under construction are ready for their intended use. Other property, plant and equipment are depreciated on a straight-line basis to write down the cost or valuation of each asset to their residual value over their estimated useful lives as follows:

Buildings	20 to 50 years
Bearer plants	
• Oil palm	22 years, or the lease term, if shorter
• Rubber trees	24 years, or the lease term, if shorter
• Growing canes	5 years, or the lease term, if shorter
Plant and machinery	5 to 40 years
Vehicles, equipment and fixtures	3 to 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

d. Investment properties

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated as it has an infinite life. Other investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual value over their estimated useful lives as follows:

Buildings	20 to 50 years, or over the lease term, if shorter

e. Biological assets

Biological assets comprise cattle livestock and produce growing on bearer plants. Biological assets are measured at fair value less costs of disposal. Any gains or losses arising from changes in the fair value less costs of disposal net of transfers to produce stocks are recognised net in profit or loss. Fair value is determined based on the present value of expected net cash flows from the biological assets. The expected net cash flows are estimated using the expected output method and the estimated market price of the biological assets.

Biological assets are classified as current assets for bearer plants that are expected to be harvested and livestock that are expected to be sold or used for production on a date not more than 12 months after the reporting date.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

f. Intangible assets

i. Agricultural development costs

Internally generated research and development costs relating to the development of oil palm genomic data and techniques, as well as clonal technology with the objective of increasing yields and profit streams from the Group's plantation are capitalised as agriculture development costs. Once the development enters into commercial production, the asset will be amortised over its estimated useful life of 5 to 20 years.

ii. Smallholder relationships

Smallholder relationships have arisen on the acquisition of subsidiaries. These assets reflect the economic relationship between Group and the smallholders who cultivate and harvest fresh fruits bunches on land owned by the smallholders. These assets are shown at fair value on acquisition of subsidiaries and subsequently subject to amortisation on a straight line basis over the estimated average remaining lease term of the Group's land of 45 years. The smallholder relationships are tested for impairment whenever an indication of impairment exists.

iii. Computer software

Amortisation is calculated using the straight-line basis over their estimated useful lives. The annual amortisation rates range from 10% to 33%.

iv. Intellectual property rights

Intellectual property rights acquired from third parties are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line basis over their estimated useful life of 20 years.

v. Acquired brand names/trademarks

This mainly consists of fair value of brands in relation to the Group's beef, sugar and seed production operations which arose from the acquisition of NBPOL. The brands are initially recognised at fair value and thereafter amortised on a straight-line basis over the estimated useful life of 20 years.

g. Inventories

Inventories comprise palm oil products, sugar stocks, raw materials, trading inventories, consumables and refined inventories.

Costs for palm oil products and sugar stock includes all direct expenses, an appropriate proportion of variable and fixed overheads arising from manufacturing and head office expenses and the estimated fair value less costs of disposal attributed to agriculture produce at the point of harvest in accordance with MFRS 141 "Agriculture". The fair value of biological assets harvested from the Group's own plantations and sold during the financial year are recorded as part of the biological assets movement in Note 16 and as part of "fair value changes in biological assets (net)" in determining the profit or loss.

The cost of inventories is determined on a weighted average basis whilst net realisable value is the estimated selling price in the ordinary course of business, less estimated cost to completion and estimated selling expenses.

h. Derivatives and hedging activities

A derivative that is neither designated nor an effective hedging instrument is categorised under fair value through profit or loss and changes in its fair value is recognised in profit or loss. In the case of a derivative that qualifies for cash flow hedge, the effective portion of changes in its fair value is recognised in other comprehensive income.

Changes in the fair value of a derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of hedged assets or liabilities that are attributable to the hedged risk.

The Group and the Company document at the inception of the hedge relationship, the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group and the Company document its risk management objective and strategy for undertaking its hedge transaction.

Notes to the Financial Statements

For the financial year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

i. Employee benefits

The Group has various defined benefit pension plans, some of which are funded by payments from the relevant group of companies in various countries. The Group's defined benefit pension plans are determined based on a periodic actuarial valuation by external consultants where the amount of the benefits that eligible employees have earned in return for their services in the current and prior financial year are estimated.

The liabilities in respect of the defined benefit pension plans are the present value of the defined benefit obligations at the end of the reporting period, adjusted for actuarial gains and losses and past service costs, and reduced by the fair value of the plan assets. The defined benefit obligations, calculated using the Projected Unit Credit Method, are determined by independent actuaries, considering the estimated future cash outflows.

The current service cost of the defined benefit plan reflects the increase in the defined benefit obligation resulting from employee service in the current financial year. It is recognised in profit or loss in employee benefit expense, except where included in the cost of an asset.

Actuarial gains or losses arising from market adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

j. Revenue recognition

i. Revenue from contracts with customers

Sales of agricultural produce and refined palm oil related products

The Group's and the Company's revenue are derived mainly from its upstream and downstream operations.

In the upstream operations, revenue is from sales of agricultural produce such as crude palm oil ("CPO"), fresh fruit bunches ("FFB"), palm kernel ("PK"), beef and sugar. In the downstream operations, revenue is derived from sales of refined oil related products and provision of freight and tolling services.

Revenue from sales of agricultural produce and refined palm oil related products are recognised net of discount and taxes collected on behalf at the point in time when control of the goods has transferred to the customer. Depending on the terms of the contract with the customer, control transfers either upon delivery of the goods to a location specified by the customer and acceptance of the goods by the customer; or upon delivery of the goods on board vessels or tankers for onward delivery to the customer.

Contracts where control of goods transfer to the customer upon delivery of the goods on board vessels or tankers are often bundled with freight services. In such contracts, sale of goods and provision of freight are accounted for as separate performance obligations as the customer can benefit from the sale of goods and freight services on its own or with the use of other resources. The transaction price is allocated to each performance obligation based on the stand-alone selling prices of the goods and services.

There is no element of financing present as the Group's and the Company's sale of goods are either on cash terms (immediate payments or advance payments not exceeding 30 days); or on credit terms of up to 30 days. The Group's and the Company's obligations to provide quality claims against off-spec goods under the Group's and the Company's standard contractual terms are recognised as a provision.

Rendering of services - Provision for freight, tolling and other services

Revenue from provision of freight is recognised in the accounting period in which services are rendered. In cases where customers pay for the bundled contract in advance to the rendering of the freight services, a contract liability is recognised.

Revenue from the provision of tolling services is recognised in the period in which the manufacturing activities are performed. There is no element of financing present as the sales are made with credit terms of up to 30 days.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

j. Revenue recognition (continued)

i. Revenue from contracts with customers (continued)

Management fee income from subsidiaries

Income from the provision of management and corporate services is recognised over time in the period in which the services are rendered. The income is recognised based on the consideration specified in the management agreements, as the subsidiaries simultaneously receive and consume the benefits provided by the Company's performance.

ii. Revenue from other sources

Specific revenue recognition criteria for other revenue and income earned by the Group and the Company are as follows:

- Rental income - recognised on a straight-line basis over the lease terms.
- Dividend income - recognised when the right to receive payment is established.

k. Leases

The Group as a lessee

The Group and the Company recognise a right-of-use ("ROU") asset and a lease liability at the lease commencement date.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property, plant and equipment as follows:

Leasehold land	over the lease period ranging from 20 to 999 years
Buildings	over the lease period ranging from 20 to 50 years
Plant and machinery	over the lease period ranging from 5 to 40 years
Vehicles, equipment and fixtures	over the lease period of 5 years

l. Commodity futures, forward contracts and options

Commodity futures, forward contracts and options are entered into by the Group and the Company to manage exposure to adverse movements in vegetable oil prices. Certain contracts are entered into and continue to be held for the purpose of the receipt or delivery of the physical commodity in accordance with the Group's and the Company's expected purchase, sale or usage requirements. Accordingly, such contracts are deemed not to be financial instruments. Gains or losses arising from these contracts are deferred and included in the measurement of the purchase or sale transactions only upon the recognition of the anticipated transactions.

Certain of the Group's commodity forward purchase and sale contracts are irrevocably designated and measured at fair value through profit or loss (fair value option). The application of the fair value model is made where either doing so eliminates or significantly reduces an accounting mismatch, or a group of financial liabilities or liabilities and assets are managed on a fair value basis. Changes in the market values of these commodity contracts are recognised in the profit or loss and are estimated using valuation techniques as described in Note 45b.

Contracts entered other than for the purpose of the receipt or delivery of physical commodity are treated as derivatives.

m. Contingent liabilities

The Group and the Company do not recognise contingent liabilities, but discloses their existence in the notes to the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstances where there is a liability that cannot be recognised because it cannot be measured reliably. However, contingent liabiities do not include financial guarantee contract.

Notes to the Financial Statements
For the financial year ended 31 December 2025

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

The preparation of financial statements in conforming with MFRS requires the use of certain critical accounting estimates that involve complex and subjective judgements and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. The Directors exercise their judgement in the process of applying the Group's accounting policies. Estimates and assumptions are based on the Directors' best knowledge of current events. Such estimates and judgement could change from period to period and have a material impact on the results, financial position, cash flows and other disclosures.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

a. Impairment of non-financial assets

The Group determines whether the goodwill is impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units ("CGU") to which the goodwill is allocated. Estimating the recoverable amount requires management to make an estimate of the expected future cash flows from the CGUs and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The recoverable amounts of the CGUs were determined based on the value-in-use ("VIU") calculations. The VIU is the net present value of the projected future cash flows derived from the CGU discounted at an appropriate discount rate. Projected cash flows are estimates made based on the historical and industry trends, general market and economic conditions and other available information.

The carrying amount of the Group's and the Company's goodwill as at 31 December 2025 were RM2,062.2 million, arising from the acquisition of New Britain Palm Oil Limited ("NBPOL") and RM1,962.6 million arising from the merger exercise of plantation businesses respectively as disclosed in Note 21i to the financial statements. Based on the impairment assessments, no impairment charge is required. The key assumptions are disclosed in Note 21i to the financial statements.

b. Contingent liabilities

The Group assesses the need to make provision or to disclose a contingent liability on a case-to-case basis considering the underlying facts of each circumstance. The eventual outcome is uncertain and estimation at the end of the financial year involves extensive judgement of the Directors including input from legal counsel. Adverse outcome could materially impact the Group's financial results.

Where the outcome is assessed as not probable, contingent liability is disclosed on the basis of the known maximum exposure or are unquantified where the financial impact cannot be reliably measured.

Contingent liabilities are disclosed in Note 41 to the financial statements.

5. REVENUE

The Group and the Company derive the following types of revenue:

		GROUP		COMPANY	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers	5a	**20,852,267**	19,799,066	**4,075,760**	3,742,773
Revenue from other sources	5b	**42,478**	31,974	**426,583**	1,109,393
		20,894,745	19,831,040	**4,502,343**	4,852,166

a. Disaggregation of revenue from contracts with customers

		GROUP		COMPANY	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Upstream					
– Malaysia		**1,131,544**	737,117	**4,075,760**	3,742,773
– Indonesia		**1,530,853**	1,149,177	**–**	–
– Papua New Guinea and Solomon Islands ("PNG and SI")		**319,925**	304,882	**–**	–
Downstream					
– Bulk products	i	**9,847,234**	10,106,186	**–**	–
– Differentiated products	ii	**7,936,639**	7,349,403	**–**	–
– Tolling fees	iii	**6,189**	44,732	**–**	–
Other operations		**79,883**	107,569	**–**	–
		20,852,267	19,799,066	**4,075,760**	3,742,773

i. Revenue from bulk products include crude palm oil ("CPO"), crude palm kernel oil ("CPKO") which is crushed in kernel crushing plants, basic refined products comprising Refined Bleached Deodorised ("RBD") palm oil, RBD palm olein, stearin and Palm Fatty Acid Distillate ("PFAD") which are refined in the bulk refineries and coconut oils products which are extracted from the copra.

ii. Revenue from differentiated products include sales of products catering to customers' specific requirements, such as shortenings, margarine, ghee, frying shortenings and palm kernel cake.

iii. Revenue from tolling include service fees charged on tolling arrangement.

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Sales of palm based products, other refined edible oils, rubber, sugar, beef and other agricultural products	**20,700,003**	19,549,725	**4,044,418**	3,711,061
Management fee income from subsidiaries	**–**	–	**31,342**	31,712
Freight services	**146,075**	204,609	**–**	–
Tolling services	**6,189**	44,732	**–**	–
	20,852,267	19,799,066	**4,075,760**	3,742,773
Timing of revenue recognition				
– at point in time	**20,700,003**	19,549,725	**4,044,418**	3,711,061
– over time	**152,264**	249,341	**31,342**	31,712
	20,852,267	19,799,066	**4,075,760**	3,742,773

Notes to the Financial Statements

For the financial year ended 31 December 2025

5. REVENUE (CONTINUED)

b. Revenue from other sources

	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Dividends (gross) received/receivable from:				
– other investments	4,639	5,967	4,639	5,967
– subsidiaries	–	–	398,998	1,085,943
Rental income	37,839	26,007	22,946	17,483
	42,478	31,974	426,583	1,109,393

6. OPERATING EXPENSES

a. Operating expenses include:

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Cost of raw materials and inventories sold for palm products, rubber, sugar, beef and other agricultural products		9,304,807	8,587,593	586,747	625,784
Other direct costs of sales	6b	3,020,849	3,149,042	837,582	766,749
Employee costs	6c	3,250,188	3,112,218	1,297,815	1,005,398
Depreciation of:					
– property, plant and equipment	14	1,308,431	1,323,458	313,679	287,660
– investment properties	15	14	41	–	–
– right-of-use assets	14, 17	83,063	85,305	2,283	2,442
Amortisation of intangible assets	21	47,713	43,949	11,367	13,419
Other operating expenses	6d	1,040,744	1,055,435	372,312	350,408
		18,055,809	17,357,041	3,421,785	3,051,860

b. Other direct costs of sales include:

	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Export duty, transport and handling charges	1,119,454	1,360,336	153,341	154,096
Commissions fees	12,436	12,654	59,306	54,511
Tolling fees	47,366	138,098	–	–
Upkeep, manuring, and collection expenses	930,209	823,864	406,360	337,314
Selling and distribution expenses	74,618	79,371	–	–
Mills and refineries maintenance expenses	312,884	285,473	91,873	88,369
Research expenses	2,779	2,007	119,685	112,482
Others	521,103	447,239	7,017	19,977
	3,020,849	3,149,042	837,582	766,749

6. OPERATING EXPENSES (CONTINUED)

c. Employee costs include:

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Salaries, wages and bonus		2,579,068	2,429,122	937,318	673,346
Defined contribution plans		161,662	171,842	129,734	109,213
Retirement benefits	35	50,718	39,956	8,280	8,335
Termination benefits		649	820	649	820
Other short term employee benefits		458,091	470,478	221,834	213,684
		3,250,188	3,112,218	1,297,815	1,005,398

Employee costs above include the remuneration of the Directors and the key management personnel, as set out in Notes 10 and 44f respectively to the financial statements.

d. Other operating expenses include:

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Fair value changes in biological assets (net)		46,667	(92,484)	15,562	(21,488)
Impairment/(Reversal of impairment) of:					
– property, plant and equipment	14	31,024	31,612	80	3,738
– advances for plasma plantation projects	45aiii	1,142	(1,785)	–	–
– trade and other receivables	45aiii	165	14,542	–	–
– amounts due from subsidiaries	45aiii	–	–	7,844	9,018
– amounts due from joint ventures	45aiii	3,557	–	3,557	–
– investment in subsidiaries	18	–	–	248	410
– investment in a joint venture	19b	–	–	2,984	1,503
– non-current assets held for sale	30b	–	12,555	–	–
– goodwill	21	8,894	–	–	–
Write off/(Write back) of:					
– property, plant and equipment	14	23,888	20,312	17,887	15,235
– inventories		3,133	13,205	–	–
– intangible assets	21	43	–	452	–
– a subsidiary		–	–	7,400	–
– bad debts		131	(321)	–	–
Loss on disposal of property, plant and equipment		1,763	–	–	–
(Write back)/Write down of inventories (net)		(15,531)	14,249	42	–
Donations		30,000	30,000	10,060	3,310
Insurance charges		47,155	53,571	4,550	6,195
Information technology charges		102,056	89,327	36,407	36,557
Professional fees		56,790	104,028	25,760	59,392
Quit rent and assessment		60,083	60,807	34,221	34,057
Expense relating to short-term leases		36,368	36,495	22,502	26,852
Repairs and maintenance		189,497	229,243	39,355	35,599
Telecommunication expenses		7,262	6,416	2,043	1,477
Travelling expenditure		50,618	52,120	15,621	15,919
Utilities expenditure		133,734	152,893	38,704	37,925

Notes to the Financial Statements
For the financial year ended 31 December 2025

6. OPERATING EXPENSES (CONTINUED)

e. Auditors' remuneration

	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Fees for statutory audits:				
– PricewaterhouseCoopers PLT, Malaysia	**3,694**	3,620	**2,077**	2,008
– Member firms of PricewaterhouseCoopers International Limited	**9,194**	9,410	**–**	–
– Other firms	**625**	598	**–**	–
	13,513	13,628	**2,077**	2,008
Fees for non-audit services:				
– PricewaterhouseCoopers PLT, Malaysia	**1,015**	2,218	**882**	1,137
– Member firms of PricewaterhouseCoopers International Limited	**689**	1,678	**–**	–
	1,704	3,896	**882**	1,137

7. OTHER OPERATING INCOME

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Gain on disposal of:					
– property, plant and equipment		**122,612**	68,584	**167,106**	65,098
– non-current assets held for sale		**413,000**	634,522	**584,020**	626,865
– a subsidiary		**1,286**	–	**–**	–
– a joint venture	19diii	**46,701**	–	**–**	–
– an associate	20b	**528**	–	**1,680**	–
Government grants/incentives		**150**	10,282	**–**	–
Insurance claims		**39,678**	23,677	**445**	1,756
Other incidental income		**4,111**	5,042	**4,111**	2,856
Reversal of impairment of:					
– property, plant and equipment	14	**12,188**	–	**696**	–
– investment in a subsidiary	18	**–**	–	**48,621**	50
– amounts due from subsidiaries	45aiii	**–**	–	**20,876**	34
– amount due from a joint venture	19, 45aiii	**2,595**	–	**–**	–
– amount due from plasma stakeholders	45aiii	**4,371**	–	**–**	–
– trade and other receivables	45aiii	**1,691**	4,362	**–**	–
Sale of scrap		**34,190**	31,546	**7,408**	4,892
Sale of rubber wood		**12,278**	14,600	**12,278**	14,600
Other income		**41,123**	55,583	**22,252**	20,616
		736,502	848,198	**869,493**	736,767

The net gain on disposal of non-current assets held for sale mainly comprised the disposal of a parcel of freehold land measuring approximately 483.6 hectares to a joint venture for a total sale consideration of RM572.8 million and a parcel of freehold land measuring approximately 5.0 hectares to a third party for a total sale consideration of RM14.0 million, resulting in a total gain of disposal of non-current assets held for sale of RM413.0 million and RM584.0 million at the Group and the Company respectively (See Note 30a).

8. OTHER LOSSES AND GAINS

	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Fair value gains/(losses) on forward foreign exchange contracts:				
– realised non-hedging derivatives	**33,082**	(1,150)	**–**	–
– unrealised non-hedging derivatives	**12,402**	(5,625)	**–**	347
Fair value losses on cash flow hedge ineffectiveness of commodities futures contracts:				
– realised	**–**	(11,393)	**–**	–
Fair value gains/(losses) on commodities futures and forward contracts (non-hedging derivative):				
– realised	**2,485**	(11,320)	**–**	–
– unrealised	**(11,762)**	559	**–**	–
Foreign currencies exchange gains/(losses):				
– realised	**(30,073)**	(34,860)	**1,164**	(119,699)
– unrealised	**22,074**	27,927	**101,608**	135,073
Fair value gains/(losses) on commodities options contracts:				
– realised	**1,394**	–	**–**	–
– unrealised	**(3,094)**	–	**–**	–
	26,508	(35,862)	**102,772**	15,721

9. FINANCE COSTS

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Finance costs charged by:					
– banks and other financial institutions		**230,631**	285,481	**175,537**	215,495
– lease liabilities		**14,455**	10,817	**–**	–
– subsidiaries		**–**	–	**51,299**	53,461
Amortisation of deferred financing expenses	36	**5,110**	5,382	**4,881**	5,832
		250,196	301,680	**231,717**	274,788
Interests capitalised in:					
– capital work-in-progress		**(47,770)**	(42,337)	**(5,447)**	(8,313)
– immature bearer plants		**(116,110)**	(114,412)	**(34,088)**	(28,982)
		(163,880)	(156,749)	**(39,535)**	(37,295)
Net finance costs		**86,316**	144,931	**192,182**	237,493

Notes to the Financial Statements

For the financial year ended 31 December 2025

10. DIRECTORS' REMUNERATION

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-executive Directors:				
– fees	**3,967**	3,732	**3,330**	3,296
– allowances	**282**	305	**232**	267
– estimated monetary value of benefits	**419**	515	**419**	515
	4,668	4,552	**3,981**	4,078
Executive Director:				
– salaries and other emoluments	**7,590**	7,891	**7,590**	7,891
– defined contribution pension plans	**1,190**	1,040	**1,190**	1,040
– estimated monetary value of benefits	**38**	38	**38**	38
	8,818	8,969	**8,818**	8,969
Total	**13,486**	13,521	**12,799**	13,047

11. TAX EXPENSE

		GROUP		COMPANY	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current tax:					
In respect of current financial year					
– Malaysian income tax		**134,416**	68,711	**54,566**	9,980
– foreign income tax		**504,272**	449,336	**–**	–
– real property gain tax		**56,698**	62,936	**56,698**	62,936
– withholding tax		**56,099**	112,504	**39,686**	88,614
		751,485	693,487	**150,950**	161,530
Under/(Over) provision in respect of prior financial years					
– Malaysian income tax		**(15,732)**	(2,140)	**1,072**	(2,454)
– foreign income tax		**5,839**	17,616	**–**	–
		(9,893)	15,476	**1,072**	(2,454)
Deferred tax					
– origination and reversal of temporary differences	23	**100,241**	86,845	**38,830**	122,940
Tax expense		**841,833**	795,808	**190,852**	282,016

11. TAX EXPENSE (CONTINUED)

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

		GROUP		COMPANY	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit before tax		**3,530,083**	3,139,318	**1,898,715**	2,349,497
Applicable tax	11a	**1,036,286**	954,215	**455,692**	563,879
Effects of income not subject to tax		**(47,911)**	(64,200)	**(103,428)**	(154,272)
Effects of expenses not deductible for tax purposes		**118,579**	156,423	**42,588**	75,041
Expenses subject to double deductions		**(40,171)**	(38,645)	**(28,724)**	(28,998)
Income subject to different tax rate		**(197,401)**	(194,553)	**(146,516)**	(141,266)
Deferred tax assets not recognised in respect of tax losses and deductible temporary differences for the current financial year		**9,221**	6,194	**–**	–
Under/(Over) provision in respect of prior financial years		**(9,893)**	15,476	**1,072**	(2,454)
Deferred tax assets recognised in respect of previously unrecognised tax losses		**(6,797)**	(1,071)	**–**	–
Taxable temporary difference on investments in subsidiaries		**9,752**	(8,117)	**–**	–
Perpetual Sukuk attribution		**(29,832)**	(29,914)	**(29,832)**	(29,914)
Tax expense for the financial year		**841,833**	795,808	**190,852**	282,016
Effective tax rate (%)		**23.8**	25.3	**10.1**	12.0

a. The applicable tax rate of the Group is derived from the consolidation of all the Group's companies' applicable tax rates based on their respective domestic tax rates. The applicable tax of the Company is the product of profit before tax multiplied by the domestic tax rate of the Company.

b. During the financial year, the effective tax rate is lower than the applicable tax rate of the Group and of the Company as the dividend income from foreign subsidiaries subjected to withholding tax, where the tax rate is lower compared to the corporate tax rate.

c. In December 2021, the Organisation for Economic Co-operation and Development ("OECD") issued Pillar Two model rules which are also commonly known as Global Minimum Tax ("GMT"). Various governments around the world have issued, or are in the process of issuing, legislation on this. The Government of Malaysia has gazetted the Finance (No.2) Act 2023 in December 2023 which sets out, amongst others, the legislative provisions of the OECD's Pillar Two model rules and is effective for financial years beginning on or after 1 January 2025.

   The Group is within the scope of the OECD's Pillar Two model rules. Some foreign jurisdictions where the Group operates (such as the United Kingdom, the Netherlands and South Africa) have implemented the Pillar Two model rules earlier in 2024. The Group also operates in certain foreign jurisdictions (such as Singapore, Thailand, Indonesia, Hong Kong and Mauritius) where the Pillar Two model rules have been implemented in 2025.

   The Group has assessed the tax exposure arising from this legislation for all entities (including joint venture) by making the election to apply the Transitional Country-by-Country Safe Harbour ("TCSH"). Most of the jurisdictions in which the Group operates in have met the tests under the TCSH and no top-up tax is required. Detailed calculation based on the OECD's Pillar Two model rules were performed for jurisdictions that did not meet the TCSH tests and no top-up tax is required for the financial year 2025.

   The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in Amendments to MFRS 112 on International Tax Reform – Pillar Two Model Rules.

Notes to the Financial Statements

For the financial year ended 31 December 2025

12. EARNINGS PER SHARE

Basic earnings per share

The basic earnings per share for the financial year has been calculated based on the Group's net profit attributable to the equity holders of the Company for the financial year and the weighted average number of ordinary shares in issue during the financial year.

	GROUP 2025	GROUP 2024
Profit for the financial year (RM'000)	**2,503,038**	2,163,808
Weighted average number of ordinary shares in issue ('000 units)	**6,915,714**	6,915,714
Basic earnings per share (sen)	**36.19**	31.29

Diluted earnings per share

There is no dilution in earnings per share as there is no potential dilutive ordinary shares.

13. DIVIDENDS

Dividends payable and paid in respect of the ordinary shares for the financial year are as follows:

	GROUP/COMPANY 2025 RM'000	GROUP/COMPANY 2024 RM'000
Dividend for the financial year ended 31 December 2023:		
– Final dividend of 6.05 sen per share, paid in cash on 20 May 2024	**–**	418,401
Dividends for the financial year ended 31 December 2024:		
– Interim dividend of 4.65 sen per share, paid in cash on 15 November 2024	**–**	321,580
– Final dividend of 11.71 sen per share, paid in cash on 23 May 2025	**809,830**	–
Dividends for the financial year ended 31 December 2025:		
– Interim dividend of 7.75 sen per share, paid in cash on 31 October 2025	**535,968**	–
	1,345,798	739,981

A final dividend of 10.35 sen per ordinary share, amounting to RM715.8 million in respect of the financial year ended 31 December 2025 has been declared on 25 February 2026 and will be paid on 22 May 2026. The entitlement date for the dividend payment is 8 May 2026.

14. PROPERTY, PLANT AND EQUIPMENT

GROUP	Note	Freehold land RM'000	Buildings RM'000	Bearer plants (Note 14a) RM'000	Plant and machinery RM'000	Vehicles, equipment and fixtures RM'000	Capital work-in-progress RM'000	Total RM'000
2025								
Net book value								
At 1 January 2025		2,639,082	3,275,594	9,992,391	1,901,741	587,310	968,555	19,364,673
Additions		405	62,661	1,141,394	127,262	151,459	848,609	2,331,790
Disposals		(558)	–	(1,339)	(567)	(778)	(194)	(3,436)
(Write offs)/Write back	6d	–	(918)	(22,079)	–	(891)	–	(23,888)
Depreciation charge for the financial year		–	(272,626)	(583,780)	(320,355)	(172,230)	–	(1,348,991)
Impairment charge for the financial year	6d	–	(73)	(2,336)	(17,506)	(3,009)	(8,100)	(31,024)
Reversal impairment charge for the financial year	7	4,900	429	–	6,598	261	–	12,188
Transfer to non-current assets held for sale		–	(1,984)	(21)	–	(3,554)	(90)	(5,649)
Transfer to investment properties	15	(427)	–	–	–	–	–	(427)
Reclassification		–	223,201	–	283,804	29,587	(536,592)	–
Exchange differences		3,635	(173,686)	(601,284)	(91,822)	(22,046)	(68,942)	(954,145)
At 31 December 2025		2,647,037	3,112,598	9,922,946	1,889,155	566,109	1,203,246	19,341,091
Cost		2,647,037	6,218,060	15,627,249	5,492,971	2,807,535	1,211,794	34,004,646
Accumulated depreciation		–	(3,069,560)	(5,530,320)	(3,554,599)	(2,233,719)	–	(14,388,198)
Accumulated impairment losses		–	(35,902)	(173,983)	(49,217)	(7,707)	(8,548)	(275,357)
Net book value		2,647,037	3,112,598	9,922,946	1,889,155	566,109	1,203,246	19,341,091

Notes to the Financial Statements

For the financial year ended 31 December 2025

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

		GROUP						
	Note	Freehold land RM'000	Buildings RM'000	Bearer plants (Note 14a) RM'000	Plant and machinery RM'000	Vehicles, equipment and fixtures RM'000	Capital work-in-progress RM'000	Total RM'000
2024								
Net book value								
At 1 January 2024		2,673,759	3,349,936	9,775,298	1,941,535	620,588	784,214	19,145,330
Additions		–	34,796	1,129,752	86,934	101,857	809,404	2,162,743
Disposals		(14,505)	(2)	(1,885)	(76)	(530)	(407)	(17,405)
Write offs	6d	–	(144)	(18,331)	(1,759)	(78)	–	(20,312)
Depreciation charge for the financial year		–	(284,844)	(591,377)	(317,235)	(166,738)	–	(1,360,194)
Impairment charge for the financial year	6d	(4,900)	(5,601)	(4,086)	(17,129)	(724)	828	(31,612)
Transfer to non-current assets held for sale		(11,183)	(157)	(7,807)	(559)	(20)	(209)	(19,935)
Reclassification		–	289,000	–	269,233	47,363	(605,596)	–
Exchange differences		(4,089)	(107,390)	(289,173)	(59,203)	(14,408)	(19,679)	(493,942)
At 31 December 2024		2,639,082	3,275,594	9,992,391	1,901,741	587,310	968,555	19,364,673
Cost		2,643,982	6,318,505	15,707,816	5,650,794	2,906,063	971,513	34,198,673
Accumulated depreciation		–	(3,002,585)	(5,490,803)	(3,694,154)	(2,313,588)	–	(14,501,130)
Accumulated impairment losses		(4,900)	(40,326)	(224,622)	(54,899)	(5,165)	(2,958)	(332,870)
Net book value		2,639,082	3,275,594	9,992,391	1,901,741	587,310	968,555	19,364,673

The finance cost is capitalised at the Group at an average capitalisation rate of 4.75% (2024: 5.58%) per annum. The depreciation of property, plant and equipment capitalised in immature bearer plant for the Group amounts to RM40.6 million (2024: RM36.7 million). The depreciation of right-of-use assets capitalised in immature bearer plant for the Group amounts to RM1.9 million (2024: RM1.4 million).

