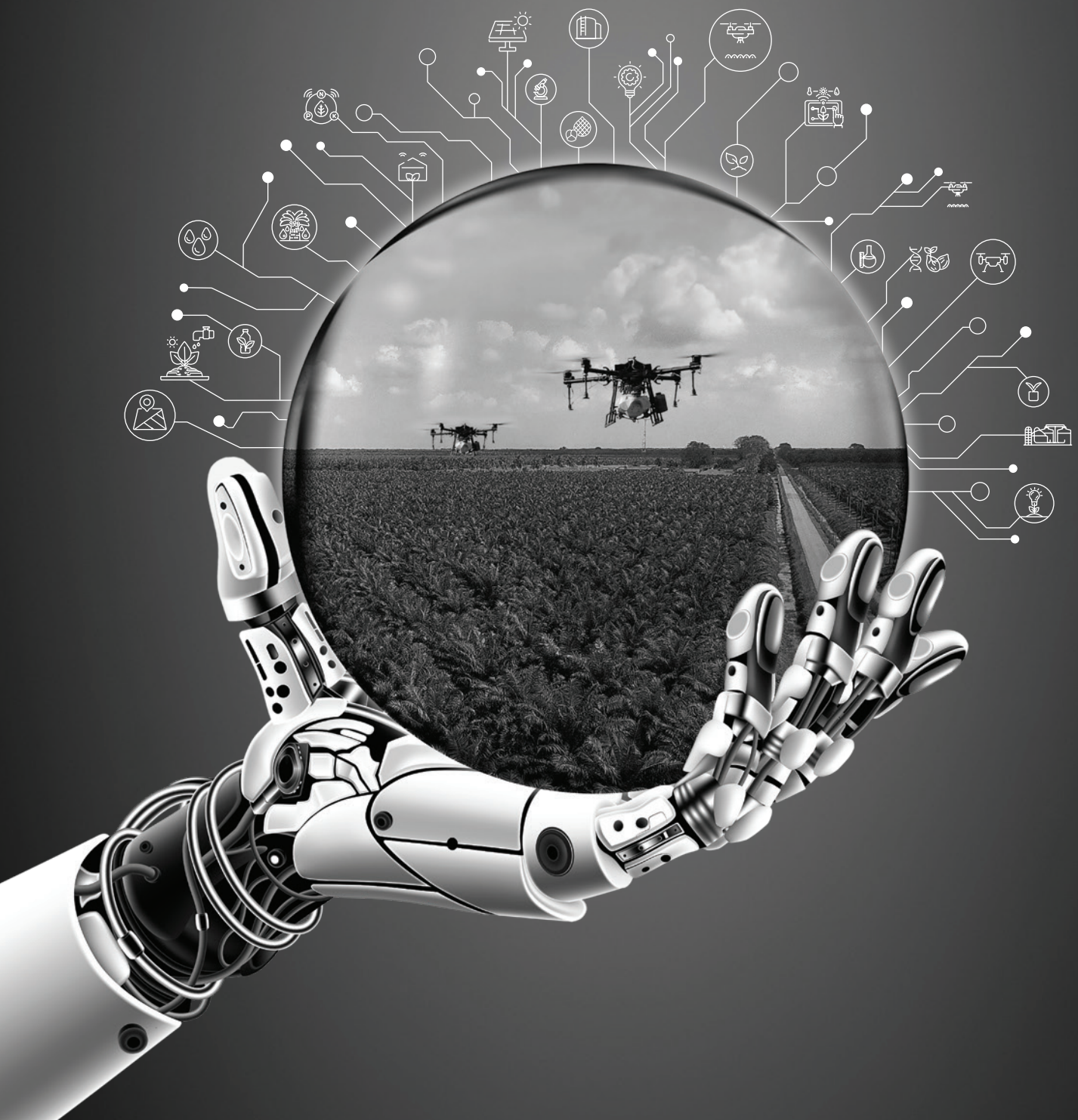


Beyond Boundaries

Integrated Report 2024



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About This Report

SCOPE AND BOUNDARY OF REPORTING

This report covers the operations of SD Guthrie Berhad (*formerly known as Sime Darby Plantation Berhad*) (SD Guthrie or Group or Company), its subsidiaries, and joint ventures for the financial period from 1 January 2024 to 31 December 2024, 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 SD Guthrie’s value creation efforts.

REPORTING FRAMEWORK

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

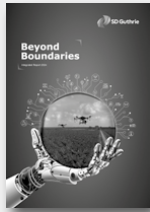
- Main Market Listing Requirements issued by Bursa Malaysia
- Corporate Governance Guide (3rd Edition) issued by Bursa Malaysia
- Malaysian Code on Corporate Governance (MCCG) 2021 issued by Securities Commission Malaysia
- Companies Act 2016
- Malaysian Financial Reporting Standards issued by the Malaysian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

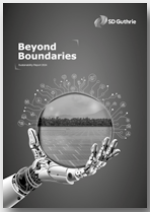


OUR REPORTING SUITE



INTEGRATED REPORT 2024

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 2024

Our Sustainability Report provides a detailed account of SD 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

SD Guthrie’s goal is simple: make the industry more sustainable for the benefit of everyone. 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, communities, and the planet. We also embrace mechanisation, automation, and digitalisation to improve efficiency and attract skilled local talent.

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

FURTHER INFORMATION

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

- 🌐 www.sdguthrie.com

NAVIGATING OUR REPORT

If you are viewing this document online or in digital format, this interactive report contains the following features to enhance your navigation experience:

- 🏠 Return to contents page
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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 being responsible in all our actions.



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

RM19,831 million

Total Assets for the year

RM32,047 million

Sales Volume for the year

4.01 million metric tonnes

Business operations and serving customers in about **90 countries**

**Produced 12%** of the world's Certified Sustainable Palm Oil

CERTIFICATIONS



Roundtable on Sustainable Palm Oil (RSPO)



Malaysian Sustainable Palm Oil (MSPO)



Indonesia Sustainable Palm Oil (ISPO)

CREDIT RATINGS



Malaysian Rating Corporation Berhad

AAA
STABLE



Fitch Ratings

BBB
STABLE



Moody's Ratings

Baa2
STABLE

INDICES REPRESENTATION




FTSE4Good

AWARDS AND RECOGNITIONS

**3rd place****Sustainable Palm Oil Transparency Toolkit**

CORPORATE AND SUSTAINABILITY

Indonesia Social Sustainability Forum (ISSF) 2024, Silver Award, Community Development Category (Corporate Social Responsibility (CSR) and Pembangunan Desa Berkelanjutan (PDB) awards)

Malaysian Palm Oil Industry Award (AISM) 2023/2024, Winner (Nursery Category)

Zero Distance Excellence Award 2024, Winner (Transformational Category)

The Edge ESG Awards 2024, Plantation (Silver Award), Best Performer by Sector (Equities Category)

Globoil's Global Company of the Year 2024, Winner

NACRA 2024, Companies with Market Capitalisation over RM10 billion, Excellence (Silver Award)

NACRA 2024, Gold Award, Best Designed Annual Report

IIAM Corporate Awards, Exemplary Engagement Award

Integrity, Governance, and Anti-Corruption Awards (AIGA) 2023, Platinum Award

FORTUNE Southeast Asia 500, Top 100

HUMAN RESOURCES

LinkedIn Talent Awards 2024, Top 3 Finalist (AI Pioneer Category)

HR Excellence Awards Malaysia 2024, Bronze Award (Excellence in Learning and Development Category)

GRADUAN Brand Awards 2024, 1st Runner Up (Conglomerate Category)

Best Employer in Managing Indonesia Migrant Workers at Outstanding Partnership Award 2024 by Embassy of the Republic of Indonesia in Kuala Lumpur

Jobstreet 2024 Empowering Purpose with HR Excellence: Awarded Special Recognition

OTHERS

ASEAN Energy Awards 2024, 2nd Runner Up (On-Grid Category)

Marketeer Magazine, No. 1 Brand Thailand Award

Superbrands Thailand's Choice, Superbrands Award 2024

National Energy Awards (NEA) 2024, Runner Up (On-Grid National Category)

2SD Guthrie

Integrated Report 2024

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The Group at a Glance

CORPORATE MILESTONES

SD Guthrie Berhad demonstrates strong capabilities across our upstream and downstream operations, with a landbank of 729,711 hectares, 234 estates, 65 palm oil mills, and 11 refineries. With operations in 12 countries and a customer base spanning 86 countries worldwide, our fully integrated approach drives efficiency and excellence across the palm oil value chain.

Expanding beyond our traditional operations, we are venturing into two new business verticals – industrial parks and renewable energy. Fuelled by our seven research and development (R&D) centres and three innovation hubs, we leverage scientific advancements to enhance our operations and foster innovation throughout our business.

2024



Landbank of

729,711 hectares



65 palm oil mills



234 estates



11 refineries



With operations in

12 countries

and a customer base spanning

86 countries worldwide



7 research and development (R&D) centres

MAY

7 May

We announced our expansion into industrial park development and renewable energy, kicking off with our participation in the development of Kerian Integrated Green Industrial Park (KIGIP).

28 May

We officially rebranded from Sime Darby Plantation to SD Guthrie upon receiving overwhelming support with 99.99% approval from our shareholders during the Extraordinary General Meeting (EGM).





JUNE

18 June

We were featured in the Fortune Southeast Asia 500 list, a testament to our strong standing amongst our investors.



AUGUST

21 August

Together with TH Properties, we signed a Memorandum of Understanding (MOU) to develop Malaysia's 1st HALMAS-certified Managed Industrial Park.



19 September

We delivered our first shipment of European Union Deforestation-free Regulation (EUDR)-compliant palm oil to Europe ahead of implementation.



NOVEMBER

4 November

We signed an MOU with AME Elite Industrial Park to develop a green industrial park in the Johor-Singapore Special Economic Zone (JS-SEZ).



13 November

We launched our bold and new "Beyond Zero" Framework, reaffirming our commitment to sustainability.



18 December

We signed an MOU with EcoWorld and NS Corporation to develop a 1,195-acre industrial park in Bukit Pelandok, Negeri Sembilan, Malaysia.



31 December

Five solar plants officially commenced operations on our land under Malaysia's Fourth Large-Scale Solar (LSS4) programme.

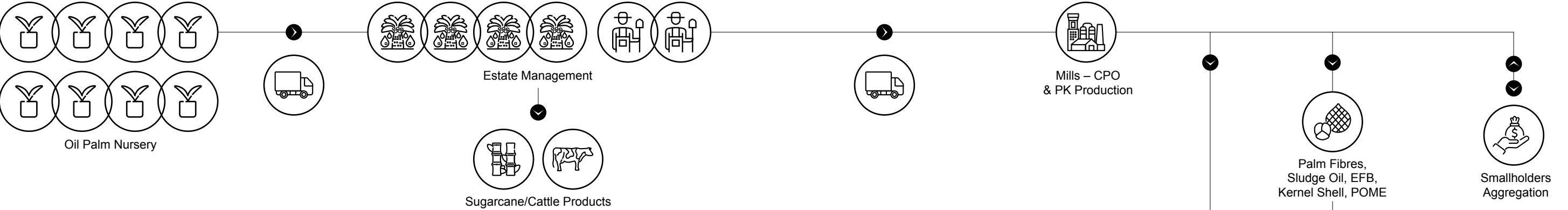
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Integrated Report 2024

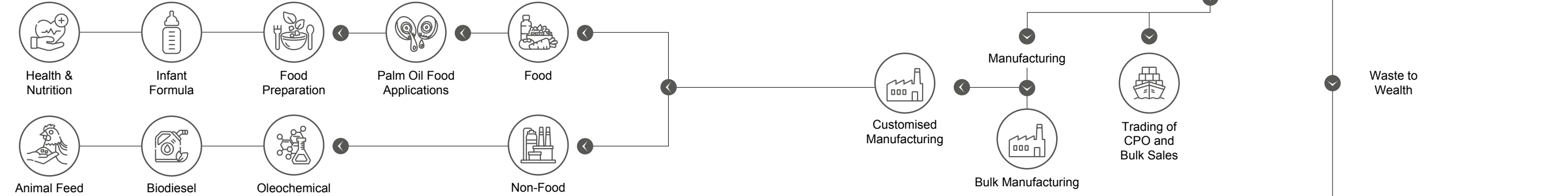
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Our Integrated Value Chain

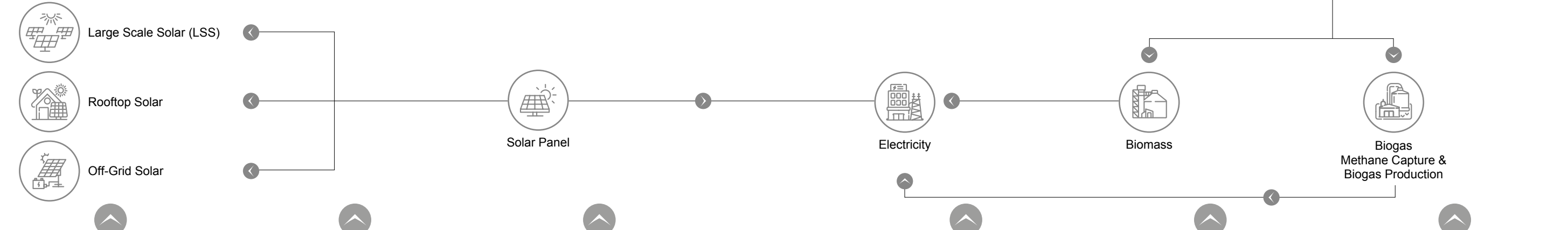
UPSTREAM



DOWNSTREAM



RENEWABLES



RESEARCH & DEVELOPMENT (R&D)



Chairman’s Message



DEAR STAKEHOLDERS,

It is a privilege to chair the Board of a distinguished Company that has established itself as a global leader in the production of certified sustainable palm oil. With a rich legacy spanning over 200 years, we continuously innovate to drive advancements in agricultural practices and environmental stewardship, setting new benchmarks for our industry.

NEW HORIZONS, ENDURING PURPOSE

I was humbled by the resounding endorsement from our shareholders on the rebranding of Sime Darby Plantation to SD Guthrie last year. This year’s theme, “Beyond Boundaries”, marks the beginning of a new era as we push limits and redefine possibilities for our business and stakeholders. As we continue our transformative journey, we remain anchored in our purpose – “Care to Nourish, Dare to Flourish” – embracing the needs and expectations of our various stakeholders to create sustainable, long-term value. We continue to promote healthy growth for our consumers, people and planet, while instilling an entrepreneurial mindset and trust in all that we do.

FY2024 was a good year for SD Guthrie, as we delivered a strong performance across both our upstream and downstream business units. Revenue rose 8% year-on-year (YoY) to RM19.831 billion, while profit attributable to equity holders of the Group stood at RM2.164 billion, reflecting a 16% increase from the previous year. In line with this strong performance,

I am pleased to announce a YoY dividend increase of 9.07% and a rise in total single tier dividend to 16.36 sen per share for FY2024.

Our robust results were driven by higher realised crude palm oil (CPO) and palm kernel (PK) prices, complemented by a steady increase in Fresh Fruit Bunch (FFB) production in Malaysia. Strong demand across Asia Pacific and Oceania markets further bolstered results, helping to offset challenges posed by *El Niño* in Indonesia and extreme wet weather in parts of Papua New Guinea and Solomon Islands.

We are seizing strategic opportunities to grow our new business verticals. SD Guthrie plans to unlock value from its strategic landbank by capitalising on Malaysia’s renewed rigour on national economic development. We have identified pockets of prime land in Malaysia for potential industrial development and land sale over the next few years to ensure we do not compromise on the long-term prospects of our core plantation business.

Wherever new industrial development opportunities arise, we believe there is an equally strong potential for renewable energy to play a vital role. To complement our industrial development vertical, we are strategically repositioning SD Guthrie within the solar power generation space. While exploratory reviews on solar opportunities as a new business vertical are ongoing, we remain committed to leveraging renewable energy to reduce

Scope 1 emissions. This dedication is reflected in our existing portfolio of biogas and solar assets, as well as our plans for further expansion.

In 2024, we were featured in the inaugural Fortune Southeast Asia 500 list, reflecting our standing among companies that are making a significant impact within the dynamic and fast-growing Southeast Asian market. Additionally, our score in the 2024 Sustainable Palm Oil Transparency Toolkit (SPOTT) global assessment improved to 94.84% from 93.4% last year, elevating our ranking from 4th to 3rd place. This achievement further highlights our commitment to transparency in public disclosure on environmental, social, and governance (ESG) matters.

Together, our performance and achievements highlight the strength of our integrated and diversified operations as well as our unwavering commitment to sustainable growth.

ADVANCING OUR CLIMATE EFFORTS

As we embark on a new chapter in our journey, we have unveiled “Beyond Zero”, our new sustainability framework which encapsulates our ongoing initiatives and approach to sustainability, as well as our commitments moving forward. The framework underscores our belief that merely minimising harm to our planet is no longer enough – we must continue to drive for positive impact to the environment and society.

SD Guthrie is committed to reducing environmental impacts and restoring vital ecosystems. By enhancing traceability throughout our supply chain and focusing on the targets set in our Net-Zero Roadmap, we are taking decisive steps towards meeting our 2050 net-zero targets. Our approach to sustainability is ever evolving, and we will continue to refine our efforts and adapt to emerging challenges, while seizing opportunities to shape a more resilient future for both people and the planet.

PUTTING PEOPLE FIRST

Our commitment to excellence encompasses our entire supply chain. Anchored in our core values of Integrity, Respect & Responsibility, Enterprise, and Excellence, we uphold high standards for our suppliers and smallholders, while working collaboratively to enhance their sustainability practices, in line with the Roundtable on Sustainable Palm Oil (RSPO) 2024 Principles and Criteria on Human Rights. We actively facilitated two-way communication and implemented programmes designed to uplift their lives and livelihoods.

Beyond our supply chain, we recognise that our strength as an organisation rests in the hands of our people. We continue to foster a healthy, diverse and inclusive workplace culture,



>> Our Board of Directors at the SD Guthrie Brand Launch event on 30 May 2024.

celebrating ideas, and experiences that ignite progress while prioritising employee well-being. As we shape a future-ready workforce, we invest in talent development, providing our people with opportunities for training and upskilling.

ENHANCING OUR GOVERNANCE PRACTICES

We uphold the highest standards of corporate governance, always guided by the practices of the Malaysian Code on Corporate Governance 2021 (MCCG), Bursa Malaysia Securities Berhad’s (Bursa Malaysia) Main Market Listing Requirements (MMLR), and equivalent standards in all our operating jurisdictions.

In 2024, women represented more than 30% of our Board, 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. Employees identified for critical positions are enrolled in world-class executive education programmes at notable institutions such as the International Institute for Management Development (IMD), European Institute of Business Administration (INSEAD), and the Center for Creative Leadership (CCL). These intensive leadership development experiences are complemented by support from executive coaches. Together, these initiatives guide our talent through their leadership journey, ensuring a pipeline of capable leaders for the future.

On 19 December 2024, Puan Sharifah Sheila Syed Muhamad stepped down as a Non-Independent Non-Executive Director (NINED). On behalf of the Board, we thank her for her dedicated service during her tenure. At the same time, we warmly welcome Tan Sri Mohd Zuki Ali, who came onboard as a NINED on 15 January 2025. His wealth of experience in public administration and intergovernmental affairs will be invaluable in strengthening SD Guthrie’s governance and strategic decision-making.

LOOKING AHEAD

The year ahead promises exciting opportunities for growth and progress in the agriculture industry. We anticipate significant advancements in crop protection technologies, biological solutions, and precision agriculture. At the same time, we are acutely aware of global developments such as the import tariffs announced by the United States’ government, which were subsequently postponed. These shifts in policy have and will continue to cause significant volatility and uncertainty in trade dynamics. In this ever-changing landscape, companies must be collaborative, flexible and innovate, to thrive.

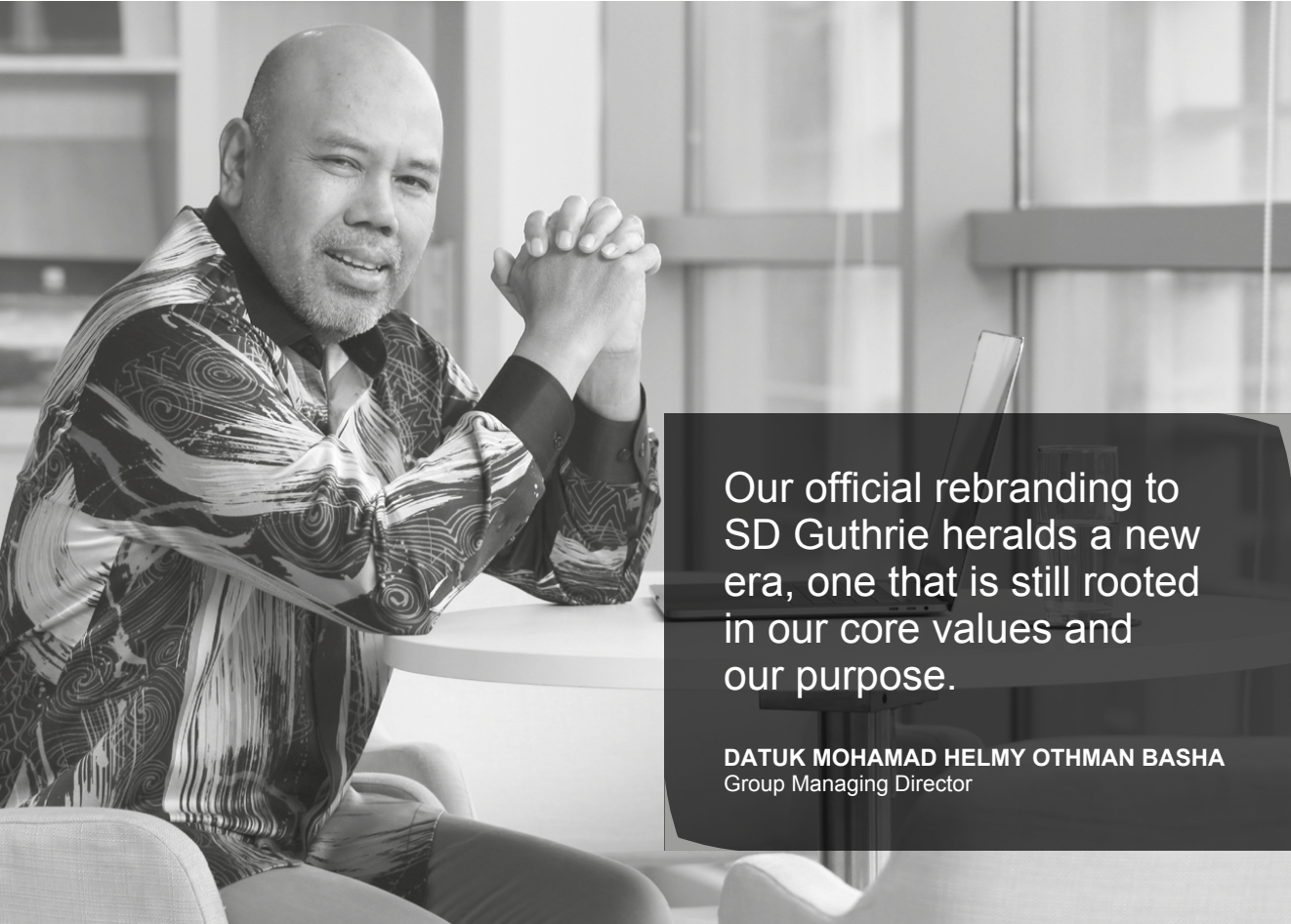
For SD Guthrie, this dynamic environment was the impetus for our decision to move beyond the traditional plantation business. Our refreshed brand, forward-looking strategy, agility, and unwavering commitment to our stakeholders will drive our growth across all our business units and geographies.

I express my heartfelt gratitude to all our stakeholders. Your continued trust and support have been instrumental in our collective success. I look forward to continuing this journey with you as we push beyond boundaries and chart the course for SD Guthrie’s sustainable growth in many more years to come.

TAN SRI DR NIK NORZRUL THANI
NIK HASSAN THANI

Chairman

Group Managing Director’s Review



Our official rebranding to SD Guthrie heralds a new era, one that is still rooted in our core values and our purpose.

DATUK MOHAMAD HELMY OTHMAN BASHA
Group Managing Director

2024 was a defining year for SD Guthrie, marked by transformation, resilience, and strong operational and financial performance. We navigated change with agility, achieving key strategic milestones while reinforcing our commitment to innovation and sustainable growth.

EMBRACING A NEW IDENTITY

Our official rebranding to SD Guthrie heralds a new era, one that is still rooted in our core values and our purpose. Marking our evolution from a renowned Company in the plantation sector, we announced two new business verticals – industrial park development and renewable energy. With our vast and strategically positioned landbank, this new strategy will allow us to unlock new opportunities for value generation and business diversification. This decision will ensure that we are able to create sustainable long-term value in an evolving global landscape, while maintaining our competitiveness in our traditional core businesses.

Another key milestone in our journey this year was the launch of our “Beyond Zero” sustainability framework, structured around the pillars of Zero, Restore, and Transform. This framework captures SD Guthrie’s long-standing commitment to sustainability and articulates how we will continue to address

global challenges that impact us, such as climate change, nature, and biodiversity loss, as well as improving lives and livelihoods. In addition, it strengthens our environmental, social, and governance (ESG) commitments while driving business growth.

» For more details on our “Beyond Zero” Framework, refer to our Sustainability Report and on SD Guthrie’s website at <https://sdguthrie.com/beyond-zero>

STRONG OPERATIONAL AND FINANCIAL PERFORMANCE

During the year in review, the Group delivered commendable operational and financial results. Our net profit climbed 16% year-on-year (YoY) to RM2.164 billion in FY2024. This was partly driven by the outstanding performance of our Malaysian upstream business which recorded healthy growth, bolstered by successful rehabilitation initiatives, enabling us to capitalise on strong crude palm oil (CPO) prices.

In Malaysia, fresh fruit bunch (FFB) production grew 14% YoY, on the back of improved labour productivity and the deployment of new harvesters in the Sabah and Sarawak regions in East Malaysia. Oil extraction rates (OER) improved slightly to 20.45% (FY2023: 20.40%), owing to operational efficiency

enhancements. In Indonesia, the impact of the last *El Niño* phenomenon delayed palm fruit maturation, causing a 14% drop in FFB output and a marginal OER decline to 21.10%. Similarly, in Papua New Guinea and Solomon Islands, weather-related disruptions affected fruit set and bunch formation, leading to a 9% YoY decline in FFB production and a slight dip in OER to 22.03%.

The Downstream segment saw overall sales volume rise 18% YoY, on the back of a strong performance in the bulk market segment. An exciting new chapter for SD Guthrie International was the January 2025 acquisition of a 48% equity stake in Marvesa Supply Chain Services B.V. for EUR54 million (approximately RM250 million), which enhances our capabilities in supplying oils and fats to the European animal feed and biofuel industries.

EXPANSION INTO INDUSTRIAL DEVELOPMENT AND RENEWED FOCUS ON SOLAR ENERGY

The Malaysian Government’s announcements to drive the national development agenda by boosting high-end manufacturing – particularly in the Electrical and Electronic (E&E) and Semiconductor industries – along with State Governments’ efforts to attract investors into their localities, have led to a surge of interest in SD Guthrie’s land in Peninsular Malaysia. In addition, the significant role of solar energy in the National Energy Transition Roadmap (NETR) has resulted in competing interest for the same landbank.

Balancing these two national priorities, SD Guthrie announced the creation of two new verticals in support of the Government’s agenda, enabling the diversification of our returns profile beyond our core business by leveraging the inherent strength of our strategic landbank.

The Kerian Integrated Green Industrial Park (KIGIP) announced during the 2024 National Budget is deemed a national priority project for the Malaysian Government. The plan to develop 1,000 acres within our Tali Ayer Estate is intended to attract investors to the Northern Perak region, creating high-value job opportunities to spur the local economy. The development is undergoing detailed review to ensure its commercial viability between SD Guthrie, Permodalan Nasional Berhad, and potentially another strategic partner to bring in technical expertise.

Beyond KIGIP, SD Guthrie also announced collaboration discussions to develop industrial parks with multiple parties across various sites, including with TH Properties Sdn Bhd, Eco World Development Group Berhad, and NS Corporation within Negeri Sembilan and separately in Johor, with AME Elite Consortium Berhad. Negotiations are ongoing and definitive plans are targeted to be announced in 2025.

SD Guthrie’s investment in renewable energy is not new given our track record to meet our net-zero targets. To date, we have 15 biogas plants in Malaysia, another four biogas plants across Indonesia and Papua New Guinea. For solar, 38% of aggregated land required for both Large Scale Solar (LSS) 4 and Corporate Green Power Programme (CGPP) is on land leased from SD Guthrie. Meanwhile, development is underway for SD Guthrie’s own 15 MW solar asset under CGPP, which is expected to be commissioned by Q4 2025.



>> SD Guthrie is seeking potential opportunities and partnerships to expand our involvement in the solar energy sector.

With the launch of our “Beyond Zero” Framework, we aim to achieve greater progress in our sustainability journey, setting ambitious targets to drive meaningful change.

RM2.164 billion
Net Profit increased 16% YoY

51,212 hectares
across four countries restored or protected

Group Managing Director’s Review

Aligning with the NETR agenda and recognising the land-intensive nature of the solar business, SD Guthrie has repositioned itself to explore pathways towards a 1 GW aspiration for this new business vertical. SD Guthrie is currently reviewing various opportunities in this space, seeking potential opportunities and partnerships to expand its involvement in LSS and Corporate Renewable Energy Supply Scheme (CRESS), moving beyond land leasing for solar energy.

DRIVING OPERATIONAL EXCELLENCE THROUGH INNOVATION

Innovation remains a key pillar of our strategy to improve efficiency and productivity across our operations, while reducing dependence on manual labour. In FY2024, we intensified mechanisation efforts in non-harvesting activities, resulting in an improved land-to-man ratio of 13.6 compared to 12.7 in FY2023. By the end of 2024, 191 machines were deployed across our Malaysian estates, allowing us to further optimise workforce efficiency. As a result, we achieved a 25% reduction in our non-harvesting workforce in Upstream Malaysia, progressing steadily towards our 100% mechanisation target for non-harvesting activities.

As we step up the mechanisation of our operations, we expect to attract more Malaysians to work for us, which is part of Project *Lokal* – an initiative designed to attract skilled Malaysians into our workforce to undertake tasks that had been done manually in the past. By integrating technology into our daily operations, we are able to offer more sophisticated, technology-driven roles. Through collaborations with technical and vocational education training (TVET) institutions, we have trained 105 youths as machine specialists in partnership with Yayasan Sime Darby and the Institute of Malaysian Plantation and Commodities (IMPAC) in FY2024.

Beyond operational efficiencies, we continue to push the boundaries of agricultural innovation. Advancements in genomic research and our GenomeSelect® planting material are enhancing yield potential, disease resistance, and stress tolerance of our oil palms, reinforcing the long-term sustainability of our plantations. We also expanded our research into plant-based products that are sustainable, high-value, and cater to evolving market demands.

Our digital transformation initiatives also gained momentum in FY2024. Across SD Guthrie International, we implemented e-SMART, a Digital Document Management System that improves efficiency, accessibility, and compliance, enabling seamless access to critical documents anytime and anywhere. Another key example is Palm Digital, which integrates all upstream digital solutions onto a single platform, allowing us to streamline the management of our estates.

By continuously driving innovation and digital transformation, we aim to strengthen our competitive advantage and solidify our position as a leader in sustainable agriculture and industrial solutions.

ADVANCING ENVIRONMENTAL SUSTAINABILITY

With the launch of our “Beyond Zero” Framework, we aim to achieve greater progress in our sustainability journey, setting ambitious targets to drive meaningful change. To date, our reforestation efforts have led to the protection or restoration of 51,212 hectares across four countries (Malaysia, Indonesia, Papua New Guinea, and Solomon Islands), and we are making headway in developing and implementing our Biodiversity Conservation Plan by 2025.

As the first palm oil company in the world to have its net-zero targets validated by the Science Based Targets initiative (SBTi), we are at the forefront of climate action in our industry. We are making steady progress towards realising our net-zero targets and a No Deforestation, No Peat and No Exploitation (NDPE) supply chain. To date, we are proud to report that 78% of our suppliers at the mill level have met our No Deforestation commitment, while 87% of our suppliers have achieved No Peat compliance throughout our supply chain.