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

		COMPANY						
	Note	Freehold land RM'000	Buildings RM'000	Bearer plants (Note 14a) RM'000	Plant and machinery RM'000	Vehicles, equipment and fixtures RM'000	Capital work-in-progress RM'000	Total RM'000
2025								
Net book value								
At 1 January 2025		**3,962,104**	**802,207**	**2,829,872**	**261,531**	**149,389**	**134,965**	**8,140,068**
Additions		**404**	**15,513**	**378,054**	**14,088**	**48,234**	**121,539**	**577,832**
Intra group acquisition		**–**	**2**	**–**	**4,419**	**1,404**	**–**	**5,825**
Disposals		**(4,211)**	**–**	**–**	**–**	**–**	**–**	**(4,211)**
Intra group disposal		**–**	**(1,572)**	**–**	**(1,112)**	**(25)**	**–**	**(2,709)**
Write offs	6d	**–**	**(288)**	**(17,597)**	**–**	**(2)**	**–**	**(17,887)**
Depreciation charge for the financial year		**–**	**(75,602)**	**(151,681)**	**(54,608)**	**(45,303)**	**–**	**(327,194)**
Impairment charge for the financial year	6d	**–**	**(71)**	**–**	**(7)**	**(2)**	**–**	**(80)**
Transfer to non-current assets held for sale		**(6,635)**	**(1,976)**	**(4,454)**	**–**	**–**	**–**	**(13,065)**
Reversal of impairment	7		**(0)**		**430**	**266**		**696**
Reclassification		**–**	**102,385**	**–**	**56,514**	**4,086**	**(162,985)**	**–**
At 31 December 2025		**3,951,662**	**840,598**	**3,034,194**	**281,255**	**158,047**	**93,519**	**8,359,275**
Cost		**3,951,662**	**1,688,114**	**4,409,034**	**921,854**	**632,331**	**93,519**	**11,696,514**
Accumulated depreciation		**–**	**(835,487)**	**(1,238,106)**	**(631,993)**	**(474,273)**	**–**	**(3,179,859)**
Accumulated impairment losses		**–**	**(12,029)**	**(136,734)**	**(8,606)**	**(11)**	**–**	**(157,380)**
Net book value		**3,951,662**	**840,598**	**3,034,194**	**281,255**	**158,047**	**93,519**	**8,359,275**

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For the financial year ended 31 December 2025

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Freehold land RM'000	Buildings RM'000	Bearer plants (Note 14a) RM'000	Plant and machinery RM'000	Vehicles, equipment and fixtures RM'000	Capital work-in-progress RM'000	Total RM'000
		COMPANY						
2024								
Net book value								
At 1 January 2024		3,982,925	791,926	2,671,622	224,682	156,970	174,215	8,002,340
Additions		–	8,946	325,790	15,467	27,593	99,541	477,337
Intra group acquisition		–	–	–	1,120	80	–	1,200
Disposals		(14,445)	–	(1,801)	–	–	–	(16,246)
Intra group disposal		–	–	–	(839)	–	–	(839)
Write offs	6d	–	–	(15,235)	–	–	–	(15,235)
Depreciation charge for the financial year		–	(68,737)	(146,175)	(46,136)	(36,755)	–	(297,803)
Impairment charge for the financial year	6d	–	–	(3,738)	–	–	–	(3,738)
Transfer (to)/from non-current assets held for sale		(6,376)	19	(591)	–	–	–	(6,948)
Reclassification		–	70,053	–	67,237	1,501	(138,791)	–
At 31 December 2024		3,962,104	802,207	2,829,872	261,531	149,389	134,965	8,140,068
Cost		3,962,104	1,580,239	4,166,998	880,541	589,005	134,965	11,313,852
Accumulated depreciation		–	(763,438)	(1,149,105)	(599,902)	(438,917)	–	(2,951,362)
Accumulated impairment losses		–	(14,594)	(188,021)	(19,108)	(699)	–	(222,422)
Net book value		3,962,104	802,207	2,829,872	261,531	149,389	134,965	8,140,068

The finance cost is capitalised at the Company at an average capitalisation rate of 4.85% (2024: 4.89%) per annum. The depreciation of property, plant and equipment capitalised in immature bearer plant for the Company amounts to RM13.51million (2024: RM10.14 million). The depreciation of right-of-use assets capitalised in immature bearer plant for the Company amounts to RM0.27 million (2024: RM0.28 million).

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

a. Bearer plants

Bearer plants comprised oil palm, rubber trees, growing canes and coconut.

	Mature: Oil palm RM'000	Mature: Rubber trees RM'000	Mature: Growing canes RM'000	Mature: Coconut RM'000	Mature: Total RM'000	Immature: Oil palm RM'000	Immature: Rubber trees RM'000	Immature: Coconut RM'000	Immature: Total RM'000	Total bearer plants RM'000
	GROUP									
2025										
Cost	**12,989,977**	**6,666**	**159,115**	**6,462**	**13,162,220**	**2,302,834**	**157,710**	**4,485**	**2,465,029**	**15,627,249**
Accumulated depreciation	**(5,397,959)**	**(5,806)**	**(126,249)**	**(306)**	**(5,530,320)**	**–**	**–**	**–**	**–**	**(5,530,320)**
Accumulated impairment losses	**(5,914)**	**(623)**	**–**	**–**	**(6,537)**	**(9,736)**	**(157,710)**	**–**	**(167,446)**	**(173,983)**
Net book value	**7,586,104**	**237**	**32,866**	**6,156**	**7,625,363**	**2,293,098**	**–**	**4,485**	**2,297,583**	**9,922,946**
2024										
Cost	12,957,450	27,862	160,850	5,105	13,151,267	2,339,907	211,876	4,766	2,556,549	15,707,816
Accumulated depreciation	(5,343,143)	(20,420)	(127,219)	(21)	(5,490,803)	–	–	–	–	(5,490,803)
Accumulated impairment losses	(3,743)	1,401	–	–	(2,342)	(10,404)	(211,876)	–	(222,280)	(224,622)
Net book value	7,610,564	8,843	33,631	5,084	7,658,122	2,329,503	–	4,766	2,334,269	9,992,391

	Mature: Oil palm RM'000	Mature: Rubber trees RM'000	Mature: Coconut RM'000	Mature: Total RM'000	Immature: Oil palm RM'000	Immature: Rubber trees RM'000	Immature: Coconut RM'000	Immature: Total RM'000	Total bearer plants RM'000
	COMPANY								
2025									
Cost	**3,600,194**	**6,666**	**6,462**	**3,613,322**	**658,983**	**132,374**	**4,355**	**795,712**	**4,409,034**
Accumulated depreciation	**(1,231,994)**	**(5,806)**	**(306)**	**(1,238,106)**	**–**	**–**	**–**	**–**	**(1,238,106)**
Accumulated impairment	**(3,737)**	**(623)**	**–**	**(4,360)**	**–**	**(132,374)**	**–**	**(132,374)**	**(136,734)**
Net book value	**2,364,463**	**237**	**6,156**	**2,370,856**	**658,983**	**–**	**4,355**	**663,338**	**3,034,194**
2024									
Cost	3,338,326	24,728	5,105	3,368,159	610,811	183,320	4,708	798,839	4,166,998
Accumulated depreciation	(1,134,441)	(14,643)	(21)	(1,149,105)	–	–	–	–	(1,149,105)
Accumulated impairment	(3,738)	(963)	–	(4,701)	–	(183,320)	–	(183,320)	(188,021)
Net book value	2,200,147	9,122	5,084	2,214,353	610,811	–	4,708	615,519	2,829,872

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15. INVESTMENT PROPERTIES

		GROUP					
		2025			2024		
	Note	Freehold land RM'000	Buildings RM'000	Total RM'000	Freehold land RM'000	Buildings RM'000	Total RM'000
Cost							
At 1 January		**7,886**	**681**	**8,567**	8,002	703	8,705
Transfer from property, plant and equipment	14	**427**	**–**	**427**	–	–	–
Exchange differences		**(56)**	**(10)**	**(66)**	(116)	(22)	(138)
At 31 December		**8,257**	**671**	**8,928**	7,886	681	8,567
Accumulated depreciation							
At 1 January		**–**	**666**	**666**	–	646	646
Charge for the financial year	6a	**–**	**14**	**14**	–	41	41
Exchange differences		**–**	**(10)**	**(10)**	–	(21)	(21)
At 31 December		**–**	**670**	**670**	–	666	666
Net book value at 31 December		**8,257**	**1**	**8,258**	7,886	15	7,901

The fair value of investment properties is RM477.5 million (2024: RM412.9 million) based on the valuation performed by external professional firms of surveyors and valuers. The valuation was performed using the comparable method based on current prices of comparable properties in an active market for all properties within Level 2 of the fair value hierarchy. Level 2 is based on the inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). The latest external valuations of the investment properties in Malaysia and Thailand were completed on 17 March 2026 and 27 February 2026, respectively.

16. BIOLOGICAL ASSETS

	GROUP				COMPANY
	Oil palm RM'000	Growing canes RM'000	Livestock RM'000	Total RM'000	Oil palm RM'000
2025					
At 1 January 2025	**141,668**	**25,228**	**84,868**	**251,764**	**46,298**
Transfers to produce stocks	**(137,469)**	**(24,218)**	**(81,470)**	**(243,157)**	**(46,298)**
Fair value changes	**91,453**	**23,420**	**81,617**	**196,490**	**30,736**
Exchange differences	**(7,017)**	**(4,951)**	**(12,060)**	**(24,028)**	**–**
At 31 December 2025	**88,635**	**19,479**	**72,955**	**181,069**	**30,736**
2024					
At 1 January 2024	57,769	28,253	89,239	175,261	24,810
Transfers to produce stocks	(57,031)	(28,020)	(88,502)	(173,553)	(24,810)
Fair value changes	144,690	27,829	93,518	266,037	46,298
Exchange differences	(3,760)	(2,834)	(9,387)	(15,981)	–
At 31 December 2024	141,668	25,228	84,868	251,764	46,298

The Group's and the Company's biological assets were fair valued within Level 3 of the fair value hierarchy with the exception of livestock which is on Level 2 basis (inputs are observable indirectly). Fair value assessments have been completed consistently using the same valuation techniques.

16. BIOLOGICAL ASSETS (CONTINUED)

There were no transfers between Level 2 and Level 3 of the fair value hierarchy during the financial year.

The biological assets of the Group and the Company comprise of:

i. Oil palm

Oil palm represents the fresh fruit bunches ("FFB") of up to 2 weeks prior to harvest for use in the Group's and the Company's palm products operations. During the financial year, the Group and the Company harvested approximately 8,872,798 metric tonnes ("MT") of FFB (2024: 8,768,525 MT) and 3,545,759 MT of FFB (2024: 3,542,976 MT) respectively. The quantity of unharvested FFB of the Group and of the Company as at 31 December 2025 included in the fair valuation of FFB was 294,959 MT (2024: 297,459 MT) and 111,544 MT (2024: 104,625 MT) respectively.

The Group and the Company attribute a fair value on the FFB prior to harvest at each statement of financial position date as required under MFRS 141 "Agriculture". FFB are produce of oil palm trees and are harvested continuously throughout the financial year to be used in the production of crude palm oil ("CPO"). Each FFB takes approximately 22 weeks from pollination to reach maximum oil content to be ready for harvesting. The value of each FFB at each point of the FFB production cycle will vary based on the cumulative oil content in each fruit.

In determining the fair values of FFB, management has considered the oil content of all unripe FFB from the week after pollination to the week prior to harvest. As the oil content accrues exponentially in the 2 weeks prior to harvest, the FFB prior to 2 weeks before harvesting are excluded in the valuation as the increase in fair values are considered negligible.

The valuation model adopted by the Group and the Company is a discounted cash flow model which includes all cash inflows, cash outflows and imputed contributory asset charges where no actual cash flows associated with the use of assets essential to the agricultural activity are accounted for. The net present value of cash flows is determined with reference to the market value of CPO at the reporting date, adjusted for freight, extraction rates, production, transportation, contributory asset charges and other cost to sell at the point of harvest. Changes to the assumed tonnage included in the valuation will have a direct effect on the reported valuation.

If the Group's and the Company's unharvested FFB tonnage changes by 10% (2024: 10%) and 10% (2024: 10%) respectively, the impact of fair value of unharvested FFB of the Group and the Company would have increased or decreased by approximately RM18.6 million (2024: RM26.7 million) and RM8.8 million (2024: RM9.7 million) respectively.

ii. Growing canes

Growing canes represent the standing canes prior to harvest whereby the values are dependent on the age, sucrose content and condition as at the statement of financial position date. During the financial year, the Group harvested approximately 284,264 MT (2024: 204,026 MT) of canes. The estimated quantity of unharvested canes as at 31 December 2025 included in the fair valuation of growing canes of the Group was 301,129 MT (2024: 270,057 MT).

The determination of fair value for the Group's growing canes based on the discounted cash flow model requires estimates to be made of the anticipated canes harvest, its age and condition at the statements of financial position date, the sucrose content to be extracted and sugar prices less further costs to be incurred in growing and harvesting the canes up to the point of harvest and contributory asset charges. The anticipated canes harvest is based on management's historical records, current planting statistics and production forecast. Fair value of the harvested canes is based on the accepted industry benchmark of allocating the fair value of sugar production between the fair value attributable to the cane grower and the value attributable to the miller.

If the estimated harvest volume of canes increased or decreased by 10% (2024: 10%), fair value changes in growing canes would have increased or decreased by approximately RM1.9 million (2024: RM2.5 million) accordingly.

iii. Livestock

Livestock comprise of the cattle livestock included within the Group's beef production operations. Cattle livestock are generally fed for 120 days prior to use for beef production. During the financial year, the Group produced 2,378 tonnes (2024: 2,172 tonnes) of beef. The number of cattle as at 31 December 2025 included in the fair values of livestock was 26,266 heads (2024: 27,189 heads).

The fair value of livestock is based on the Group's assessment of age, average weights and market values of the livestock at the statement of financial position date. If the average weight per heads increases or decreases by 1% (2024: 1%), fair value changes in livestock would have increased or decreased by approximately RM0.7 million (2024: RM0.8 million) respectively.

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17. RIGHT-OF-USE ASSETS

GROUP	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Vehicles, equipment and fixtures RM'000	Total RM'000
2025					
Net book value:					
At 1 January 2025	**1,872,445**	**36,993**	**46,066**	**3,841**	**1,959,345**
Additions	**64,541**	**6,900**	**14,514**	**1,508**	**87,463**
Depreciation charge for the financial year	**(58,859)**	**(10,698)**	**(13,851)**	**(1,537)**	**(84,945)**
Exchange differences	**(107,981)**	**(3,829)**	**185**	**(55)**	**(111,680)**
At 31 December 2025	**1,770,146**	**29,366**	**46,914**	**3,757**	**1,850,183**
Cost	**3,267,054**	**102,741**	**112,706**	**15,063**	**3,497,564**
Accumulated depreciation	**(1,478,256)**	**(73,375)**	**(65,792)**	**(11,306)**	**(1,628,729)**
Accumulated impairment	**(18,652)**	**–**	**–**	**–**	**(18,652)**
Net book value	**1,770,146**	**29,366**	**46,914**	**3,757**	**1,850,183**
2024					
Net book value:					
At 1 January 2024	1,957,160	43,784	56,424	3,102	2,060,470
Additions	16,164	16,053	5,115	1,895	39,227
Depreciation charge for the financial year	(62,490)	(10,797)	(12,231)	(1,195)	(86,713)
Exchange differences	(38,389)	(12,047)	(3,242)	39	(53,639)
At 31 December 2024	1,872,445	36,993	46,066	3,841	1,959,345
Cost	3,355,179	109,680	97,397	14,131	3,576,387
Accumulated depreciation	(1,462,828)	(72,687)	(51,331)	(10,290)	(1,597,136)
Accumulated impairment	(19,906)	–	–	–	(19,906)
Net book value	1,872,445	36,993	46,066	3,841	1,959,345

17. RIGHT-OF-USE ASSETS (CONTINUED)

COMPANY	Leasehold land RM'000
2025	
Net book value:	
At 1 January 2025	**216,334**
Additions	**23,795**
Depreciation charge for the financial year	**(2,550)**
At 31 December 2025	**237,579**
Cost	**301,433**
Accumulated depreciation	**(59,547)**
Accumulated impairment	**(4,307)**
Net book value	**237,579**
2024	
Net book value:	
At 1 January 2024	219,057
Depreciation charge for the financial year	(2,723)
At 31 December 2024	216,334
Cost	277,638
Accumulated depreciation	(56,997)
Accumulated impairment	(4,307)
Net book value	216,334

The Group and the Company leases various land, offices, warehouses, and equipment. The remaining lease period for the rental contracts of the Group and the Company range from 1 year to 892 years (2024: 1 year to 893 years) but may have extension options.

The maturity analysis of the lease liabilities is disclosed in Note 45aiv under liquidity risks.

The total cash outflows for leases that were disclosed in the statements of cash flows comprise of:

a. Repayment of lease liabilities as disclosed in the reconciliation of liabilities arising from financing activities; and
b. Payments for short-term leases, which approximate the amount expensed to the statements of profit or loss as disclosed in Note 6d.

Underlying assets for islamic financing facilities

During the financial year ended 30 June 2016, a subsidiary of the Company entered into a notional sale and leaseback of certain of its plantation land and bearer plants with Sime Darby Berhad ("SDB"), the former immediate holding company. This sale and leaseback arrangement is solely to facilitate the issuance of the Perpetual Subordinated Sukuk Programme ("Perpetual Sukuk") by SDB. The structure does not represent collateralisation and there was no transfer of registered land title. On 23 June 2017, the Perpetual Sukuk was novated from SDB to the Company. The sale and leaseback agreement was similarly novated from SDB to the Company.

The carrying amount of the assets used as underlying Perpetual Sukuk assets amounted to RM97.6 million (2024: RM99.5 million).

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18. SUBSIDIARIES

	COMPANY 2025 RM'000	2024 RM'000
Unquoted shares at cost	**7,680,362**	7,687,762
Amounts due from subsidiaries - non-interest bearing	**1,500,430**	1,482,702
Accumulated impairment losses	**(678,310)**	(726,683)
	8,502,482	8,443,781

The amounts due from subsidiaries above are deemed as capital contribution to subsidiaries as the repayment of these amounts are interest-free and the subsidiaries have no contractual obligation to repay to the Company.

Movements of impairment losses for investment in subsidiaries are as follows:

	Note	COMPANY 2025 RM'000	2024 RM'000
At 1 January		**726,683**	726,323
Charge for the financial year	6d	**248**	410
Reversal for the financial year	7	**(48,621)**	(50)
At 31 December		**678,310**	726,683

The Group's equity interest in the subsidiaries as at 31 December 2025 and 31 December 2024, their principal activities and countries of incorporation are shown in Note 47.

19. JOINT VENTURES

The Group's equity interest in the joint ventures as at 31 December 2025 and 31 December 2024, their respective principal activities and countries of incorporation are shown in Note 47.

a. Share of results of joint ventures

The Group's share of results of joint ventures are as follows:

	GROUP 2025 RM'000	2024 RM'000
Share of results for the financial year	**(13,471)**	(31,219)
Share of other comprehensive (loss)/income of joint ventures (net of tax)	**6,486**	6,609
Currency translation differences	**(19,463)**	(19,273)
Total comprehensive loss	**(26,448)**	(43,883)

19. JOINT VENTURES (CONTINUED)

b. Investments in joint ventures

The Group's and the Company's investments in joint ventures are as follows:

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Unquoted shares, at cost		**683,130**	424,943	**295,009**	295,009
Share of post-acquisition reserves	i	**(190,653)**	(26,356)	**–**	–
Accumulated impairment		**–**	(25,369)	**(13,109)**	(10,125)
		492,477	373,218	**281,900**	284,884
Amount owing from a joint venture	ii	**90,030**	–	**–**	–
		582,507	373,218	**281,900**	284,884

i. During the financial year, an unrealised profit of RM129.9 million arose from the disposal of 1,195 acres of land at the Group's Bukit Pelandok estate in Negeri Sembilan to a joint venture. The Group has elected the accounting policy choice to eliminate unrealised profit to the extent of the Group's carrying amount of the investment in the joint venture, with the excess recognised as deferred income, as disclosed in Note 37.

ii. The amount owing from the joint venture is an unsecured advance bearing interest at 4.35% per annum, with no fixed repayment term, repayable at the joint venture's discretion, and is not expected to be repaid within 12 months after the financial year end.

The Group's investments in joint ventures are in private companies and there are no quoted market prices available for these shares.

There are no contingent liabilities in respect of the Group's interests in the joint ventures.

c. Material joint ventures

Set out below are the joint ventures of the Group as at 31 December 2025 and 31 December 2024 which, in the opinion of the Directors, are material to the Group.

Name of joint ventures	Group's effective interest (%) 2025	2024	Place of business/ Country of incorporation
Emery Oleochemicals UK Limited	**50.0**	50.0	United Kingdom
Marvesa Supply Chain Services B.V.	**48.0**	–	Netherlands

Notes to the Financial Statements
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19. JOINT VENTURES (CONTINUED)

d. Effect of significant changes in the composition of the Group

i Acquisition of Marvesa Supply Chain Services B.V. ("Marvesa")

On 29 November 2024, SD Guthrie International Limited ("SDGI"), a wholly owned subsidiary of SD Guthrie Berhad, through its investment holding entity SDGI Den Haag B.V. ("SDGI DH"), entered into a Sales & Purchase agreement ("SPA") and a Subscription & Shareholders' Agreement ("SSA") with BGR Beheer B.V. ("BGR"). These agreements facilitate the acquisition of a 48% equity interest in Marvesa Supply Chain Services B.V. ("Marvesa") and include mutual European call and put options for the remaining 52% equity interest. The call and put options for the remaining 52% equity interest were offered to the shareholders of Marvesa, who are also the key management of Marvesa, as an "exit mechanism" and are exercisable at two distinct intervals, four and six years from the completion date, at a price determined by an agreed Exit Price formula as defined in the SSA.

The accounting for the call and put options were based on relevant MFRS principles and a liability was measured at the fair value of the "notional compensation" given to the shareholders of Marvesa, through the exit price of the options and recognised using a straight-line method over the expected service period which is assumed to be until the exercise date of the options. A service cost is recognised as an expense to profit or loss over the expected service period with any unwinding in the discount reflected in the Groups' profit or loss, being RM3.2 million as at 31 December 2025.

The acquisition was completed on 31 January 2025 at a total cash consideration of EUR54.0 million (approximately RM249.4 million), determined in accordance with the SPA and subjected to adjustments for any profit differential based on Marvesa's audited financial statements for FY2024. In October 2025, the final purchase consideration was concluded pursuant to the adjustment mechanism, and the Group paid an additional EUR0.2 million (approximately RM1.0 million) to BGR for the profit differential.

The acquisition of Marvesa is accounted for as Investment in Joint Venture as the call and put options on the remaining 52% equity interest in Marvesa cannot be exercised to obtain control until a distinct date and until then, the relevant activities of Marvesa requires approval of both shareholders. An external valuer had been engaged to perform a Purchase Price Allocation ("PPA") exercise, whereby a fair value assessment was carried out on Marvesa's identifiable assets and liabilities to identify any excess of the purchase consideration over the fair value of SDGI's share of the identifiable net assets.

The PPA exercise was completed during the year. The details of the fair value assessment are as follows:

	As at date of completion	
	EUR'000	RM'000
Purchase consideration	54,210	250,451
Add: transaction costs capitalised	4,695	21,684
Purchase consideration inclusive of transaction costs	58,905	272,135
Less: fair value of share of the identifiable net assets	(24,534)	(112,114)
Goodwill on acquisition	34,371	160,021

The resulting goodwill and other identifiable net assets from the acquisition have been subsumed within the carrying amount of the Group's Investment in Joint Venture.

19. JOINT VENTURES (CONTINUED)

d. Effect of significant changes in the composition of the Group (continued)

ii Joint Venture with Eco World Development Group Berhad and NS Corporation to Develop an Industrial Park

On 20 May 2025, the Group signed a shareholders agreement with Eco World Development Group Berhad (EcoWorld) and NS Corporation (NS Corp), following a sales and purchase agreement ("SPA") signed on 18 April 2025, to jointly develop an integrated industrial park on 1,195 acres of land in the Group's Bukit Pelandok estate in Negeri Sembilan. Eco Business Park 7 Sdn. Bhd. (EBP 7), a special purpose vehicle, was established for this development. EcoWorld holds 55% of EBP 7, while SD Guthrie Land Ventures Sdn. Bhd., a wholly owned subsidiary of the Group holds a 30% stake. The remaining 15% stake is held by NS Corp. The industrial park, to be developed over nine years will feature industrial lots, ready-built factories, and commercial properties tailored to high-growth sectors, including those in the aerospace, electrical and electronics, logistics, and biotechnology industries.

During the financial year, the Group has provided an equity injection to EBP 7 by subscribing to 30% of the total 10,000,000 shares, which is equivalent to 3,000,000 units of shares at RM1.00 per share for a total consideration of RM3 million, comprising RM0.03 million cash and RM2.97 million by way of set-off against the equivalent amount payable by EBP 7 to the Group for the land purchase price under the SPA. The investment was accounted for as a joint venture because relevant activities require a supermajority vote of at least 75%.

On 25 September 2025, EBP7 had completed the acquisition of the 1,195 acres land from the Group for a total consideration of RM572.8 million. Accordingly, the Group recognised a PBIT amounted to RM435 million arising from the Group's share of the disposal.

iii Disposal of equity interest in joint venture, Rizhao Sime Darby Oils & Fats Co. Ltd. ("RSDOF")

SD Guthrie International China Oils And Fats Company Limited, a wholly-owned indirect subsidiary of the Group had, on 19 August 2025, completed the disposal of its 45% equity interest in RSDOF to Rizhao Ruiyiyuan Trading Co., Ltd for a total sales consideration (net of applicable withholding tax) of RMB67.1 million (equivalent to approximately RM39.5 million). The disposal resulted in a gain of RM46.7 million, as disclosed in Note 7.

iv Subscription of redeemable preference shares in SD Guthrie TNB Renewables Sdn. Bhd. ("SDGTNBRE")

In the previous financial year, the Company has provided an equity injection by subscribing to 51% of the total 2,600,000 redeemable preference shares in SDGTNBRE, which is equivalent to 1,326,000 units of shares at RM1.00 per share for a total cash consideration of RM1.3 million.

v Joint Venture with Eco World Development Group Berhad and Permodalan Darul Ta'zim to Develop an Industrial Park

On 19 November 2025, the Group entered into a Shareholders' Subscription Agreement (SSA) with Eco World Development Group Berhad (EcoWorld) and Permodalan Darul Ta'zim Sdn Bhd (PDT), to jointly develop an integrated industrial park on 935.24 acres of land in the Group's Kulai estate in Johor. Eco Business Park 8 Sdn Bhd (EBP 8), a special purpose vehicle, was established to acquire the said land from the Group for the proposed development. Under the SSA, EcoWorld held 65% of EBP 8, while SD Guthrie Land Ventures Sdn. Bhd.(SDGLV), a wholly owned subsidiary of the Group held a 25% stake. The remaining 10% stake was held by PDT.

Subsequently, on 2 December 2025, the Group, EcoWorld, PDT and EBP 8 executed an amended SSA, reflecting revised shareholding proportions in EBP 8. Under the revised structure, EcoWorld and SDGLV each hold 45% equity interest, while PDT retains its 10% stake.

The industrial park, to be developed over 8 to 10 years, will feature a planned integrated industrial park, leveraging the longer-term growth potential of Iskandar Malaysia within the Johor-Singapore Special Economic Zone (JS-SEZ). The proposed development will feature industrial lots, ready-built facilities and supporting commercial components to serve high-value and innovation-led sectors including high-tech and artificial intelligence supply chains, advanced electrical and electronics, biotechnology and medical technologies, food technologies and logistics.

Following the financial year-end, in January 2026, the Group established a joint venture interest in EBP8 through an equity subscription of 45% of the issued share capital (45,000 shares) at RM1.00 per share, for total consideration of RM45,000.

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For the financial year ended 31 December 2025

19. JOINT VENTURES (CONTINUED)

e. Summarised financial information

The summarised statements of comprehensive income of the joint ventures are as follows:

	Emery Oleochemicals UK Limited RM'000	Marvesa RM'000	Others* RM'000	Total RM'000
For the financial year ended 31 December 2025				
Revenue	**2,081,779**	**96,270**	**7,583**	**2,185,632**
Depreciation and amortisation	**(36,719)**	**(1,315)**	**(6,863)**	**(44,897)**
Interest income	**2,839**	**–**	**–**	**2,839**
Interest expense	**(20,258)**	**(9,054)**	**(1,712)**	**(31,024)**
(Loss)/Profit before tax	**(134,545)**	**27,079**	**(15,209)**	**(122,675)**
Tax (expense)/credit	**23,513**	**(6,329)**	**1,050**	**18,234**
(Loss)/Profit for the financial year	**(111,032)**	**20,750**	**(14,159)**	**(104,441)**
Other comprehensive (loss)/income				
– currency translation differences	**(48,452)**	**9,923**	**–**	**(38,529)**
– actuarial gain on defined benefit plans	**16,792**	**–**	**–**	**16,792**
– tax expense relating to actuarial gain on defined benefit plans	**(3,820)**	**–**	**–**	**(3,820)**
	(35,480)	**9,923**	**–**	**(25,557)**
Total comprehensive (loss)/income for the financial year	**(146,512)**	**30,673**	**(14,159)**	**(129,998)**
For the financial year ended 31 December 2024				
Revenue	2,092,581	–	11,332	2,103,913
Depreciation and amortisation	(53,154)	–	(2,974)	(56,128)
Interest income	4,383	–	–	4,383
Interest expense	(22,614)	–	(1,314)	(23,928)
Loss before tax	(55,836)	–	(2,916)	(58,752)
Tax (expense)/credit	(4,615)	–	557	(4,058)
Loss for the financial year	(60,451)	–	(2,359)	(62,810)
Other comprehensive income/(loss)				
– currency translation differences	(38,547)	–	–	(38,547)
– actuarial loss on defined benefit plans	17,159	–	–	17,159
– tax credit relating to actuarial loss on defined benefit plans	(3,941)	–	–	(3,941)
	(25,329)	–	–	(25,329)
Total comprehensive loss for the financial year	(85,780)	–	(2,359)	(88,139)

* Others include EBP 7, SDGTNBRE and RSDOF

19. JOINT VENTURES (CONTINUED)

e. Summarised financial information (continued)

The summarised statements of financial position of the joint ventures are as follows:

	Emery Oleochemicals UK Limited RM'000	Marvesa RM'000	Others* RM'000	Total RM'000
31 December 2025				
Non-current assets	**539,710**	**632,173**	**34,728**	**1,206,611**
Current assets				
Cash and cash equivalents	**105,292**	**8,908**	**81,646**	**195,846**
Other current assets	**543,809**	**515,160**	**637,435**	**1,696,404**
	649,101	**524,068**	**719,081**	**1,892,250**
Non-current liabilities				
Financial liabilities	**(8,479)**	**(1,668)**	**(415,580)**	**(425,727)**
Other non-current liabilities	**–**	**(493,686)**	**–**	**(493,686)**
	(8,479)	**(495,354)**	**(415,580)**	**(919,413)**
Current liabilities				
Financial liabilities	**(335,874)**	**(336,412)**	**(323,474)**	**(995,760)**
Other current liabilities	**(251,343)**	**(60,231)**	**(7,297)**	**(318,871)**
	(587,217)	**(396,643)**	**(330,771)**	**(1,314,631)**
Net assets	**593,115**	**264,244**	**7,458**	**864,817**
31 December 2024				
Non-current assets	576,117	–	93,485	669,602
Current assets		–		
Cash and cash equivalents	175,940	–	3,906	179,846
Other current assets	648,550	–	1,980	650,530
	824,490	–	5,886	830,376
Non-current liability				
Financial liabilities	(17,697)	–	(18,007)	(35,704)
Current liabilities				
Financial liabilities	(390,058)	–	(22,028)	(412,086)
Other current liabilities	(253,225)	–	(203)	(253,428)
	(643,283)	–	(22,231)	(665,514)
Net assets	739,627	–	59,133	798,760

* Others include EBP 7, SDGTNBRE and RSDOF

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19. JOINT VENTURES (CONTINUED)

f. Reconciliations of summarised financial information

Reconciliations of the summarised financial information presented to the carrying amounts of the Group's interests in joint ventures are as follows:

	Note	Emery Oleochemicals UK Limited RM'000	Marvesa RM'000	Others* RM'000	Total RM'000
31 December 2025					
Net assets					
At 1 January 2025		**739,627**	**–**	**59,133**	**798,760**
Acquisition during the year		**–**	**233,571**	**–**	**233,571**
Total comprehensive (loss)/income		**(146,512)**	**30,673**	**(14,159)**	**(129,998)**
Issuance of ordinary shares		**–**	**–**	**10,000**	**10,000**
Disposal of a joint venture		**–**	**–**	**(47,516)**	**(47,516)**
At 31 December 2025		**593,115**	**264,244**	**7,458**	**864,817**
Group's effective interest		**50%**	**48%**	**30.0% – 51.0%**	**–**
Interests in joint ventures		**296,558**	**126,837**	**1,985**	**425,380**
Goodwill		**–**	**163,830**	**–**	**163,830**
Amount owing from joint venture		**–**	**–**	**90,030**	**90,030**
Other identifiable net assets		**–**	**(4,718)**	**–**	**(4,718)**
Unrealised profits		**–**	**–**	**(129,855)**	**(129,855)**
		296,558	**285,949**	**(37,840)**	**454,637**
Deferred gain on disposal of land to joint venture	37	**–**	**–**	**37,840**	**37,840**
Carrying amount at end of the financial year		**296,558**	**285,949**	**–**	**582,507**

* Others include EBP 7, SDGTNBRE and RSDOF

During the financial year, the Group has capped the recognition of its share of losses on SD Guthrie TNB Renewables Sdn. Bhd. ("SDGTNBRE") up until its costs of investment in SDGTNBRE. The Group's share of losses in SDGTNBRE for the financial year amounted to RM1.1 million had not been equity accounted for. However, the Group acts as a guarantor for a term loan entered into by SDGTNBRE, which staggered repayment is expected from financial year 2026 onwards. The unrecognised commitment arising from the obligation amounts to RM1.7 million.