UPHOLDING RESPONSIBLE SOURCING PRACTICES

During the year under review, we continued to strengthen our leadership in sustainable and ethical palm oil production. In September 2024, we achieved a significant milestone with the delivery of our first shipment of 40,250 metric tonnes (MT) of European Union Deforestation Regulation (EUDR)-compliant palm oil to Europe and the UK.

As a leading producer of Certified Sustainable Palm Oil (CSPO), we are empowering smallholders by promoting sustainable agricultural practices and supporting their certification efforts. In FY2024, 19,555 smallholders across our networks in Malaysia, Indonesia, Papua New Guinea, Solomon Islands, and Thailand attained Roundtable on Sustainable Palm Oil (RSPO) certification. Additionally, through various smallholder engagement programmes in Malaysia, we have trained 1,290 smallholders in 2024 on Good Agricultural Practices – equipping them with the necessary skills to enhance both productivity and sustainability.

Our traceability efforts also saw significant progress. We improved our Traceability to Mill (TTM) to 96.9% (FY2023: 95.7%), and Traceability to Plantation (TTP) to 84.9% (FY2023: 81.5%). Leveraging open-source satellite imagery, Crosscheck, our online traceability dashboard further enhances transparency by tracking CPO, palm kernel (PK), and crude palm kernel oil (CPKO) to their origins, while monitoring supplier compliance with NDPE commitments.

UPHOLDING HUMAN RIGHTS AND ETHICAL STANDARDS

SD Guthrie is committed to upholding human rights and ethical labour practices. In FY2024, our enhanced ethical recruitment measures reduced recruitment fee complaints, dropping to 0.85% from 1.7% recorded in FY2023. We continued to enhance worker well-being through our digital platform, the Oil Palm Pal app, which streamlines housing repair requests to improve living conditions. Additionally, our Suara Kami hotline and social dialogue sessions continued to serve as vital two-way communication channels, enabling employees to voice concerns and seek redress.

With our grievance mechanisms already in line with the RSPO’s 2024 Principles and Criteria on Human Rights, we will continue to champion labour rights and a workplace culture that upholds dignity, fairness, and respect for all.

EMPOWERING OUR EMPLOYEES FOR THE FUTURE

As the global landscape continues to evolve, talent development remains a cornerstone of SD Guthrie’s success. We are committed to upskilling and reskilling our employees, equipping them with the tools to thrive in an increasingly dynamic world.

Our Learning-on-Demand Platform provides accessible and independent learning opportunities for all employees, including those in remote locations. Complementing this, the SD Guthrie Digital Academy enhances digital literacy and data analytics skills, preparing our workforce for the future. Recognising our commitment to continuous learning, we were proud to be named one of the top three finalists at the LinkedIn Talent Awards 2024 for Learning Champion and AI Pioneer.

To cultivate a strong talent pipeline, our Graduate Accelerated Programme offers structured development pathways for young talent across the Group, while our leadership development initiatives provide tailored programmes to strengthen leadership competencies and succession planning.

Beyond technical skills, we prioritise employee well-being, recognising its impact on our long-term success. Through our partnership with NALURI, a Malaysia-based specialist in employee wellness, we provide confidential mental health and well-being support, complemented by our 24/7 wellness careline, which reinforces our commitment to our workforce to provide a safe and nurturing work environment.

LOOKING AHEAD

We anticipate steady demand for CPO, supported by Indonesia’s B40 biodiesel expansion and increasing global edible oil consumption.

Moving forward, we will continue to enhance FFB yields through technological advancements and agronomic improvements. At the same time, we will stay focused on strengthening operational excellence in our core business units, while expanding into our new business verticals.

On a broader level, we will closely monitor regulatory shifts, geopolitical developments, and global trade dynamics that may impact our businesses. We are closely monitoring unfolding issues such as the impact of recently announced, and then postponed, import tariffs by the government of the United States. These shifts in policy have been flagged as a risk with uncertain and potentially manifold impacts that go beyond our operating environment.

I extend my deepest gratitude to our shareholders, business partners, and other stakeholders, as well as the entire SD Guthrie family – from our Board of Directors to our dynamic management team members and all our employees – for their dedication and hard work throughout the past year. Echoing the theme of this year’s report, “Beyond Boundaries”, I am confident that we will continue to drive for operational excellence, break new ground in innovation, and seize new opportunities in the year ahead.

DATUK MOHAMAD HELMY OTHMAN BASHA

Group Managing Director



>> SD Guthrie continues to drive innovation and digital transformation, aiming to strengthen our competitive edge and reinforce our position as a leader in sustainable agriculture and industrial solutions.

Our Value Creating Business Model

VALUES

› Integrity › Respect & Responsibility › Enterprise › Excellence

OUR CAPITAL	INPUT	OUTPUT	OUTCOMES	ACTIONS TO ENHANCE OUTCOMES
Financial Capital FC	- Total Equity: RM21.161 billion - Total Assets: RM32.047 billion - Borrowings: RM5.102 billion		FC - Profit for the Year: RM2.343 billion (2023: RM2.033 billion) - Dividend Declared: 16.36 sen per share (2023: 15.00 sen per share) - Net Debt to Equity Ratio: 21% (2023: 22%)	- Maintain robust management of financial capital - Practise stringent cost optimisation - Optimise borrowing profile and assess funding alternatives - Ensure maintenance of high credit standing - Strengthen our overall financial management system
Manufactured Capital MC	- Estates: 234 estates (including sugar and grazing pastures) - Palm Oil Mills: 65 - Palm Oil Refineries: 11 - Bulking Installation Capacity: 284,650 MT - Biogas Plants: 19 - Landbank: 729,711 hectares	8,768,525 MT FFB Production 2,158,284 MT CPO Production 476,207 MT PK Production 57,258,688 m³ biogas produced for methane capture	MC - Yield per Hectare (MT/hectares): 18.41 (2023: 17.92) - Oil Extraction Rate: 20.97% (2023: 21.18%) - Palm Kernel Extraction Rate: 4.63% (2023: 4.86%) - SD Guthrie International Sales Volume ('000 MT): 4,006 (2023: 3,393) - Group Revenue: RM19.831 billion (2023: RM18.428 billion) - Total CAPEX: RM2.042 billion (2023: RM2.129 billion)	- Enhance operations via best practices, aim to optimise yield and OER - Intensify mechanisation to improve efficiency and productivity by increasing land-to-man ratio - Transform mills into food-safe standards to meet evolving customer needs - Utilise drones, satellite imaging, and GeoAI for efficient plantation monitoring
Intellectual Capital IC	- R&D centres: 7 <i>R&D Malaysia (3) + R&D PNG + R&D Indonesia (Minamas Research Centre) + Innovation Centres connected to R&D (Africa & Europe)</i> - Scientists: 226 - 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: RM172.9 million		IC ~1,235 Registered Trademarks ~261 Pending Trademark Applications - Enhanced the Palm Digital platform to digitalise end-to-end fertiliser management, from procurement to application at the field Expanded data analytics capabilities, focusing on improving supply chain traceability Mechanisation and Technology to reduce labour reliance, boost productivity, efficiency, yields and reduce environmental impact Enhanced market news automation supports our trading operations by providing actionable insights	- Ensure our R&D centres have the best researchers to carry out cutting-edge R&D - Actively explore technologies to improve our plantation operations - Accelerate replanting of all estates with GenomeSelect® - R&D will continue to collaborate with the Commercial team to develop products with significant market potential such as low contaminant oils, antioxidant-rich frying oil, and animal-free fats - Enhance Traceability to Plantation to enhance our reputation and customers' trust
Human Capital HC	- Total Employees: 82,979 - Employees by gender*: 16,122 or 19.5% Female 66,653 or 80.5% Male - Workers in plantations and mills: 67,768 - Permanent Employees: 59,965* (72%) - Non-Permanent Employees: 22,810 (28%) - High Performance and Innovative Culture		HC RM45 million allocated for learning and development Employee Attrition Rate 20.6% (2023: 25.5%), including Malaysian Migrant Worker repatriation 19.5% Women in Overall Workforce (2023: 17.5%) - Lost Time Injury (LTI) cases: 1,203 (2023: 1,729) - Lost Time Injury Frequency Rate (LTIFR): 5.9 (2023: 8.7)	- Continuously develop learning and development programmes across the Group to bridge skill gaps and meet future needs - Attract and retain employees through fair remuneration and career development opportunities - Ensure rigorous oversight of safety protocols and foster a culture of safety throughout all operations - Provide multiple platforms for all employees to provide feedback to improve engagement and experience - Integrating our Purpose to build a unified identity that aligns with our brand, strategy, and values
Social & Relationship Capital SRC	- Strong network of 3,540 vendors approved and registered through SD 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		SRC - Taxation paid: RM0.743 billion (2023: RM1.087 billion) RM55.4 million invested in community (2023: RM56.7 million) 272,610 individuals benefitted from SD Guthrie's CSR initiatives (2023: 24,831 individuals) - Supported 35,799 smallholders through capacity building programmes	- Provide ongoing training for smallholders, including indigenous farmers, on NDPE compliance and certification - Increase engagement with local communities to address their concerns - Continuous fire prevention education programmes for teachers and students - Explore opportunities for SD Guthrie to support NGOs and strengthen relationships
Natural Capital NC	- Energy Consumption: 41,254,412 GJ (Gigajoule), 90% from renewable sources - Water consumption: 19,481,038 m³ - Preserving the environment through conservation efforts - Initiatives to optimise consumption of natural resources - Executing initiatives in our Net-Zero Roadmap	- Biomass (EFB, kernel shells) 1,961,552 MT EFB 28,149 MT kernel shells 11.6 million tonnes carbon dioxide equivalent (tCO₂e) across Scope 1, 2 and 3 emissions (2020: 12.2 million tCO₂e) 225,831 MT waste (scheduled and non-scheduled) generated	NC - Water Consumption Intensity 2024: 1.449 m³/tonne FFB processed at mills across Malaysia, Indonesia, Papua New Guinea, and Solomon Islands. (2023: 1.452 m³/tonne) 2.7 million trees planted to date (2023: 2.28 million trees) - Sustainable palm oil practices support climate action and maintain ecosystem health - Greenhouse Gas (GHG) emissions intensity (Scope 1 and 2) 1.61 tCO₂e/MT CPO. (2023: 2.05 tCO₂e/MT CPO) - Renewable energy capacity: - Biogas: 28.95 MWe (Megawatt electric) (2023: 22.57 MWe) - Rooftop Solar: 2.73 MWp (Megawatt peak) (2023: 2.03 MWp)	- Adherence to Good Agricultural Practices to maintain soil health in the long term - Initiatives to promote sustainable practices - Execute the Net-Zero Roadmap - Focus on biogas and solar expansion under renewable energy initiatives

Stakeholder Engagement: Needs and Expectations

FC

Financial Capital

MC

Manufactured Capital

IC

Intellectual Capital

HC

Human Capital

SRC

Social & Relationship Capital

NC

CUSTOMERS

FC

MC

IC

HC

SRC

3

GOOD HEALTH AND WELL-BEING

12

RESPONSIBLE CONSUMPTION AND PRODUCTION

Why We Engage

Our customers globally source a variety of products, including edible oils, biodiesel, and nutraceuticals. We work closely with them to tailor our offerings and meet diverse needs.

How We Engage

- Events, webinars, forums, and meetings
- Surveys and feedback
- Regular business touchpoints
- Collaborative platforms and working groups
- Exhibitions
- SD Guthrie International Customer Day
- Social media platforms
- Digital Customer Dashboard

Key Focus Areas

- Product quality, food safety, delivery, and security of supply and services
- Product innovation and development
- Traceability of source of palm oil used in products
- No Deforestation, No Peat, and No Exploitation (NDPE) commitment – to protect the environment, biodiversity, and human rights
- Short-term and long-term product pricing

Our Approach

- Hazard Analysis Critical Control Points (HACCP), Roundtable on Sustainable Palm Oil (RSPO), Malaysian Sustainable Palm Oil (MSPO), and Indonesia Sustainable Palm Oil (ISPO) certifications
- R&D support in developing new products
- Use of Crosscheck to ensure transparency in tracking the origins of oil
- Adherence to RSPO and NDPE policy
- Focus on product differentiation enables us to secure better pricing positions
- Not All Palm Oil is Created Equal (NAPOICE) marketing campaign
- Customer engagement on sustainability progress and performance

How We Measure Value

- Customer satisfaction as measured through our annual survey
- Number of new products developed annually
- Traceability to Mills (TTM) and Traceability to Plantation (TTP) rates
- Various ESG metrics on workers' well-being and environmental footprint

EMPLOYEES

FC

HC

SRC

3

GOOD HEALTH AND WELL-BEING

12

RESPONSIBLE CONSUMPTION AND PRODUCTION

Why We Engage

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

How We Engage

- Social dialogue sessions
- Employee feedback platforms and channels
- Muster, Union, and Gender committee meetings
- Suara Kami helpline for workers
- Oil Palm Pal app
- Volunteer programmes
- Townhall meetings, recreational activities, and social events

Key Focus Areas

- Succession pipeline and talent bench strength
- Learning and development programmes
- Performance management and rewards
- Employee engagement, well-being, and support
- Workers' welfare, wages, and overtime
- Organisational culture transformation and work environment

Our Approach

- Robust succession plan for key positions
- 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
- Integrate SD Guthrie's Purpose across all operations to ensure a unified identity and activated global engagement initiatives

How We Measure Value

- The ratio of talent to key positions
- Targeted talent development programmes
- Organisational Health Index (OHI)
- Employee Net Promoter Score (eNPS)
- Number of grievances reported through workers' helplines

NGOS/CIVIL SOCIETY ORGANISATIONS

MC

HC

SRC

NC

11

SUSTAINABLE CITIES AND COMMUNITIES

12

RESPONSIBLE CONSUMPTION AND PRODUCTION

13

CLIMATE ACTION

Why We Engage

Through engagements with NGOs, we build trust and collaborate to enhance our positive impact to the environment and people.

How We Engage

- Information sharing forums, roundtable discussions, and events
- Engagement surveys
- Collaborative projects and mentoring programmes
- Third-party verification on our supply chain

Key Focus Areas

- Impact of existing operations and expansion plans
- Maintenance of human rights and labour rights
- Traceability of palm oil sources used in products

Our Approach

- Adhere to Responsible Agriculture Charter, RSPO principles, and NDPE Policy
- Comply with Human Rights Charter, RSPO principles, and International Labour Organization (ILO) guidelines
- Ensure supply chain transparency through utilising Crosscheck
- Submitted climate targets for Science Based Targets initiative (SBTi) validation

How We Measure Value

- Compliance with ILO labour indicators
- NDPE compliance in supply chain

Stakeholder Engagement: Needs and Expectations

LOCAL COMMUNITIES

FC

IC

SRC

NC

3

GOOD HEALTH AND WELL-BEING

8

DECENT WORK AND ECONOMIC GROWTH

13

CLIMATE ACTION

Why We Engage

Prioritise community needs and concerns that may arise due to the proximity to our operations.

How We Engage

- Community meetings and other forms of engagement
- Grievance mechanisms

Our Approach

- Adherence to Free, Prior, and Informed Consent (FPIC) principles before any land development activities
- Implementation of community fire prevention programmes
- Adherence to NDPE Policy, Responsible Agriculture Charter, and endangered species conservation programme
- Hire locals and provide training through Project *Lokal* and Protégé Programme, while continuing to provide skilled job opportunities for youth
- Community development through philanthropy; provision of scholarships; and investment in schools and health infrastructure in estates

Key Focus Areas

- Well-being of communities living near SD Guthrie sites
- Respecting land rights of local communities
- Protecting the local ecosystem
- Supporting employment and other needs

How We Measure Value

- Conservation of endangered species
- Enhancing community awareness and capability in fire prevention and management

SMALLHOLDERS

MC

HC

SRC

8

DECENT WORK AND ECONOMIC GROWTH

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

12

RESPONSIBLE CONSUMPTION AND PRODUCTION

Why We Engage

Smallholders are an integral part of our supply chain.

How We Engage

- Smallholder Inclusion projects
- Formal and informal channels engagement platform

Our Approach

- Assist smallholders to attain RSPO certification
- Capacity building and support for smallholders
- Support towards smallholder schemes
- Provide tools and resources, including technical expertise such as Good Agricultural Practices (GAP)
- Facilitate access to markets

Key Focus Areas

- Impact of market trends, regulatory pressures on smallholder livelihoods
- Fair dispute resolutions and streamlined procurement practices
- Access to resources e.g. funding mechanism, fertilisers, quality seeds, and training
- Palm oil productivity and yield

How We Measure Value

- Number of RSPO-certified smallholders in our supply chain
- Progress made towards engaging and training 35,799 smallholders

SUPPLIERS AND VENDORS

MC

HC

SRC

8

DECENT WORK AND ECONOMIC GROWTH

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

12

RESPONSIBLE CONSUMPTION AND PRODUCTION

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 Empowerment Development Programme (BEDP)
- Bumiputera Vendor Development Programme (BVDP)
- Online vendor registration
- Supplier engagement, capacity building forums, and webinars
- Supplier assessments on sustainability compliance
- Grievance management and monitoring

Our Approach

- Enhance traceability by harnessing technology, e.g. Crosscheck
- Enforce high standards and ensure zero ambiguity in supplier practices
- Supplier engagement to ensure compliance with our Responsible Sourcing Guidelines
- Training and capacity building
- Risk monitoring

Key Focus Areas

- Compliance with evolving ESG requirements and safety standards
- Transparent communication about needs and expectations
- NDPE compliance, including having a deforestation-free supply chain
- Traceability of palm oil sources used in our products

How We Measure Value

- Utilising the Service Level Agreement (SLA) as a structured framework to track and evaluate vendor performance
- Conducting periodic vendor evaluations to ensure adherence to the SLA
- Assessing vendor performance before registration renewal to ensure ongoing compliance and service excellence
- Progress made towards achieving 79% of customers and suppliers with science-based targets by 2027
- TTM progress and TTP for internal mill progress
- Achieving supplier compliance with Code of Conduct

Our Market Landscape

DEMAND FACTORS	
Market Trends impacting SD Guthrie	Our Response
RISING DEMAND FOR VEGETABLE OILS	
- The long-term outlook for vegetable oil demand is positive. Global population growth, coupled with an increase in real gross domestic product (GDP) per capita, will contribute to sustained strong demand for edible oils. Palm oil is the most widely consumed vegetable oil, accounting for 35% of total vegetable oil consumption¹. - Demand from targeted key markets is growing at a faster pace including Turkey and Pakistan. - Pakistan’s food sector is expected to grow 7.5% annually over the next five years and will become a strategic distribution hub for palm oil exports to Central Asia². - In Turkey’s confectionery industry, production increased by 50%, while exports grew by over 500,000 metric tonnes (MT) between 2010 and 2020³. - The demand for the non-food segment is also expected to grow due to a global move towards renewable fuels.	- Continue to support customers to ensure their existing and future business needs are met through consistent delivery of quality products. - Continue strengthening our regional presence while expanding into new markets to meet diverse customer needs. - 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. - Continue to focus on non-feed segments to maximise opportunities.
IMPLEMENTATION OF EU DEFORESTATION REGULATION (EUDR) BY 2026	
- The EU Deforestation Regulation (EUDR) is expected to come into effect on 30 December 2025, with micro and small businesses having until 30 June 2026 to comply⁴. - The EU implemented a series of measures to address environmental and health concerns, including phasing out palm-based biofuels by 2030, setting limits on mineral oil aromatic hydrocarbons (MOAH) in fats and oils, and banning imports of products linked to deforestation through the EUDR. - Large operators in Malaysia need to support smallholders in complying with the EUDR regulation, as per the government’s MSPO 2.0 initiative, to ensure alignment with EU regulations⁵.	- Conduct deforestation-free assessments through Crosscheck to meet the stringent EUDR definitions. We have assessed approximately 600,000 hectares of our plantations for deforestation risks. - Continue to comply with national legislation, International Labour Organization (ILO) standards, and respect for native customary rights. - We delivered the first shipment of EUDR-compliant palm oil from NBPOL totalling 40,250 MT, to Europe and the UK in September 2024. These shipments were sourced from 102,337 hectares of oil palm plantations and smallholder farms in our supply chain. - Continue efforts to ensure all mills achieve OMEGA standards. Project OMEGA initiative plans to upgrade upstream palm oil mills into world-class food-grade facilities, focusing on Operational Equipment Effectiveness (OEE), Health, Safety & Environment (HSE), and Food.
INDONESIA’S B40 MANDATE	
Indonesia’s biodiesel mandate is set to increase from B35 to B40 in 2025, with the potential to increase to B50 in the future, driving strong demand for palm oil as a renewable and sustainable source of fuel. This could require up to an additional 6.7 million MT of palm oil for biodiesel production⁶.	Due to policy and implementation uncertainties regarding this mandate, the Company will continue to monitor developments in Indonesia.

¹ Global Data Report 2024
² Malaysian Palm Oil Board
³ Malaysian Palm Oil Council
⁴ European Commission
⁵ Indonesian Palm Oil Association (GAPKI)
⁶ Malaysian Rating Corporation Berhad
⁷ Ministry of Plantation and Commodities
⁸ Malaysia National Budget 2025
⁹ Reuters

SUPPLY FACTORS	
Market Trends impacting SD Guthrie	Our Response
ADVERSE WEATHER	
- Palm oil production is affected by weather conditions, which can affect yield and productivity. <i>El Niño</i> and its lagging impact, which are more prominent in Indonesia, are known to affect bunch formation. - PNG is more susceptible to <i>La Niña</i>, which has disrupted harvesting and transportation activities, leading to reduced yields⁶.	- Invest in R&D to develop drought-resistant planting materials with greater resilience to adverse weather, to reinforce the long-term sustainability of our plantations. - Implement proactive steps for our Indonesian operations, to store water and maintain soil moisture to reduce impact from dry conditions. - Undertake repairs in PNG, where necessary, on connectivity infrastructure including roads and bridges, to ensure minimal disruption to operations.
LOW REPLANTING RATES WITHIN INDUSTRY	
- At present, Malaysia is falling short of its annual replanting target of 4%, with the national average standing at 1.8% in 2024⁷. - Malaysia’s Ministry of Plantation and Commodities approved RM52.9 million in financing for the Smallholder Oil Palm Replanting Financing Incentive Scheme (TSPKS) 2.0, as part of its efforts to increase palm oil output⁸. - The Indonesian Palm Oil Association (GAPKI) has raised concerns over slow replanting, particularly for smallholder plantations in Indonesia⁹.	- Adhere to our replanting policy of 4% per year to maintain the ideal age profile for our oil palm trees. - Accelerate replanting across all estates. - In Indonesia, our accelerated replanting programme, carried out since 2016, has helped to reduce the age profile of our plantations. - Encourage replanting by smallholders, support, and facilitate the adoption of responsible agriculture practices by smallholders.
FISCAL SHIFTS	
- In Malaysia, the proposed mandatory Employee Provident Fund (EPF) contribution for foreign workers will increase annual costs for the palm oil sector. - The new minimum wage for employees will be RM1,700 per month⁸. - In addition, there was an increase in the threshold for the windfall profit levy on palm oil.	- Prudent measures to address rising operating costs include focusing on productivity and minimising non-harvester hires. - Enhance mechanisation, reassign workers during non-peak periods, and improve infrastructure to better support accessibility for machines.
GEOPOLITICAL FACTORS	
<i>Russia-Ukraine:</i> The ongoing Russia-Ukraine conflict continues to disrupt the global supply of sunflower oil, keeping inventories tight⁶.	<i>China-US:</i> The continuation or any potential escalation of US-China trade war will create further macro-economic uncertainties. Shifts in vegetable oil displacement are observed for US-based soybean oil⁹.
Geopolitical tensions could shift demand for other vegetable oils towards palm oil. China continues to be a significant importer of palm oil.	

OUTLOOK FOR DEMAND AND SUPPLY FACTORS	Looking ahead, population growth, government policies, and consumer preferences will continue to shape global demand for palm oil and vegetable oils. On the other hand, weather conditions and limited supply growth are expected to support CPO prices. Riding on this, palm oil production in Malaysia and Indonesia is anticipated to remain steady at 19.5 million MT and 48 million MT, respectively, in 2025 ¹ .
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Our Market Landscape

NEW VERTICALS: LAND AND SOLAR	
Market Trends impacting SD Guthrie	Our Response
ENHANCED COLLABORATION BETWEEN ASEAN COUNTRIES	
- Announcement of Johor-Singapore Special Economic Zone to encourage cross collaboration between Malaysia and Singapore driving mutual economic benefit¹⁰. - Current progress on Cross Border Electricity export arrangements within ASEAN is likely to become more prevalent in the future. - Singapore undergoing review of 5.6 GW and 1.2 GW of electricity exports from Indonesia and Vietnam, respectively, as part of its plan to achieve net-zero emissions by 2050¹¹.	- Continue to explore partnerships to develop parts of our Johor landbank with established counterparts within the Industrial Park segment. - Explore pathways to build our solar portfolio and identify strategic partners with specific competitive advantage to complement SD Guthrie's journey into renewable energy.
OUTLOOK	Closer collaboration across ASEAN countries via export of renewable energy as well as creation of special economic zones will benefit Malaysia overall.

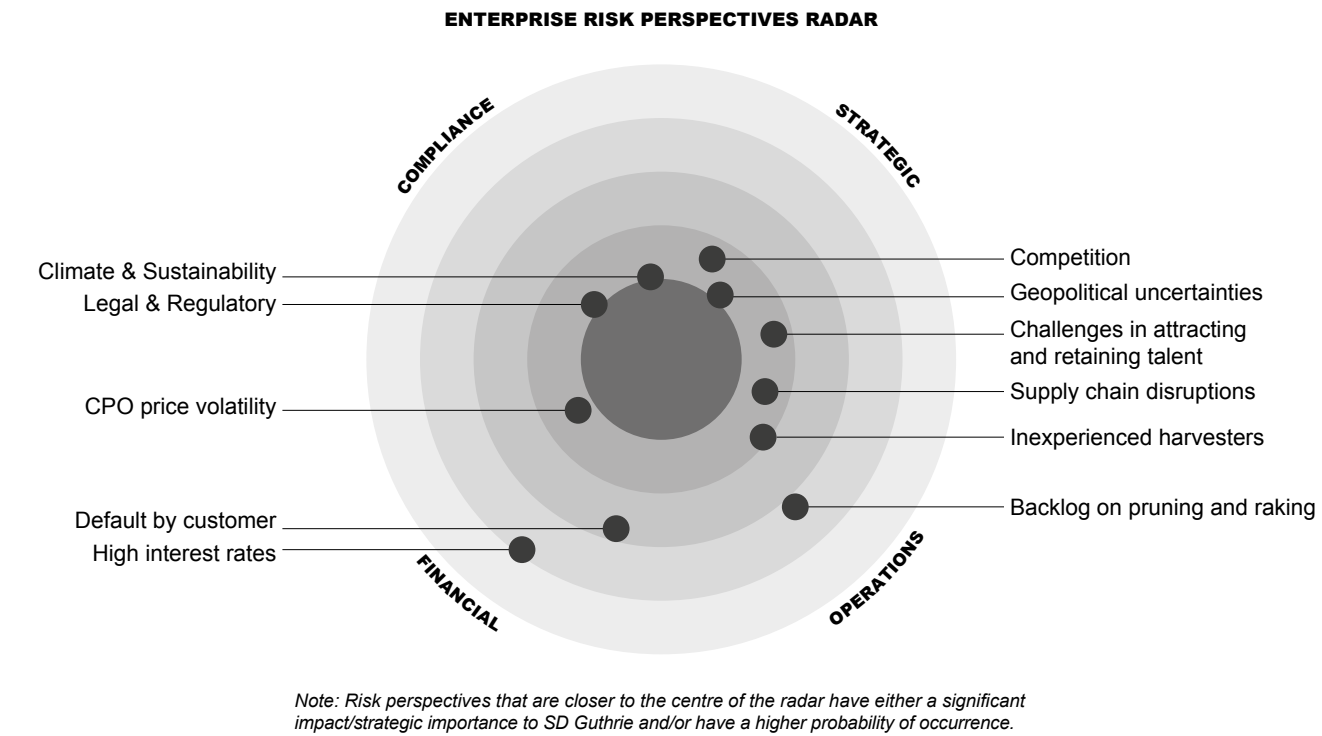


>> We are strategically leveraging on our extensive landbank by maximising the land assets value and creating sustainable, high-value industrial ecosystems.

¹⁰ New Straits Times
¹¹ Energy Market Authority, Singapore

Managing Our Key Risks

The palm oil industry is exposed to various risks that could disrupt operations and hinder the achievement of strategic objectives. To address this, SD 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 the measures in place to minimise their potential impact.



Key Enterprise Risks	Description	Potential Impact	Key Mitigation Strategies	Risk trend
Geopolitical Risk	Geopolitical uncertainties, including shifts in international policies and global market dynamics, may create volatility and unpredictable fluctuations in customer demand across the Group's key markets. A global trade war presents a major risk in FY2025, as the United States (US) imposes tariffs on its trading partners, potentially disrupting global trade flows and supply chains. While the US represents a small market for both our palm oil and in the overall global consumption of palm oil, the broader global disruptions could heighten economic uncertainty, dampen investor sentiment and contribute to volatility in commodity prices. Recessionary pressures may further weaken consumer sentiment, while the imposition of tariffs is likely to accelerate deglobalisation and protectionism globally.	- Decline in demand from key markets - Increase in operating costs	- Continuous monitoring of key geopolitical developments and policy shifts that may pose systemic risks to the Group and realign strategies accordingly, including supply chain decisions. - Maintaining close, on-the-ground engagement with customers and suppliers to assess and respond to geopolitical impacts. - Close monitoring of global raw material prices to ensure accurate budget costing for projects.	↑

Risk Trend

↑ INCREASED ↓ DECREASED ↔ STATIC

Managing Our Key Risks

Key Enterprise Risks	Description	Potential Impact	Key Mitigation Strategies	Risk trend
Supply Chain Risk	Geopolitical uncertainties remain a threat to global supply chains, as international conflict could impact shipping routes, rates, and availability.	- Disruption to business operations - Increased cost of doing business (i.e. freight rates)	- 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.	↔
Legal and Regulatory Risk	Regulatory changes in the markets where the Group operates may expose us to higher compliance costs and increased scrutiny. Given the Group's presence across multiple countries, navigating diverse legal and regulatory frameworks presents complexities in maintaining consistent and compliant operations, heightening the risk of non-compliance. The investment climate is also becoming more challenging, driven by growing complexities in legal and regulatory requirements. Additionally, rising nationalistic sentiment poses a risk of unfavourable policies that could impact the Group's strategy, operations and financial performance.	- Increased cost of doing business - More stringent regulatory requirements in the countries where the Group operates	- 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. - Continuously monitor potential policy changes to prevent non-compliance.	↑
Climate and Sustainability Risk	Sustainability posed a key risk in FY2024, with increasing scrutiny from customers and regulators resulting in stricter sustainability requirements, including those related to Mineral Oil Saturated Hydrocarbons (MOSH)/Mineral Oil Aromatic Hydrocarbons (MOAH), 3-monochloropropane diol (3MCPD) and Glycidyl fatty acid esters (GE). Additionally, the European Union Deforestation Regulation (EUDR), aimed at ensuring that products consumed in the EU do not contribute to deforestation, are expected to take effect on 30 December 2025, which may further shape sustainability compliance. Climate-related risks also intensified, with adverse and unpredictable weather conditions, exacerbated by <i>El Niño</i> and <i>La Niña</i>. These weather conditions may potentially impact employee safety, productivity, crop yields, and the supply chain in countries where the Group operates.	- Increasingly stringent requirements from customers and regulators on sustainability practices. - Increased cost of doing business - Adverse weather impacting yield and productivity	- Launched the “Beyond Zero” Framework to strengthen the pathway toward achieving net-zero emissions by 2050. - Project OMEGA initiative accelerates food safety compliance and certification of SD Guthrie's oil mills. - Active engagement with stakeholders to communicate the Group's sustainability initiatives. - Continuous efforts to strengthen sustainability practices on the ground through monitoring and tracking to ensure compliance. - Climate mitigation and adaptation initiatives, community awareness programmes on fire prevention, water and soil management strategies. - Continuously improve compliance readiness for EUDR by engaging in regular discussions with customers, third-party, and fostering collaboration within internal teams.	↑