	Emery Oleochemicals UK Limited RM'000	Marvesa RM'000	Others* RM'000	Total RM'000
31 December 2024				
Net assets				
At 1 January 2024	825,407	–	61,492	886,899
Total comprehensive loss	(85,780)	–	(2,359)	(88,139)
At 31 December 2024	739,627	–	59,133	798,760
Group's effective interest	50%	–	45.0% – 51.0%	
Interests in joint ventures	369,814	–	28,773	398,587
Accumulated impairment of investment in a joint venture	–	–	(25,369)	(25,369)
Carrying amount at end of the financial year	369,814	–	3,404	373,218

20. ASSOCIATES

The Group's equity interest in the associates as at 31 December 2025 and 31 December 2024, their respective principal activities and countries of incorporation are shown in Note 47.

a. Share of results of associates

The Group's share of results of associates are as follows:

	GROUP 2025 RM'000	GROUP 2024 RM'000
Share of results for the financial year	**4,169**	3,291
Currency translation differences	**(814)**	(1,494)
Total comprehensive income	**3,355**	1,797

b. Investments in associates

The Group's and the Company's investments in associates are as follows:

	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Unquoted shares, at cost	**74,161**	74,481	**100**	420
Share of post-acquisition reserves	**(22,531)**	(22,295)	**–**	–
	51,630	52,186	**100**	420

The Group's investments in associate companies are private companies and there are no quoted market prices available for these shares.

There are no contingent liabilities in respect of the Group's interests in the associates.

c. Summarised financial information

The Group has interests in a number of individually immaterial associates that are accounted for using the equity method.

	GROUP 2025 RM'000	GROUP 2024 RM'000
Aggregate carrying amount of individually immaterial associates	**51,630**	52,186
Aggregate amounts of the Group's share of profit	**4,169**	3,291
Dividends received from associates	**2,438**	1,463

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21. INTANGIBLE ASSETS

	Note	GROUP Goodwill RM'000	Asset usage rights RM'000	Intellectual property rights RM'000	Smallholder relationships RM'000	Customer relationships RM'000	Computer software RM'000	Agriculture development costs RM'000	Acquired brand names/ trademarks RM'000	Total RM'000
2025										
Net book value										
At 1 January 2025		**2,294,691**	**265**	**9,660**	**505,525**	**–**	**101,923**	**60,688**	**22,326**	**2,995,078**
Additions		**–**	**–**	**–**	**–**	**–**	**58,540**	**–**	**–**	**58,540**
Impairment	6d	**(8,894)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(8,894)**
Write off	6d	**–**	**–**	**–**	**–**	**–**	**(43)**	**–**	**–**	**(43)**
Amortisation	6a	**–**	**(4)**	**(840)**	**(18,185)**	**–**	**(19,942)**	**(6,159)**	**(2,583)**	**(47,713)**
Exchange differences		**(214,183)**	**(227)**	**–**	**(44,853)**	**–**	**(3,022)**	**(182)**	**(2,347)**	**(264,814)**
At 31 December 2025		**2,071,614**	**34**	**8,820**	**442,487**	**–**	**137,456**	**54,347**	**17,396**	**2,732,154**
Cost		**2,086,031**	**2,242**	**16,800**	**652,112**	**10,710**	**379,122**	**107,481**	**74,497**	**3,328,995**
Accumulated amortisation		**–**	**(2,208)**	**(7,980)**	**(209,625)**	**(10,710)**	**(238,666)**	**(53,134)**	**(54,957)**	**(577,280)**
Accumulated impairment losses		**(14,417)**	**–**	**–**	**–**	**–**	**(3,000)**	**–**	**(2,144)**	**(19,561)**
Net book value		**2,071,614**	**34**	**8,820**	**442,487**	**–**	**137,456**	**54,347**	**17,396**	**2,732,154**
2024										
Net book value										
At 1 January 2024		2,368,006	44	10,500	539,097	–	43,921	67,152	26,002	3,054,722
Additions		–	251	–	–	–	74,137	–	–	74,388
Amortisation	6a	–	(4)	(840)	(17,558)	–	(16,391)	(6,359)	(2,797)	(43,949)
Exchange differences		(73,315)	(26)	–	(16,014)	–	256	(105)	(879)	(90,083)
At 31 December 2024		2,294,691	265	9,660	505,525	–	101,923	60,688	22,326	2,995,078
Cost		2,300,214	2,226	16,800	712,895	10,710	333,063	108,919	78,849	3,563,676
Accumulated amortisation		–	(1,961)	(7,140)	(207,370)	(10,710)	(228,173)	(48,231)	(54,379)	(557,964)
Accumulated impairment losses		(5,523)	–	–	–	–	(2,967)	–	(2,144)	(10,634)
Net book value		2,294,691	265	9,660	505,525	–	101,923	60,688	22,326	2,995,078

21. INTANGIBLE ASSETS (CONTINUED)

	Note	COMPANY Goodwill RM'000	Intellectual property rights RM'000	Computer software RM'000	Agriculture development costs RM'000	Total RM'000
2025						
Net book value						
At 1 January 2025		**1,963,000**	**9,660**	**18,737**	**59,855**	**2,051,252**
Additions		**–**	**–**	**14,838**	**–**	**14,838**
Amortisation	6a	**–**	**(840)**	**(4,632)**	**(5,895)**	**(11,367)**
Disposal		**(405)**	**–**	**(47)**	**–**	**(452)**
Intra group transfer		**–**	**–**	**(1,310)**	**–**	**(1,310)**
At 31 December 2025		**1,962,595**	**8,820**	**27,586**	**53,960**	**2,052,961**
Cost		**1,962,595**	**16,800**	**117,245**	**102,423**	**2,199,063**
Accumulated amortisation		**–**	**(7,980)**	**(89,659)**	**(48,463)**	**(146,102)**
Net book value		**1,962,595**	**8,820**	**27,586**	**53,960**	**2,052,961**
2024						
Net book value						
At 1 January 2024		1,965,199	10,500	39,118	65,750	2,080,567
Additions		–	–	3,899	–	3,899
Amortisation	6a	–	(840)	(6,684)	(5,895)	(13,419)
Disposal		(2,199)	–	–	–	(2,199)
Intra group transfer		–	–	(17,596)	–	(17,596)
At 31 December 2024		1,963,000	9,660	18,737	59,855	2,051,252
Cost		1,963,000	16,800	103,768	102,422	2,185,990
Accumulated amortisation		–	(7,140)	(85,031)	(42,567)	(134,738)
Net book value		1,963,000	9,660	18,737	59,855	2,051,252

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21. INTANGIBLE ASSETS (CONTINUED)

i. Goodwill

GROUP

The goodwill in the Group's consolidated statement of financial position represents mainly the excess of the purchase consideration over the fair value of identifiable assets, liabilities and contingent liabilities recognised upon the Group's acquisition of New Britain Palm Oil Limited ("NBPOL") and its subsidiaries in 2015.

The Group carries out its annual impairment assessment on the goodwill arising from the acquisition of NBPOL, which for the purposes of impairment testing has been allocated to cash generating units ("CGU") within the Group, namely NBPOL CGU and PT Minamas Gemilang and its subsidiaries CGU ("Minamas Group CGU") as the Group believes that Minamas Group's operations will benefit from the additional planting material synergies, from the use of Dami Super Family seeds, arising from the acquisition of NBPOL.

The impairment assessment is carried out on the goodwill allocated to NBPOL CGU of USD367 million (equivalent to RM1,490.3 million) (2024: USD367 million (equivalent to RM1,643.9 million) and Minamas Group CGU of USD141 million (equivalent to RM571.9 million) (2024: USD141 million (equivalent to RM631.0 million)).

The recoverable amounts of these two CGUs are based on their respective value-in-use calculations which are derived using cash flow projections in which the following key assumptions are used:

	2025			2024		
	Short term (2026)	Mid term (2027 – 2030)	Long term (2031 onwards)	Short term (2025)	Mid term (2026 – 2030)	Long term (2031 onwards)
NBPOL CGU						
Projection period	A 36-year cash flow projection, based on the average remaining lease period of land in NBPOL			A 37-year cash flow projection, based on the average remaining lease period of land in NBPOL		
FFB yields (MT per hectare) ("ha")	**22.7**	**23.2 – 25.6**	**23.6 – 26.9**	22.2	23.0 – 26.1	23.5 – 27.2
CPO price (per MT) (USD)	**982**	**951 – 1,291**	**1,197 – 1,247**	900	1,197 – 1,307	1,045
CPO price (per MT) (RM)	**4,110**	**3,980 – 5,403**	**5,009 – 5,219**	3,854	5,126 – 5,597	4,475
Discount rate	**12.6% per annum**			12.2% per annum		
Minamas Group CGU						
Projection period	A 34-year cash flow projection, based on the remaining average lease period of 34 years, up to financial year 2059, which determined based on the weighted average of the total remaining lease term of the land use rights in Minamas Group of 9 years, plus expected renewal of 25 years.			A 35-year cash flow projection, based on the remaining average lease period of 35 years, up to financial year 2059, which determined based on the weighted average of the total remaining lease term of the land use rights in Minamas Group of 10 years, plus expected renewal of 25 years.		
FFB yields (MT per hectare) ("ha")	**18.4**	**19.4 – 22.0**	**22.5 – 25.5**	16.8	18.7 – 23.0	21.6 – 25.5
CPO price (per MT) (USD)	**812**	**733 – 916**	**844 – 883**	775	879 – 968	789
CPO price (per MT) (RM)	**3,398**	**3,068 – 3,833**	**3,532 – 3,695**	3,233	3,764 - 4,145	3,379
Discount rate	**11.0% per annum**			11.0% per annum		

Based on the impairment assessment, no impairment charge is required on the goodwill as the recoverable amount calculated based on value-in-use exceeded the carrying value of the NBPOL CGU and Minamas Group CGU.

21. INTANGIBLE ASSETS (CONTINUED)

i. Goodwill (continued)

GROUP (continued)

The Group's impairment assessment of both CGUs as outlined above included a sensitivity analysis on the key assumptions used. The changes in the key assumptions adopted in the value-in-use calculation for both CGUs assuming all other variables are held constant are as follows:

		Value-in-use lower by 2025 RM'million	Value-in-use lower by 2024 RM'million
NBPOL CGU	**Sensitivity**		
FFB yields			
– short term	Lower by 1 MT per ha (2024: 1 MT)	**37.8**	38.4
– medium term	Lower by 1 MT per ha (2024: 1 MT)	**139.5**	211.2
– long term	Lower by 1 MT per ha (2024: 1 MT)	**277.5**	243.3
CPO price			
– short term	Lower by 10% (2024: 10%)	**101.8**	101.6
– medium term	Lower by 10% (2024: 10%)	**392.5**	576.0
– long term	Lower by 5% (2024: 5%)	**410.6**	371.3
Discount rate	Higher by 50 basis points (2024: 50 basis points)	**340.9**	335.0

		Value-in-use lower by 2025 RM'million	Value-in-use lower by 2024 RM'million
Minamas CGU			
FFB yields			
– short term	Lower by 1 MT per ha (2024: 1 MT)	**63.7**	64.8
– medium term	Lower by 1 MT per ha (2024: 1 MT)	**219.6**	319.9
– long term	Lower by 1 MT per ha (2024: 1 MT)	**480.3**	436.5
CPO price			
– short term	Lower by 10% (2024: 10%)	**122.5**	116.3
– medium term	Lower by 10% (2024: 10%)	**473.6**	670.4
– long term	Lower by 5% (2024: 5%)	**595.4**	556.5
Discount rate	Higher by 50 basis points (2024: 50 basis points)	**457.8**	433.3

Based on the results of the sensitivity analysis, none of the above key assumptions used would cause the carrying value of NBPOL Group and Minamas Group respectively to materially exceed the recoverable amount.

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21. INTANGIBLE ASSETS (CONTINUED)

i. Goodwill (continued)

COMPANY

The Company's goodwill arose from merger exercise of plantation businesses between Sime Darby Berhad, Golden Hope Plantations Berhad and Kumpulan Guthrie Berhad in the financial year 2008.

The Company evaluates the recoverable amount of the goodwill of RM1,962.6 million as one CGU based on its value-in-use calculations using cash flow from approved financial budgets covering a 5 year (2024: 5 year) period inclusive of the terminal values.

	2025	2024
Discount rate (%)	**9.5**	9.1
CPO price (RM per MT)	**3,800 to 5,103**	3,635 to 5,285
FFB yields (MT per ha)	**20.4 to 23.68**	20.54 to 23.77

The assessment indicated that no impairment charge is required on the goodwill as the recoverable amount exceed the carrying value of the CGU's assets and goodwill. The management believes that no reasonable possible change in any of the key assumptions used would result in the carrying amount of the CGU to materially exceed the recoverable amount.

ii. Smallholder relationships

The smallholder relationships arose from the acquisition of a subsidiary. These assets reflect the relationship between the Group and smallholders who cultivate and harvest FFB on land which is owned by the smallholders. The FFB is subsequently purchased by the Group for processing as palm oil. These assets are initially recognised at fair value and thereafter amortised over 45 years which is the remaining lease term of the land at the acquisition date.

iii. Agriculture development costs

Capitalised agriculture development costs comprise of expenditure incurred relating to the development of oil palm genomic data and techniques, as well as clonal technology with the objective of increasing yields and profit streams from the Group's plantation. Once the development enters into commercial production, the asset will be amortised over its estimated useful life of 5 to 20 years.

iv. Intellectual property rights

The Company acquired intellectual property rights ("IP rights") on the genome base data from a third party and had assessed that the IP rights have a finite life. As a result, the Company amortised the IP rights on a straight line basis, over the estimated useful life of 20 years.

v. Acquired brand names/trademarks

This mainly consists of fair value of brands in relation to the Group's beef, sugar and seed production operations which arose from the acquisition of NBPOL. The brands are initially recognised at fair value and thereafter amortised on a straight-line basis over the estimated useful life of 20 years.

vi. Computer software

Expenditure on computer software that is not an integral part of the related hardware is treated as an intangible asset and is carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line basis over their estimated useful lives. The annual amortisation rates range from 10% to 33%. Projects in progress are not amortised as these computer software are not yet available for use.

22. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current				
Unquoted shares				
At 1 January	**32,311**	23,113	**32,161**	22,966
Net changes in fair value	**(8,600)**	9,198	**(8,600)**	9,195
At 31 December	**23,711**	32,311	**23,561**	32,161

The unquoted non-current investments at FVOCI of the Group and of the Company were categorised under Level 3 investment, of which the fair value is determined using a valuation technique with reference made to quoted market prices for companies with similar business.

The Group and the Company have irrevocably elected non-trading equity securities above at initial recognition to present its fair value changes in OCI. Any fair value gains and losses on equity investments are recognised in investment in FVOCI reserve. The Group and the Company consider the classification to be more relevant as these instruments are strategic investments of the Group and the Company and not held for trading purposes.

23. DEFERRED TAX

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deferred tax assets	**442,328**	450,509	**–**	–
Deferred tax liabilities	**(2,695,017)**	(2,685,870)	**(849,783)**	(810,953)
	(2,252,689)	(2,235,361)	**(849,783)**	(810,953)

The unutilised tax losses and deductible temporary differences for which no deferred tax assets are recognised in the consolidated financial statements are as follows:

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unutilised tax losses				
– Expiring within 10 years	**148,764**	125,569	**–**	–
– No expiry period	**16,168**	25,704	**–**	–
	164,932	151,273	**–**	–
Deductible temporary differences				
– No expiry period	**656,042**	662,015	**585,959**	580,708
	820,974	813,288	**585,959**	580,708

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23. DEFERRED TAX (CONTINUED)

The estimated amounts of deferred tax assets calculated at current tax rate, which has not been recognised in the financial statements, are as follows:

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unutilised tax losses	**39,562**	36,370	**–**	–
Unutilised capital allowances	**14,325**	17,790	**–**	–
Other deductible temporary differences	**59,635**	58,789	**58,596**	58,071
	113,522	112,949	**58,596**	58,071

A Capital Gains Tax ("CGT") on the gains from disposal of shares in unlisted companies incorporated in Malaysia was enacted in November 2023 and is effective for disposals made on or after 1 March 2024. The Group and the Company expect deductible temporary differences of RM596.4 million (2024: RM587.9 million) and RM586.0 million (2024: RM580.7 million) respectively, arising from the expected capital losses, as the cost of investments in subsidiaries were impaired in the past. However, no deferred tax assets ("DTA") are to be recognised on these deductible temporary differences as there are no foreseeable capital gains in the near future, for which the capital losses can be utilised.

Deferred tax assets are not recognised by certain subsidiaries in respect of the above temporary differences as the Directors are of the view it is not probable that sufficient taxable profits will be available to allow the deferred tax assets to be utilised.

The components and movements of the deferred tax assets and liabilities during the financial year are as follows:

		GROUP		COMPANY	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At 1 January		**(2,235,361)**	(2,210,892)	**(810,953)**	(688,013)
(Charged)/Credited to profit or loss	11				
– property, plant and equipment		**(136,617)**	(54,017)	**(66,683)**	(97,564)
– biological assets		**7,035**	(19,549)	**4,175**	(5,157)
– intangible assets		**3,621**	3,858	**–**	–
– right-of-use assets		**(6,436)**	2,808	**–**	–
– lease liabilities		**(737)**	1,930	**–**	–
– derivatives		**9,141**	3,621	**934**	(1,017)
– unutilised tax losses		**(30,356)**	(39,413)	**(22,802)**	(9,416)
– retirement benefits		**(531)**	965	**549**	(487)
– impairments and provisions		**13,732**	17,002	**27,598**	(9,009)
– inventories		**23,523**	(10,290)	**–**	–
– temporary difference on investments in subsidiaries		**(9,752)**	8,117	**–**	–
– others		**27,136**	(1,877)	**17,399**	(290)
		(100,241)	(86,845)	**(38,830)**	(122,940)
(Charged)/Credited to other comprehensive income		**(1,082)**	(3,085)	**–**	–
Exchange differences		**83,995**	65,461	**–**	–
At 31 December		**(2,252,689)**	(2,235,361)	**(849,783)**	(810,953)

23. DEFERRED TAX (CONTINUED)

		GROUP		COMPANY	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deferred tax assets (before offsetting)					
– unutilised tax losses		**59,965**	94,910	**–**	22,802
– retirement benefits		**51,760**	47,364	**12,372**	11,823
– impairments and provisions		**155,555**	151,951	**44,075**	16,477
– derivatives		**1,152**	(571)	**–**	–
– property, plant and equipment	23a	**237,888**	301,036	**–**	–
– lease liabilities		**35,936**	31,728	**–**	–
– temporary difference on investments in subsidiaries	23b	**–**	11,678	**–**	–
– others		**22,670**	4,215	**13,905**	–
		564,926	642,311	**70,352**	51,102
Offsetting		**(122,598)**	(191,802)	**(70,352)**	(51,102)
Deferred tax assets (after offsetting)		**442,328**	450,509	**–**	–
Deferred tax liabilities (before offsetting)					
– property, plant and equipment		**(2,396,483)**	(2,418,236)	**(913,199)**	(846,516)
– biological assets		**(53,275)**	(65,795)	**(6,936)**	(11,111)
– intangible assets		**(153,668)**	(142,224)	**–**	–
– right-of-use assets		**(142,815)**	(140,328)	**–**	–
– derivatives		**–**	(618)	**–**	(934)
– inventories		**(44,778)**	(78,708)	**–**	–
– others		**(26,596)**	(31,763)	**–**	(3,494)
		(2,817,615)	(2,877,672)	**(920,135)**	(862,055)
Offsetting		**122,598**	191,802	**70,352**	51,102
Deferred tax liabilities (after offsetting)		**(2,695,017)**	(2,685,870)	**(849,783)**	(810,953)

a. The Ministry of Finance in Indonesia issued a regulation on fixed assets revaluation (under Peraturan Menteri Keuangan No.191/PMK.010/2015) ("PMK 191") effective from 20 October 2015 as a temporary special tax treatment to taxpayers. Under the special tax regulation, taxpayers who elect to apply the fixed assets revaluation are granted a special tax treatment, leading to a reduction in the final tax rate to be applied on the companies.

   Under the special tax regulation, the Group's Indonesia subsidiaries had elected and submitted their application for the special tax incentive by performing a tax revaluation on certain assets and paid a final tax for the revaluation surplus. Subsequent to the approvals of the fixed assets revaluation by the Director General of Taxation ("DGT"), the Group has recognised deferred tax assets arising from the fixed asset revaluation surplus.

b. The Group has recognised deferred tax assets/liabilities on temporary difference on investments in subsidiaries which has been classified as non-current assets held for sale.

Deferred tax is not recognised on the unremitted earnings of overseas subsidiaries where the Group is able to control the timing of the remittance and it is probable that there will be no remittance in the foreseeable future. If these earnings were remitted, tax of RM3,082 million (2024: RM2,885 million) would have been payable.

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24. TAX RECOVERABLE

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Non-current					
Corporate income taxes recoverable	24a	**66,292**	126,917	**–**	–
Value added tax recoverable	24b	**53,442**	70,681	**–**	–
Other taxes recoverable		**3,308**	5,025	**–**	–
		123,042	202,623	**–**	–
Current					
Corporate income taxes recoverable	24a	**70,995**	164,100	**1,052**	39,511
Value added tax recoverable	24b	**50,342**	74,231	**–**	–
Other taxes recoverable		**126**	5	**–**	–
		121,463	238,336	**1,052**	39,511

Note:

a. Certain subsidiaries within the Minamas Group have received corporate income tax assessments from the local tax authorities in Indonesia for various years of assessment. These subsidiaries disagreed with certain of these assessments and have filed objections, appeals and judicial reviews.

During the financial year, the Group received tax refunds of IDR226 billion (RM54 million) (2024: IDR165 billion (RM46 million)) and paid tax assessments of IDR62 billion (RM15 million) (2024: IDR58 billion (RM14 million)) arising from the additional tax assessments raised by the local tax authorities in Indonesia.

b. Certain subsidiaries within the Minamas Group have received value added taxes assessments from the local tax authorities in Indonesia for various years of assessment. These subsidiaries disagreed with certain of these assessments and have filed objections, appeals and judicial reviews.

During the financial year, the Group has received Value Added Taxes ("VAT") refund of IDR290 billion (RM70 million) (2024: IDR381 billion (RM105 million)) from the local tax authorities in Indonesia.

The non-current tax recoverable includes additional tax assessments paid and VAT, which would normally take more than a year to resolve with the relevant tax authorities.

25. TRADE AND OTHER RECEIVABLES

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Non-current					
Advances for plasma plantation projects		**44,826**	62,725	**–**	–
Other receivables		**20,314**	22,935	**–**	–
		65,140	85,660	**–**	–
Accumulated impairment losses:					
Advances for plasma plantation projects	45aiii	**(16,639)**	(23,493)	**–**	–
		48,501	62,167	**–**	–
Current					
Trade receivables		**1,992,594**	1,650,454	**15,283**	23,034
Other receivables		**264,647**	320,434	**65,169**	75,669
Goods and services tax/value added tax receivable		**246,725**	233,070	**–**	–
Prepayments		**248,496**	222,420	**14,303**	14,692
Deposits		**18,827**	18,759	**10,897**	10,446
Amounts due from associates		**70**	1,033	**70**	248
Amounts due from joint ventures		**73,355**	54,008	**43,588**	41,205
Interest receivable		**3**	3	**–**	–
		2,844,717	2,500,181	**149,310**	165,294
Accumulated impairment losses:					
Trade receivables	45aiii	**(17,264)**	(19,472)	**(8)**	(388)
Other receivables	45aiii	**(14,446)**	(20,821)	**(1,817)**	(1,765)
Amounts due from joint ventures	45aiii	**(47,964)**	(52,071)	**(43,557)**	(40,000)
		(79,674)	(92,364)	**(45,382)**	(42,153)
		2,765,043	2,407,817	**103,928**	123,141

Credit terms for trade receivables of the Group and of the Company range from 7 to 120 days (2024: 7 to 120 days).

Trade and other receivables pledged as security for borrowings is disclosed in Note 36c to the financial statements.

The amounts due from associates and joint ventures are trade in nature, unsecured, interest free and repayable within 30 days (2024: 30 days).

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26. INVENTORIES

	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Produce inventories:				
– palm oil products	**538,835**	508,083	**82,463**	56,911
– sugar stocks	**51,856**	15,356	**–**	–
Trading inventories	**187,919**	438,160	**–**	–
Raw materials and consumable stores	**1,209,913**	1,299,575	**25,528**	26,108
Refined inventories:				
– work-in-progress	**597,554**	464,713	**–**	–
– finished goods	**215,842**	115,827	**–**	–
	2,801,919	2,841,714	**107,991**	83,019

Included in the inventories above of the Group and the Company are amounts of RM301.3 million (2024: RM260.6 million) and Nil (2024: RM8.84 million) respectively which are stated at net realisable value.

27. AMOUNTS DUE FROM/(TO) SUBSIDIARIES AND RELATED PARTIES

	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Non-current				
Amounts due from subsidiaries				
– interest bearing (non-trade)	**–**	–	**205,853**	52,204
Current				
Amounts due from subsidiaries				
– interest bearing (non-trade)	**–**	–	**953,713**	772,960
– non-interest bearing (non-trade)	**–**	–	**275,361**	210,249
– non-interest bearing (trade)	**–**	–	**597,891**	560,034
	–	–	**1,826,965**	1,543,243
Amounts due from related parties				
– non-interest bearing (trade)	**358**	340	**180**	130
Amounts due to subsidiaries				
– interest bearing (non-trade)	**–**	–	**(1,404,466)**	(1,552,174)
– non-interest bearing (non-trade)	**–**	–	**(424,470)**	(242,736)
– non-interest bearing (trade)	**–**	–	**(16,346)**	(65,639)
	–	–	**(1,845,282)**	(1,860,549)
Amounts due to related parties				
– non-interest bearing (trade)	**(15,540)**	(13,732)	**(8,623)**	(6,519)

The amounts presented above are net of impairment. The accumulated impairment on the amounts due from subsidiaries (non-trade) is disclosed in Note 45aiiiC.

27. AMOUNTS DUE FROM/(TO) SUBSIDIARIES AND RELATED PARTIES (CONTINUED)

Interest rates per annum

	COMPANY 2025 %	COMPANY 2024 %
Non-current		
Amounts due from subsidiaries	**3.73 – 4.17**	4.00 – 4.21
Current		
Amounts due from subsidiaries	**3.42 – 4.53**	3.70 – 4.19
Amounts due to subsidiaries	**3.90 – 4.97**	4.18 – 5.94

The amounts due from/(to) subsidiaries and related parties are unsecured. The non-current amounts are repayable on demand but expected to be received beyond 12 months after the reporting date. All other non-trade current amounts due from/(to) subsidiaries are repayable on demand. Amounts due from/(to) subsidiaries and related parties (trade) are unsecured, interest free and have a credit terms of 30 days. The amounts due from subsidiaries and related parties are neither past due nor impaired, except as disclosed in Note 45aiiiC.

28. DERIVATIVES

The Group's derivatives are as follows:

	GROUP Contract/ notional amount RM'000	Fair value Assets RM'000	Fair value Liabilities RM'000
2025			
Current			
Cash flow hedges:			
– forward foreign exchange contracts	**1,349,260**	**12,850**	**(9,336)**
– commodities futures contracts	**67,355**	**8,403**	**–**
	1,416,615	**21,253**	**(9,336)**
Non-hedging derivatives:			
– forward foreign exchange contracts	**687,304**	**3,209**	**(4,300)**
– commodities futures contracts	**564,132**	**609**	**(7,962)**
	1,251,436	**3,818**	**(12,262)**
	2,668,051	**25,071**	**(21,598)**
2024			
Current			
Cash flow hedges:			
– forward foreign exchange contracts	1,033,816	9,374	(6,559)
– commodities futures contracts	348,201	2,763	–
	1,382,017	12,137	(6,559)
Non-hedging derivatives:			
– forward foreign exchange contracts	264,738	4,828	(220)
– commodities futures contracts	870,504	12,902	(5,295)
– commodities forward contracts	115	1	(33)
	1,135,357	17,731	(5,548)
	2,517,374	29,868	(12,107)

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28. DERIVATIVES (CONTINUED)

The Company's derivatives are as follows:

	COMPANY		
	Contract/ notional amount RM'000	Fair value Assets RM'000	Fair value Liabilities RM'000
2025			
Current			
Cash flow hedges:			
– forward foreign exchange contracts	**–**	**–**	**–**
2024			
Current			
Cash flow hedges:			
– forward foreign exchange contracts	104,465	3,889	–

a. Forward foreign exchange contracts

The Group has forward foreign exchange contracts in place with a notional value that are designated and effected as cash flow hedges. These contracts are expected to cover the Group's exposures ranging from 1 month to 12 months (2024: 1 month to 12 months) and the Company's exposures ranging from 1 month to 6 months (2024:1 month to 6 months).

These derivatives are entered into to hedge certain risks as described in Note 45a. Whilst all derivatives entered into provide economic hedges to the Group, non-hedging derivatives are instruments that do not qualify for the application of hedge accounting under the specific rules in MFRS 9.

b. Commodities futures contracts

The Group enters into commodities futures contracts to hedge the variability in cash flows attributable to the movement in the CPO price in the forecasted sales contracts (forward sales of commodities at a fixed contracted price and for a defined quantity set at a future date). As the change in fair value of the hedging instrument is expected to move in the opposite direction of the change in fair value of the hedged items, there is an economic relationship. Hedge effectiveness is assessed at the inception of the hedge and at each reporting date.

The possible sources of ineffectiveness include:
- changes in net committed purchase and sale positions;
- significant change in credit risk of either party to the hedge relationship; and
- difference in timing of the realisation of the commodity contracts with the hedge items.

In the previous financial year, the Group's hedge ineffectiveness for commodities futures contracts amounted to RM11.4 million (2025: Nil).

29. BANK BALANCES, DEPOSITS AND CASH

	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Deposits with licensed banks	**53,120**	208,560	**38**	22,237
Cash and bank balances	**570,583**	416,822	**167,958**	128,382
	623,703	625,382	**167,996**	150,619
Effective average annual interest rates applicable during the financial year are as follows:				
	%	%	**%**	%
Deposits with licensed banks	**3.24**	4.55	**2.83**	3.00

The maturity period for deposits with licensed banks of the Group and the Company range from 1 to 90 days (2024: 1 to 90 days) and 90 days (2024: 90 days) respectively.

Bank balances are non-interest bearing deposits held at call with banks.

30. ASSETS AND LIABILITIES HELD FOR SALE

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Non-current assets held for sale					
– property, plant and equipment	30a	**20,872**	26,688	**52,613**	39,547
Disposal group held for sale					
– property, plant and equipment	30b	**–**	100,759	**–**	–
– other assets	30b	**–**	24,326	**–**	–
		20,872	151,773	**52,613**	39,547
Disposal group held for sale					
– total liabilities	30b	**–**	(11,032)	**–**	–
		20,872	140,741	**52,613**	39,547

a. Proposed disposal of property, plant and equipment

During the financial year, the Group and the Company have completed the disposal of 2 parcels of land totalling 488.6 hectares for a total sale consideration of RM586.8 million, which were classified as non-current assets held for sale during the financial year. The net gain on disposal arising from the disposal of these lands are disclosed in Note 7. There are additional 8 parcels of land totalling 1,163.8 hectares being reclassified from property, plant and equipment to non-current assets held for sale in financial year 2025.

As at 31 December 2025, 927.3 hectares (2024: 1,064.7 hectares) of land approved for disposal by the Board of Directors of the Company have yet to be completed as the conditions precedent stipulated in the respective sales and purchases agreements were not met.

An assessment has been carried out to re-assess the feasibility of the sales to be completed in the next 12 months in accordance with MFRS 5 "Non-current Assets Held for Sales and Discontinued Operations" ("MFRS 5"). Based on the assessment, the proposed land disposal of 927.3 hectares as at 31 December 2025 is expected to be completed within the next 12 months subsequent to the financial year end.

Notes to the Financial Statements
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30. ASSETS AND LIABILITIES HELD FOR SALE (CONTINUED)

b. Disposal of an indirect subsidiary, PT Sedjahtera Indo Agro ("PT SIA")

PT Anugerah Sumbermakmur ("PT ASM"), PT Minamas Gemilang ("PT MGG") and PT Teguh Sempurna ("PT TSP") (PT ASM, PT MGG and PT TSP collectively, "Sellers"), all wholly-owned indirect subsidiaries of the Group had, on 12 December 2025, completed the disposal of the Sellers' cumulative 100% equity interest in PT SIA for a total cash consideration of IDR410 billion (equivalent to approximately RM101 million).

Details of the assets, liabilities and net cashflow arising from the disposal of the subsidiary are as follows:

	2025 RM'000
Consideration received	101,051
Less: Incidental cost of disposal	(3,191)
Proceeds from disposal, net of transaction costs	97,860
Net assets/(liabilities) disposed	
– Property, plant and equipment	94,251
– Right-of-use assets	1,872
– Receivables and prepayments	31
– Inventories	752
– Deferred tax assets	139
– Bank	–
– Payables	(1,015)
– Intangible assets	6,369
Net assets disposed	102,399
Loss on disposal of subsidiary before reclassification of foreign currency translation reserve	(4,539)
Reclassification of foreign currency translation reserve	(6,346)
Impairment on assets held for sale in previous financial year	12,171
Gain on disposal of the subsidiary	1,286
Income tax expense on disposal:	
– current year	8,500
– previous year	(9,752)
Gain on disposal of subsidiary after tax	34
Consideration received, net of transaction costs	97,860
Less: Cash and cash equivalent in the subsidiary	–
Net cash inflow from disposal of the subsidiary	97,860

31. SHARE CAPITAL

	GROUP/COMPANY			
	Number of shares		Amount	
	2025 '000	2024 '000	2025 RM'000	2024 RM'000
Issued and fully paid ordinary shares with no par value:				
At 1 January/31 December	**6,915,714**	6,915,714	**1,633,790**	1,633,790

32. RESERVES

The description of material reserves are as follows:

Hedging reserve

Hedging reserve represents the cumulative amount of gains and losses on hedging instruments deemed effective in cash flow hedges. Amounts are subsequently reclassified to profit or loss as appropriate.

Exchange reserve

Exchange reserve consists of:

i. Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income, and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of; and

ii. Foreign exchange differences arising from the translation of monetary items designated as hedge of net investment in a foreign operation, as described in Note 45ai.

33. PERPETUAL SUKUK

	GROUP/COMPANY	
	2025 RM'000	2024 RM'000
At 1 January	**2,231,398**	2,231,058
Profit attributable to Perpetual Sukuk holders	**124,300**	124,640
Distribution to Perpetual Sukuk holders	**(124,300)**	(124,300)
At 31 December	**2,231,398**	2,231,398

On 23 June 2017, the RM2.2 billion nominal value of Perpetual Subordinated Sukuk ("Perpetual Sukuk") was novated by Sime Darby Berhad, the former immediate holding company to the Company.

The Perpetual Sukuk is accounted for as an equity instrument as there is no contractual obligation to redeem the instrument and pay periodic distribution. The salient features of the Perpetual Sukuk are as follows:

a. Unsecured and is issued under the islamic principle of Wakalah Bi Al-Istithmar ("Sukuk Wakalah") where the Company is to manage a Wakalah portfolio on behalf of the Perpetual Sukuk holders. The Wakalah portfolio comprises certain assets of the Group (see Note 17) and investments in commodities in accordance with the Shariah Principle of Ijarah and Murabahah.

b. Carries an initial fixed periodic distribution rate of 5.65% per annum payable on a semi-annual basis in arrears. The periodic distribution rate will be reset on 24 March 2026 to the then prevailing 10-year Malaysian Government Securities ("MGS") benchmark rate plus 1.75% ("Initial Spread") and 1.00% ("Step-Up Margin") at every 10 years thereafter. The expected periodic distribution amount may be deferred by the Company to perpetuity as long as no discretionary dividend distribution or other payment has been declared by the Company in respect of any of the Company's ordinary shares.

c. No fixed redemption date but the Company has the option to redeem at the end of the tenth year from the date of issue and on each subsequent semi-annual periodic distribution date.

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33. PERPETUAL SUKUK (CONTINUED)

d. The Company also has the option to redeem the Perpetual Sukuk under the following circumstances:

i. Accounting Event – if the Perpetual Sukuk is or will no longer be recorded as equity as a result of changes to accounting standards;

ii. Tax Event – if the Company is or will become obliged to pay additional amount due to changes in tax laws or regulations;

iii. Tax Deductibility Event – if distribution made would not be fully deductible for income tax purposes as a result of changes in tax laws or regulations or changes to official interpretation or pronouncement that provides for a position with respect to such laws or regulations; and

iv. Rating Event – if the equity credit is lower than initially assigned to the Perpetual Sukuk as a result of changes in equity credit criteria, guidelines or methodology of rating agency.

The Perpetual Sukuk holders do not have any voting rights in the Company and rank in priority to holders of ordinary shares, but subordinated to the claims of present and future creditors of the Company. Perpetual Sukuk holders' entitlement is accounted for as an appropriation in profit or loss and distribution is recognised in the statement of changes in equity in the reporting period in which it is declared.

34. NON-CONTROLLING INTERESTS

The subsidiaries of the Group that have non-controlling interests, which, in the opinion of the Directors, are material to the Group are as follows:

Name of subsidiaries	Proportion of equity held by owners of non-controlling interests (%) 2025	2024	Place of business/ Country of incorporation
Subsidiaries of PT Minamas Gemilang:			
– PT Kartika Inti Perkasa	**40.00**	40.00	Indonesia
– PT Sritijaya Abaditama	**40.00**	40.00	Indonesia
– PT Asricipta Indah	**10.00**	10.00	Indonesia
– PT Bersama Sejahtera Sakti	**8.88**	8.88	Indonesia
– PT Laguna Mandiri	**11.44**	11.44	Indonesia
– PT Indotruba Tengah	**50.00**	50.00	Indonesia
– PT Tunggal Mitra Plantations	**40.00**	40.00	Indonesia
– PT Tamaco Graha Krida	**10.00**	10.00	Indonesia
– PT Bahari Gembira Ria	**0.03**	0.03	Indonesia
Subsidiary of New Britain Palm Oil Limited:			
– Guadalcanal Plains Palm Oil Limited	**20.00**	20.00	Solomon Islands
Wangsa Mujur Sdn. Bhd. (Group):			
– Wangsa Mujur Sdn. Bhd.	**27.50**	27.50	Malaysia
– Charquest Sdn. Bhd.	**38.88**	38.88	Malaysia

There are no significant restrictions on the ability of these subsidiaries to transfer funds to the Group in the form of cash dividends.

The summarised financial information of the subsidiaries that have non-controlling interests to the Group is based on amounts before intercompany elimination.

34. NON-CONTROLLING INTERESTS (CONTINUED)

Summarised financial information

The summarised statements of comprehensive income and dividends paid by each non-controlling interests that are material to the Group are as follows:

	2025			2024		
	Subsidiaries of PT Minamas Gemilang RM'000	Subsidiary of New Britain Palm Oil Limited RM'000	Wangsa Mujur Sdn. Bhd. (Group) RM'000	Subsidiaries of PT Minamas Gemilang RM'000	Subsidiary of New Britain Palm Oil Limited RM'000	Wangsa Mujur Sdn. Bhd. (Group) RM'000
Revenue	**1,142,557**	**167,070**	**127,758**	1,087,646	138,693	102,927
Profit for the financial year	**251,542**	**21,574**	**28,468**	216,768	21,805	16,048
Other comprehensive (loss)/income	**(3,976)**	**–**	**–**	771	–	–
Total comprehensive income	**247,566**	**21,574**	**28,468**	217,539	21,805	16,048
Profit attributable to non-controlling interests	**63,425**	**(3,661)**	**7,602**	42,717	3,715	3,966
Dividends paid to non-controlling interests	**(53,111)**	**(2,812)**	**(3,832)**	(14,929)	(6,326)	–
Non-current assets	**1,289,277**	**235,740**	**310,338**	1,437,361	194,703	309,837
Current assets	**368,827**	**108,631**	**54,547**	390,270	91,860	27,052
Non-current liabilities	**(37,241)**	**(51,687)**	**(71,496)**	(33,148)	(36,257)	(65,853)
Current liabilities	**(398,051)**	**(25,369)**	**(24,246)**	(479,189)	(7,940)	(16,523)
Net assets	**1,222,812**	**267,315**	**269,143**	1,315,294	242,366	254,513
Non-controlling interests' share of net assets	**235,724**	**48,951**	**95,336**	262,120	61,786	91,566

The summarised statements of cash flows of each non-controlling interests that are material to the Group are as follows:

	2025			2024		
	Subsidiaries of PT Minamas Gemilang RM'000	Subsidiary of New Britain Palm Oil Limited RM'000	Wangsa Mujur Sdn. Bhd. (Group) RM'000	Subsidiaries of PT Minamas Gemilang RM'000	Subsidiary of New Britain Palm Oil Limited RM'000	Wangsa Mujur Sdn. Bhd. (Group) RM'000
Net cash from operating activities	**362,252**	**40,620**	**68,210**	201,124	25,410	38,869
Net cash used in investing activities	**(206,838)**	**(26,817)**	**(15,530)**	(165,972)	(20,597)	(21,617)
Net cash (used in)/from financing activities	**(152,060)**	**(1,379)**	**(21,992)**	(41,131)	(20,902)	(9,600)
Net increase/(decrease) in cash and cash equivalents	**3,354**	**12,424**	**30,688**	(5,979)	(16,089)	7,652
Exchange differences	**(3,667)**	**(669)**	**–**	(2,356)	(206)	–
Cash and cash equivalents at beginning of the financial year	**26,809**	**1,842**	**8,966**	35,144	18,137	1,314
Cash and cash equivalents at end of the financial year	**26,496**	**13,597**	**39,654**	26,809	1,842	8,966

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35. RETIREMENT BENEFITS

The Group operates:
- funded and unfunded defined benefit plans for its employees in Indonesia;
- unfunded defined benefit plans for its employees in Malaysia and Thailand; and
- funded defined benefit plans for its employees in Netherlands.

The employees in Malaysia are covered under collective agreements with the following unions:
- All Malayan Estates Staff Union ("AMESU")
- National Union of Plantation Workers ("NUPW")
- Sabah Plantation Industry Employees Union ("SPIEU")
- Food Industries Employees Union ("FIEU")

Subsidiary companies in Indonesia operate a defined benefit scheme for its qualified permanent employees funded through monthly contributions to pension plan administered by Dana Pensiun Lembaga Keuangan Manulife Indonesia and Dana Pensiun Lembaga Keuangan Allianz Indonesia.

Subsidiaries in Thailand operate a wholly unfunded defined benefit scheme, in respect of the Statutory Severance Pay Plan prescribed under Section 118, Chapter 11 of the Labour Protection Act B.E. 2541 (1998).

One of the Group's subsidiaries in Netherlands has a defined benefit scheme for non-active participants only, managed by Aegon N.V. ("AEGON"). The conditions of the Dutch Pension Act are applicable to the scheme.

The latest actuarial valuations of the plans in Malaysia and Indonesia were completed on 22 February 2024 and 20 January 2026, respectively.

The movements during the financial year in the amounts recognised in the statements of financial position are as follows:

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current liabilities				
At 1 January	**180,046**	190,715	**49,265**	48,929
Charge for the financial year	**37,322**	20,197	**8,280**	8,335
Actuarial losses/(gains) recognised in other comprehensive income	**24,965**	(7,067)	**–**	–
Contributions and benefits paid	**(54,102)**	(18,831)	**(5,996)**	(7,999)
Transfers from/(to) current retirement benefits	**512**	(357)	**–**	–
Exchange differences	**(6,751)**	(4,611)	**–**	–
At 31 December	**181,992**	180,046	**51,549**	49,265
Current liabilities				
At 1 January	**20,127**	20,208	**–**	–
Charge for the financial year	**13,396**	19,759	**–**	–
Actuarial gains recognised in other comprehensive income	**(11)**	–	**–**	–
Contributions and benefits paid	**(12,505)**	(18,607)	**–**	–
Transfers (to)/from non-current retirement benefits	**(512)**	357	**–**	–
Exchange differences	**(3,182)**	(1,590)	**–**	–
At 31 December	**17,313**	20,127	**–**	–

35. RETIREMENT BENEFITS (CONTINUED)

The amounts recognised on the statements of financial position are determined as follows:

		GROUP		COMPANY	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Present value of funded obligations	35a	**113,577**	114,817	**–**	–
Fair value of plan assets	35b	**(322,611)**	(337,827)	**–**	–
		(209,034)	(223,010)	**–**	–
Present value of unfunded obligations	35a	**408,339**	423,183	**51,549**	49,265
Net liabilities		**199,305**	200,173	**51,549**	49,265

The expenses recognised in statements of profit or loss are analysed as follows:

		GROUP		COMPANY	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current service cost		**21,307**	21,595	**3,961**	3,938
Past service cost		**3,355**	10,383	**–**	–
Interest cost		**10,842**	11,085	**2,077**	1,972
Expected return on plan assets		**(11,698)**	(12,651)	**–**	–
Contracted gratuity		**28,448**	10,871	**3,048**	3,096
Curtailment		**(1,536)**	(1,327)	**(806)**	(671)
Total included in employee costs	6c	**50,718**	39,956	**8,280**	8,335

a. Changes in the present value of defined benefit (funded and unfunded) obligations

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At 1 January	**538,000**	571,701	**49,265**	48,929
Current service cost	**21,307**	21,595	**3,961**	3,938
Past service cost	**3,355**	10,383	**–**	–
Interest cost	**10,842**	11,085	**2,077**	1,972
Contracted gratuity	**28,448**	10,871	**3,048**	3,096
Curtailment	**(1,536)**	(1,327)	**(806)**	(671)
Benefits paid	**(79,045)**	(49,837)	**(5,996)**	(7,999)
Actuarial losses recognised in other comprehensive income	**2,674**	3,091	**–**	–
Exchange differences	**(2,129)**	(39,562)	**–**	–
At 31 December	**521,916**	538,000	**51,549**	49,265

b. Changes in the fair value of plan assets

	GROUP	
	2025 RM'000	2024 RM'000
At 1 January	**337,827**	360,778
Expected return on plan assets	**11,698**	12,651
Actuarial (losses)/gains due to actual experience	**(22,280)**	10,158
Benefits paid	**(12,438)**	(12,399)
Exchange differences	**7,804**	(33,361)
At 31 December	**322,611**	337,827

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35. RETIREMENT BENEFITS (CONTINUED)

The range of principal assumptions used in respect of the Group's and the Company's defined benefit plans are as follows:

	GROUP 2025 %	GROUP 2024 %
Expected return on plan assets (per annum)	**4.1**	3.4
Discount rates (per annum)	**2.5 – 7.0**	2.5 – 7.0
Expected rate of salary increases (per annum)	**2.0 – 6.0**	1.5 – 6.5

	COMPANY 2025 %	COMPANY 2024 %
Discount rates (per annum)	**4.5**	4.5
Expected rate of salary increases (per annum)	**6.0**	6.0

36. BORROWINGS

	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Non-current				
Unsecured				
– term loans	**1,970,708**	2,197,122	**1,774,035**	2,190,246
– revolving credits-i	**–**	710,000	**–**	710,000
– bonds	**476,641**	466,314	**–**	–
– islamic sustainability sukuk	**2,100,000**	–	**2,100,000**	–
– unamortised deferred financing expenses	**(8,117)**	(13,207)	**(6,489)**	(12,488)
	4,539,232	3,360,229	**3,867,546**	2,887,758
Current				
Secured				
– trade facilities	**188**	–	**–**	–
– revolving credits	**–**	88,684	**–**	–
Unsecured				
– term loans	**363,274**	290,607	**360,774**	287,363
– revolving credits-i	**–**	630,000	**–**	630,000
– revolving credits	**129,599**	733,345	**–**	100,000
– unamortised deferred financing expenses	**(2,589)**	(771)	**(2,589)**	(744)
	490,472	1,741,865	**358,185**	1,016,619
Total borrowings	**5,029,704**	5,102,094	**4,225,731**	3,904,377

The breakdown of the unamortised deferred financing expenses is as follows:

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
At 1 January		**13,978**	19,360	**13,232**	19,064
Drawdown		**1,838**	–	**727**	–
Amortisation	9	**(5,110)**	(5,382)	**(4,881)**	(5,832)
At 31 December		**10,706**	13,978	**9,078**	13,232

36. BORROWINGS (CONTINUED)

a. Islamic Sustainability Sukuk

During the year, the Company had established an islamic notes issuance programme of RM5.0 billion in nominal value for the issuance of senior islamic medium term notes and/or subordinated perpetual islamic notes, including Sustainability Sukuk Wakalah and Sustainability-Linked Sukuk Wakalah, based on the Shariah principle of Wakalah Bi Al-Istithmar.

On 10 November 2025, the Company had made its first issuance, structured as Sustainability-Linked Sukuk Wakalah. The issuance comprised of 2 tranches as follows:

i. Tranche 1: RM700 million in nominal value at a fixed profit rate of 3.80% per annum, maturing in November 2035.

ii. Tranche 2: RM1,400 million in nominal value at a fixed profit rate of 3.97% per annum, maturing in November 2040.

The proceeds from this issuance will cater for the Group's near term funding requirements which includes the redemption of the Group's existing perpetual sukuk on 24 March 2026, whereby the periodic distribution rate would be reset to the prevailing 10-year Malaysian Government Securities ("MGS") benchmark rate plus 1.75% ("Initial Spread") and 1.00% ("Step-Up Margin").

The Sustainability-Linked Sukuk Wakalah is linked to the following Key Performance Indicator ("KPIs") and Sustainability Performance Target ("SPTs"):

i. SPT for first KPI: Reduction of upstream (estates and mills) Scope 1 and 2 greenhouse Gas ("GHG") emissions (measured by per tonne of CPO produced) by 30% at observation date in 2030, and by a level which shall be determined no later than five (5) years prior to the observation date in 2035^, and shall reflect a level of ambition that is aligned with the Company's updated Sustainable Finance Framework and reflect progressive improvement over time, in line with evolving expectations and strategic priorities as well consistency with the Company's Net-Zero roadmap.

ii. SPT for second KPI: Maintain 100% Roundtable Sustainability Palm Oil ("RSPO") Principles and Criteria certification for operating palm oil mills, for each of the 3 preceding years from the observation dates in 2028, 2031, 2034 and 2037*.

An amount equivalent to 0.05% of the issue size of the Sustainability-Linked Sukuk Wakalah is required to be deposited into a dedicated account, if any of the SPTs are not achieved at the relevant observation dates. The utilization of the monies in the dedicated account shall be for purposes above and beyond the group's existing and planned sustainability initiatives, either in terms of committed and budgeted amount or the types of sustainability projects and initiatives.

^ only applicable if the scheduled dissolution date of the relevant Sustainability-Linked Sukuk Wakalah falls after 31 December 2035.

* only applicable if the scheduled dissolution date of the relevant Sustainability-Linked Sukuk Wakalah falls after 31 December 2037.

b. Bonds

The N-bonds amounting to EUR100 million shall be repayable at a nominal amount on 12 August 2030.

c. Trade facilities

For trade facilities, the factoring agreement is entered into with maximum limit of EUR75 million with an availability period of up to 12 months from the signing date, and is renewable for the same period of time, unless the agreement is terminated by one of the parties.

Borrowings amounting to RM0.2 million are secured by fixed charge on trade receivables of the Group of an equivalent amount.

d. Secured revolving credits

During the previous financial year, the Group entered into a PGK180 million revolving credit facility, which was secured by a general security over NBPOL's assets.

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36. BORROWINGS (CONTINUED)

e. Term loans

The term loan of the Group and Company comprise unsecured USD and MYR term loans with floating interest rates as disclosed in Note 36ei with contractual repayment terms ranging from 5 years to 8 years and 5 years to 7 years respectively.

f. Other information

i. The average annual effective interest rates by currency profile of the borrowings are as follows:

	GROUP 2025 %	GROUP 2024 %
Floating interest rates		
Term loans		
– Ringgit Malaysia	**3.96 – 4.68**	4.08 – 4.80
– United States Dollar	**5.02 – 5.67**	5.96 – 6.65
Revolving credits		
– Ringgit Malaysia	**3.55 – 4.01**	3.59 – 3.92
– United States Dollar	**4.39 – 4.95**	5.05 – 5.5
– United Kingdom Pound	**4.51**	5.51
– Papua New Guinean Kina	**5.20**	5.20
Trade facilities		
– European Union Euro	**2.63**	4.00
Fixed interest rates		
Bonds		
– European Union Euro	**2.90**	2.90
Sukuk		
– Ringgit Malaysia	**3.80 – 3.97**	–

	COMPANY 2025 %	COMPANY 2024 %
Floating interest rates		
Term loans		
– Ringgit Malaysia	**3.96 – 4.68**	4.08 – 4.80
– United States Dollar	**5.02 – 5.63**	5.96 – 6.45
Revolving credits		
– Ringgit Malaysia	**3.44 – 4.09**	3.59 – 3.92
– United States Dollar	**4.89**	–
Fixed interest rates		
Sukuk		
– Ringgit Malaysia	**3.80 – 3.97**	–

36. BORROWINGS (CONTINUED)

f. Other information (continued)

ii. The maturity periods of borrowings are as follows:

	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Not later than 1 year	**490,472**	1,741,865	**358,185**	1,016,619
Later than 1 year but not later than 2 years	**404,678**	476,843	**393,039**	475,060
Later than 2 years but not later than 5 years	**1,481,866**	2,019,058	**1,374,942**	2,014,684
More than 5 years	**2,652,688**	864,328	**2,099,565**	398,014
	5,029,704	5,102,094	**4,225,731**	3,904,377

The fair values of borrowings approximate their carrying values as the impact of discounting is not significant. It is estimated based on discounted cash flows using prevailing market rates for borrowings with similar risk profile and is within Level 2 of the fair value hierarchy.

37. DEFERRED INCOME

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000
Non-current			
Government grant	37a	**302**	365
Deferred gain on disposal of land to joint venture	37b	**37,840**	–
		38,142	365

a. The government grants are received in relation to the purchase of property, plant and equipment and right-of-use assets, leasehold land of certain subsidiaries. Grants are treated as deferred income and allocated to profit or loss over the useful lives of the related assets or over the period of the operating expenditure to which the grants are intended to compensate.

b. The deferred income on gain on disposal of land relates to the excess unrealised profits on sales of 1,195 acres of land in the Group's Bukit Pelandok estate in Negeri Sembilan to its joint venture, Eco Business Park 7 Sdn. Bhd. ("EBP 7") as disclosed in Note 19bii.

38. CONTRACT LIABILITIES

	GROUP 2025 RM'000	GROUP 2024 RM'000
Current		
Deferred freight income	**55,939**	67,420
Significant changes of the deferred freight income during the financial year are as follows:		
Revenue recognised that was deferred from previous financial year	**67,420**	24,050
Consideration received for freight services that are partially or fully unsatisfied at the end of the financial year	**55,939**	67,420

The Group expects to recognise the consideration received for freight services that are partially or fully unsatisfied as of the end of the reporting date in the next 12 months.

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39. TRADE AND OTHER PAYABLES

	Note	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Non-current					
Other payables		**48,194**	50,077	**–**	–
Financial guarantee contracts	39a	**2,628**	2,664	**18,959**	24,252
		50,822	52,741	**18,959**	24,252
Current					
Trade payables		**924,104**	787,274	**145,381**	101,052
Accruals		**485,670**	326,522	**102,201**	116,132
Other payables		**392,239**	656,084	**134,927**	135,782
Employee related payables		**517,100**	572,017	**259,145**	142,610
Interest payable		**26,381**	23,738	**20,994**	17,832
Goods and services tax/value added tax payable		**19,630**	17,945	**–**	–
Financial guarantee contracts	39a	**902**	838	**5,293**	5,293
		2,366,026	2,384,418	**667,941**	518,701

Credit terms for trade payables of the Group and of the Company range from 1 to 90 days (2024: 1 to 90 days).

a. Financial guarantee contracts

The gross financial guarantees provided by the Group and the Company at the end of the financial year are as follows:

	GROUP 2025 RM'000	GROUP 2024 RM'000	COMPANY 2025 RM'000	COMPANY 2024 RM'000
Guarantees in respect of credit facilities granted to:				
– joint ventures	**122,427**	2,346	**122,427**	2,346
– subsidiaries	**–**	–	**545,754**	547,453
– plasma stakeholders	**73,925**	98,277	**–**	–
	196,352	100,623	**668,181**	549,799

40. SEGMENT INFORMATION – GROUP

The Company is a globally integrated plantation company which is involved in the entire span of the palm oil value chain, from upstream to downstream activities, research and development ("R&D"), renewables and agribusiness. The Group is also involved in rubber and sugar cane plantations, coconut crushing as well as beef cattle industry.

The management of the Group has determined the operating segments based on information reviewed by the Group Leadership Council ("GLC") which consists of the Group Managing Director ("GMD"), Deputy Group Managing Director, Chief Financial Officer, Chief Human Resources Officer, Chief Group Strategy Officer, Chief Sustainability Officer, Chief Communications Officer, Group General Counsel, Chief Integrity & Assurance Officer, Chief Digital Officer and Group Secretary for the purposes of allocating resources and assessing performance.

The downstream segment is evaluated based on the nature of the products and services, specific expertise and technologies requirement of individual operating units. These operating units have been reported as a single segment as the disaggregation does not meet the quantitative thresholds for separate disclosures, and may exceed the practical limit of a reportable segment. The other business activities of the Group are excluded from the reportable operating segments as they are individually insignificant.

The Group had, in May 2024, announced its entry into new business verticals – renewable energy and industrial development, to create diversified and sustainable revenue streams. Based on information reviewed by the GLC, two additional operating segments were established for the purposes of allocating resources and assessing performance:

i. segregation and reclassification of the renewable energy business from Other Operations to the Renewable Energy operating segment; and

ii. a new segment, Industrial Development.

Segments comprise:

Upstream Malaysia	developing, cultivating and managing oil palm, rubber and coconut plantation estates and milling of fresh fruit bunches ("FFB") into crude palm oil ("CPO") and palm kernel ("PK")
Upstream Indonesia	developing, cultivating and managing oil palm plantation estates and milling of FFB into CPO and PK
Upstream Papua New Guinea and Solomon Islands ("PNG and SI")	developing, cultivating and managing oil palm and sugar cane plantation estates; milling of FFB into CPO and PK, refining of sugarcane, coconut oil, cattle rearing and beef production
Downstream	production and sales of refined oils and fats (which includes specialty and end-user oils and fats), sales of CPO, sales of oleochemical products, refining of coconut oils, production of biodiesel products, sales of derivatives and crushing of PK to crude palm kernel oil ("CPKO") and palm kernel expeller ("PKE")
Renewable energy	renewables business with a focus on development of green technology and renewable energy which includes solar, biogas and biomass projects
Industrial development	maximise the value of lands identified for potential industrial development
Other operations	other operations including trading of agricultural products and services, production and/or sale of oil palm seeds and seedlings, and research and breeding programmes of oil palm with special focus on genome science

Note:
i. FFB, being the oil palm fruits which grow in bunches on oil palm trees, from which CPO and PK are obtained.
ii. CPO, which is the oil extracted from the fibrous outer layer (mesocarp) of the oil palm fruit.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation.