Risk Trend

↑ INCREASED

↓ DECREASED

↔ STATIC

Key Enterprise Risks	Description	Potential Impact	Key Mitigation Strategies	Risk trend
Operational Risk	Backlog on pruning and raking Significant progress has been made in reducing the backlog of pruning and raking tasks. This risk has been largely mitigated through the recruitment of additional workers and prioritisation of field upkeep activities. To maintain operational continuity, it is crucial for the Group to implement adaptive strategies that ensure workforce stability.	- Lower productivity leading to opportunity loss - High operational costs	- Implementation of mechanisation and automation initiatives, such as the use of specialised machinery, mechanical cutters, and mini excavators. - Active recruitment of workers, supplemented by contract labour. - Ongoing management oversight and monitoring. - Implement benefits and targeted initiatives to enhance worker engagement and retention.	↓
People Risk	Inexperienced harvesters The lack of relevant skills or experience among new harvesters, who have little to no experience in harvesting, poses a risk to operational efficiency.	Lower productivity leading to opportunity loss	- Accelerate mechanisation, automation, and digitalisation initiatives in plantations, including exploring technological solutions for harvesting. - Attract, retain, and motivate local workers through improved remuneration, recruitment drives, additional training, and collaboration with government agencies as well as educational institutions to access more local talent. - Provide intensive on-the-job training to fast-track skills development among harvesters, while actively monitoring their productivity and coverage. - Implement operational solutions, such as team-based harvesting system, to foster collaboration and specialisation.	↔
	Challenges in attracting and retaining talent The rising cost of living, challenging economic conditions and the expansion of global job markets with new and remote work options have increased the flight risk within our talent pool. In addition, competition for attracting and retaining the right talent has intensified.	- Limited resources and reduced availability of specific skillsets, experience and knowledge required to execute the Group's strategies - Limited resources and reduced availability of specific skillsets, experience and knowledge required to execute the Group's strategies	- Development of comprehensive succession plans for critical job functions, with succession planning established as a key performance indicator (KPI) for key management personnel. - Continuous training and development through Digital Academy and Learning on Demand to enhance employees' skills and knowledge. - Robust performance management framework to identify and develop key talent. - 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. - Establishment of Organisational Culture and Transformation unit to focus on culture, i.e., Purpose initiatives and employee well-being programmes in collaboration with Naluri.	↔

Managing Our Key Risks

Key Enterprise Risks	Description	Potential Impact	Key Mitigation Strategies	Risk trend
Competition Risk	Competition risk intensifies in challenging economic conditions, driven by factors such as market demand for vegetable oils, rising operating costs, inflationary pressures, and regulatory changes.	Intense price competition affecting profitability	- Close monitoring of customer and competitor strategies as well as competing vegetable oils to anticipate market shifts. - Active engagement with customers to maintain competitiveness. - Continuous evaluation and realignment of strategies to stay competitive. - Marketing efforts to strengthen the Group's brand presence in key markets. - Operational initiatives to ensure product and service quality, along with product differentiation.	↑
Commodity Risk	Crude Palm Oil (CPO) price volatility The risk of price volatility for CPO in FY2025 is attributed to intense competition from other vegetable oils, weak demand for palm oil and low palm oil output.	- Lower profitability - Risk of higher inventories due to lower demand	- The Group uses derivative instruments to hedge against the risk of adverse price fluctuations. - 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.	Financial losses	- 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.	↔
	High interest rates Global interest rate hikes in the post-Covid era have increased financing costs for SD Guthrie, as well as for suppliers and customers, leading to higher overall business expenses. This risk has been alleviated by multiple rate cuts implemented by central banks in the second half of 2024, easing financial pressures across the supply chain.	Increasing financing costs	- 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. - Permitted derivative instruments, such as short-tenure interest rate swaps, are considered to mitigate the impact of adverse interest rate movements.	↓

Risk Trend

↑ INCREASED

↓ DECREASED

↔ STATIC

RISK APPETITE

SD Guthrie's risk appetite defines the level of risk we are willing to accept in the pursuit of our strategic objectives. Our risk appetite statements are guided by our Risk Appetite Framework. For more information on the Risk Appetite Framework, please refer to page 92.

Area	Risk Appetite Statement
Growth	SD 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	SD 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	SD 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	SD 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	SD 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	SD 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.

Our Strategy Blueprint

Our refreshed Strategy Blueprint outlines the interplay between our core businesses in upstream and downstream, along with the recently announced new verticals on our pursuit towards driving sustainable growth and resilience.

All the business verticals are supported by our robust foundations of good governance practices, effective capital management, and the development of our people.

SD Guthrie's refreshed strategy blueprint is anchored on our core business across the upstream and downstream of the palm oil value chain. New verticals have been introduced to maximise value, leveraging on our inherent strengths, namely, land ownership in Malaysia that meets the governments' agenda on development and renewable energy.

Upstream is a core business with continuous efforts to **enhance productivity** via initiatives that increase efficiency, and improve yield and quality. Upstream's delivery of quality oil is critical for **Downstream's value proposition to meet the demands of the customer** within the region and across the globe. Downstream is the driver for SD Guthrie's aspiration to **grow our global footprint** as it pursues improvements in manufacturing excellence, product diversification, and geographical expansion to enhance its profitability.

New vertical on **Land focuses on maximising value** through strategic initiatives, such as co-developing industrial parks and targeted land sales. Growth in the **Renewable Energy** vertical has been **repositioned to anchor on solar**, which is expected to become a P&L contributor in the long-run, through seeking opportunities to develop solar projects to build SD Guthrie's presence in renewable energy in line with Malaysia's National Energy Transition Roadmap (NETR).

» The full details of our strategic verticals can be found in the Business Review section of the Integrated Report.



Chief Financial Officer’s Review



SD Guthrie is proud to have been included in Fortune’s inaugural ranking of Southeast Asia’s top 500 companies, recognising our position as one of the region’s largest companies.

RENAKA RAMACHANDRAN
Chief Financial Officer

For the year 2024, SD Guthrie reported a net profit of RM2.164 billion, delivering earnings per share (EPS) of 31.29 sen. The Company declared a total dividend of RM1.132 billion, or 16.36 sen per share. This commendable achievement was driven by higher average crude palm oil (CPO) realised prices, improved cost efficiencies, reduced borrowing costs, and the continued recovery of fresh fruit bunch (FFB) production in Malaysia.

NAVIGATING SUCCESS AMID UNCERTAINTIES, INTEREST RATES, COMMODITY PRICE HIKE

The global economy has entered uncharted territory following the announcement of sweeping tariffs by the United States, the full impact of which had not yet been determined when they were postponed less than a week after the announcement. The situation remains uncertain at the time of writing. These developments are further compounded by ongoing geopolitical tensions in the Middle East and Ukraine, adding to the overall uncertainty.

In 2024, the United States Federal Reserve shifted from interest rate hikes to a gradual 1% rate cut amid easing inflation and rising growth concerns. In contrast, Bank Negara Malaysia maintained its Overnight Policy Rate at 3%, supporting a 5.1% economic expansion driven by strong domestic demand and a rebound in exports, while inflation eased to 1.8%. Stable interest rates and inflation created a favourable environment for the palm oil industry to manage expenses, invest in growth, and capitalise on robust global demand.

Higher CPO prices provided a positive boost for the industry, with Malaysia’s average CPO price rising 9.7% year-on-year (YoY) to RM4,179.50 per tonne. The favourable market prices helped offset rising production costs across our labour-intensive operations. However, challenging weather conditions impacted FFB production, as prior year’s dry spells in Indonesia affected bunch formation, and severe rainfall in Papua New Guinea in early 2024 disrupted harvesting and crop evacuation.

Meanwhile, Indonesia’s B40 biodiesel mandate, launched in January 2025, is expected to boost domestic palm oil demand, and support the local palm oil industry. This development, along with subdued CPO production, may tighten global palm oil supply and strengthen CPO prices. SD Guthrie is well-positioned to capitalise on this positive market environment through our robust upstream operations and strong market presence.

Supported by favourable market prices, effective hedging strategies, lower borrowing costs, controlled inflation, and the continued recovery of FFB production in our Malaysian operations, SD Guthrie’s net profit surged to RM2.164 billion in the financial year ended 31 December 2024 (FY2024).

SD Guthrie is proud to have been included in Fortune’s inaugural ranking of Southeast Asia’s top 500 companies, recognising our position as one of the region’s largest companies. This reflects our position among the world’s largest producers of palm oil and a major player in the global palm oil industry.

IMPROVED FINANCIAL PERFORMANCE

SD Guthrie Group reported a net profit of RM2.164 billion for FY2024, marking a 16% increase from the previous year, despite lower contributions from non-recurring transactions.

GROUP PROFIT/LOSS (RM million)	2023	2024
Revenue	18,428	19,831
Recurring profit before interest and tax	1,800	2,653
Non-recurring transactions	1,127	605
Profit before interest and tax	2,927	3,258
Finance income	23	26
Finance costs	(198)	(145)
Profit before tax	2,752	3,139
Tax expense	(719)	(796)
Profit for the financial year	2,033	2,343
Perpetual Sukuk	(124)	(124)
Non-controlling interests	(49)	(55)
Profit attributable to equity holders of the Company	1,860	2,164

Recurring profit before interest and tax (PBIT) was largely boosted by higher realised CPO and palm kernel (PK) prices, as well as YoY growth in FFB production. This was mainly attributed to the continued recovery and lower production costs in our Malaysian operations.

Profit was further supported by a 27% YoY decline in finance costs to RM145 million, owing to the reduction in our average borrowing balances and a lower average interest rate. As of 31 December 2024, the Group’s total borrowings reduced to RM5.102 billion compared to RM5.282 billion a year earlier. Our average interest rate trimmed by 0.2 percentage points to 5.2% per annum.

The Group continued its deleveraging efforts through the divestments of unproductive assets and marginal land. During the year, we generated a non-recurring profit of RM605 million, which comprised mainly gains from land sales in Malaysia.

NEW BUSINESS SEGMENTS

In May 2024, we announced our expansion into new business verticals – renewable energy and green industrial parks – leveraging on our vast landbank to create diversified and sustainable revenue streams. Two new operating segments were established – Industrial Development, and Renewable Energy – to facilitate resource allocation and performance assessment.

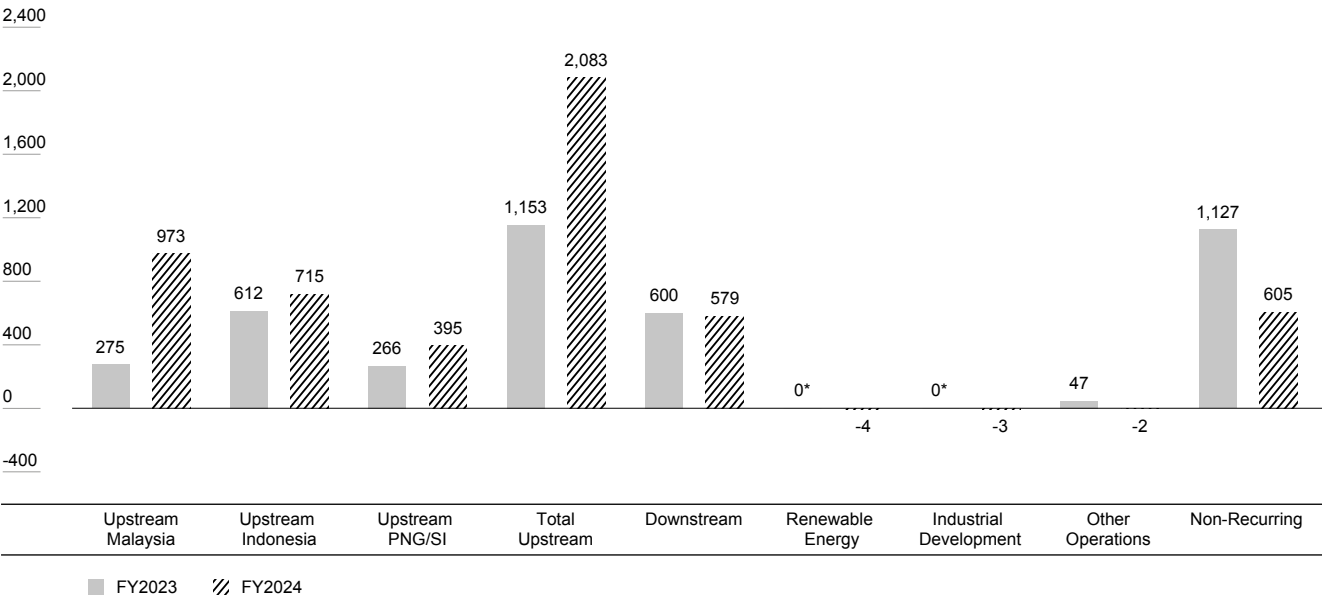
We began reporting financial information on these new operating segments with effect from the quarter ended 31 December 2024.

Chief Financial Officer’s Review

SEGMENTAL PERFORMANCE

The CPO price rally during the year boosted profits from the Upstream segment, while margin pressures impacted the Group's Downstream segment.

PROFIT BEFORE INTEREST & TAX (RM million)



* Less than RM1 million.

The total recurring PBIT for the upstream operations almost doubled to RM2.083 billion, largely due to the 9% and 38% increase in the average realised prices for CPO and PK, respectively. Additionally, lower estate and mill operating costs, mainly due to reduced fertiliser prices, despite higher application volume, contributed to the improved performance. The continued strong recovery in FFB production from our Malaysian operations also contributed to the higher profit, helping to offset the decline in production from our operations in Indonesia, Papua New Guinea and Solomon Islands, as well as the lower oil extraction rate (OER) achieved for the year.

The Downstream segment reported a recurring PBIT of RM579 million, against RM600 million in FY2023. The segment faced margin pressures in the Asia Pacific differentiated refineries due to rising feedstock costs, intense market competition, and government price control regulations, particularly in Thailand. In addition, prevailing market sentiments and demand rationalisation resulted in lower volume demand in Europe, while profit contribution from joint ventures declined due to weaker performance from the oleochemicals unit. Nevertheless, stronger profit from the Asia Pacific bulk operations cushioned the decline, supported by higher margins despite the continuation of Indonesia’s domestic market obligations (DMO).

MANAGING OUR FINANCIAL CAPITAL

As the Group sets its sights on expansion through organic growth and new business verticals, it is imperative that we maintain discipline in managing our financial capital. To sustain the Group’s long-term viability while ensuring competitive returns for investors, our capital allocation must strike a balance between capital preservation and expansionary investments, which are designed to maximise shareholder returns but come with inherent risks. We remain committed to exercising prudent capital management, recognising that any lapse may expose us to risks which include capital depreciation, financial distress, value dilution, or corporate credit rating downgrades.

SD Guthrie’s capital allocation in 2024 was as follows:

RM million	2023	2024
Funds from operations & divestments:		
Operating cash flow	3,075	2,759
Proceeds from disposals	1,466	727
Dividend income & others	10	7
Finance cost, net of finance income	(303)	(259)
Total available capital	4,248	3,234
Uses of funds:		
Capital expenditure	2,129	2,042
Dividends & Perpetual Sukuk distribution	820	1,280
Reduction/(Increase) in net debt	1,230	(137)
Repayment of leases & others	69	49
Total allocation	4,248	3,234

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

We continue to invest heavily in our operations, primarily to ensure growth in our future production capacity. In FY2024, the Group allocated RM956 million, or 47% of our total capital expenditure of RM2.042 billion, to oil palm replanting. This investment helped to improve the average age profile of our oil palm trees to 11.6 years as of 31 December 2024, down from 11.9 years a year earlier. In addition, RM458 million was invested in our Downstream facilities, including the development of our new refinery in North Sumatra.

The Group paid a total of RM1.280 billion in dividends to shareholders of the Group’s holding company and minority shareholders of our subsidiaries, along with distributions to holders of the Group’s Perpetual Sukuk, ensuring sufficient returns to investors.

CONTINUED IMPROVEMENT IN LEVERAGE

The Group’s net debt (borrowings less cash balance) stood at RM4.477 billion at the end of 2024, a marginal increase of RM25 million from the previous year.

The slight increase in net debt was due to cash generated from operations and divestments of RM3.486 billion, after payment of dividends and distribution to shareholders and Perpetual Sukuk holders of RM1.280 billion, was lower than the funding required for capital expenditure and financing obligations of RM2.350 billion.