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40. SEGMENT INFORMATION – GROUP (CONTINUED)

a. Segment results

	Note	Upstream Malaysia RM'000	Upstream Indonesia RM'000	Upstream PNG and SI RM'000	Downstream RM'000	Renewable energy RM'000	Industrial development RM'000	Other operations RM'000	Inter-segment elimination RM'000	Total RM'000
2025										
Segment revenue										
External		1,161,411	1,530,853	320,480	17,792,013	9,376	–	80,612	–	20,894,745
Inter-segment		4,338,952	1,002,660	2,959,640	394,313	5,507	192	354,116	(9,055,380)	–
		5,500,363	2,533,513	3,280,120	18,186,326	14,883	192	434,728	(9,055,380)	20,894,745
Segment results										
Operating profit		1,247,627	626,851	742,782	531,571	5,677	390,405	57,033	–	3,601,946
Share of results of joint ventures and associates		–	–	–	(48,004)	(3,404)	39,992	2,114	–	(9,302)
Profit before interest and tax		1,247,627	626,851	742,782	483,567	2,273	430,397	59,147	–	3,592,644
Finance income		6,210	4,670	506	9,270	–	1,223	1,876	–	23,755
Finance costs		(62,108)	–	–	(24,145)	–	–	(63)	–	(86,316)
Profit before tax		1,191,729	631,521	743,288	468,692	2,273	431,620	60,960	–	3,530,083
Tax expense		(210,247)	(160,541)	(251,528)	(134,033)	(1,827)	(56,549)	(27,108)	–	(841,833)
Profit for the financial year		981,482	470,980	491,760	334,659	446	375,071	33,852	–	2,688,250
Included in the operating profit are:										
Depreciation and amortisation	6a	503,005	266,559	452,971	189,184	649	3	26,850	–	1,439,221
(Reversal of impairment)/ impairment losses	6d,7	(4,743)	(710)	–	27,365	–	–	2,025	–	23,937
Write off of property, plant and equipment	6d	19,255	3,855	–	756	–	–	22	–	23,888
Gains on disposals of property, plant and equipment, non-current assets held for sale, a joint venture and an associate	7	(141,226)	(1,758)	1,553	(7)	–	(394,219)	(46,707)	–	(582,364)

40. SEGMENT INFORMATION – GROUP (CONTINUED)

a. Segment results (continued)

	Note	Upstream Malaysia RM'000	Upstream Indonesia RM'000	Upstream PNG and SI RM'000	Downstream RM'000	Renewable energy RM'000	Industrial development RM'000	Other operations RM'000	Inter-segment elimination RM'000	Total RM'000
2024										
Segment revenue										
External		765,039	1,149,177	305,416	17,503,768	–	–	107,640	–	19,831,040
Inter-segment		4,218,449	1,249,928	2,566,754	448,537	4,603	–	524,749	(9,013,020)	–
		4,983,488	2,399,105	2,872,170	17,952,305	4,603	–	632,389	(9,013,020)	19,831,040
Segment results										
Operating profit		1,595,766	702,059	395,264	608,521	(3,216)	(3,473)	(8,586)	–	3,286,335
Share of results of joint ventures and associates		–	–	–	(29,453)	(994)	–	2,519	–	(27,928)
Profit before interest and tax		1,595,766	702,059	395,264	579,068	(4,210)	(3,473)	(6,067)	–	3,258,407
Finance income		4,354	5,703	27	15,086	–	–	672	–	25,842
Finance costs		(117,980)	–	–	(26,874)	(67)	–	(10)	–	(144,931)
Profit before tax		1,482,140	707,762	395,291	567,280	(4,277)	(3,473)	(5,405)	–	3,139,318
Tax expense		(314,126)	(198,456)	(149,234)	(113,577)	136	–	(20,551)	–	(795,808)
Profit for the financial year		1,168,014	509,306	246,057	453,703	(4,141)	(3,473)	(25,956)	–	2,343,510
Included in the operating profit are:										
Depreciation and amortisation	6a	464,640	275,407	512,759	177,596	595	8	21,748	–	1,452,753
Impairment losses	6d,7	19,400	22,237	–	1,038	–	–	9,887	–	52,562
Write off of property, plant and equipment	6d	16,278	2,398	–	1,630	–	–	6	–	20,312
Gains on disposals of property, plant and equipment and non-current assets held for sale	7	(702,897)	(181)	–	(27)	–	–	(1)	–	(703,106)

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40. SEGMENT INFORMATION – GROUP (CONTINUED)

b. Segment assets and liabilities and additions to non-current assets

	Upstream Malaysia RM'000	Upstream Indonesia RM'000	Upstream PNG and SI RM'000	Downstream RM'000	Renewable energy RM'000	Industrial development RM'000	Other operations RM'000	Total RM'000
2025								
Segment assets								
Operating assets	11,148,353	5,104,067	6,799,583	7,035,175	52,816	42,041	219,026	30,401,061
Joint ventures and associates	–	–	–	599,350	–	–	34,787	634,137
Non-current assets held for sale	11,979	–	–	–	1,310	7,583	–	20,872
	11,160,332	5,104,067	6,799,583	7,634,525	54,126	49,624	253,813	31,056,070
Tax assets								686,833
								31,742,903
Segment liabilities								
Liabilities	960,919	494,325	221,397	956,918	9,512	39,088	65,213	2,747,372
Tax liabilities								2,888,478
Borrowings								5,029,704
Lease liabilities								206,518
								10,872,072
Additions to non-current assets are as follows:								
Capital expenditure	899,099	491,830	405,439	612,372	40,090	625	28,093	2,477,548

40. SEGMENT INFORMATION – GROUP (CONTINUED)

b. Segment assets and liabilities and additions to non-current assets (continued)

	Upstream Malaysia RM'000	Upstream Indonesia RM'000	Upstream PNG and SI RM'000	Downstream RM'000	Renewable energy RM'000	Industrial development RM'000	Other operations RM'000	Total RM'000
2024								
Segment assets								
Operating assets	10,694,818	5,645,952	7,507,244	6,443,006	13,083	31,473	242,784	30,578,360
Joint ventures and associates	–	–	–	385,789	3,404	–	36,211	425,404
Non-current assets held for sale	23,109	125,085	–	–	–	3,579	–	151,773
	10,717,927	5,771,037	7,507,244	6,828,795	16,487	35,052	278,995	31,155,537
Tax assets								891,468
								32,047,005
Segment liabilities								
Liabilities	858,922	480,220	352,400	931,038	5,986	12,801	89,589	2,730,956
Liabilities directly associated with non-current assets held for sale	–	11,032	–	–	–	–	–	11,032
	858,922	491,252	352,400	931,038	5,986	12,801	89,589	2,741,988
Tax liabilities								2,837,621
Borrowings								5,102,094
Lease liabilities								204,658
								10,886,361
Additions to non-current assets are as follows:								
Capital expenditure	785,737	594,712	338,986	514,888	7,935	199	33,901	2,276,358

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40. SEGMENT INFORMATION – GROUP (CONTINUED)

c. Segment by geography

Revenue by location of customers is analysed as follows:

	GROUP 2025 RM'000	GROUP 2024 RM'000
Malaysia	**5,509,607**	4,925,874
Europe	**3,267,679**	3,531,241
United Kingdom	**1,343,259**	1,341,841
India	**3,613,391**	3,670,871
Indonesia	**2,246,811**	1,697,149
Thailand	**2,123,626**	1,933,571
Other countries in South East Asia	**442,332**	709,350
South Africa	**775,919**	712,658
Papua New Guinea and Solomon Islands	**526,979**	456,500
China	**243,083**	212,407
Pakistan	**104,766**	205,177
Other countries (which are individually insignificant)	**697,293**	434,401
	20,894,745	19,831,040

Non-current assets, other than financial instruments and tax assets, by location of the Group's operations are analysed as follows:

	GROUP 2025 RM'000	GROUP 2024 RM'000
Malaysia	**11,730,667**	11,348,870
Indonesia	**5,231,202**	5,424,042
Papua New Guinea and Solomon Islands	**5,982,999**	6,658,483
Thailand	**244,446**	279,246
Europe	**656,953**	336,992
United Kingdom	**655,481**	639,331
Singapore	**36,221**	46,459
South Africa	**27,854**	18,978
	24,565,823	24,752,401

40. SEGMENT INFORMATION – GROUP (CONTINUED)

c. Segment by geography (continued)

Reconciliations of non-current assets, other than financial instruments and tax assets to the total non-current assets are as follows:

	GROUP 2025 RM'000	GROUP 2024 RM'000
Non-current assets other than financial instruments and tax assets	**24,565,823**	24,752,401
Investments at FVOCI	**23,711**	32,311
Deferred tax assets	**442,328**	450,509
Tax recoverable	**123,042**	202,623
Trade and other receivables	**48,501**	62,167
	25,203,405	25,500,011

The Group's operations are diverse in terms of the range of products and services it offers and the geographical coverage. There is no single customer that contributed 10% or more to the Group's revenue.

41. CONTINGENT LIABILITIES

Satuan Tugas Penertiban Kawasan Hutan and Administrative Penalties

In January 2025, the Government of Indonesia issued Presidential Regulation No. 5 of 2025 establishing the Forestry Enforcement Task Force (Satuan Tugas Penertiban Kawasan Hutan or "Satgas PKH"). Subsequently, in February 2025, the Ministry of Forestry issued Decree No. 36 of 2025 ("SK36"), which classified palm oil companies based on the status of their applications pursuant to Article 110A of Law No. 6 of 2023 (the Job Creation Law). The decree categorised companies into those with ongoing applications and those whose applications were rejected.

Further, Government Regulation No. 45 of 2025 ("GR 45/2025"), amending Government Regulation No. 24 of 2021, introduced amongst others, an administrative fine of Rp25 million per hectare per annum of productive years for companies subject to Article 110B of the Job Creation Law and affected companies are also required to relinquish any overlapped land to Satgas PKH for repossession by the Government.

Whilst the Group's subsidiaries operate in Indonesia under valid Rights to Cultivate (Hak Guna Usaha or "HGU") and hold the necessary business licenses, there has been indication of overlapping plantation land areas involving several subsidiaries of the Group based on correspondences received from Satgas PKH. Discussions remain ongoing and the conclusion is yet to be determined which will be through a final field verification and agreement between the subsidiaries and the Satgas PKH.

To date, there has not been any official written notification or determination of the administrative fine arising from Satgas PKH's land verification processes. Therefore, the potential liabilities, if any, cannot be reliably determined at this stage.

Apart from the above, there are no other significant contingent liabilities as at the financial year end.

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42. COMMITMENTS

a. Capital commitments

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Authorised capital expenditure contracted but not provided for	**766,640**	749,589	**124,425**	202,211

b. Plasma plantation

The Group is committed to develop a total of 21,457 (2024: 32,647) hectares of oil palm plantation for plasma farmers in Indonesia. A total of 21,495 (2024: 25,946) hectares have been developed of which approximately 19,864 (2024: 20,451) hectares have been transferred/handed over to plasma farmers.

43. MATERIAL LITIGATIONS

Material litigations against the Group are as follows:

a. New Britain Palm Oil Limited ("NBPOL") v. Masile Incorporated Land Group ("Masile"), NBPOL v. Rikau Incorporated Land Group ("Rikau") & NBPOL v. Meloks Incorporated Land Group ("Meloks") (collectively, "Defendants")

On 31 August 2011, NBPOL filed three separate court actions against the Defendants in the National Court Justice at Waigani, Papua New Guinea (Court). All three actions related to the same cause of actions whereby the Defendants defaulted to surrender their Special Agricultural Business Leases (SABL) (which total leased area of 3,720Ha) to NBPOL to register the Sub-Lease Agreements (SLAs). The term of all three sub-leases are 25 years from 2005 to 2030.

NBPOL sought specific performance against all the Defendants to deliver their SABLs to NBPOL to register the SLAs in accordance with the Land Registration Act of PNG. NBPOL also claimed compensation (in the alternative) for costs incurred by NBPOL in developing the land into an oil palm estate. NBPOL subsequently discontinued its alternate claim (for compensation) against the Defendants.

The Defendants cross-claimed, among others, that the SLAs were unfair and inequitable, invalid, and of no effect. The Defendants also claimed for damages for environmental damage and trespass to property by NBPOL. The case against Meloks ILG was concluded on 2 November 2016 after a full trial. The Court on 25 November 2018 declared the SLA entered between NBPOL and Meloks to be valid and ordered Meloks to deliver the SABL to NBPOL and to do all acts and things necessary to enable NBPOL to register the SLA between NBPOL and Meloks. The Court dismissed Meloks' crossclaims. NBPOL's claims against Rikau and Masile were resolved by the Consent Court Orders on 15 December 2020. The Consent Court Orders were on the same terms as were ordered against Meloks.

All three SLAs were re-executed with the Defendants and lodged with the Department of Lands for Ministerial Approval which were granted on all three SLAs on 6 August 2025. The SLAs were subsequently lodged with the Registrar of Titles for registrations on 14 January 2026. The SLAs are pending registrations with the Registrar of Titles. Upon the registration of the SLAs, any exposure to the Group in relation to the Court proceedings, the Court Orders, or Compliances of the Court Order shall be treated as all resolved in favour of the Group.

43. MATERIAL LITIGATIONS (CONTINUED)

Material litigations against the Group are as follows: (continued)

b. Chantico Ship Management Ltd ("Chantico") vs. SD Guthrie International Zwijndrecht Refinery B.V. ("SDGIZR")

SDGIZR, an indirect wholly-owned subsidiary of the Company, is involved in litigation in respect of a vessel known as the mv Geraki (formerly known as mv Cap Thanos). This vessel was carrying vegetable oils for 9 different cargo owners (7 European cargo owners including SDGIZR, and 2 Algerian cargo owners). The percentage of SDGIZR's cargo on board was about 14.4%. The vessel was auctioned and in April 2011 was sold to Chantico. All cargo were eventually discharged in April/May 2013. Beginning in 2012, Chantico started various proceedings against the cargo owners.

The following two lawsuits proceeded to trial:

i. Proceedings before the Court of Piraeus which started in October 2014 ("Lawsuit 1")

The claims by Chantico are based on alleged actions in tort (i.e. alleged delay of discharge of cargo) and the current total amount claimed from all 9 cargo owners, jointly and severally, is EUR6 million (approximately RM28.6 million). The hearing for Lawsuit 1 concluded on 25 September 2018.

ii. Proceedings before the Court of Piraeus which started in December 2015 ("Lawsuit 2")

The claim in these proceedings is based on the alleged damage to the vessel and loss of profit caused by the alleged actions in tort during transshipment and heating of the cargo. The claim against the 9 cargo owners and the third party, jointly and severally, amounts to EUR9.3 million (approximately RM44.3 million) and an additional claim was filed against all cargo owners, jointly and severally, of EUR380,000 (approximately RM1.8 million) for port and anchorage dues. The hearing for Lawsuit 2 concluded on 25 September 2018.

SDGIZR's Greek lawyer estimated the exposure (and all of the other 8 cargo owners, jointly and severally) at EUR2.1 million (approximately RM10.0 million) for Lawsuit 1 and EUR 145,000 (approximately RM0.7 million) for Lawsuit 2, all amounts inclusive of interest.

On 25 November 2020 the Court of Piraeus rendered its judgement dismissing all of Chantico's claims in Lawsuit 1 and Lawsuit 2.

Chantico appealed to the Piraeus Court of Appeal and the Appeal for Lawsuit 1 and Lawsuit 2 were heard on 17 November 2022. On 29 January 2024, SDGIZR was informed that the Piraeus Court of Appeal dismissed Chantico's appeal in both Lawsuit 1 and Lawsuit 2. The judgment of the Piraeus Court of Appeal was subject to appeal to the Supreme Court on issues of law only within 60 days from the date of service of the judgment on Chantico. The time limit to file the appeal to the Supreme Court against the judgment of the Piraeus Court of Appeal expired and the judgment of the Piraeus Court of Appeal was deemed final and unappealable. Chantico's lawsuits were dismissed, and this matter was considered closed.

However, on 18 June 2024, Chantico filed a new lawsuit 3 ("Lawsuit 3") with the Piraeus Court against the same defendants in Lawsuit 1 and Lawsuit 2 (1) for loss of profits on alleged acts and omissions in tort (similar to that as pursued in Lawsuit 1), or (2) alternatively on liability for unjust enrichments. In Lawsuit 3, the claim in tort, jointly and severally against all defendants, is calculated at USD 2,958,660, the equivalent of which in EUR is indicated against four different exchange rates of four different dates. The alternative claim on unjust enrichment is calculated at USD 4,416,850 (alternatively EUR 3,332,817 (approximately RM15.9 million)) and is claimed from each of the defendants on a pro-rate basis. Chantico claims from SDGIZR 14.426% of the total, i.e. USD 637,174.78 (alternatively EUR 480,793.62 (approximately RM2.3 million)). SDGIZR's Greek lawyer is of the view that the prospect of successfully defending Lawsuit 3 is in the region of 70%. No provision is made at this juncture. Following recent changes to Greek procedural law, the Piraeus Court has to first appoint a Special Legal Adviser (Judge Rapporteur), whose legal opinion is to facilitate research by the judges. The Piraeus Court will then normally render judgement within six months after receipt of the Special Legal Adviser's opinion. SDGIZR's Greek lawyer has informed that the Piraeus Court convened on 10 March 2026 but the Special Legal Adviser has yet to be appointed.

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44. DISCLOSURES OF SIGNIFICANT RELATED PARTY TRANSACTIONS

The immediate and ultimate holding companies of the Company are Permodalan Nasional Berhad ("PNB") and Yayasan Pelaburan Bumiputra ("YPB"), which are incorporated in Malaysia.

Transactions entered into for the respective financial year under review, with companies in which PNB and YPB have significant interest, include the sales and purchases of goods and services.

These related party transactions were entered into in the ordinary course of business on negotiated trade terms and conditions and do not require the approval of shareholders.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions:

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
a. Transactions with associates				
i. Purchase of palm oil				
– Thai Eastern Trat Co., Ltd.	**86,390**	70,119	**–**	–
ii. Corporate social responsibility donation paid				
– Yayasan Sime Darby	**30,000**	30,000	**10,000**	3,200
b. Transactions with joint ventures				
i. Sales of oils				
– Marvesa Oils & Fats B.V.	**166,673**	–	**–**	–
– Marvesa Energy and Biomass B.V.	**9,752**	–	**–**	–
ii. Sales consideration from land disposal				
– Eco Business Park 7 Sdn. Bhd.	**572,762**	–	**572,762**	–
iii. Advances to joint venture				
– Eco Business Park 7 Sdn. Bhd.	**90,030**	–	**–**	–
c. Transactions with subsidiaries				
i. Sales of goods				
– SD Guthrie International Commodities Sdn Bhd	**–**	–	**2,335,721**	2,149,959
– SD Guthrie International Port Klang Refinery Sdn Bhd	**–**	–	**424,060**	527,402
– SD Guthrie International Carey Island KCP Sdn Bhd	**–**	–	**380,107**	314,971
– SD Guthrie International Biodiesel Sdn Bhd	**–**	–	**114,979**	71,461
– The China Engineers (Malaysia) Sdn Bhd	**–**	–	**101,278**	86,924
ii. Research expenses				
– SD Guthrie Technology Centre Sdn Bhd	**–**	–	**32,620**	37,699
– SD Guthrie Biotechnology Lab Sdn Bhd	**–**	–	**10,193**	9,512
– SD Guthrie Research Sdn Bhd	**–**	–	**76,873**	65,271
iii. Commission on purchase of FFB and sale of palm products				
– SD Guthrie International Trading Sdn Bhd	**–**	–	**59,306**	54,511
iv. Management fees income				
– SD Guthrie Plantation (Sabah) Sdn Bhd	**–**	–	**13,806**	13,828
v. Interest expenses				
– SD Guthrie International Trading Sdn Bhd	**–**	–	**9,063**	12,092
– Mulligan International B.V.	**–**	–	**–**	3,491
– SD Guthrie International Carey Island KCP Sdn Bhd	**–**	–	**4,846**	8,878

44. DISCLOSURES OF SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions: (continued)

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
c. Transactions with subsidiaries (continued)				
vi. Purchases of goods				
– The China Engineers (Malaysia) Sdn Bhd	**–**	–	**82,517**	77,217
– SD Guthrie Agri Bio Sdn Bhd	**–**	–	**64,390**	222,993
– SD Guthrie Seeds & Agricultural Services Sdn Bhd	**–**	–	**11,313**	–
vii. Dividend income				
– Mulligan International B.V.	**–**	–	**130,804**	381,267
– New Britain Palm Oil Limited	**–**	–	**260,958**	585,966
– SD Guthrie International Thailand Sdn Bhd	**–**	–	**1,536**	1,300
– SD Guthrie International Limited	**–**	–	**–**	117,410
– SD Guthrie Plantation Austral Holding Berhad	**–**	–	**5,700**	–
viii. Advances from/(to) subsidiaries				
– SD Guthrie International Pasir Gudang Refinery Sdn Bhd	**–**	–	**(2,237)**	(18,938)
– Mulligan International B.V.	**–**	–	**(2,119)**	(4,008)
– SD Guthrie International Carey Island KCP Sdn Bhd	**–**	–	**30,045**	(6,187)
– SD Guthrie International Langat Refinery Sdn Bhd	**–**	–	**(6,910)**	(8,818)
– SD Guthrie Research Sdn Bhd	**–**	–	**(27,859)**	(13,385)
– SD Guthrie Technology Centre Sdn Bhd	**–**	–	**(1,755)**	(2,631)
– SD Guthrie International Limited	**–**	–	**(15,305)**	(324)
– PT Minamas Gemilang	**–**	–	**(21,945)**	(24,257)
– SD Guthrie Plantation Industries Malaysia Sdn Bhd	**–**	–	**(64,789)**	(77,014)
– SD Guthrie International Bintulu Sdn Bhd	**–**	–	**152,715**	(2,278)
– SD Guthrie International Biodiesel Sdn Bhd	**–**	–	**(1,949)**	(509)
– New Britain Palm Oil Limited	**–**	–	**(29,687)**	(16,572)
– SD Guthrie Plantation (Sarawak) Sdn Bhd	**–**	–	**(133,687)**	(137,181)
– SD Guthrie Plantation (Sabah) Sdn Bhd	**–**	–	**(42,850)**	(177,132)
– SD Guthrie International Port Klang Refinery Sdn Bhd	**–**	–	**(179,024)**	(3,654)
– SD Guthrie International Liverpool Refinery Limited			**(101,206)**	(413)
– SD Guthrie International Trading Private Limited	**–**	–	**(2,006)**	(24,147)
– The China Engineers (Malaysia) Sdn Bhd	**–**	–	**(13,703)**	(40,304)
– Agri Sumber Prestari Sdn Bhd	**–**	–	**22,143**	(20,406)
– SD Guthrie International Trading Sdn Bhd	**–**	–	**(16,868)**	(11,583)
– SD Guthrie Agri Bio Sdn Bhd	**–**	–	**(22,344)**	(398)
– SD Guthrie KIGIP Industrial	**–**	–	**(16,261)**	–
ix. Repayment of advances (to)/from subsidiaries				
– SD Guthrie Global Berhad	**–**	–	**–**	176
– SD Guthrie International Limited	**–**	–	**(338,696)**	1,537
– SD Guthrie International Netherlands B.V.	**–**	–	**8,904**	13,669
– SD Guthrie International Trading Sdn Bhd	**–**	–	**36,104**	224,257
– SD Guthrie International Carey Island KCP Sdn Bhd	**–**	–	**(28,867)**	(255,708)
– SD Guthrie International Langat Refinery Sdn Bhd	**–**	–	**(2,801)**	186,789
– SD Guthrie Research Sdn Bhd	**–**	–	**37,154**	23,027
– SD Guthrie Technology Centre Sdn Bhd	**–**	–	**29,701**	50,469
– SD Guthrie International Port Klang Refinery Sdn Bhd	**–**	–	**(184,406)**	(61,466)

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44. DISCLOSURES OF SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions: (continued)

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
c. Transactions with subsidiaries (continued)				
ix. Repayment of advances (to)/from subsidiaries (continued)				
– SD Guthrie Plantation Industries Malaysia Sdn Bhd	**–**	–	**(3,660)**	(60,606)
– SD Guthrie International Bintulu Sdn Bhd	**–**	–	**197,265**	43,113
– SD Guthrie Agri Bio Sdn Bhd	**–**	–	**46,565**	167,472
– SD Guthrie International Biodiesel Sdn Bhd	**–**	–	**21,090**	(92,924)
– SD Guthrie Plantation (Sabah) Sdn Bhd	**–**	–	**(161,335)**	(262,295)
– SD Guthrie Plantation (Sarawak) Sdn Bhd	**–**	–	**(181,277)**	(109,557)
– The China Engineers (Malaysia) Sdn Bhd	**–**	–	**(94,277)**	(68,425)
– SD Guthrie International Pasir Gudang Refinery Sdn Bhd	**–**	–	**233,303**	(385,389)
– New Britain Palm Oil Limited	**–**	–	**(13,634)**	(130,533)
– SD Guthrie International CleanerG.B.V.	**–**	–	**–**	(23,263)
– SD Guthrie International Professional Sdn Bhd	**–**	–	**(10,242)**	(17,028)
– SD Guthrie Renewable Energy Sdn Bhd	**–**	–	**44,432**	4,387
– Agri Sumber Prestari Sdn Bhd	**–**	–	**18,727**	13,138
– SD Guthrie International Commodities Sdn Bhd	**–**	–	**24,433**	45,460
– Wangsa Mujur Sdn Bhd	**–**	–	**(10,910)**	6,509
x. Tax credit utilisation				
– SD Guthrie International Trading Sdn Bhd	**–**	–	**–**	13,685
– SD Guthrie International Carey Island KCP Sdn Bhd	**–**	–	**–**	12,311
xi. Sales consideration from land disposal				
– SD Guthrie Plantation Land Scarborough	**–**	–	**49,290**	–
xii. Liquidation of subsidiary				
– Golden Hope Agrotech Consultancy	**–**	–	**11,999**	–
d. Transactions with related parties				
i. Purchase of asset, heavy equipment, spare parts and services				
– Sime Darby Industrial Sdn Bhd	**23,739**	20,779	**8,822**	6,411
– Kubota Malaysia Sdn Bhd	**34,946**	28,215	**27,454**	16,774
ii. Rental expenses				
– Kumpulan Sime Darby Berhad	**9,110**	11,063	**9,110**	11,063

44. DISCLOSURES OF SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions: (continued)

e. Transactions with shareholders and Government

Permodalan Nasional Berhad ("PNB") and the funds managed by its subsidiary, Amanah Saham Nasional Berhad, together owns 51.0% as at 31 December 2025 (2024: 54.90%) of the issued share capital of the Company. PNB is an entity controlled by the Malaysian Government through YPB. The Group considers that, for the purpose of MFRS 124 "Related Party Disclosures", the Malaysian Government are in the position to exercise significant influence over it. As a result, the Malaysian Government and Malaysian Government's controlled bodies (collectively referred to as government related entities) are related parties of the Group and of the Company.

Apart from the individually significant transactions as disclosed elsewhere in the financial statements, the Group and the Company have collectively, but not individually, significant transactions with other government related entities which include but not limited to the following:

i. Purchasing of goods and services, including use of public utilities and amenities; and

ii. Placement of bank deposits with government-related financial institutions

All the transactions entered into by the Group and the Company with the government-related entities are conducted in the ordinary course of the Group's and the Company's businesses on negotiated terms.

f. Remuneration of key management personnel

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Remuneration of key management personnel				
The aggregate amount of emoluments received/receivable by key management personnel of the Group and the Company during the financial year are as follows:				
– Salaries, fees and other emoluments	**39,512**	35,558	**36,731**	33,112
– Defined contribution pension plans	**5,441**	4,232	**5,373**	4,231
– Estimated monetary value of benefits by way of usage of the Group's and the Company's assets	**586**	691	**580**	686
	45,539	40,481	**42,684**	38,029

Key management personnel comprise of Directors, Group Leadership Council members and senior management personnel having the authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly.

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45. FINANCIAL INSTRUMENTS

Financial assets of the Group and the Company measured at amortised cost include trade and other receivables (excluding prepayments and goods and services tax/value added tax receivable), inter-company receivables and bank balances, deposits and cash. Financial liabilities at amortised cost of the Group and the Company include trade and other payables (excluding employee related payables and goods and services tax/value added tax payables), inter-company payables, lease liabilities and borrowings.

Financial instruments measured at fair value through other comprehensive income includes derivative designated as cash flow hedges. Financial instruments measured at fair value through profit or loss includes non hedging derivatives (forward and futures contracts).

a. Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks, including foreign currency exchange risk, interest rate risk, credit risk, liquidity, cash flow risk and price risk. The Group's financial risk management objective is to ensure that the Group creates value for its shareholders. Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to the Group's financial risk management policies. The Board regularly reviews these risks and approves the policies covering the management of these risks. The Group uses derivative financial instruments such as forward foreign exchange contracts, commodities forwards, futures and options contracts to hedge certain exposures.

Whilst all derivatives entered into provide economic hedges to the Group, certain derivatives do not qualify for the application of hedge accounting under the specific rules in MFRS 9. Changes in the fair value of these derivatives are recognised in profit or loss, whilst changes in the fair value of those derivatives that qualify for cash flow hedge accounting are recognised in other comprehensive income.

i. Foreign currency exchange risk

Where the transacted currencies differ from the Company's and subsidiaries' functional currency, the Group is exposed to currency translation risk. The risk also extends to purchases denominated in currency other than the Company and the subsidiaries' functional currency.

Where possible, the Group will apply natural hedge by selling and purchasing in the same currency. Otherwise, the Group enters into forward foreign exchange contracts to limit its exposure on foreign currency receivables and payables, and on cash flows generated from anticipated transactions denominated in foreign currencies. These derivatives are normally contracted through centralised treasury in order to achieve the benefits of netting within the Group and to manage the cost of hedging effectively.

The Group's policy on the extent of a foreign currency transaction or balance to be hedged is dependent on the duration to the settlement date. In terms of forecasted transaction, exposure is hedged only if it is expected to be cost effective.

The Group does not hedge its cash, deposits and borrowings denominated in other than functional currency.

The Group is also exposed to currency translation risk arising from its net investments in foreign subsidiaries. The investments in foreign subsidiaries are not hedged due to the long-term nature of those investments, except for the net investments in NBPOL group whereby the foreign currency borrowings related to the acquisition of the subsidiary of USD137.5 million (equivalent to RM556.6 million) (2024: USD187.5 million (equivalent to RM837.6 million)) are designated as a natural hedge against the net investment. The foreign currencies exchange gains of RM64.9 million (2024: RM22.5 million) in relation to the net investment hedge was adjusted to other comprehensive income. There was no ineffectiveness to be recorded from net investment hedge in NBPOL group.

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

i. Foreign currency exchange risk (continued)

Currency profile of monetary financial assets and financial liabilities are as follows:

GROUP	United States Dollar RM'000	Papua New Guinean Kina RM'000	Singapore Dollar RM'000	European Union Euro RM'000	Others RM'000	Denominated in functional currencies RM'000	Total RM'000
2025							
Assets							
Investments at FVOCI (non-current)	–	–	–	–	–	23,711	23,711
Trade and other receivables (net)							
– non-current	–	–	–	–	–	48,501	48,501
– current	244,789	213,341	46,207	21,376	48,546	1,695,563	2,269,822
Bank balances, deposits and cash	19,095	44,921	1,536	19,664	13,598	524,889	623,703
Amounts due from related parties	–	–	–	–	–	358	358
Derivative assets	15,208	–	10	682	768	8,403	25,071
	279,092	258,262	47,753	41,722	62,912	2,301,425	2,991,166
Liabilities							
Borrowings							
– non-current	(325,137)	–	–	–	–	(4,214,095)	(4,539,232)
– current	(321,919)	–	–	–	–	(168,553)	(490,472)
Lease liabilities							
– non-current	–	(41,875)	(685)	–	(17,922)	(113,402)	(173,884)
– current	–	(4,007)	(989)	–	(3,071)	(24,567)	(32,634)
Amounts due to related parties	–	–	–	–	–	(15,540)	(15,540)
Trade and other payables							
– non-current	–	(34,788)	–	(3,115)	1	(12,920)	(50,822)
– current	(35,888)	(167,514)	(1,089)	(16,714)	(6,027)	(1,602,064)	(1,829,296)
Derivative liabilities	(12,406)	–	–	(196)	(6,150)	(2,846)	(21,598)
	(695,350)	(248,184)	(2,763)	(20,025)	(33,169)	(6,153,987)	(7,153,478)
	(416,258)	10,078	44,990	21,697	29,743	(3,852,562)	(4,162,312)

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45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

i. Foreign currency exchange risk (continued)

Currency profile of monetary financial assets and financial liabilities are as follows: (continued)

GROUP	United States Dollar RM'000	Papua New Guinean Kina RM'000	Singapore Dollar RM'000	European Union Euro RM'000	Others RM'000	Denominated in functional currencies RM'000	Total RM'000
2024, restated							
Assets							
Investments at FVOCI (non-current)	–	–	–	–	–	32,311	32,311
Trade and other receivables (net)							
– non-current	–	–	–	4,416	1,169	56,582	62,167
– current	268,674	97,009	40,501	22,931	63,907	1,459,305	1,952,327
Bank balances, deposits and cash	82,458	11,062	5,552	11,157	3,909	511,244	625,382
Amounts due from related parties	–	–	–	–	–	340	340
Derivative assets	13,024	–	–	753	6,553	9,538	29,868
	364,156	108,071	46,053	39,257	75,538	2,069,320	2,702,395
Liabilities							
Borrowings							
– non-current	(611,740)	–	–	–	–	(2,748,489)	(3,360,229)
– current	(600,338)	(88,684)	–	–	–	(1,052,843)	(1,741,865)
Lease liabilities							
– non-current	–	(61,094)	(1,746)	–	(15,405)	(98,494)	(176,739)
– current	–	(2,478)	(1,040)	–	(332)	(24,069)	(27,919)
Amounts due to related parties	–	–	–	–	–	(13,732)	(13,732)
Trade and other payables							
– non-current	–	(39,055)	–	–	1	(13,687)	(52,741)
– current	(136,975)	(248,496)	(1,534)	(9,038)	(10,899)	(1,387,514)	(1,794,456)
Derivative liabilities	(6,197)	–	–	(19)	(5,857)	(34)	(12,107)
	(1,355,250)	(439,807)	(4,320)	(9,057)	(32,492)	(5,338,862)	(7,179,788)
	(991,094)	(331,736)	41,733	30,200	43,046	(3,269,542)	(4,477,393)

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

i. Foreign currency exchange risk (continued)

Currency profile of monetary financial assets and financial liabilities are as follows: (continued)

COMPANY	United States Dollar RM'000	European Union Euro RM'000	Others RM'000	Denominated in functional currencies RM'000	Total RM'000
2025					
Assets					
Investments at FVOCI (non-current)	–	–	–	23,561	23,561
Trade and other receivables (net)	1	–	40,019	49,605	89,625
Bank balances, deposits and cash	13,040	9,849	1	145,106	167,996
Amounts due from related parties	–	–	–	180	180
Amounts due from subsidiaries					
– non-current	–	–	–	205,853	205,853
– current	142,703	23,854	28	1,660,380	1,826,965
	155,744	33,703	40,048	2,084,685	2,314,180
Liabilities					
Borrowings					
– non-current	(325,137)	–	–	(3,542,409)	(3,867,546)
– current	(232,059)	–	–	(126,126)	(358,185)
Amounts due to related parties	–	–	–	(8,623)	(8,623)
Amounts due to subsidiaries	(536,483)	(80,667)	(513)	(1,227,619)	(1,845,282)
Trade and other payables					
– non-current	–	(18,955)	–	(4)	(18,959)
– current	(1,247)	(5,790)	(55)	(401,704)	(408,796)
	(1,094,926)	(105,412)	(568)	(5,306,485)	(6,507,391)
	(939,182)	(71,709)	39,480	(3,221,800)	(4,193,211)

Notes to the Financial Statements
For the financial year ended 31 December 2025

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

i. Foreign currency exchange risk (continued)

Currency profile of monetary financial assets and financial liabilities are as follows: (continued)

	COMPANY				
	United States Dollar RM'000	European Union Euro RM'000	Others RM'000	Denominated in functional currencies RM'000	Total RM'000
2024					
Assets					
Investments at FVOCI (non-current)	–	–	–	32,161	32,161
Trade and other receivables (net)	669	–	40,196	67,584	108,449
Bank balances, deposits and cash	41,230	103	–	109,286	150,619
Amounts due from related parties	–	–	–	130	130
Amounts due from subsidiaries					
– non-current	–	–	–	52,204	52,204
– current	135,169	10,586	383	1,397,105	1,543,243
Derivative assets	3,889	–	–	–	3,889
	180,957	10,689	40,579	1,658,470	1,890,695
Liabilities					
Borrowings					
– non-current	(612,124)	–	–	(2,275,634)	(2,887,758)
– current	(222,979)	–	–	(793,640)	(1,016,619)
Amounts due to related parties	–	–	–	(6,519)	(6,519)
Amounts due to subsidiaries	(407,314)	(65,649)	–	(1,387,586)	(1,860,549)
Trade and other payables					
– non-current	–	(24,245)	–	(7)	(24,252)
– current	(7,652)	(5,482)	(391)	(362,566)	(376,091)
	(1,250,069)	(95,376)	(391)	(4,825,952)	(6,171,788)
	(1,069,112)	(84,687)	40,188	(3,167,482)	(4,281,093)

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

i. Foreign currency exchange risk (continued)

The following table illustrates the effects of changes in exchange rate on the translation of foreign currency monetary items against the functional currency at 31 December 2025 and 31 December 2024, both before and after taking into account the hedge instruments (forward contracts entered into to hedge receivables and payables). If the major currencies strengthened by the following percentage at the end of the financial reporting year, the Group's and the Company's profit after tax will improve/(decline) by:

	GROUP				
				Impact on profit after tax	
Major currency	Strengthened against RM by	Net monetary item RM'000	Hedged RM'000	Before hedge RM'000	After hedge RM'000
2025					
United States Dollar					
– Assets	**5%**	**279,092**	**163,727**	**10,605**	**4,384**
– Liabilities	**5%**	**(695,350)**	**(428,607)**	**(26,423)**	**(10,136)**
Papua New Guinean Kina					
– Assets	**5%**	**258,262**	**–**	**9,814**	**9,814**
– Liabilities	**5%**	**(248,184)**	**–**	**(9,431)**	**(9,431)**
Singapore Dollar					
– Assets	**3%**	**47,753**	**1,072**	**1,089**	**1,064**
– Liabilities	**3%**	**(2,763)**	**–**	**(63)**	**(63)**
European Union Euro					
– Assets	**5%**	**41,722**	**–**	**1,585**	**1,585**
– Liabilities	**5%**	**(20,025)**	**(503)**	**(761)**	**(742)**
2024					
United States Dollar					
– Assets	10%	364,156	347,027	27,676	1,302
– Liabilities	10%	(1,355,250)	(331,789)	(102,999)	(77,783)
Papua New Guinean Kina					
– Assets	10%	108,071	–	8,213	8,213
– Liabilities	10%	(439,807)	–	(33,425)	(33,425)
Singapore Dollar					
– Assets	10%	46,053	–	3,500	3,500
– Liabilities	10%	(4,320)	–	(328)	(328)
European Union Euro					
– Assets	5%	39,257	5,966	1,492	1,265
– Liabilities	5%	(9,057)	(6,720)	(344)	(89)

Notes to the Financial Statements
For the financial year ended 31 December 2025

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

i. Foreign currency exchange risk (continued)

The following table illustrates the effects of changes in exchange rate on the translation of foreign currency monetary items against the functional currency at 31 December 2025 and 31 December 2024, both before and after taking into account the hedge instruments (forward contracts entered into to hedge receivables and payables). If the major currencies strengthened by the following percentage at the end of the financial reporting year, the Group's and the Company's profit after tax will improve/(decline) by: (continued)

	COMPANY				
				Impact on profit after tax	
Major currency	Strengthened against RM by	Net monetary item RM'000	Hedged RM'000	Before hedge RM'000	After hedge RM'000
2025					
United States Dollar					
– Assets	**5%**	**155,744**	**–**	**5,918**	**5,918**
– Liabilities	**5%**	**(1,094,926)**	**–**	**(41,607)**	**(41,607)**
European Union Euro					
– Assets	**5%**	**33,703**	**–**	**1,281**	**1,281**
– Liabilities	**5%**	**(105,412)**	**–**	**(4,006)**	**(4,006)**
2024					
United States Dollar					
– Assets	10%	180,957	–	13,753	13,753
– Liabilities	10%	(1,250,069)	–	(95,005)	(95,005)
European Union Euro					
– Assets	5%	10,689	–	406	406
– Liabilities	5%	(95,376)	–	(3,624)	(3,624)

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

ii. Interest rate risk

The Group's and the Company's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure which arises from certain of the Group's and the Company's borrowings is managed through the use of floating debt and derivative financial instruments.

The percentages of fixed rate borrowings to the total of borrowings at the end of the financial year are as follows:

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Total of borrowings	**5,029,704**	5,102,094	**4,225,731**	3,904,377
Fixed rate borrowings	**2,576,641**	466,314	**2,100,000**	–

	GROUP		COMPANY	
	2025 %	2024 %	2025 %	2024 %
Percentage of fixed rate borrowings over total of borrowings	**51**	9	**50**	–

As at 31 December 2025, all of the Group's and the Company's floating rate borrowings stood at RM2,453.1 million (2024: RM4,635.8 million) and RM2,125.7 million (2024: RM3,904.4 million) respectively. The following table demonstrates the effects of changes in interest rate on floating rate borrowings. If the interest rate increased by 0.5% (2024: 0.5%), the Group's and the Company's profit after tax will be lower by:

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Decrease in profit after tax	**9,321**	17,616	**8,078**	14,837

A 0.5% (2024: 0.5%) decrease in interest rate would have an equal but opposite effect.

Notes to the Financial Statements
For the financial year ended 31 December 2025

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iii. Credit risk

Credit risk arises on sales made on credit terms, derivatives with positive fair value and deposits with banks.

A. Risk management
The Group and the Company seek to control credit risk by dealing with customers and counterparty of appropriate credit history and transact and deposit with bank and financial institution with good credit ratings. Third party agencies' ratings are considered, if available. In addition, the customers' most recent financial statements, payment history and other relevant information are considered in the determination of credit risk. Customers are assessed at least annually and more frequently when information on significant changes in the customers' financial position becomes known. Credit terms and limit are set based on the assessment. Where appropriate, guarantees or securities are obtained to limit credit risk. Sales to customers are usually suspended when earlier amounts are overdue exceeding 180 days.

B. Collateral
The Group and the Company have a maximum exposure which approximate the carrying amount as stated in the statements of financial position less collateral received, mainly related to letters of credit, amounting to RM103.9 million and RM54.5 million (2024: RM91.7 million and RM84.2 million) respectively.

C. Impairment of financial assets and financial guarantee contracts
The Group and the Company assess on a forward looking basis the expected credit loss ("ECL") associated with its debt instruments carried at amortised cost and financial guarantee contracts issued. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group and the Company have the following financial instruments that are subject to the ECL model:

Measurement of ECL – simplified approach
- Trade receivables
- Intercompany receivables (trade) – inclusive of amounts due from associates, joint ventures, subsidiaries and related parties

Measurement of ECL – general 3-stage approach
- Intercompany receivables (non-trade) – inclusive of amounts due from subsidiaries
- Advances for plasma plantation projects
- Financial guarantee contracts issued
- Interest receivables
- Other receivables

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iii. Credit risk (continued)

C. Impairment of financial assets and financial guarantee contracts (continued)
Reconciliation of loss allowance for trade and other receivables, intercompany receivables (trade and non-trade) and advances for plasma plantation projects.

		GROUP				
	Note	Trade receivables RM'000	Other receivables RM'000	Amounts due from joint ventures RM'000	Advances for plasma plantation projects RM'000	TOTAL RM'000
2025						
At 1 January		**19,472**	**20,821**	**52,071**	**23,493**	**115,857**
Charge for the financial year	6d	**165**	**–**	**3,557**	**1,142**	**4,864**
Write offs		**–**	**(4,166)**	**(5,069)**	**–**	**(9,235)**
Reversal for the financial year	6d, 7	**(1,691)**	**–**	**(2,595)**	**(4,371)**	**(8,657)**
Exchange differences		**(682)**	**(2,209)**	**–**	**(3,625)**	**(6,516)**
At 31 December		**17,264**	**14,446**	**47,964**	**16,639**	**96,313**
2024						
At 1 January		21,934	8,298	52,071	27,578	109,881
Charge for the financial year	6d	3,081	11,461	–	–	14,542
(Write back)/Write offs		(260)	1,224	–	–	964
Reversal for the financial year	6d, 7	(4,362)	–	–	(1,785)	(6,147)
Exchange differences		(921)	(162)	–	(2,300)	(3,383)
At 31 December		19,472	20,821	52,071	23,493	115,857

		COMPANY				
	Note	Trade receivables RM'000	Other receivables RM'000	Amounts due from joint ventures RM'000	Amounts due from subsidiaries RM'000	TOTAL RM'000
2025						
At 1 January		**388**	**1,817**	**40,000**	**314,630**	**356,835**
Charge for the financial year	6d	**–**	**–**	**3,557**	**7,844**	**11,401**
Reversal for the financial year	7	**(380)**	**–**	**–**	**(20,876)**	**(21,256)**
At 31 December		**8**	**1,817**	**43,557**	**301,598**	**346,980**
2024						
At 1 January		388	1,817	40,000	305,646	347,851
Charge for the financial year	6d	–	–	–	9,018	9,018
Reversal for the financial year	7	–	–	–	(34)	(34)
At 31 December		388	1,817	40,000	314,630	356,835

Notes to the Financial Statements
For the financial year ended 31 December 2025

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iii. Credit risk (continued)

C. Impairment of financial assets and financial guarantee contracts (continued)
A summary of the assumptions underpinning the Group's and the Company's ECL are as follows:

- *Trade receivables using simplified approach*

The ECL rates are based on 5-year historical credit losses experienced by the Group and the Company. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. However, based on the Group's and the Company's assessment, the ability to collect has minimal correlation with macroeconomic factors as these are consumers products. No significant changes to estimation techniques or assumptions were made during the reporting year.

The following table contains an analysis of the credit risk exposure of trade receivables for which a loss allowance is recognised using simplified approach. The gross carrying amount of trade receivables below also represents the Group's and the Company's maximum exposure to credit risk on these assets:

	GROUP			
	Gross receivables RM'000	Expected credit loss rate %	Loss allowances RM'000	Carrying amount (net of loss allowance) RM'000
2025				
Group				
Local customers:				
Current	**577,626**	**0.0%**	**(77)**	**577,549**
Past due by:				
– 1 to 30 days	**141,946**	**0.1%**	**(72)**	**141,874**
– 31 to 60 days	**59,241**	**0.0%**	**–**	**59,241**
– 61 to 90 days	**49,246**	**0.0%**	**–**	**49,246**
– 91 to 180 days	**11,049**	**0.0%**	**–**	**11,049**
– 181 to 360 days	**3,179**	**54.0%**	**(1,717)**	**1,462**
– more than 360 days	**15,190**	**73.2%**	**(11,120)**	**4,070**
	857,477		**(12,986)**	**844,491**
Export customers:				
Current	**992,601**	**0.0%**	**–**	**992,601**
Past due by:				
– 1 to 30 days	**75,616**	**0.0%**	**–**	**75,616**
– 31 to 60 days	**14,263**	**0.0%**	**–**	**14,263**
– 61 to 90 days	**28,793**	**0.0%**	**–**	**28,793**
– 91 to 180 days	**3,919**	**0.0%**	**–**	**3,919**
– 181 to 360 days	**89**	**0.0%**	**–**	**89**
– more than 360 days	**19,836**	**21.6%**	**(4,278)**	**15,558**
	1,135,117		**(4,278)**	**1,130,839**

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iii. Credit risk (continued)

C. Impairment of financial assets and financial guarantee contracts (continued)

- *Trade receivables using simplified approach (continued)*

The following table contains an analysis of the credit risk exposure of trade receivables for which a loss allowance is recognised using simplified approach. The gross carrying amount of trade receivables below also represents the Group's and the Company's maximum exposure to credit risk on these assets: (continued)

	GROUP			
	Gross receivables RM'000	Expected credit loss rate %	Loss allowances RM'000	Carrying amount (net of loss allowance) RM'000
2024				
Group				
Local customers:				
Current	649,764	0.0%	–	649,764
Past due by:				
– 1 to 30 days	364,089	1.0%	(3,514)	360,575
– 31 to 60 days	10,950	0.0%	–	10,950
– 61 to 90 days	3,066	0.0%	–	3,066
– 91 to 180 days	1,331	0.0%	–	1,331
– 181 to 360 days	3,039	0.0%	–	3,039
– more than 360 days	12,331	86.2%	(10,634)	1,697
	1,044,570		(14,148)	1,030,422
Export customers:				
Current	492,268	0.0%	–	492,268
Past due by:				
– 1 to 30 days	108,492	3.0%	(3,288)	105,204
– 31 to 60 days	1,582	0.0%	–	1,582
– 61 to 90 days	1,144	0.0%	–	1,144
– 91 to 180 days	75	0.0%	–	75
– 181 to 360 days	84	0.0%	–	84
– more than 360 days	2,239	90.9%	(2,036)	203
	605,884		(5,324)	600,560

Notes to the Financial Statements

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45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iii. Credit risk (continued)

C. Impairment of financial assets and financial guarantee contracts (continued)

- *Trade receivables using simplified approach (continued)*

  The following table contains an analysis of the credit risk exposure of trade receivables for which a loss allowance is recognised using simplified approach. The gross carrying amount of trade receivables below also represents the Group's and the Company's maximum exposure to credit risk on these assets: (continued)

	COMPANY			
	Gross receivables RM'000	Expected credit loss rate %	Loss allowances RM'000	Carrying amount (net of loss allowance) RM'000
2025				
Upstream				
Local customers:				
Current	**15,789**	**0.0%**	**–**	**15,789**
Past due by:				
– 1 to 30 days	**(309)**	**0.0%**	**–**	**(309)**
– 31 to 60 days	**(688)**	**0.0%**	**–**	**(688)**
– 61 to 90 days	**242**	**0.0%**	**–**	**242**
– 91 to 180 days	**122**	**0.0%**	**–**	**122**
– 181 to 360 days	**30**	**0.0%**	**–**	**30**
– more than 360 days	**97**	**8.2%**	**(8)**	**89**
	15,283		**(8)**	**15,275**
2024				
Upstream				
Local customers:				
Current	21,772	0.0%	–	21,772
Past due by:				
– 1 to 30 days	(173)	0.0%	–	(173)
– 31 to 60 days	831	0.0%	–	831
– 61 to 90 days	525	0.0%	–	525
– 91 to 180 days	(284)	0.0%	–	(284)
– 181 to 360 days	(25)	0.0%	–	(25)
– more than 360 days	388	100.0%	(388)	–
	23,034		(388)	22,646

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iii. Credit risk (continued)

C. Impairment of financial assets and financial guarantee contracts (continued)

- *Intercompany receivables (trade) - inclusive of amounts due from associates, joint ventures, subsidiaries and related parties using simplified approach*

  Intercompany receivables (trade) represent amounts outstanding arising from sales of goods. In arriving at loss allowance, the same assumptions as trade receivables have been applied. As a result, management is of the view that adequate loss allowance has been recognised as at the date of reporting.

- *Intercompany receivables (non-trade) – inclusive of amounts due from subsidiaries using general 3-stage approach*

  The Company provides unsecured advances to subsidiaries and where necessary makes payments for expenses on behalf of its subsidiaries. The Company monitors the performance of the subsidiaries regularly.

  Management has assessed the loss allowance for amount due from subsidiaries individually taking into consideration of the financial position and the plans in place for the respective subsidiaries. As at the reporting date, management is of the view that adequate loss allowance has been recognised.

- *Advances for plasma plantation projects using general 3-stage approach*

  In Indonesia, oil palm plantation owners/operators are required to participate in selected program to develop plantations for smallholders (herein referred to as "plasma farmers"). The Group is involved in "Perusahaan Inti Rakyat Transmigrasi" and "Kredit Koperasi Primer untuk Anggotanya" which require the Group to serve as a contractor for developing the plantations, train and develop the skills of the plasma farmers, and purchase the fresh fruit bunches harvested by plasma farmers at prevailing prices determined by the Indonesian Government.

  The advances made by the Group in the form of plasma plantation development costs are recoverable from the plasma farmers upon the completion of the plasma plantation projects, either from the plasma farmers directly, through the assignment to plasma farmers of the loans obtained for the projects or netted-off with the FFB purchased from the plasma farmers. Impairment losses are made when the estimated recoverable amounts are less than the outstanding advances and adequate loss allowance has been recognised.

- *Financial guarantee contracts using general 3-stage approach*

  The Group is exposed to credit risk arising from financial guarantee contracts given to banks for joint ventures' and plasma stakeholders' borrowings where the maximum credit risk exposure is the amount of borrowings utilised by the joint ventures or plasma stakeholders. Management has reviewed the financial position of the joint ventures and plasma stakeholders as at the reporting date and was of the view that the financial guarantee contracts are unlikely to be called by the lenders.

  The Company is exposed to credit risk arising from financial guarantee contracts given to banks for joint ventures' and subsidiaries' borrowings where the maximum credit risk exposure is the amount of borrowings utilised by the joint ventures and subsidiaries. Historically, the Group and the Company have not defaulted in any borrowings and with the stringent monitoring over the treasury process, management is of the view that the financial guarantee contracts are unlikely to be called by the joint ventures' and subsidiaries' lenders.

- *Other receivables using general 3-stage approach*

  The Group's and the Company's net other receivables balances are RM289.3 million and RM74.3 million (2024: RM341.3 million and RM84.4 million) respectively as at 31 December 2025. Management has assessed the other receivables which comprises mainly of amounts due from brokers, arising from the Group's trading operations individually and determined that the majority of the other receivables were fully recoverable and adequate loss allowance has been recognised.

Notes to the Financial Statements
For the financial year ended 31 December 2025

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iv. Liquidity and cash flow risks

Liquidity and cash flow risks are the risks that the Group or the Company will encounter difficulty in meeting their financial obligations due to shortage of funds. The Group's and the Company's exposure to these risks arise primarily from the mismatch of maturities of financial assets and liabilities. To mitigate these risks to an acceptable level, the Group maintains sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities.

The Group maintains centralised treasury functions where all strategic funding requirements are managed.

The Company's current liabilities exceeded its current assets by RM641.2 million as at 31 December 2025 (2024: RM1,430.3 million).

In considering going concern and liquidity risk, the Directors have reviewed the Company's cash flow projections for the next 12 months from the date of approval of the financial statements. The cash flow projections have been prepared, taking into considerations sources of liquidity to fund anticipated operating activities, investing activities, repayments of financing obligations and returns to shareholders.

In addition, the Company has access to the following undrawn credit facilities at the end of the reporting period:

	COMPANY	
	2025 RM'mil	2024 RM'mil
Floating rate		
i. Uncommitted bank facilities	**2,860**	2,156
ii. Committed bank facilities		
– Expiring within one year	**92**	–
– Expiring beyond one year	**618**	–
	3,570	2,156

The bank facilities can be drawn at any time, subject to terms and conditions of the facilities agreements, to support the Company's liquidity needs. The uncommitted facilities are subject to periodical review and may be withdrawn at the banks' discretion.

Based on the above, the Directors therefore believe that the Company will be able to meet its obligations when it is due and fund its operating and anticipated capital expenditures from its existing cash and investments, operating cash flows, credit lines available and other financing that the Group reasonably expects to be able to secure should the need arise.

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iv. Liquidity and cash flow risks (continued)

The undiscounted contractual cash flows of the Group's and the Company's financial liabilities are as follows:

	GROUP					
	On demand or within 1 year RM'000	Between 1 and 2 years RM'000	Between 2 and 5 years RM'000	Above 5 years RM'000	Total contractual cash flows RM'000	Total carrying amount RM'000
2025						
Trade and other payables	**1,802,013**	**–**	**–**	**48,194**	**1,850,207**	**1,850,207**
Borrowings						
– principal	**490,472**	**404,678**	**1,481,866**	**2,652,688**	**5,029,704**	**5,029,704**
– interest	**200,228**	**188,175**	**422,247**	**709,918**	**1,520,568**	**26,381**
Amounts due to related parties	**15,540**	**–**	**–**	**–**	**15,540**	**15,540**
Lease liabilities	**42,728**	**31,502**	**64,117**	**142,061**	**280,408**	**206,518**
Derivatives						
Net-settled commodities, futures and forward contracts						
– payments	**7,962**	**–**	**–**	**–**	**7,962**	**7,962**
Forward foreign exchange contracts	**13,636**	**–**	**–**	**–**	**13,636**	**13,636**
	2,572,579	**624,355**	**1,968,230**	**3,552,861**	**8,718,025**	**7,149,948**
2024						
Trade and other payables	1,769,880	–	–	50,077	1,819,957	1,819,957
Borrowings						
– principal	1,741,865	476,843	2,019,058	864,328	5,102,094	5,102,094
– interest	154,023	127,642	238,194	29,803	549,662	23,738
Amounts due to related parties	13,732	–	–	–	13,732	13,732
Lease liabilities	37,159	24,500	63,460	149,571	274,690	204,658
Derivatives						
Net-settled commodities options, futures and forward contracts						
– payments	5,328	–	–	–	5,328	5,328
Forward foreign exchange contracts	6,779	–	–	–	6,779	6,779
	3,728,766	628,985	2,320,712	1,093,779	7,772,242	7,176,286

Notes to the Financial Statements
For the financial year ended 31 December 2025

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iv. Liquidity and cash flow risks (continued)

The undiscounted contractual cash flows of the Group's and the Company's financial liabilities are as follows: (continued)

	COMPANY					
	On demand or within 1 year RM'000	Between 1 and 2 years RM'000	Between 2 and 5 years RM'000	Above 5 years RM'000	Total contractual cash flows RM'000	Total carrying amount RM'000
2025						
Trade and other payables	**382,509**	**–**	**–**	**–**	**382,509**	**382,509**
Borrowings						
– principal	**358,185**	**393,039**	**1,374,942**	**2,099,565**	**4,225,731**	**4,225,731**
– interest	**161,492**	**148,761**	**339,363**	**684,576**	**1,334,192**	**20,994**
Intra-group payables	**1,853,905**	**–**	**–**	**–**	**1,853,905**	**1,853,905**
	2,756,091	**541,800**	**1,714,305**	**2,784,141**	**7,796,337**	**6,483,139**
2024						
Trade and other payables	352,966	–	–	–	352,966	352,966
Borrowings						
– principal	1,016,619	475,060	2,014,684	398,014	3,904,377	3,904,377
– interest	140,098	113,833	210,937	16,280	481,148	17,832
Intra-group payables	1,867,068	–	–	–	1,867,068	1,867,068
	3,376,751	588,893	2,225,621	414,294	6,605,559	6,142,243

As at 31 December 2025, the Group's and the Company's maximum potential liabilities under financial guarantee contracts amounted to RM196.4 million and RM668.2 million respectively (2024: RM100.6 million and RM549.8 million respectively). Financial guarantee contracts are assumed to be immediately payable on demand.

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

v. Price risk

The Group and the Company are largely exposed to commodity price risk due to fluctuations in crude palm oil and other palm products futures prices.

The Group and the Company enter into commodities options and futures contracts to minimise exposure to adverse movements in crude palm oil and other palm products prices. Certain contracts are entered into and continue to be held for the purpose of the receipt or delivery of the physical commodity in accordance with the Group's and the Company's expected purchase, sale or usage requirements. Contracts that are not held for the purpose of physical delivery are accounted for as derivatives and are disclosed in Note 28b.

The following table contains details of the commodities options and futures contracts that are accounted as derivatives.

i. Cash flow hedges

	Notional Amount RM'000	Maturity period Months	Tonnage Tonnes	Average contract price per tonne RM
GROUP – 2025				
Sale contracts	**67,355**	**Less than 12**	**14,725**	**4,574**
GROUP – 2024				
Sale contracts	348,201	Less than 12	82,725	4,209

ii. Non-hedging derivatives

	Notional Amount RM'000	Maturity period Months	Tonnage Tonnes	Average contract price per tonne RM
GROUP – 2025				
Sale contracts	**328,769**	**Less than 12**	**82,175**	**4,001**
Purchase contracts	**235,363**	**Less than 12**	**57,350**	**4,104**
GROUP – 2024				
Sale contracts	444,766	Less than 12	100,026	4,447
Purchase contracts	425,853	Less than 12	95,501	4,459

There is no derivatives being entered in 2025 and 2024 to hedge the price risk of the Company.

Notes to the Financial Statements

For the financial year ended 31 December 2025

45. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial instruments measured at fair value

In estimating the financial instruments carried at fair value, there are, in general, three different levels which can be defined as follows:

i. Level 1 – Quoted prices in active markets for identical assets or liabilities;

ii. Level 2 – Valuation inputs (other than level 1 input) that are observable for the asset or liability, either directly or indirectly; and

iii. Level 3 – Valuation inputs that are not based on observable market data.

The following table presents the Group's and the Company's financial assets and liabilities that are measured at fair value at the end of the reporting period based on the three different levels as defined above:

	GROUP			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2025				
Financial assets				
Investments at FVOCI	**–**	**–**	**23,711**	**23,711**
Derivatives				
– commodities futures contracts	**9,012**	**–**	**–**	**9,012**
– forward foreign exchange contracts	**–**	**16,059**	**–**	**16,059**
	9,012	**16,059**	**23,711**	**48,782**
Financial liabilities				
Derivatives				
– commodities futures contracts	**(7,962)**	**–**	**–**	**(7,962)**
– forward foreign exchange contracts	**–**	**(13,636)**	**–**	**(13,636)**
	(7,962)	**(13,636)**	**–**	**(21,598)**
2024				
Financial assets				
Investments at FVOCI	–	–	32,311	32,311
Derivatives				
– commodities futures contracts	15,665	–	–	15,665
– commodities forward contracts	–	1	–	1
– forward foreign exchange contracts	–	14,202	–	14,202
	15,665	14,203	32,311	62,179
Financial liabilities				
Derivatives				
– commodities futures contracts	(5,295)	–	–	(5,295)
– commodities forward contracts	–	(33)	–	(33)
– forward foreign exchange contracts	–	(6,779)	–	(6,779)
	(5,295)	(6,812)	–	(12,107)

45. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial instruments measured at fair value (continued)

The following table presents the Group's and the Company's financial assets and liabilities that are measured at fair value at the end of the reporting period based on the three different levels as defined above: (continued)

	COMPANY			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2025				
Financial assets				
Investments at FVOCI	**–**	**–**	**23,561**	**23,561**
Financial liabilities				
Derivatives				
– forward foreign exchange contracts	**–**	**–**	**–**	**–**
2024				
Financial assets				
Investments at FVOCI	–	–	32,161	32,161
Financial liabilities				
Derivatives				
– forward foreign exchange contracts	–	3,889	–	3,889

If quoted market prices in active markets are available, these are considered Level 1. If such quoted market prices are not available, fair value is determined using market prices for similar assets or present value techniques, applying an appropriate risk-free interest rate adjusted for non-performance risk. The inputs used in present value techniques are observable and fall into the Level 2 category. It is classified into the Level 3 category if significant unobservable inputs are used.