Despite the higher net debt, the Group’s gearing ratio, measured as net debt to equity (DE ratio), reduced further to 21.2% as of 31 December 2024, compared to 21.8% at the end of the previous financial year. This improvement was driven by a rise in equity, which climbed from RM20.406 billion to RM21.161 billion. This marks a commendable achievement compared to the 39% gearing ratio recorded immediately after our listing at the end of 2017.

EXCEEDING OUR DIVIDEND POLICY

The Company declared a total dividend of RM1.132 billion for FY2024, which represents a payout of approximately 60% of the Group’s recurring net profit and 30% of net profit from non-recurring activities. This surpasses the Group’s policy of distributing not less than 50% of the consolidated recurring net earnings as dividends to shareholders.

Details of the dividends are as follows:

	FY2023		FY2024	
	Net per share (sen)	RM million	Net per share (sen)	RM million
Interim dividend	3.25	225	4.65	322
Special interim dividend	5.70	394	–	–
Final dividend	6.05	418	11.71	810
	15.00	1,037	16.36	1,132

OUTLOOK FOR 2025

The Group anticipates improved FFB production from its rehabilitation and yield-enhancing initiatives and will remain vigilant against potential regulatory or policy changes that could disrupt the global vegetable oil supply-demand balance. Supplementing our efforts to enhance operational excellence in our Upstream segment and expand our downstream footprint, the Group is also focused on achieving key execution milestones in its renewable energy and industrial development projects.

Being in the food industry, the Group expects demand to sustain. However, demand rationalisation and product switching may occur should the palm oil price premium over other vegetable oils prolong. Vegetable oil price volatility is also expected to persist in 2025 – owing to unpredictable weather conditions affecting production, uncertainties from macroeconomic headwinds and continued geopolitical risks, and concerns of tariff escalations impacting the global economy.

Taking these factors into consideration, the Group maintains a cautious near-term outlook while remaining focused on long-term growth opportunities. The Group will continue to adopt prudent financial strategies and remain agile in its operations to navigate the evolving market conditions.

RENAKA RAMACHANDRAN

Chief Financial Officer

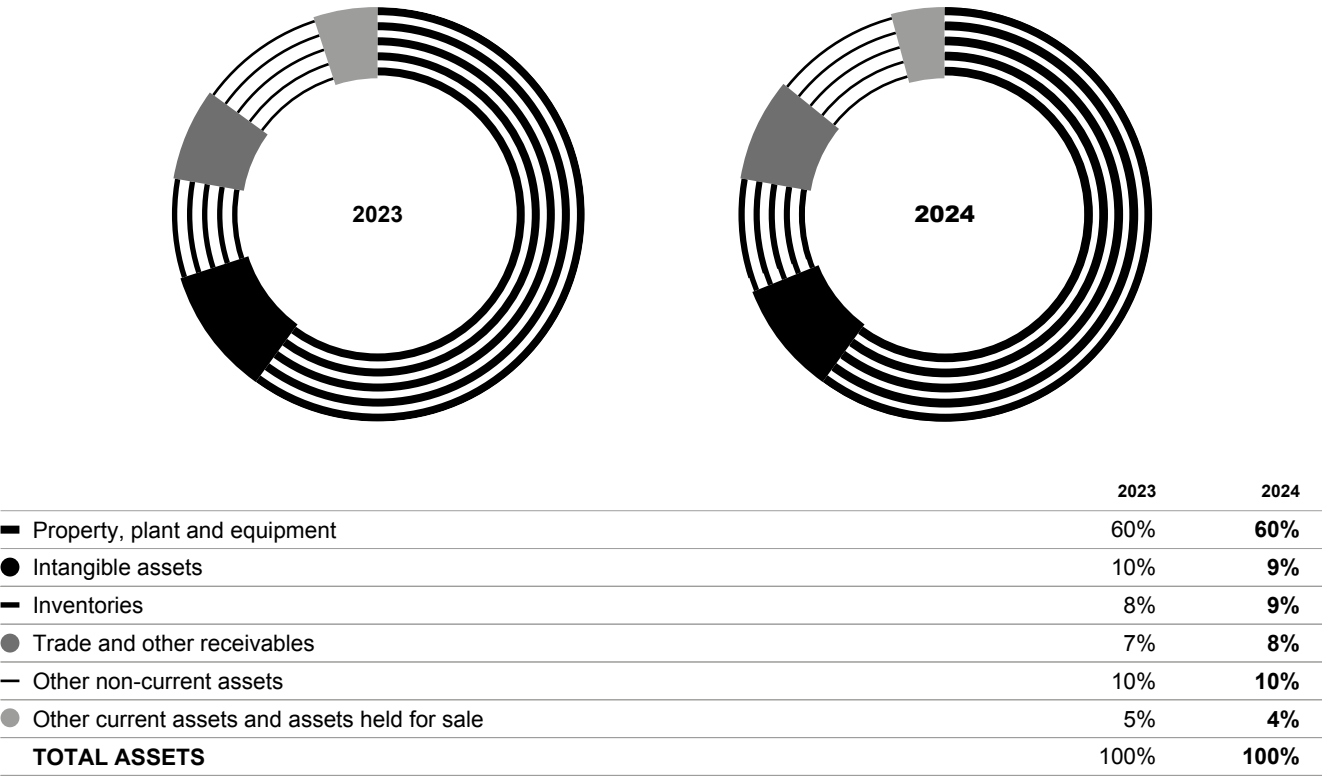
5-Year Group Financial Summary

FY 31 December					
FINANCIAL YEAR ENDED (RM'000)	2020	2021	2022	2023	2024
FINANCIAL RESULTS					
CONTINUING OPERATIONS					
Revenue	13,044,271	18,532,714	21,029,690	18,427,883	19,831,040
Earnings before interest, tax, depreciation and amortisation (EBITDA)	3,077,921	5,005,271	4,987,137	4,359,334	4,711,160
Profit before interest and tax	1,853,374	3,673,916	3,614,596	2,927,303	3,258,407
Profit before tax	1,754,250	3,600,069	3,492,200	2,752,455	3,139,318
Profit for the financial year	1,288,724	2,490,685	2,683,270	2,033,379	2,343,510
Perpetual Sukuk	(124,641)	(124,300)	(124,300)	(124,300)	(124,640)
Non-controlling interests	(53,352)	(111,694)	(70,895)	(49,039)	(55,062)
Profit from continuing operations attributable to equity holders of the Company	1,110,731	2,254,691	2,488,075	1,860,040	2,163,808
DISCONTINUED OPERATIONS					
Profit from discontinued operations attributable to equity holders of the Company	73,838	—	—	—	—
Profit attributable to equity holders of the Company	1,184,569	2,254,691	2,488,075	1,860,040	2,163,808
FINANCIAL POSITION					
Share capital	1,506,119	1,633,790	1,633,790	1,633,790	1,633,790
Reserves	12,147,381	13,554,332	14,733,439	16,108,766	16,852,193
Shareholders' equity	13,653,500	15,188,122	16,367,229	17,742,556	18,485,983
Perpetual Sukuk	2,231,398	2,231,398	2,230,717	2,231,058	2,231,398
Non-controlling interests	384,850	436,641	418,068	432,799	443,263
Total equity	16,269,748	17,856,161	19,016,014	20,406,413	21,160,644
Borrowings	6,682,203	6,250,676	6,096,488	5,282,303	5,102,094
Liabilities associated with assets held for sale	17,699	138,513	139,100	12,260	11,032
Other liabilities	5,351,001	6,090,382	5,896,524	6,185,478	5,773,235
Total equity and liabilities	28,320,651	30,335,732	31,148,126	31,886,454	32,047,005
Non-current assets	23,476,819	23,318,312	23,908,544	25,511,672	25,500,011
Current assets excluding cash	4,369,523	5,806,885	5,953,585	5,378,541	5,769,839
Assets held for sale	165,280	607,972	651,004	165,859	151,773
Cash	309,029	602,563	634,993	830,382	625,382
Total assets	28,320,651	30,335,732	31,148,126	31,886,454	32,047,005
FINANCIAL RATIOS					
Operating margin (%)	14.3	19.6	16.9	15.7	16.6
Return on shareholders' equity (%)	8.7	14.8	15.2	10.5	11.7
Net Debt/Equity (%)	39.2	31.6	28.7	21.8	21.2
Net Debt/EBITDA (times)	2.1	1.1	1.1	1.0	1.0
SHARE INFORMATION ¹					
Basic earnings per share (sen)	17.21	32.60	35.98	26.90	31.29
Net assets per share attributable to equity holders of the Company (RM)	1.98	2.20	2.37	2.57	2.67
Net dividend per share (sen)	11.57	20.28	16.04	15.00	16.36

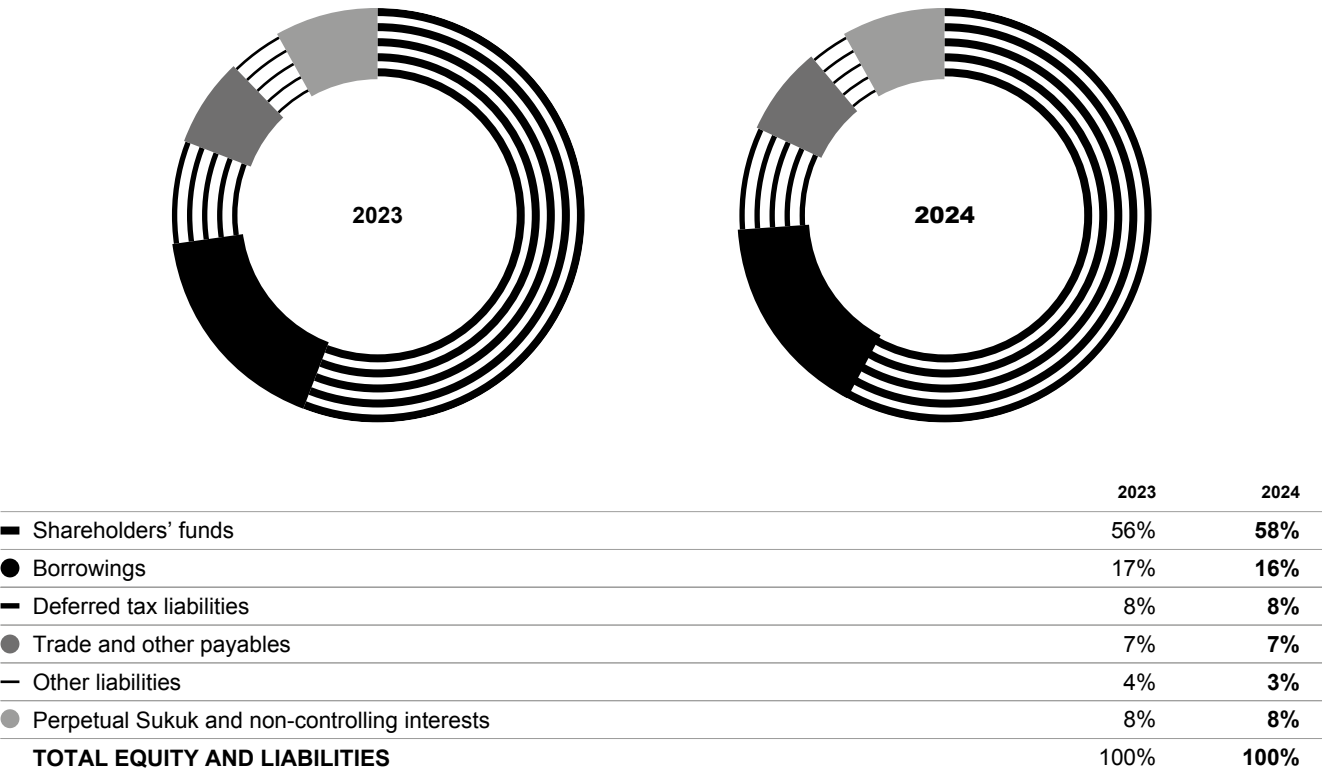
Note:
¹ Based on number of ordinary shares in issue of 6,884,575,283 as at 31 December 2020, and 6,915,714,601 as at 31 December 2021, 31 December 2022, 31 December 2023 and 31 December 2024.

Simplified Statements of Financial Position

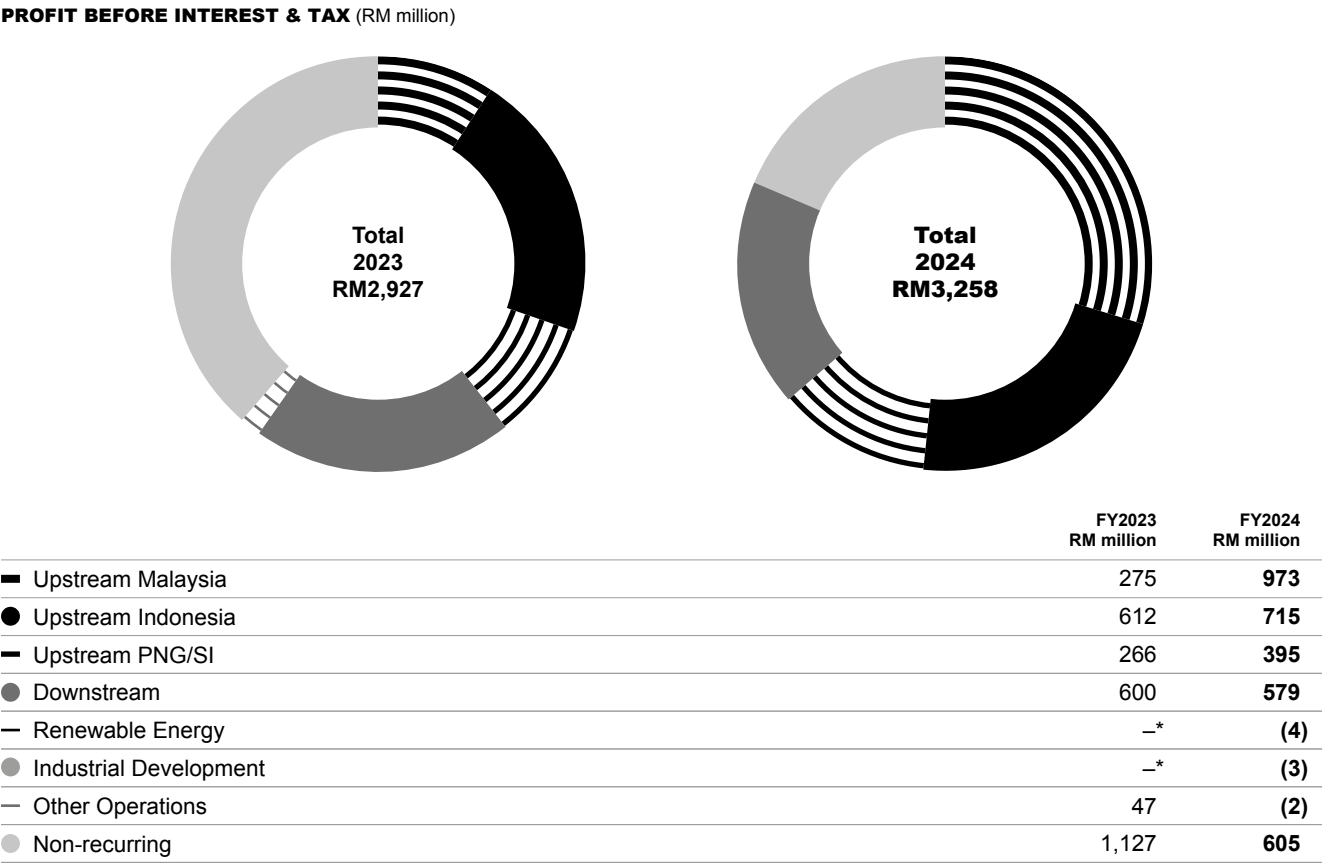
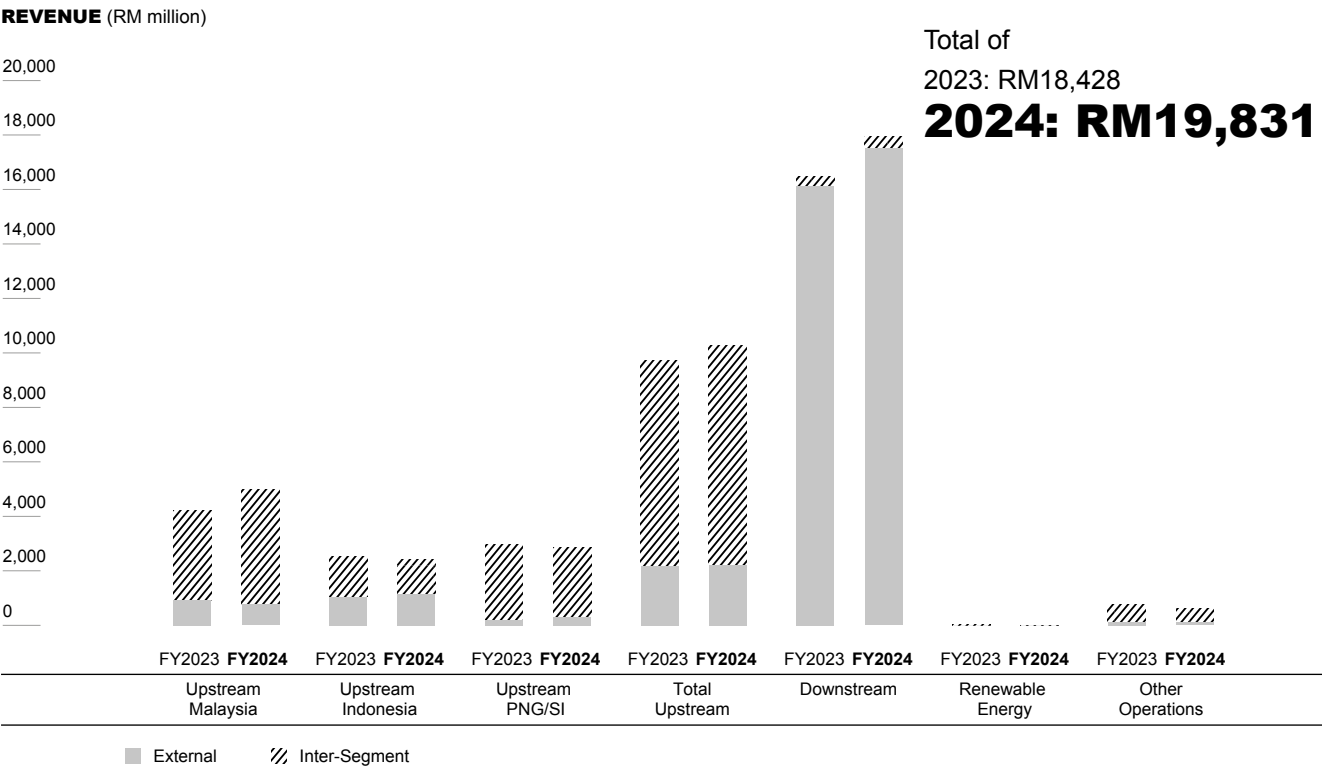
TOTAL ASSETS



TOTAL EQUITY AND LIABILITIES



Segmental Analysis



Statement of Value Added & Value Distribution

VALUE ADDED		
RM million	2023	2024
Turnover	18,428	19,831
Direct and Indirect Costs	(12,333)	(12,807)
Value Added from Operations	6,095	7,024
Other Operating Income	1,392	848
Other Losses	(113)	(36)
Share of Results of Joint Ventures	39	(31)
Share of Results of Associates	1	3
Finance Income	23	26
Total Value Added	7,437	7,834

VALUE DISTRIBUTED		
RM million	2023	2024
Employees	3,069	3,112
Government and Society	750	826
	3,819	3,938
Providers of Capital		
Dividends to Equity holders of the Company	642	1,134
Finance Costs	336	296
Non-controlling Interests	49	55
Perpetual Sukuk	124	124
	1,151	1,609
Reinvestment and Future Growth	2,467	2,287
Total Value Distributed	7,437	7,834

Quarterly Performance

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

RM million	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year 2023
Revenue	4,069	4,305	4,774	5,280	18,428
Operating profit	301	520	1,645	421	2,887
Profit before interest and tax	303	527	1,661	436	2,927
Profit for the period/year	108	422	1,259	244	2,033
Profit attributable to equity holders of the Company	69	380	1,211	200	1,860
Earnings per share (Sen)	1.0	5.5	17.5	2.9	26.9

3-Year Plantation Statistics

	FY2022 (January 2022–December 2022)					FY2023 (January 2023–December 2023)					FY2024 (January 2024–December 2024)			
	Malaysia	Indonesia	PNG & SI	Total		Malaysia	Indonesia	PNG & SI	Total		Malaysia	Indonesia	PNG & SI	Total
FFB Production (in MT)	3,513,096	2,780,881	1,912,796	8,206,774		4,149,629	2,684,735	1,870,821	8,705,185		4,740,951	2,320,643	1,706,931	8,768,525
OP Hectarage (in ha)														
• Mature hectares	253,129	158,336	84,839	496,304		253,864	149,202	83,752	486,818		249,810	147,835	80,956	478,601
• Immature hectares	42,969	32,878	5,963	81,810		41,274	33,021	7,210	81,505		44,698	33,524	9,710	87,932
• Total planted hectares	296,098	191,214	90,802	578,114		295,138	182,223	90,962	568,323		294,508	181,359	90,666	566,533
Yield per Hectare (in MT/ha)	14.01	17.66	22.37	16.63		16.71	17.58	22.07	17.92		19.10	15.88	20.83	18.41
FFB Processed (in MT)														
• Own	3,513,096	2,780,881	1,912,796	8,206,774		4,149,622	2,676,343	1,870,821	8,696,786		4,740,947	2,320,643	1,706,931	8,768,521
• Outside	722,712	555,656	587,697	1,866,065		623,774	537,837	558,922	1,720,532		543,632	476,087	506,295	1,526,014
• Total	4,235,809	3,336,537	2,500,493	10,072,839		4,773,396	3,214,180	2,429,743	10,417,319		5,284,579	2,796,730	2,213,226	10,294,535
Mill Production														
• Crude Palm Oil (in MT)	846,688	711,340	567,156	2,125,184		973,859	696,177	536,008	2,206,044		1,080,661	589,978	487,645	2,158,284
• Palm Kernel (in MT)	204,000	143,781	142,697	490,478		229,759	140,636	135,484	505,879		241,372	116,110	118,725	476,207
• Oil Extraction Rate (%)	19.99	21.32	22.68	21.10		20.40	21.66	22.06	21.18		20.45	21.10	22.03	20.97
• Kernel Extraction Rate (%)	4.82	4.31	5.71	4.87		4.81	4.38	5.58	4.86		4.57	4.15	5.36	4.63
Coconut														
• Planted hectare (in ha)	278			278		304			304		304			304
Sugar Cane														
• Planted hectare (in ha)			5,637	5,637				5,637	5,637				4,559	4,559
• Cane yield (in MT/ha)			41.02	41.02				41.02	41.02				34.14	34.14
Beef Production														
• Total herd as at December (in heads)			27,490	27,490				28,189	28,189				27,189	27,189
• Average deadweight (kg/head)			290	290				279	279				286	286
Total Landbank	341,535	256,007	146,646	744,188		340,953	242,127	146,790	729,870		340,506	242,127	147,078	729,711

Financial Calendar

For the financial year ended 31 December 2024

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS	
1st Quarter Ended 31 March 2024 31 MAY 2024	2nd Quarter Ended 30 June 2024 21 AUGUST 2024
3rd Quarter Ended 30 September 2024 20 NOVEMBER 2024	4th Quarter Ended 31 December 2024 27 FEBRUARY 2025

DIVIDEND		
Announcement Date	Entitlement Date	Payment Date
Interim dividend of 4.65 sen per ordinary share		
21 AUGUST 2024	1 NOVEMBER 2024	15 NOVEMBER 2024
Final single tier dividend of 11.71 sen per ordinary share		
27 FEBRUARY 2025	9 MAY 2025	23 MAY 2025

22ND ANNUAL GENERAL MEETING	
Notice Date 25 APRIL 2025	AGM Date 26 MAY 2025

Investor Relations

In addition to being key providers of capital, our investors and shareholders also play a pivotal role in our governance structure, driving our sustained growth and success. To maintain their confidence and align expectations, our Investor Relations (IR) team actively engages local and international financial analysts, fund managers, credit rating agencies, and environmental, social, and governance (ESG) rating agencies. Our priority emphasises transparency, timely delivery, as well as fair and balanced updates on material developments.

ENGAGING OUR INVESTOR COMMUNITY

We actively engage our investors on diverse topics, from short-term financial and operational performance to long-term strategic goals on growth strategy, expansion plans, innovation, and sustainability initiatives.

Key Focus Areas:

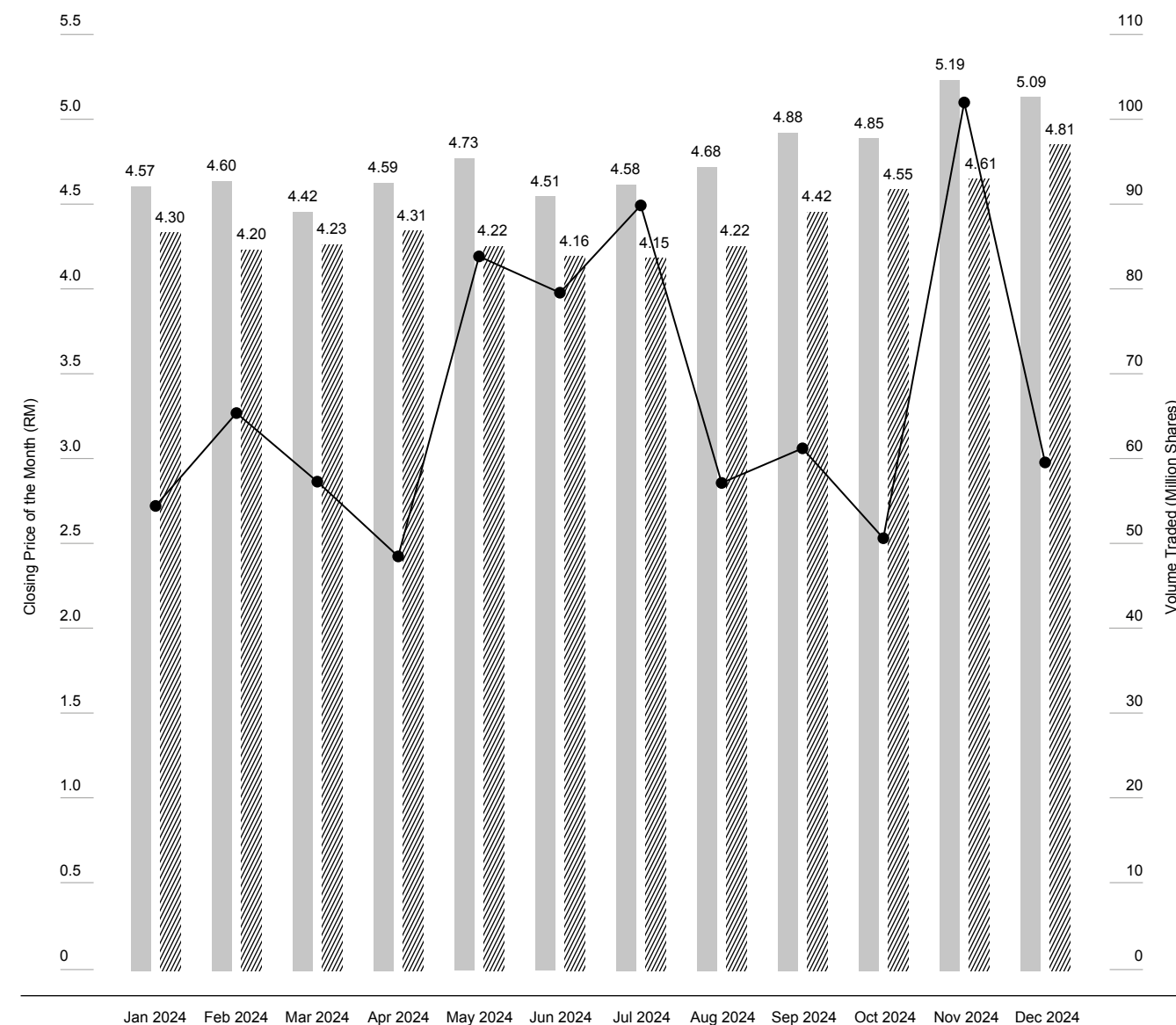
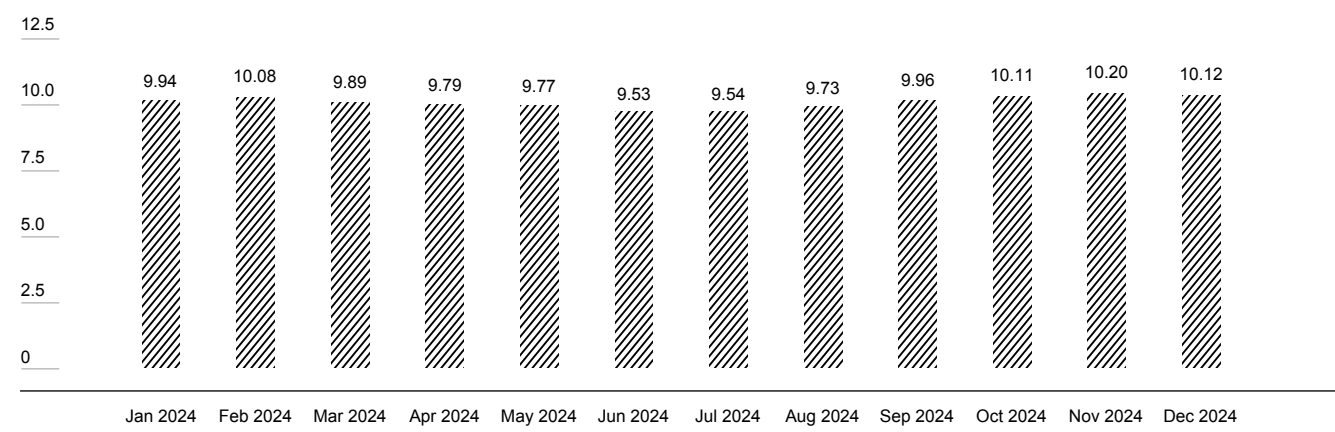
1	GROUP STRATEGY AND FINANCIAL PERFORMANCE	We keep investors informed with timely updates on our operational and financial performance, driven by SD Guthrie’s global integrated plantation business. Additionally, we provide regular updates on our new growth pillars – renewable energy and industrial park development, providing transparency on progress and key milestones.
2	OPERATIONAL EXCELLENCE AND AUTOMATION	In achieving our aspiration to revolutionise the palm oil industry through mechanisation, automation and digitalisation, investors are kept informed of our efforts through site visits, including to our Palm Oil Experience Centre (POEC) in Carey Island – offering insights and best practices in cultivation, processing and innovations. Additionally, the inaugural Future Fest held in March 2024 showcased our groundbreaking innovations such as the Artificial Intelligence (AI) powered Autonomous Fertiliser Robot for palm detection and precise fertiliser application, the Laser Ripeness Sensor for detecting ripe Fresh Fruit Bunches (FFB) and the point to point (P2P) spraying drone. These advancements reinforce our commitment to smarter and sustainable plantation solutions.
3	SUSTAINABILITY	We align investor engagements with our sustainability commitments driven by SD Guthrie’s “Beyond Zero” Framework, as well as our “Not All Palm Oil is Created Equal” (NAPOICE) campaign focusing on Certified Sustainable Palm Oil (CSPO). Clear disclosures on our net-zero ambitions, responsible practices, and sustainable growth initiatives are provided periodically in our investor engagements. To bring these commitments to life, we take investors on site visits, including to our biodiversity and conservation sites in Sarawak, offering first-hand insights into our sustainability in action.

Our IR team follows a structured calendar of activities, comprising quarterly results announcements, briefings, annual general meetings (AGMs), roadshows, site visits, and one-on-one engagement sessions. We also ensure timely responses to queries and keep our IR microsite regularly updated with relevant information.

Our AGMs have been conducted virtually since 2020. In line with Bursa Malaysia’s requirements for all public listed companies to hold hybrid or physical general meetings from 2025 onwards, our upcoming AGM on 26 May 2025 will be conducted in a hybrid format. This approach ensures accessibility for both local and overseas shareholders, fostering a more engaging and interactive experience.