The fair values of derivatives are determined using quoted price of identical instruments from an active market, if available (Level 1). If quoted prices are not available, price quoted for similar instruments, appropriately adjusted or present value techniques, based on available market data, or option pricing models are used. The fair values obtained using price quotes for similar instruments or valuation techniques represent a Level 2 input unless significant unobservable inputs are used.

There were no transfers between the levels of the fair value hierarchy during the financial year.

c. Financial instruments measured at amortised costs

The carrying amounts of non-current financial assets and liabilities are measured at amortised cost.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

i. Short-term financial instruments
The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

ii. Long-term financial instruments
The fair value of the Group's long-term financial instruments approximate their carrying values and it is estimated by discounting the future contractual cash flows at the current market rate available to the Group for similar instruments.

Notes to the Financial Statements
For the financial year ended 31 December 2025

46. CAPITAL MANAGEMENT

a. Capital management objectives

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and maximise shareholder value. This is achieved through reviewing and managing its equity, debt and cash. Equity attributable to equity holders of the Company includes share capital, reserves and retained earnings.

The Group seeks to achieve optimal capital structure taking into account returns expected by shareholders, cost of debts, capital expenditure, investment opportunities, projected cash flows and externally imposed financial covenants. The Group has consistently paid out around 50% to 70% of its recurring annual profit attributable to equity holders of the Company as dividends and reinvests the rest. Whilst the current practice provides a reasonable balance between expansion and cash dividends, the Group may adjust the dividend payout, equity levels and debt levels to achieve the optimal capital structure.

Gearing ratio and interest cover are some of the ratios used in capital management. Gearing ratio is calculated as gross debt divided by total equity. Gross debt is calculated as total borrowings (including "current and non-current" as shown in the statements of financial position). Interest cover is calculated as profit before interest and tax excluding impairment on investments in subsidiaries and joint ventures divided by total finance costs (before interest capitalisation).

The ratios are as follows:

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Gross debt	**5,029,704**	5,102,094	**4,225,731**	3,904,377
Total equity	**20,870,831**	21,160,644	**14,287,304**	14,058,139
Gearing ratio (%)	**24.1**	24.1	**29.6**	27.8
Profit before interest and tax (excluding impairment on investments in subsidiaries and joint ventures)	**3,592,644**	3,258,407	**2,007,434**	2,554,657
Total finance costs (before interest capitalisation)	**250,196**	301,680	**231,717**	274,788
Interest cover (times)	**14.4**	10.8	**8.7**	9.3

b. Externally imposed financial covenants and capital structure

In addition to optimising capital structure and complying with externally imposed financial covenants, the Group is also required to comply with statutory requirements in certain countries where the Group operates. This includes minimum capital requirement and the requirement to maintain legal reserves which are non-distributable.

Under the terms of the major bank loans, with a carrying amount of RM1,405 million (2024: RM1,810 million), the Group is required to be in compliance with externally imposed financial covenants and capital requirements for the financial year ended 31 December 2025 and 31 December 2024:

i. Maintain consolidated borrowings, net of cash and cash equivalent to consolidated shareholders' funds (gearing ratio) of not more than 2.0 times calculated on a yearly basis based on available audited financial statements; and

ii. Maintain consolidated shareholders' funds of at least RM5.0 billion calculated on a yearly basis based on available audited financial statements.

The Group has complied with these covenants as at 31 December 2025 and 31 December 2024.

There are no indications that the Group may have difficulties complying with the covenants in the next twelve months from the reporting date.

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

i. Subsidiaries which are active as at 31 December 2025 are as follows:

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%) 2025	2024	Auditors	Principal activities
Agri Sumber Prestari Sdn Bhd	Malaysia	**100.0**	100.0	1	Supply of local manpower and related services to agriculture industry
Chartquest Sdn Bhd	Malaysia	**61.1**	61.1	1	Cultivation of oil palm
Chermang Development (Malaya) Sdn Bhd	Malaysia	**83.9**	83.9	1	Investment holding
Consolidated Plantations Berhad	Malaysia	**100.0**	100.0	1	Investment holding
SD Guthrie Agri Bio Sdn Bhd	Malaysia	**100.0**	100.0	1	Manufacturing and marketing of rat baits and trading of agricultural related products
SD Guthrie Agro Tech Sdn Bhd	Malaysia	**100.0**	100.0	1	Engage in agricultural mechanisation and commercialisation of prototype machines and equipment
SD Guthrie Plantation Industries Malaysia Sdn Bhd	Malaysia	**100.0**	100.0	1	Cultivation of oil palm and processing of palm oil and palm kernel
SD Guthrie Plantation Investment (L) Ltd	Labuan, Malaysia	**100.0**	100.0	1	Investment holding
Kumpulan Jelei Sendirian Berhad	Malaysia	**100.0**	100.0	1	Investment holding
Mostyn Palm Processing Sdn Bhd	Malaysia	**100.0**	100.0	1	Investment holding
Sanguine (Malaysia) Sdn Bhd	Malaysia	**100.0**	100.0	1	Investment property
SD Guthrie Plantation Austral Holdings Berhad	Malaysia	**100.0**	100.0	1	Investment holding
SD Guthrie International Bintulu Sdn Bhd	Malaysia	**60.0**	60.0	1	Processing of palm oil and palm kernel oil
SD Guthrie International Biodiesel Sdn Bhd	Malaysia	**100.0**	100.0	1	Production and sale of biodiesel and related products
SD Guthrie Biotechnology Lab Sdn Bhd	Malaysia	**100.0**	100.0	1	Provision of oil palm tissue culture services
SD Guthrie Consulting Sdn Bhd	Malaysia	**100.0**	100.0	1	Investment holding
SD Guthrie International Nutrition Sdn Bhd	Malaysia	**100.0**	100.0	1	Manufacturing and selling of Tocotrienol and Red Palm Oils based products
SD Guthrie International North America Inc.	United States	**100.0**	100.0	4	Marketing of vegetables oil and fat products and provision of technical product support
SD Guthrie International Pasir Gudang Refinery Sdn Bhd	Malaysia	**100.0**	100.0	1	Investment holding and processing of edible oil and related products

Notes to the Financial Statements
For the financial year ended 31 December 2025

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

i. Subsidiaries which are active as at 31 December 2025 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%) 2025	2024	Auditors	Principal activities
SD Guthrie International Professional Sdn Bhd	Malaysia	**100.0**	100.0	1	Distribution and marketing of cooking oil, tocotrienols, coconut oil and palm related products
SD Guthrie International Trading Sdn Bhd	Malaysia	**100.0**	100.0	1	Trading of crude palm oil and palm oil products and as sub-marketing agent of commodities for its related companies
SD Guthrie International Trading (Labuan) Limited	Labuan, Malaysia	**100.0**	100.0	1	Trading of commodities
SD Guthrie Childcare Centre Sdn Bhd	Malaysia	**100.0**	100.0	1	Operating childcare centre
SD Guthrie Elaies Gardens Sdn Bhd *(formerly known as SD Guthrie EcoGardens Sdn Bhd)*	Malaysia	**100.0**	100.0	1	Business of owning, operating and managing rest/guest house, cafeterias/canteens and renting of conventional and recreational facilities inclusive of providing training and consultancy services
SD Guthrie EcoGardens (Sabah) Sdn Bhd	Malaysia	**100.0**	100.0	1	(A) Business of owning, operating and managing golf course and tourist attraction places. (B) Business of owning, operating and managing rest/guest house, cafeterias/canteens and renting of conventional and recreational facilities.
SD Guthrie EcoGardens (Sarawak) Sdn Bhd	Malaysia	**100.0**	100.0	1	(A) Business of owning, operating and managing golf course and tourist attraction places. (B) Business of owning, operating and managing rest/guest house, cafeterias/canteens and renting of conventional and recreational facilities.
SD Guthrie Intellectual Property Sdn Bhd	Malaysia	**100.0**	100.0	1	Acquiring, developing and investing in trademarks, patents and intellectual property rights
SD Guthrie Plantation Land Holding Sdn Bhd	Malaysia	**100.0**	100.0	1	Investment holding
SD Guthrie Plantation Land (Bukit Pelanduk) Sdn Bhd	Malaysia	**100.0**	100.0	1	Land Holding
SD Guthrie Plantation Land (Sepang) Sdn Bhd	Malaysia	**100.0**	100.0	1	Land Holding
SD Guthrie Plantation Land (Tanah Merah) Sdn Bhd	Malaysia	**100.0**	100.0	1	Land Holding
SD Guthrie Plantation Land (Carey Island) Sdn Bhd	Malaysia	**100.0**	100.0	1	Land Holding
SD Guthrie Plantation Land (Scarborough) Sdn Bhd	Malaysia	**100.0**	100.0	1	Land Holding
SD Guthrie KIGIP Sdn Bhd	Malaysia	**100.0**	100.0	1	Land Holding
SD Guthrie KIGIP Power Sdn Bhd	Malaysia	**100.0**	100.0	1	Land Holding
SD Guthrie Land Ventures Sdn Bhd	Malaysia	**100.0**	100.0	1	Investment holding
SD Guthrie KIGIP Industrial Sdn Bhd	Malaysia	**100.0**	100.0	1	Land Holding
SD Guthrie Research Sdn Bhd	Malaysia	**100.0**	100.0	1	Research and development services to group companies in relation to tropical agriculture
SD Guthrie Plantation Latex Sdn Bhd	Malaysia	**100.0**	100.0	1	Investment property
SD Guthrie Renewable Energy Sdn Bhd	Malaysia	**100.0**	100.0	1	Renewable energy business covering biogas, solar and biomass projects
SD Guthrie Seeds & Agricultural Services Sdn Bhd	Malaysia	**100.0**	100.0	1	Agricultural research and advisory services, production and sale of oil palm seeds and seedlings
SD Guthrie Plantation (Sabah) Sdn Bhd	Malaysia	**100.0**	100.0	1	Cultivation of oil palm and processing of palm oil and palm kernel
SD Guthrie Plantation (Sarawak) Sdn Bhd	Malaysia	**100.0**	100.0	1	Cultivation of oil palm and processing of palm oil and palm kernel
SD Guthrie Technology Centre Sdn Bhd	Malaysia	**100.0**	100.0	1	Research and development services in biotechnology and agriculture
SD Guthrie International Thailand Sdn Bhd	Malaysia	**100.0**	100.0	1	Investment holding
The China Engineers (Malaysia) Sdn Bhd	Malaysia	**100.0**	100.0	1	Cultivation of oil palm and processing of palm oil and palm kernel
Wangsa Mujur Sdn Bhd	Malaysia	**72.5**	72.5	1	Cultivation of oil palm
PT Aneka Intipersada	Indonesia	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Aneka Sawit Lestari	Indonesia	**100.0**	100.0	2	Production and sale of oil palm planting materials
PT Anugerah Sumbermakmur	Indonesia	**100.0**	100.0	2	Investment holding
PT Asricipta Indah	Indonesia	**90.0**	90.0	2	Investment holding
PT Bahari Gembira Ria	Indonesia	**99.97**	99.97	2	Cultivation of oil palm and processing of palm oil and palm kernel

Notes to the Financial Statements
For the financial year ended 31 December 2025

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

i. Subsidiaries which are active as at 31 December 2025 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%) 2025	2024	Auditors	Principal activities
PT Bersama Sejahtera Sakti	Indonesia	**91.12**	91.12	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Bhumireksa Nusasejati	Indonesia	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Bina Sains Cemerlang	Indonesia	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Budidaya Agrolestari	Indonesia	**100.0**	100.0	2	Cultivation of oil palm
PT Guthrie International Pulau Laut Refinery	Indonesia	**100.0**	100.0	2	Processing of palm oil products
PT Guthrie Pecconina Indonesia	Indonesia	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Kartika Inti Perkasa	Indonesia	**60.0**	60.0	2	Investment holding
PT Kridatama Lancar	Indonesia	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Laguna Mandiri	Indonesia	**88.6**	88.6	2	Cultivation of oil palm and processing of palm oil, palm kernel and palm kernel oil
PT Lahan Tani Sakti	Indonesia	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Langgeng Muaramakmur	Indonesia	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Minamas Gemilang	Indonesia	**100.0**	100.0	2	Investment holding
PT Muda Perkasa Sakti	Indonesia	**100.0**	100.0	2	Investment holding
PT Padang Palma Permai	Indonesia	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Paripurna Swakarsa	Indonesia	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Perkasa Subur Sakti	Indonesia	**100.0**	100.0	2	Processing of palm oil and palm kernel
PT Perusahaan Perkebunan Industri dan Niaga Sri Kuala	Indonesia	**100.0**	100.0	2	Cultivation of oil palm
PT Sandika Natapalma	Indonesia	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Guthrie International Indonesia	Indonesia	**100.0**	100.0	2	Investment holding, trade and services
PT Guthrie International Lestari Utama Indonesia	Indonesia	**100.0**	100.0	2	Investment holding, trade and services

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

i. Subsidiaries which are active as at 31 December 2025 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%) 2025	2024	Auditors	Principal activities
PT Guthrie Agri Bio	Indonesia	**100.0**	100.0	2	Trading of agricultural related products
PT Guthrie International Pratama Indonesia	Indonesia	**100.0**	100.0	2	Provision of procurement, marketing and sale of edible oils
PT Indotruba Tengah	Indonesia	**50.0**	50.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Sedjahtera Indo Agro	Indonesia	**–**	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Sritijaya Abaditama	Indonesia	**60.0**	60.0	2	Investment holding
PT Swadaya Andika	Indonesia	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Tamaco Graha Krida	Indonesia	**90.0**	90.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Teguh Sempurna	Indonesia	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Tunggal Mitra Plantations	Indonesia	**60.0**	60.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
Kula Palm Oil Limited	Papua New Guinea	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil, palm kernel and palm kernel oil
New Britain Palm Oil Limited	Papua New Guinea	**100.0**	100.0	2	Investment holding, cultivation of oil palm and processing of palm oil, palm kernel and palm kernel oil
Poliamba Limited	Papua New Guinea	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil, palm kernel and palm kernel oil
Ramu Agri-Industries Limited	Papua New Guinea	**100.0**	100.0	2	Cultivation of oil palm and growing canes, cattle rearing, processing and sale of palm oil, palm kernel oil, sugar, ethanol and beef
Markham Farming Company Limited	Papua New Guinea	**100.0**	100.0	2	Cultivation of oil palm and processing of palm oil, palm kernel, palm kernel oil and coconut
Guadalcanal Plains Palm Oil Limited	Solomon Islands	**80.0**	80.0	3	Cultivation of oil palm and processing of palm oil, palm kernel and palm kernel oil
New Britain Plantation Services Pte. Ltd.	Singapore	**100.0**	100.0	2	Investment holding and management of oil palm plantations and seed production

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47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

i. Subsidiaries which are active as at 31 December 2025 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%) 2025	2024	Auditors	Principal activities
SD Guthrie International Carey Island KCP Sdn Bhd	Malaysia	**100.0**	100.0	1	Processing of palm kernel and related products and export and import of palm kernel oil, expellers and its derivatives
SD Guthrie International Commodities Sdn Bhd	Malaysia	**100.0**	100.0	1	Trading of crude palm oil and palm oil products
SD Guthrie International Langat Refinery Sdn Bhd	Malaysia	**100.0**	100.0	1	Processing and sales of edible oil and related products
SD Guthrie International (PNG) Limited	Papua New Guinea	**100.0**	100.0	1	Manufacturing and production of refining palm oil and other products from crude palm oils and palm kernel oils
SD Guthrie International Port Klang Refinery Sdn Bhd	Malaysia	**100.0**	100.0	1	Processing of edible oil and related products
SD Guthrie International Trading Private Limited	Singapore	**100.0**	100.0	2	Trading of palm oil, coconut oil and other edible oils
SD Guthrie International Liverpool Refinery Limited	United Kingdom	**100.0**	100.0	3	Refining of crude palm oil
SD Guthrie International Limited	Singapore	**100.0**	100.0	2	Management consultancy services and investment holding
SD Guthrie International Singapore Limited	Singapore	**100.0**	100.0	2	Investment holding
SD Guthrie Investment (Liberia) Private Limited	Singapore	**100.0**	100.0	2	Investment holding
SD Guthrie International China Oils And Fats Company Limited	Hong Kong SAR	**100.0**	100.0	2	Investment holding
SD Guthrie International Hong Kong Nominees Limited	Hong Kong SAR	**100.0**	100.0	2	Investment holding
SD Guthrie International Nonthaburi Co., Ltd	Thailand	**99.9**	99.9	2	Processing of soya bean oil and related products
SD Guthrie International Morakot Public Company Limited	Thailand	**99.9**	99.9	2	Processing and marketing of edible oil and related products
SD Guthrie International Holdings (Thailand) Limited	Thailand	**100.0**	100.0	2	Investment holding
China Engineers (Thailand) Limited	Thailand	**99.9**	99.9	2	Investment holding
SD Guthrie International Investments (Cayman Islands) Limited	Cayman Islands	**100.0**	100.0	4	Investment holding
Golden Hope Overseas Capital	Mauritius	**100.0**	100.0	2	Investment holding
Mulligan International B.V.	Netherlands	**100.0**	100.0	4	Investment holding and provision of employee services to group companies in the Netherlands
SD Guthrie International Netherlands B.V.	Netherlands	**100.0**	100.0	4	Investment holding
SD Guthrie International Zwijndrecht Refinery B.V.	Netherlands	**100.0**	100.0	2	Refining and modification of vegetable oils, selling and marketing of edible oils and related products
SD Guthrie International Europe B.V.	Netherlands	**100.0**	100.0	2	Trading of crude and processed vegetable oils products, crude palm oil and palm oil products, performing a feedstock procurement function and management of the operational risk within the Group
SD Guthrie International Speciality Ingredients B.V.	Netherlands	**100.0**	100.0	2	Acquiring, processing, producing and selling of special ingredients for use in food, feed, nutritional, pharmaceutical and cosmetical industry and consumer market
SD Guthrie International South Africa (Pty) Ltd	South Africa	**100.0**	100.0	2	Refining and marketing of edible oil related products
PT Guthrie International Sei Mangkei Refinery	Indonesia	**100.0**	100.0	2	Industry Separation/ Fractionation Crude Oil
PT Guthrie Plantation Commodities Trading	Indonesia	**100.0**	100.0	2	Wholesale trade of fruit-containing oil
SD Guthrie Land (Citrine) Sdn Bhd	Malaysia	**100.0**	–	6	Land Holding
SD Guthrie Land (North) Sdn Bhd	Malaysia	**100.0**	–	6	Land Holding
SD Guthrie Land (South) Sdn Bhd	Malaysia	**100.0**	–	6	Land Holding
SD Guthrie Innovation Holdings Sdn Bhd	Malaysia	**100.0**	–	7	Investment holding

ii. Joint ventures which are active as at 31 December 2025 are as follows:

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%) 2025	2024	Auditors	Principal activities
Carey Island Development Consortium Sdn Bhd	Malaysia	**50.0**	–	3	Acquisition of land, land enhancement and disposal of enhanced land
Emery Oleochemicals UK Limited	United Kingdom	**50.0**	50.0	3	Distribution of specialty chemical products
SD Guthrie TNB Renewables Sdn Bhd*	Malaysia	**51.0**	51.0	1	Production and sale of renewable energy using palm oil effluents
SDGI Den Haag B.V.	Netherlands	**48.0**	100.0	4	Investment holding

Notes to the Financial Statements
For the financial year ended 31 December 2025

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

ii. Joint ventures which are active as at 31 December 2025 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%) 2025	2024	Auditors	Principal activities
Marvesa Supply Chain Services B.V.#	Netherlands	**48.0**	100.0	3	Investment holding
Guangzhou Keylink Chemicals Co. Ltd.	China	**49.0**	49.0	3	Manufacturing of surface active agents
Eco Business Park 7 Sdn Bhd**	Malaysia	**30.0**	–	3	Property Development
Rizhao Sime Darby Oils & Fats Co. Ltd.	China	**–**	45.0	4	Storage and marketing of palm oil related products

iii. Associates which are active as at 31 December 2025 are as follows:

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%) 2025	2024	Auditors	Principal activities
Barlow Bulking Sdn Bhd	Malaysia	**32.0**	32.0	3	Provision of bulking and marketing facilities for edible oil producers and millers
Nescaya Maluri Sdn Bhd	Malaysia	**40.0**	40.0	3	Investment holding and licensing
Muang Mai Guthrie Public Company Limited	Thailand	**49.0**	49.0	3	Processing of and distribution of rubber
Thai Eastern Trat Co., Ltd.	Thailand	**40.0**	40.0	2	Processing of palm oil and palm kernel
Yayasan Sime Darby	Malaysia	**@**	@	1	Administration of scholarship awards and educational loans, undertake sports, environmental conservation and sustainability projects

iv. Subsidiaries which are dormant/inactive as at 31 December 2025 are as follows:

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%) 2025	2024	Auditors	Principal activities
Derawan Sdn Bhd	Malaysia	**100.0**	100.0	1	Dormant
Golden Hope Plantations Berhad	Malaysia	**100.0**	100.0	1	Dormant
Kumpulan Guthrie Berhad	Malaysia	**100.0**	100.0	1	Dormant
Kumpulan Jerai Sendirian Berhad	Malaysia	**100.0**	100.0	1	Dormant
Kumpulan Linggi Sendirian Berhad	Malaysia	**100.0**	100.0	1	Dormant
Kumpulan Sua Betong Sdn Berhad	Malaysia	**100.0**	100.0	1	Dormant
Kumpulan Tebong Sdn Berhad	Malaysia	**100.0**	100.0	1	Dormant
Kumpulan Temiang Sdn Berhad	Malaysia	**100.0**	100.0	1	Dormant

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

iv. Subsidiaries which are dormant/inactive as at 31 December 2025 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%) 2025	2024	Auditors	Principal activities
Sahua Enterprise Sdn Bhd	Malaysia	**100.0**	100.0	1	Dormant
Bukit Talang Smallholders Sdn Bhd	Malaysia	**100.0**	100.0	1	Dormant
SD Guthrie Plantation (Peninsular) Sdn Bhd	Malaysia	**100.0**	100.0	1	Dormant
Golden Hope Overseas Sdn Bhd	Malaysia	**100.0**	100.0	1	Dormant
PT Guthrie Abdinusa Industri	Indonesia	**70.0**	70.0	2	Dormant
Sime Darby Edible Products Tanzania Limited	Tanzania	**100.0**	100.0	4	Dormant
Trolak Estates Limited	Scotland	**100.0**	100.0	5	Dormant
Dusun Durian Plantations Limited	United Kingdom	**100.0**	100.0	5	Dormant
Kinta Kellas Rubber Estate Plc.	United Kingdom	**100.0**	100.0	5	Dormant
Malaysian Estates Plc.	United Kingdom	**100.0**	100.0	5	Dormant
The Kuala Selangor Rubber Plc.	United Kingdom	**100.0**	100.0	5	Dormant
The London Asiatic Rubber and Produce Company Limited	United Kingdom	**100.0**	100.0	5	Dormant
The Pataling Rubber Estates Limited	United Kingdom	**100.0**	100.0	5	Dormant
The Straits Plantations Limited	United Kingdom	**100.0**	100.0	5	Dormant
The Sungei Bahru Rubber Estates Plc.	United Kingdom	**100.0**	100.0	5	Dormant

v. Subsidiaries placed under members' voluntary liquidation/deregistered are as follows:

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%) 2025	2024	Auditors	Principal activities
Eminent Platform Sdn Bhd	Malaysia	**–**	100.0	4	Liquidated
Golden Hope Agrotech Consultancy Sdn Bhd	Malaysia	**–**	100.0	4	Liquidated
Golden Hope Fruit Industries Sdn Bhd	Malaysia	**–**	100.0	4	Liquidated
Ultra Oleum Pte. Ltd.	Singapore	**–**	100.0	2	Deregistered
Sime Darby Plantation Cameroon Ltd.	Cameroon	**100.0**	100.0	4	In members' voluntary liquidation
SD Guthrie Global Berhad	Malaysia	**100.0**	100.0	1	In members' voluntary liquidation

Notes to the Financial Statements

For the financial year ended 31 December 2025

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

vi. Associates placed under members' voluntary liquidation/deregistered are as follows:

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%) 2025	2024	Auditors	Principal activities
Dongguan Sime Darby Sinograin Oils and Fats Co., Ltd	China	–	37.0	3	Deregistered

Notes:

1. Subsidiaries, joint ventures and associates which are audited by PricewaterhouseCoopers PLT, Malaysia.
2. Subsidiaries, joint ventures and associates which are audited by member firms of PricewaterhouseCoopers International Limited, which are separate and independent legal entities from PricewaterhouseCoopers PLT, Malaysia.
3. Subsidiaries, joint ventures and associates which are audited by firms other than member firms of PricewaterhouseCoopers International Limited.
4. No legal requirement to appoint statutory auditors.
5. Subsidiaries which are exempted from having their financial statements audited in UK pursuant to exemption available under section 480 of the UK Companies Act 2006.
6. Subsidiaries which are newly incorporated during the year. In accordance with the Board of Directors resolution dated 12 November 2025, PricewaterhouseCoopers PLT will be appointed as the external auditors for the first financial period ended.
7. Subsidiary which is newly incorporated during the year. In accordance with the Board of Directors resolution dated 6 January 2026, PricewaterhouseCoopers PLT will be appointed as the external auditors for the first financial period ended.

+ Notwithstanding that the Group holds more than 50% equity interest in SD Guthrie TNB Renewables Sdn Bhd, the investment is classified as a joint venture (and not a subsidiary) as significant decisions require unanimous consent from all its shareholders.
# Notwithstanding that the Group holds 48% equity interest in SDGI Den Haag B.V., the holding company of Marvesa Supply Chain Services B.V., the investment is classified as a joint venture (and not an associate) as significant decisions require consent from the Group.
** Notwithstanding that the Group holds 30% equity interest in Eco Business Park 7 Sdn Bhd, the investment is classified as a joint venture (and not an associate) as significant decisions require approval from both the Group and EcoWorld.
@ Yayasan Sime Darby is a company without share capital, limited by guarantee.

48. SUBSEQUENT EVENT

a. Completion of land sales to MSR Green Digital Park Sdn. Bhd. ("MSR")

The Group had on 15 July 2024 entered into a sales and purchase agreement ("SPA") with MSR Green Digital Park Sdn. Bhd. ("MSR") for the disposal of 253.11 acres of land in the Group's Kulai estate in Johor for purposes of solar farm development, for a total cash consideration of RM162.6 million. Accordingly, the land was reclassified from property, plant and equipment to non-current assets held for sale in financial year 2024.

All conditions precedent under the SPA have been fulfilled as at 9 February 2026, and the agreement is now unconditional.

b. Redemption of Perpetual Subordinated Sukuk ("Perpetual Sukuk")

The outstanding balance for the Perpetual Sukuk of RM2.2 billion was fully paid upon the first call date on 24 March 2026. The repayment was primarily funded through the issuance of Sustainability-Linked Sukuk Wakalah on 10 November 2025 as detailed in Note 36a.

49. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 14 April 2026.

Statement by Directors

pursuant to Section 251(2) of the Companies Act 2016

We, Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani and Mohd Haris Mohd Arshad, two of the Directors of SD Guthrie Berhad, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 108 to 220 are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 December 2025 and of the financial performance of the Group and the Company for the financial year ended on that date in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed in accordance with a resolution of the Board of Directors dated 14 April 2026.

TAN SRI DR NIK NORZRUL THANI NIK HASSAN THANI
DIRECTOR

MOHD HARIS MOHD ARSHAD
DIRECTOR

Selangor
14 April 2026

Statutory Declaration

pursuant to Section 251(1) of the Companies Act 2016

I, Renaka Ramachandran, the Officer primarily responsible for the financial management of SD Guthrie Berhad, do solemnly and sincerely declare that the financial statements set out on pages 108 to 220 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

RENAKA RAMACHANDRAN
OFFICER

Subscribed and solemnly declared by the abovenamed Renaka Ramachandran at Selangor, Malaysia on 14 April 2026.

Before me,

PESURUHJAYA SUMPAH
B 520
SHAHRUDIN
BIN ESA
1.1.2024-31.12.2026
MALAYSIA

COMMISSIONER FOR OATHS

A-7-05, Blok A, Oasis Square,
Jalan PJU 1A/7A, Ara Damansara,
47301 Petaling Jaya, Selangor.

Independent Auditors' Report

to the members of SD Guthrie Berhad
(Incorporated in Malaysia)
Registration No. 200401009263 (647766-V)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of SD Guthrie Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 108 to 220.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of goodwill arising from the New Britain Palm Oil Limited ("NBPOL") acquisition allocated to NBPOL cash generating unit ("CGU") Intangible assets of the Group include goodwill of RM2,062.2 million which arose from the acquisition of NBPOL Group. The goodwill was allocated to two CGUS, namely NBPOL CGU (RM1,490.3 million) and PT Minamas Gemilang and its subsidiaries ("Minamas Group") CGU (RM571.9 million). The recoverable amounts of the CGUS are based on value-in-use ("VIU") calculations which are derived using discounted cash flow projections. There are a number of underlying assumptions used in the VIU calculations, including projection period, fresh fruit bunches ("FFB") yields, crude palm oil ("CPO") selling prices and discount rate. We focused on the recoverability of the carrying value of goodwill allocated to the NBPOL CGU due to the significance of the balance; and because the underlying assumptions used in determining the recoverable amount are inherently uncertain and requires judgement. Based on management's assessment, no impairment was required as the recoverable amount exceeded the carrying value as at 31 December 2025. Refer to Note 4 and Note 21i to the financial statements.	We performed the following audit procedures: Evaluated the reasonableness of the underlying assumptions used by management in the cash flow projections by: a. agreeing the projection period to the remaining lease period for NBPOL CGU; and b. comparing the FFB yields and CPO selling prices to historical results, forecasted commodity prices and industry data, where appropriate; Assessed the reliability of management's cash flow projections by comparing the previous years' forecasted results against past trend of actual results; Involved our valuation experts to independently assess the discount rate used in determining the recoverable amount of NBPOL CGU and determined whether the change in the discount rate used compared to the rate used in the previous financial year is reasonable; Assessed the appropriateness of sensitivity analysis performed by management, including the disclosures of a reasonable possible change in key assumptions and the corresponding effect on the recoverable amount, by re-performing the sensitivity analysis; and Checked the mathematical accuracy of the VIU cash flows projections. Based on the procedures performed above, we did not identify any material exceptions.

We have determined that there are no key audit matters to report for the Company.

Independent Auditors' Report

to the members of SD Guthrie Berhad
(Incorporated in Malaysia)
Registration No. 200401009263 (647766-V)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report and the remaining sections of the Integrated Report 2025 of SD Guthrie Berhad, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

a. Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

d. Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

e. Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

f. Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 47 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

GAN WEE FONG
03253/01/2027 J
Chartered Accountant

Kuala Lumpur
14 April 2026

Properties of the Group

As at 31 December 2025

Location	Tenure	Land area (Hectares)	Year of acquisition	Age of building (Years)+	Description	Net book value (RM million)
UPSTREAM PROPERTIES						
Malaysia						
Kedah Darul Aman						
Anak Kulim, Bukit Hijau, Bukit Selarong, Jentayu, Padang Buluh, Somme, Sungai Dingin	Freehold	18,587	1978–2006	20	Oil palm and rubber estates and a palm oil mill	434
Bukit Hijau	Leasehold expiring 2068	9	2006	–	Rubber estate	^
Perak Darul Ridzuan						
Bagan Datoh, Bikam, Chersonese, Cluny, Elphil, Flemington, Holyrood, Kalumpong, Kamuning, Kinta Kellas, Sabrang, Selaba, Seri Intan, Sogomana, Sungai Samak, Sungei Wangi, Tali Ayer	Freehold	36,004	1978–2001	16–32	Oil palm and rubber estates and 5 palm oil mills	1,296
Chersonese, Cluny, Kalumpong, Kamuning, Kinta Kellas, Sogomana, Sungai Samak, Tali Ayer	Leasehold expiring 2035–2897	5,393	1978–1987	–	Oil palm estates	71
Pahang Darul Makmur						
Chenor, Jabor, Jentar, Kerdau, Mentakab, Sungai Mai	Freehold	9,315	1985–2006	29	Oil palm estates and 2 palm oil mills	353
Bukit Puteri, Chenor, Kerdau, Sungai Mai	Leasehold expiring 2057–2086	10,621	1985–1992	19–29	Oil palm estates and a palm oil mill	120
Selangor Darul Ehsan						
Banting, Bestari Jaya, Bukit Cheraka, Bukit Kerayong, Bukit Lagong, Bukit Rotan, Bukit Talang, Dusun Durian, East Carey Island, Sabak Bernam, Sepang, Sungai Buloh, Teluk Panglima Garang, Tennamaram, West Carey Island	Freehold	33,615	1978–2013	8–34	Oil palm estates, 3 palm oil mills, biodiesel and kernel crushing plants, rat bait factory, laboratories, research centres, warehouse and a training centre	1,363
East Carey Island, Port Klang, Sungai Buloh, Tennamaram	Leasehold expiring 2029–2086	170	1978–2010	49	Oil palm estates and a bulking plant	55
Negeri Sembilan Darul Khusus						
Bradwall, Bukit Pelandok, Bukit Pilah, Kok Foh, Labu, P.D. Lukut, Pertang, Salak, Sengkang, Siliau, Sungai Gemas, Sungai Sabaling, St Helier, Sua Betong, Sungai Bharu, Tampin Linggi, Tanah Merah	Freehold	35,047	1978–2009	13–28	Oil palm and rubber estates, 3 palm oil mills, laboratories and a research centre	842
Kok Foh, Sungai Bharu	Leasehold expiring 2034–2072	146	1982–1993	–	Oil palm estates	2

Location	Tenure	Land area (Hectares)	Year of acquisition	Age of building (Years)+	Description	Net book value (RM million)
UPSTREAM PROPERTIES (CONTINUED)						
Malaysia (continued)						
Melaka						
Bukit Asahan, Diamond Jubilee, Kempas, Kemuning, Serkam	Freehold	14,724	1978–2011	18–26	Oil palm estates and 2 palm oil mills	334
Bukit Asahan, Diamond Jubilee, Kempas, Kemuning, Serkam	Leasehold expiring 2025–2071	422	1982–1992	–	Oil palm estates	2
Johor Darul Takzim						
Batu Anam, Bukit Badak, Bukit Benut, Bukit Paloh, CEP Nyior, CEP Renggam, Cha'ah, Gunung Mas, Hadapan, Kempas Klebang, Kulai, Lambak, Lanadron, Layang, Muar River, New Pagoh, North Labis, Pagoh, Pengkalan Bukit, Sembrong, Seri Pulai, Sungai Senarut, Sungai Simpang Kiri, Tangkah, Tun Dr. Ismail, Ulu Remis, Welch, Yong Peng	Freehold	53,268	1978–2012	8–29	Oil palm and rubber estates, 4 palm oil mills, laboratories and a research centre	1,631
Cenas, CEP Nyior, Cha'ah, Lanadron, Layang, Muar River, Pekan, Sembrong, Sungai Senarut, Sungai Simpang Kiri, Ulu Remis	Leasehold expiring 2068–2918	18,611	1978–2012	29–33	Oil palm estates and 2 palm oil mills	253
Sabah						
Binuang, Bombalai, Giram, Imam, Jeleta Bumi, Kunak, Melalap, Merotai, Mostyn, Sandakan Bay, Sapong, Segaliud, Sentosa, Sungang, Table, Tiger, Tigowis, Tingkayu, Tun Tan Siew Sin, Tunku	Leasehold expiring 2038–2940	53,644	1978–1983	18–39	Oil palm estates, 5 palm oil mills, a bulking plant, laboratories, a research centre and 2 biogas plants	1,616
Sarawak						
Bayu, Belian, Chartquest, Damai, Derawan, Dulang, Kelida, Lavang, Paroh, Pekaka, Rajawali, Rasan, Ruai, Sahua, Samudera, Semarak, Takau	Leasehold expiring 2045–2082	46,999	1990–2004	22–30	Oil palm estates, 3 palm oil mills, laboratories, a research centre and a biogas plant	1,148
Upstream Malaysia Properties		**336,575**				**9,520**
Indonesia						
Kalimantan – West						
Awatan, Beturus, Karya Palma, Kelampai, Lembiru, Pelanjau, Sei Mawang, Sungai Putih	Leasehold expiring 2030–2053	18,625	2001–2013	14–23	Oil palm estates, 1 palm oil mill and a bulking plant	217
Kalimantan – Central						
Baras Danum, Batang Garing, Hatan Tiring, Kawan Batu, Kuala Kuayan, Pemantang, Sapiri, Sekunyir, Seruyan, Sukamandang	Leasehold expiring 2033–2034	39,116	2001–2018	17–28	Oil palm estates, 3 palm oil mills, a bulking plant, a kernel crushing plant and a biogas plant	422

Properties of the Group
As at 31 December 2025

Location	Tenure	Land area (Hectares)	Year of acquisition	Age of building (Years)+	Description	Net book value (RM million)
UPSTREAM PROPERTIES (CONTINUED)						
Indonesia (continued)						
Kalimantan – South						
Bakau, Banjarbaru, Bebunga, Betung, Binturung, Gunung Aru, Gunung Kemasan, Lanting, Laut Timur, Matalok, Pantai Bonati, Pantai Timur, Pondok Labu, Rampa, Randi, Rantau, Sangkoh, Sekayu, Selabak, Sesulung, Sungai Cengal	Leasehold expiring 2032–2054	72,767	2001–2012	8–29	Oil palm estates, 5 palm oil mills, 2 bulking plants, a kernel crushing plant and a biogas plant	1,564
Sulawesi – Central						
Ungkaya	Leasehold expiring 2024	4,712	2001–2011	13–30	Oil palm estate, a palm oil mill and a bulking plant	95
Sumatera – Jambi						
Panjang	Leasehold expiring 2038–2053	4,000	2001–2007	17	Oil palm estate and a palm oil mill	40
Sumatera – South						
Bumi Ayu, Bukit Pinang, Karang Ringin, Mangun Jaya, Napal, Rantau Panjang, Sungai Jernih, Sungai Pinang	Leasehold expiring 2033–2034	18,958	2001–2002	22–24	Oil palm estates and 2 palm oil mills	352
Sumatera – East Aceh						
Batang Ara, Blang Simpo 1 & 2, Tamiang	Leasehold expiring 2027–2037	8,742	2001–2008	27–42	Oil palm estates and a palm oil mill	127
Sumatera – Riau						
Alur Damai, Aneka Persada, Mandah, Menggala 1 – 3, Nusa Lestari, Nusa Persada, Pekanbaru, Pinang Sebatang, Rotan Semelur, Teluk Bakau, Teluk Siak	Leasehold expiring 2031–2036	49,350	2001–2015	11–29	Oil palm estates, 5 palm oil mills and a research centre	939
Upstream Indonesia Properties		**216,270**				**3,756**
Papua New Guinea						
West New Britain, Morobe, Oro, Milne Bay, New Ireland, Markham Valley	Leasehold expiring 2052–2115	138,552	2018–2024	5–52	Oil palm estates, a sugar cane plantation, grazing, pastures, 3 biogas plants, a sugar factory, 12 palm oil mills, 6 kernel crushing plants, 2 abattoirs, a research centre and 4 bulking plants	2,837
Solomon Islands						
Guadalcanal	Leasehold expiring 2043–2065	8,426	2015–2024	9–19	Oil palm estates, a palm oil mill, a kernel crushing plant and a bulking plant	251
Upstream Properties		**699,823**				**16,364**

Location	Tenure	Land area (Hectares)	Year of acquisition	Age of building (Years)+	Description	Net book value (RM million)
INDUSTRIAL DEVELOPMENT AND RENEWABLE ENERGY						
Malaysia						
Kedah Darul Aman						
Padang Buluh	Freehold	39	1920	–	Oil Palm Estate	^
Perak Darul Ridzuan						
Tali Ayer	Freehold	667	2006	–	Oil Palm Estate	9
	Leasehold	53	1898	–	Oil Palm Estate	^
Selangor Darul Ehsan						
East Carey Island, Bukit Kerayong	Freehold	1,405	1975–2002	–	Oil Palm Estate	17
Negeri Sembilan Darul Khusus						
Bukit Pelandok, Sengkang	Freehold	442	1975	–	Oil Palm Estate	4
Johor Darul Takzim						
Kulai	Freehold	686	2006	–	Oil Palm Estate	7
Industrial Development and Renewable Energy Properties		**3,292***				**38**
DOWNSTREAM AND OTHERS PROPERTIES						
Malaysia						
Selangor Darul Ehsan						
Teluk Panglima Garang	Freehold	2	2012	–	Vacant land	4
North Port Edible Oil Refinery Complex, Teluk Panglima Garang	Leasehold expiring 2076–2105	17	2006–2012	14–16	Refineries	131
Johor Darul Takzim						
Pasir Gudang	Leasehold expiring 2035–2043	6	1974–1985	49	Refinery	18
Sarawak						
Kawasan Perindustrian Kidurong, Bintulu	Leasehold expiring 2072	14	2004	11–17	Refinery and a kernel crushing plant	23
Downstream and Others Properties – Malaysia		**39**				**176**

Properties of the Group

As at 31 December 2025

Location	Tenure	Land area (Hectares)	Year of acquisition	Age of building (Years)+	Description	Net book value (RM million)
DOWNSTREAM AND OTHERS PROPERTIES (CONTINUED)						
Overseas						
Indonesia						
Desa Sei Taib, Kecamatan Pulau Laut, Kalimantan	Leasehold expiring 2044	32	2014	10–11	Refinery	103
Sumatera North	Leasehold expiring 2052	16	2022	–	Refinery	34
Thailand						
Sukhumvit Road, Bangkok	Freehold	–	1986–2011	7–36	Office buildings	5
Poochaosamingprai Road, Samut Prakan	Freehold	5	1986	5–36	2 refineries	23
Tiwanon Road, Nonthaburi	Freehold	13	2014	39–44	Crushing and refining plant and office building	85
The Netherlands						
Lindtsedijk, Zwijndrecht	Freehold	11	2002	11–93	Refinery and a research centre	147
South Africa						
Boksburg	Leasehold expiring 2026	1	2004	13	Refinery and a research centre	1
United Kingdom						
Liverpool	Leasehold expiring 2034	3	2015	10–15	Refinery and office building	103
Papua New Guinea						
Markham Valley, Madang, Buka	Leasehold expiring 2083	1	2018	8–15	2 copra mills and a refinery	164
Downstream and Others Properties – Overseas		**82**				**665**
Downstream and Others Properties		**121**				**841**
GENERAL						
Malaysia						
Selangor Darul Ehsan						
SD Guthrie Tower, Oasis, Ara Damansara	Freehold	2	2012	11	Office complex	230
Negeri Sembilan Darul Khusus						
Port Dickson	Freehold	3	2018	30–66	Holiday bungalow	25
Pahang Darul Makmur						
Cameron Highlands	Leasehold expiring 2026–2082	2	2018	38–95	Holiday bungalow	3
Properties - General		**7**				**258**
Total Properties		**703,243**				**17,501**

\+ The age of building is in respect of the building, mill and plant
^ NBV less than RM1 million
* Reclassified industrial development lands continue to be harvested pending commencement of development activities.

Analysis of Shareholdings

As at 19 March 2026

Total Number of Issued Shares : 6,915,714,601
Class of Shares : Ordinary Shares
Voting Rights : One vote per ordinary share in the case of a poll and one vote per person on a show of hand

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Shares
Less than 100	3,277	14.33	69,647	0.00
100 to 1,000	5,513	24.11	3,177,244	0.05
1,001 to 10,000	10,194	44.59	33,839,233	0.49
10,001 to 100,000	2,790	12.21	79,185,649	1.14
100,001 to less than 5% of issued capital	1,086	4.75	2,739,204,361	39.61
5% and above of issued capital	3	0.01	4,060,238,467	58.71
Total	22,863	100.00	6,915,714,601	100.00

Classification of Shareholders	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Shares
Individuals	18,412	80.53	103,969,282	1.50
Banks/Finance Companies	61	0.27	4,024,512,070	58.20
Investment Trusts/Foundations/Charities	19	0.08	1,910,942	0.03
Industrial and Commercial Companies	489	2.14	78,480,708	1.13
Government Agencies/Institutions	2	0.01	11,000,490	0.16
Nominees	3,878	16.96	2,695,735,834	38.98
Others	2	0.01	105,275	0.00
Total	22,863	100.00	6,915,714,601	100.00

DIRECTORS' DIRECT AND INDIRECT INTERESTS IN THE COMPANY AND ITS RELATED CORPORATIONS

As disclosed in the Directors' Report of the Financial Statements as set out on page 104, none of the Directors of the Company have any interest, direct or indirect, in shares, or debentures of, the Company or in a related corporation.

SUBSTANTIAL SHAREHOLDERS ACCORDING TO THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

No.	Name of Substantial Shareholder	No. of Shares Held (Direct Interest)	% of Issued Shares	No. of Shares Held (Indirect/ Deemed Interest)	% of Issued Shares
1	AmanahRaya Trustees Berhad – Amanah Saham Bumiputera	2,785,126,477	40.272	0.000	0.000
2	Employees Provident Fund Board	753,008,312	10.888	332,643,647	4.810
3	Kumpulan Wang Persaraan (Diperbadankan)	513,350,378	7.423	39,870,400	0.577

Analysis of Shareholdings

As at 19 March 2026

TOP 30 SECURITIES ACCOUNT HOLDERS ACCORDING TO THE RECORD OF DEPOSITORS

No.	Name of Shareholder	No. of Shares Held	% of Issued Shares
1	AmanahRaya Trustees Berhad Amanah Saham Bumiputera	2,794,126,477	40.40
2	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	753,008,312	10.89
3	Kumpulan Wang Persaraan (Diperbadankan)	513,103,678	7.42
4	AmanahRaya Trustees Berhad Amanah Saham Malaysia 2 – Wawasan	162,023,064	2.34
5	AmanahRaya Trustees Berhad Amanah Saham Malaysia	151,895,154	2.20
6	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Islamic)	151,790,335	2.19
7	Permodalan Nasional Berhad	92,623,500	1.34
8	AmanahRaya Trustees Berhad Amanah Saham Bumiputera 2	86,044,337	1.24
9	Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for AIA Bhd	76,288,446	1.10
10	AmanahRaya Trustees Berhad Amanah Saham Malaysia 3	63,085,937	0.91
11	Lembaga Tabung Haji	59,780,500	0.86
12	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Total International Stock Index Fund	52,917,669	0.77
13	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Emerging Markets Stock Index Fund	50,612,279	0.73
14	AmanahRaya Trustees Berhad Amanah Saham Bumiputera 3 – Didik	46,989,700	0.70
15	Cartaban Nominees (Tempatan) Sdn Bhd PAMB for Prulink Equity Fund	43,614,111	0.63
16	Cartaban Nominees (Tempatan) Sdn Bhd Prudential Assurance Malaysia Berhad for Prulink Strategic Fund	40,827,300	0.59
17	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (NOMURA)	40,462,700	0.59
18	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)	34,819,549	0.50
19	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (AHAM AM)	33,242,200	0.48
20	Cartaban Nominees (Tempatan) Sdn Bhd PBTB for Takafulink Dana Ekuiti	28,207,899	0.41
21	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II	26,620,600	0.38
22	HSBC Nominees (Asing) Sdn Bhd HSBC BK PLC for Kuwait Investment Office (KIO)	25,600,465	0.37
23	Citigroup Nominees (Asing) Sdn Bhd CBNY for iShares Core MSCI Emerging Markets ETF	23,677,300	0.34
24	Cartaban Nominees (Asing) Sdn Bhd Exempt AN for Barclays Capital Securities Ltd (SBL/PB)	21,915,499	0.32
25	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (ASIANISLAMIC)	21,720,700	0.31
26	Citigroup Nominees (Tempatan) Sdn Bhd Urusharta Jamaah Sdn Bhd (1)	17,186,500	0.25
27	HSBC Nominees (Asing) Sdn Bhd HSBC-FS G for People's Bank of China (SICL Asia EM)	16,722,448	0.24
28	Cartaban Nominees (Asing) Sdn Bhd BBH and CO Boston for Fidelity SAI Emerging Markets Value Index Fund (FSST)	16,133,390	0.23
29	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (F TEMPLETON)	15,718,900	0.23
30	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (LSF)	15,320,844	0.22
Total		5,476,079,793	79.18

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 23rd Annual General Meeting (AGM) of SD Guthrie Berhad (Guthrie or Company) will be held at the Ruby Ballroom, Level G, One World Hotel, First Avenue, Bandar Utama City Centre, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia (Main Venue) and virtually by way of electronic means via the Vistra Share Registry and IPO (MY) portal (VISTRA SRMY Portal) at https://srmy.vistra.com on Thursday, 11 June 2026 at 10.00 a.m. for the transaction of the following businesses:

AS ORDINARY BUSINESS

1.	To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and the Auditors thereon. *Refer to Explanatory Note 1*	
2.	To approve the payment of Directors' fees to the Non-Executive Directors up to an amount of RM4,725,000 from 12 June 2026 until the date of the next AGM of the Company. *Refer to Explanatory Note 2*	**(Resolution 1)**
3.	To approve the payment of benefits payable to the Non-Executive Directors up to an amount of RM1,300,000 from 12 June 2026 until the date of the next AGM of the Company. *Refer to Explanatory Note 2*	**(Resolution 2)**
4.	To re-elect Mohd Haris Mohd Arshad who retires in accordance with Rule 81.2 of the Constitution of the Company and who being eligible, offers himself for re-election. *Refer to Explanatory Note 3*	**(Resolution 3)**
5.	To re-elect the following Directors who retire in accordance with Rule 103 of the Constitution of the Company and who being eligible, offer themselves for re-election: i. Dato' Idris Kechot ii. Dato' Sri Sharifah Sofianny Syed Hussain. *Refer to Explanatory Note 3*	 **(Resolution 4)** **(Resolution 5)**
6.	To appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2026 and to authorise the Board of Directors to determine their remuneration. *Refer to Explanatory Note 4*	**(Resolution 6)**
7.	To transact any other business for which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.	

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to participate at this 23rd Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Rule 63 of the Constitution of the Company and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 29 May 2026. Only a depositor whose name appears on the Record of Depositors as at 29 May 2026 shall be entitled to participate at the said meeting or appoint proxies to participate and/or vote on his/her behalf.

By Order of the Board

Azrin Nashiha Abdul Aziz
Company Secretary
(LS0007238)
(SSM Practicing Certificate No. 202208000233)

Selangor Darul Ehsan, Malaysia
28 April 2026

NOTES:

Hybrid Meeting

1. The 23rd Annual General Meeting (AGM) will be held in a hybrid mode whereby Member(s), proxy(ies), corporate representative(s) or attorney(s) will have an option, either:

   (a) To attend physically in person at the Ruby Ballroom, Level G, One World Hotel, First Avenue, Bandar Utama City Centre, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia (Main Venue) (Physical Attendance); or

   (b) To attend virtually using the Vistra Share Registry and IPO (MY) portal (VISTRA SRMY Portal) at https://srmy.vistra.com with remote participation and voting (RPV) facilities (Virtual Attendance).

   Please refer to the Administrative Guide for full guide to Physical Attendance and Virtual Attendance at the 23rd AGM.

   All Member(s), proxy(ies), corporate representative(s) or attorney(s) who wish to attend the 23rd AGM virtually using the RPV facilities **must register** as a user with VISTRA SRMY Portal first and then **pre-register** their attendance on VISTRA SRMY Portal to verify their eligibility to attend the 23rd AGM based on the General Meeting Record of Depositors as at 29 May 2026. Pre-registration is not required for Physical Attendance.

2. The pre-registration for Virtual Attendance using the RPV facilities is open from the date of the Notice of the 23rd AGM on **Tuesday, 28 April 2026** and the closing date and time shall be until such time before the voting session ends at the 23rd AGM on Thursday, 11 June 2026 for Virtual Attendance using the RPV facilities.

Submission of Questions Before and During the Meeting

1. All Member(s), proxy(ies), corporate representative(s) or attorney(s) may submit questions in relation to the agenda items for the 23rd AGM in advance via the VISTRA SRMY Portal at https://srmy.vistra.com by selecting "e-Services" to login, post questions and submit electronically not later than **10.00 a.m.** on **Wednesday, 10 June 2026.** The Board and Senior Management will endeavour to answer the questions received at the 23rd AGM.

2. During the 23rd AGM, all Member(s), proxy(ies), corporate representative(s) or attorney(s) who are physically present at the Main Venue will be able to ask questions in person. All Member(s), proxy(ies), corporate representative(s) or attorney(s) who attend virtually using the RPV facilities may use the **Query Box** to ask questions in real time (in the form of typed text) during the meeting. The Board and Senior Management will be in attendance at the Main Venue to respond accordingly.

Proxy and/or Authorised Representative

1. A member of the Company entitled to participate at the 23rd AGM is entitled to appoint not more than two (2) proxies to exercise all or any of his/her rights to participate at the 23rd AGM on his/her behalf. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy. A proxy may, but need not, be a member of the Company.

2. A member of the Company may appoint any person to be his/her proxy without any restriction as to the qualification of such person.

3. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 23rd AGM of the Company shall be put to vote by way of a poll.

4. Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991 (SICDA), he/she may appoint not more than two (2) proxies in respect of each Securities Account he/she holds with ordinary shares of the Company standing to the credit of the said Securities Account to attend and vote at a meeting of the Company instead of him/her.

5. Where a member of the Company is an Exempt Authorised Nominee as defined under SICDA which holds ordinary shares in the Company for multiple beneficial owners in one (1) Securities Account (Omnibus Account), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds PROVIDED THAT each beneficial owner of ordinary shares, or where the ordinary shares are held on behalf of joint beneficial owners, such joint beneficial owners, shall only be entitled to instruct the Exempt Authorised Nominee to appoint not more than two (2) proxies to attend and vote at a general meeting of the Company instead of the beneficial owner or joint beneficial owners.

6. The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or signed by an officer or attorney so authorised, or in any other manner authorised by the Constitution of the Company. Any alteration to the instrument appointing a proxy must be initialled.

Notice of Annual General Meeting

7. The appointment of proxy(ies) may be made in a hardcopy form or by electronic means as follows:

   i. In Hardcopy Form

      a. The Form of Proxy or the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, to be deposited in the Drop Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia no later than **Wednesday, 10 June 2026** at **10.00 a.m.**

      b. By email to is.enquiry@vistra.com

   ii. By Electronic Form

      The Proxy Form can be electronically lodged with the Share Registrar of the Company via the VISTRA SRMY Portal at https://srmy.vistra.com. The detailed requirements and procedures for the submission of proxy forms are set out in the Administrative Guide.

Explanatory Notes

1. Audited Financial Statements for the Financial Year Ended 31 December 2025

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 (CA 2016) for discussion only. The Audited Financial Statements do not require shareholders' approval and as such, will not be put forward for voting.

2. Directors' Remuneration – Fees and Benefits Payable to the Non-Executive Directors

Rule 82.1 of the Constitution of the Company provides that the fees and benefits payable to Directors shall be subject to annual shareholders' approval at a general meeting. Pursuant to Section 230 of the CA 2016, fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

In this respect, the Board agreed that shareholders' approval be sought on the Directors' remuneration in two (2) separate resolutions as follows:

i. Resolution 1 – Payment of Directors' fees to the Non-Executive Directors

The proposed payment of Directors' fees for the Non-Executive Directors (NED) from 12 June 2026 until the date of the next Annual General Meeting (AGM) of the Company is based on the following fee structure, which has not changed since the previous AGM:

Company	Board/Board Committee	Chairman (per year)	Member (per year)
SD Guthrie Berhad (Guthrie)	Board	RM600,000	RM240,000
	Governance & Audit Committee	RM80,000	RM50,000
	Other Board Committees	RM60,000	RM35,000
PT Minamas Gemilang & PT Anugerah Sumbermakmur	Board (Guthrie Nominee)	RM200,000	RM100,000
	Governance, Audit & Risk Committee	RM30,000	RM15,000
	Other Board Committee(s)	RM22,500	RM11,250
SD Guthrie International Limited	Board (Guthrie Nominee)	SGD58,000	SGD30,000
	Governance & Audit Committee	SGD9,000	SGD5,000
	Other Board Committee(s)	SGD6,500	SGD3,250
New Britain Palm Oil Limited	Board (Guthrie Nominee)	PGK162,000	PGK85,250
	Audit Committee	PGK25,000	PGK12,500
	Other Board Committee(s)	PGK18,000	PGK9,000

ii. Resolution 2 – Payment of Benefits Payable to the Non-Executive Directors

The benefits payable to the NEDs comprise allowances and other emoluments payable to the Chairman and members of the Board, Board Committees and boards of subsidiary companies.

The Company is seeking shareholders' approval for benefits payable to the NEDs from 12 June 2026 until the date of the next AGM in accordance with the benefits structure, set out below, which has not changed since the previous AGM:

	SD Guthrie Berhad		Flagship/Major Subsidiary Companies: PT Minamas Gemilang & PT Anugerah Sumbermakmur	SD Guthrie International Limited	New Britain Palm Oil Limited
Description	Chairman	Member	Chairman & Member	Chairman & Member	Chairman & Member
Meeting Allowance (per meeting)					
Board	RM1,500	RM1,500	RM1,000	SGD1,000	PGK1,000
Board Committees	RM1,000	RM1,000	RM500	SGD500	PGK500
Benefits	• Company car, petrol, electric vehicle (EV) charging allowance, and driver. • Telecommunication devices/facilities, and medical and insurance coverage. • Club Membership/ Privileges.	• Telecommunication devices/facilities, and medical and insurance coverage.	• Telecommunication devices/facilities and insurance coverage.		

In determining the estimated total amount of Directors' fees and benefits payable for the NEDs, the Board has considered various factors including the number of scheduled and special meetings for the Board, Board Committees and boards of subsidiary companies, based on the current number of NEDs including a provisional sum as a contingency for future appointment of NEDs.

The proposed **Resolutions 1 and 2**, if passed, will give authority to the Company to pay the Directors' fees and benefits payable on a quarterly basis and/or as and when incurred. The decision in respect of fees and benefits payable by the subsidiary companies will be made by the shareholder of the subsidiary companies in accordance with the laws applicable in their jurisdiction.

Any NED who is a shareholder of the Company will abstain from voting on **Resolutions 1 and 2** concerning remuneration to the NEDs at the 23rd AGM of the Company.

3. Resolutions 3 to 5 – Re-election of Directors in accordance with Rule 81.2 and Rule 103 of the Constitution

i. Rule 81.2 of the Constitution of the Company stipulates that a Director appointed by the Board, either to fill a casual vacancy or as an addition to the existing Board, shall hold office until the conclusion of the next AGM of the Company and shall be eligible for re-election at such meeting. Mohd Haris Mohd Arshad, who was appointed on 1 January 2026, being eligible, has offered himself for re-election at the 23rd AGM pursuant to Rule 81.2 of the Constitution of the Company.

ii. Rule 103 of the Constitution of the Company expressly states that at least one-third (1/3) of the Directors for the time being shall retire from office at each AGM. A Director retiring at a general meeting shall retain office until the conclusion of the meeting. In addition, Rule 104 of the Constitution states that all Directors shall retire from office once at least in each three (3) years. A retiring Director shall be eligible for re-election.

Dato' Idris Kechot and Dato' Sri Sharifah Sofianny Syed Hussain, being eligible, have offered themselves for re-election at the 23rd AGM in accordance with Rule 104 of the Constitution.

Notice of Annual General Meeting

iii. The Nomination & Remuneration Committee (NRC) has considered the performance and contribution (including fit and proper assessment) of each of the retiring Directors.

Based on the results of the Board & Directors' Effectiveness Evaluation conducted for the financial year ended 31 December 2025, the retiring Directors met the performance criteria required of an effective and high-performance Board. The Directors have also met the overarching fit and proper criteria of the Company.

iv. The Board has endorsed the NRC's recommendation to seek shareholders' approval for the re-election of the retiring Directors. All Directors standing for re-election have abstained from deliberation and decision on their own eligibility to stand for re-election at the relevant Board meeting and will continue to abstain from deliberations and decisions on their own eligibility to stand for re-election at this AGM.

v. Dato' Halipah Esa, Senior Independent Non-Executive Director, has informed the Board of her intention to retire and therefore will not be seeking re-election at the AGM. Hence, Dato' Halipah will retain office until the conclusion of this AGM in accordance with Rule 103 of the Constitution.

4. Resolution 6 – Re-appointment of Auditors

The Governance & Audit Committee (GAC), at its meeting held on 9 April 2026, undertook an annual assessment of the suitability and independence of the external auditors, PricewaterhouseCoopers PLT (PwC), in accordance with the Policy on External Auditor Appointment & Selection. The GAC considered the following factors in its assessment:

i. Calibre of external audit firm
ii. Quality of processes/performance
iii. Audit team
iv. Independence and objectivity
v. Audit scope and planning
vi. Audit fees
vii. Audit communications

In addition, the GAC has also considered the information in the Annual Transparency Report of the external audit firm with reference to Guidance 9.3 of the Malaysian Code on Corporate Governance (MCCG) 2021.

The GAC was satisfied with the suitability of PwC based on the quality of audit, performance and competency provided by PwC to the SD Guthrie Berhad Group as prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The GAC was also satisfied in its review that the provision of non-audit services by PwC to the Group and the Company for the financial year ended 31 December 2025 did not in any way impair their objectivity and independence as the external auditors of the Company.

The Board has agreed with the GAC's recommendation that shareholders' approval be sought at the 23rd AGM on the appointment of PwC as the external auditors of the Company for the financial year ending 31 December 2026, as set out under **Resolution 6**. The present external auditors, PwC, have indicated their willingness to continue their services for the financial year ending 31 December 2026.

Statement Accompanying Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

The profile of the Directors, including the nature and extent of any conflict of interest or potential conflict of interest, who are standing for re-election as enumerated in Resolutions 3 to 5 above at the 23rd Annual General Meeting of SD Guthrie Berhad are set out in the "Directors' Profiles" section on pages 70 to 73 of the Company's Integrated Report 2025.

The details of any interest in securities held by the said Directors are set out in the "Directors' Report" section on page 104 of the Company's Integrated Report 2025.

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