In compliance with the Main Market Listing Requirements (MMLR), we release our quarterly financial results on Bursa Malaysia. These announcements are complemented by analyst briefings to provide analysts and fund managers with in-depth insights into the Group’s performance. This supports fair market evaluations and well-informed investment recommendations. All financial disclosures and presentations are publicly available on our website.

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



■ Highest (RM) ▨ Lowest (RM) ● Volume Traded (million shares)

	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024
Highest (RM)	4.57	4.60	4.42	4.59	4.73	4.51	4.58	4.68	4.88	4.85	5.19	5.09
Lowest (RM)	4.30	4.20	4.23	4.31	4.22	4.16	4.15	4.22	4.42	4.55	4.61	4.81
Volume Traded (Million shares)	54.15	64.97	56.98	48.27	83.22	78.99	89.16	56.83	60.86	50.39	101.15	59.22

Business Review

SD Guthrie’s upstream business is a core part of our value chain which involves the cultivation and management of oil palm plantations and milling of fresh fruit bunches (FFB) to produce crude palm oil (CPO). We operate 234 estates and 65 mills in Malaysia, Indonesia, Papua New Guinea (PNG), and Solomon Islands (SI) across a total landbank of 729,711 hectares. We also cultivate coconut and sugarcane, and rear cattle for beef production.

Our strategic focus on “Forging Growth Through Sustainability and Innovation” drives our ambition to transform oil palm plantations through mechanisation, automation, and digitalisation, while integrating environmental, social, and governance (ESG) principles into our core operations. These initiatives aim to make work efficient and productive for our workers while reducing our dependency on manual labour. Along with our mill transformation efforts which further enhance food safety compliance and sustainability, we continue to strengthen operational efficiency and reinforce our commitment to responsible palm oil production.

2024 OVERVIEW

SD Guthrie’s steady performance in 2024 was supported by strong crude palm oil prices. At Group level, total FFB production increased 1% year-on-year (YoY) to 8.77 million metric tonnes (MT) in FY2024 (FY2023: 8.71 million MT), driven by rehabilitation efforts and harvester workforce optimisation.

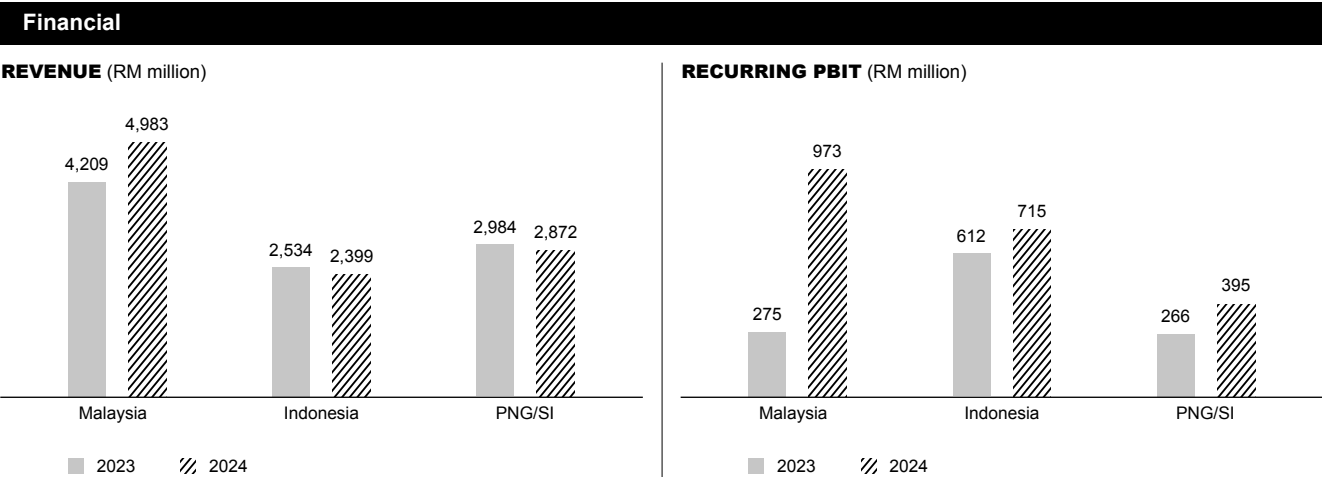
Malaysia recorded 14% YoY FFB growth to 4.74 million MT (FY2023: 4.15 million MT), fuelled by successful rehabilitation, improved field accessibility, and increased productivity during peak cycles. Labour supply stability in Peninsular Malaysia further enhanced efficiency, resulting in a Land-to-Man Ratio (LMR) of 13.6:1, outperforming the industry average of 8:1.

These improvements contributed to a marginal Oil Extraction Rate (OER) increase to 20.45% (FY2023: 20.40%).

Indonesia’s FFB output declined 14% YoY to 2.32 million MT (FY2023: 2.69 million MT) due to *El Niño*-induced drought, which impacted young mature palms. Consequently, weather changes caused a decline in OER to 21.10% (FY2023: 21.66%).

PNG/SI saw a 9% drop in FFB production to 1.71 million MT (FY2023: 1.87 million MT), as heavy rainfall affected pollination and fruit formation as well as harvesting operations. Flooding in some regions further hampered crop recovery, leading to a slight OER decline to 22.03% (FY2023: 22.06%).

PERFORMANCE HIGHLIGHTS



Non-Financial

Deployed 897 machines for non-harvesting operations in Malaysia since FY2021	Hired 10,530 Malaysians since FY2020	Recruited 206 Malaysian harvesters since FY2021 in collaboration with education institutes and government agencies
Replaced 829 workers’ houses in Indonesia Total of 1,919 workers’ houses replaced to date since FY2021	105 youth trained as machine specialists in collaboration with Yayasan Sime Darby and Institute of Malaysian Plantation and Commodities (IMPAC)	All human rights risks are identified, assessed, and managed

BUSINESS PERFORMANCE

Key Initiatives	Achievements	Potential Challenges and Mitigation
Operational Excellence	Project OMEGA: A pioneering initiative focused on raising food safety and sustainability standards at our palm oil mills to meet stringent international food production standards with the following implementations. - Enforced zero dumping practices at ramp floors, resulting in cleaner processing of FFB and elimination of contamination risks. - Upgraded and modified mill machinery to prevent direct lubricant contamination, while safeguarding product integrity. - Implemented the Mineral Oil Hydrocarbon Critical Control Points (MCCP) checklist and lubricant inventory monitoring to maintain and improve CPO quality. - Installed a Separate Oil Recovery System (SORS), empty bunch press, and high-speed separator to enhance oil recovery and minimise oil losses. - Deployed the Assisted Grading System (AGS), an innovative scanning solution that assesses FFB quality at the consignment stage, improving grading accuracy and overall product quality.	To eliminate contaminants in our products by improving practices that are considered standard industry practice. We will continue to enhance quality control by identifying contamination sources and investing in an in-house MOSH/ MOAH analyser for real-time testing.

Business Review

Upstream

BUSINESS PERFORMANCE (continued)

Key Initiatives	Achievements	Potential Challenges and Mitigation
Operational Excellence (continued)	Project OMEGA: (continued) These implementations allowed us to further improve our Mineral Oil Saturated Hydrocarbons (MOSH) reading to 13ppm (16ppm in FY2023) and Mineral Oil Aromatic Hydrocarbons (MOAH) reading to <1ppm (1.1ppm in FY2023) in our Malaysian operations. In PNG/SI, we managed to achieve 100% compliance in MOSH and MOAH requirements for all CSPO sales. Hazard Analysis and Critical Control Points (HACCP) Certification - Achieved 100% HACCP certification for 31 mills in Malaysia and 12 mills in PNG/SI, as well as 12 out of 19 mills in Indonesia. This ensures high standards of food safety and quality across all our mill operations. Health, Safety, and Environment (HSE) - Attained significant reduction in Lost Time Injury Frequency Rate (LTIFR) in FY2024: - Malaysia from 11.89 to 6.31 - Indonesia from 6.00 to 5.90 - PNG/SI from 8.45 to 6.79 Operational Efficiency and Productivity Harnesses mechanisation and improved crop evacuation to achieve the target of increasing oil yield by 1 MT per mature hectare via the following initiatives: - e-Lasak Implementation: A mechanical-assisted loose fruit collection system helps to improve efficiency, maximise collection, enhance fruit freshness, and ensure compliance with food safety standards. - e-Cutter and Cantas Adoption: Motorised harvesting tools enable efficient harvesting, particularly in tall palm and newly mature areas, where manual harvesting is more labour-intensive and time-consuming. - Expanded Mechanised Transport in Indonesia: Enhanced crop evacuation and maintains freshness, while reducing reliance on manual labour. - FFB Truck Fleet Expansion: Delivered over 50 new trucks in PNG/SI to support logistics and crop evacuation. - Road Infrastructure Upgrades: Launched a critical road repair programme in West New Britain, Poliamba, and Higaturu to achieve enhanced FFB collection and evacuation.	- Operational disruption from major repair work can cause decline in mill efficiency, but can be addressed with optimised planning and mitigation strategies. - With operations facing greater regulatory scrutiny, we are making strides in HACCP Certification, completing internal audits for seven mills in Indonesia. The next step would be to seek external certification for PT Mutu Agung Lestari.
Sustainability	- We are working towards achieving a 100% Malaysian workforce for non-harvesting activities by 2027, through ongoing recruitment drives and strategic collaborations. - We are working to improve living conditions for workers across Indonesia and PNG/SI via our 15-year Workers Housing Replacement Plan as follows: - Indonesia: 1,919 houses replaced since 2021 (829 in FY2024), with 4,971 more scheduled for completion by 2035 at a rate of 500 units per year. - PNG/SI: 3,764 housing replacements scheduled for completion by 2038. Construction of 171 of these units began in FY2024 and is set to be completed by April 2025.	In terms of manpower, some challenges include worker shortage and lack of necessary skillsets, emphasising the importance of upskilling workers and providing training to enhance workforce capabilities, while also reducing dependence on manual labour.

Key Initiatives	Achievements	Potential Challenges and Mitigation
Sustainability (continued)	- Improved water and waste management, as well as expansion into renewable energy in the following markets: - Indonesia: - PT Bhumireksa Nusasejati (PT BNS) was recognised as one of Indonesia's Best Managed Water Peat Plantations by the Department of Environment for its effective drainage system in peatland management. - Completed installation of two new biogas plants, with another set for full commissioning by March 2026. - PNG/SI: Development of nine new biogas plants to support carbon emission reduction, with five scheduled for commissioning between FY2025 and FY2030. - Malaysia: Installation of three additional biogas plants in 2024, increasing the total number of operational plants to 19, with a combined installed export capacity of 28.57 megawatts electric (MWe).	- There is also the challenge of sourcing from limited vendors in remote areas, which requires close partnership with the Procurement Department to identify and appoint new, capable vendors offering competitive pricing. - With a greater call to action for companies to make further efforts in reducing supply chain emissions, we will continue to explore renewable energy solutions and further reduce reliance on manual labour.
Innovation	- Increased land-to-man ratio through mechanisation of non-harvesting activities in the following markets: - Malaysia: Rolled out 191 machines in FY2024 for tasks like herbicide spraying, fertiliser application, and rat baiting. - Indonesia: Introduced Circle Spraying with six hectares productivity (CS6) circle spraying for 45,800 hectares, improving productivity and reducing costs, with planned expansion to 100,000 hectares in FY2025. - Utilised drones, satellite imaging, and GeoAI to monitor plantation health and growth efficiently. This includes assigning unique identity documents (IDs) to palm trees for precise tracking, as well as leveraging image analysis and machine learning to detect disease outbreaks, which reduces widespread chemical control. - Utilised state-of-the-art technologies such as Internet of Things (IoT) to optimise operations in the following markets: - Malaysia: Installed Global Positioning System (GPS) trackers for fertiliser and herbicide applications to track productivity. - Indonesia: Digitalised mill processes and installed sensors to monitor key parameters and water levels. - PNG/SI: Introduced the SMART dashboard to centralise operational data for improved decision-making and efficiency.	To navigate competitive risks and remain at the forefront of innovation, we foster close partnerships with tech start-ups, academic institutions, and relevant companies to stay abreast of industry developments.

OUTLOOK

SD Guthrie is well-positioned to benefit from steady CPO prices, with stable growth expected in FFB production and OER across our operations in Malaysia and Indonesia. In Malaysia, recruitment efforts will focus on augmenting local workforce productivity, with an emphasis on attractive remuneration and training initiatives for harvesters. However, geopolitical instability and *La Niña* present potential risks, as unpredictable weather may impact crop yields. Despite these challenges, the Group remains committed to prudent cost management to sustain healthy margins.

Under our “Beyond Zero” Framework, we will continue progressing towards net-zero emissions by expanding biogas facilities, harnessing more solar technology, and integrating alternative energy solutions. Notwithstanding challenges such as rising labour costs and weather uncertainties, SD Guthrie remains focused on bolstering operational efficiencies and cost optimisation in the year ahead.

Business Review



As the downstream arm of the Group, SD Guthrie International operates a diverse portfolio to meet worldwide demand for edible oils, palm oil-based biodiesel, nutraceuticals, and other palm oil derivatives. Adopting a customer-centric approach, we develop bespoke solutions to meet customers’ tailored requirements.

Today, SD Guthrie International owns and manages 11 refineries with a combined capacity of 3.99 million metric tonnes (MT), bulking installations with a total capacity of 284,650 MT, four kernel crushing plants with a combined capacity of 465,000 MT, a biodiesel plant producing 270,000 MT, a soya crushing plant with a 132,000 MT production capacity, and two copra mills in Papua New Guinea (PNG), which jointly produce 42,000 MT each year.

2024 OVERVIEW

SD Guthrie International delivered strong results across our global downstream operations in 2024. While Asia Pacific bulk operations contributed significantly to overall profits, Europe remained the primary driver of our success, delivering strong margins.

Our commitment to operational and commercial excellence remained steadfast through Project Matterhorn – a strategic programme launched in 2020 to enhance profit before interest and taxes (PBIT) across our operations through sustained value creation initiatives.

Despite industry challenges, SD Guthrie International achieved several significant milestones, demonstrating resilience and sustained growth. This included:

- Continued positioning of SD Guthrie International as the preferred sustainable palm oil partner, with strategic Roundtable on Sustainable Palm Oil (RSPO) supply chains into key markets and the development of new low carbon oils supply chains.
- Delivered our first palm oil shipment to Europe and the UK that is fully compliant with the EUDR, meeting the highest standards of quality, sustainability, and food safety.
- Strengthened our global presence with the acquisition of a 48% stake in Netherlands-based Marvesa Supply Chain Services B.V., further expanding our downstream footprint in Europe and unlocking new growth opportunities in the animal feed business.

PERFORMANCE HIGHLIGHTS

Financial	Non-Financial	
PBIT 2024: RM579 million 2023: RM600 million	Sales Volume (‘000 MT) 4,006 VAR YoY 18% increase	Capacity Utilisation 54.60% 2023: 54.56%

BUSINESS PERFORMANCE

Key Initiatives	Achievements	Potential Challenges and Mitigation
Operational Excellence & Digitalisation	- Implemented OPTIME ecosystem at our Port Klang Refinery to facilitate early detection of potential machine failures, reduce unplanned downtime, and improve operational efficiency. - Construction of a new integrated refinery at Sei Mangkei, Special Economic Zone in North Sumatera, Indonesia. - Installed an Enzymatic Inter-Esterification (EIE) Plant and Refinery Expansion at SD Guthrie International Liverpool Refinery. - Enhanced coordination with upstream mills to improve supply chain transparency and optimise deliveries of high-quality products with low Mineral Oil Saturated Hydrocarbons (MOSH) and Mineral Oil Aromatic Hydrocarbons (MOAH). - Kicked off our Technical Specification initiative and established unified operational standards to enhance consistency, efficiency, and compliance across all sites. - Leveraged the use of AI, in our algorithmic trading system “TRAID”, to capture opportunities based on price signals and other proprietary indicators. - Enhanced our business processes via “e-SMART”, a Digital Document Management System that has transformed document handling, storing and retrieving, while enhancing efficiency, accessibility, and compliance.	- Decline in demand from key markets and increased operating costs from geopolitical uncertainties can result in supply chain disruption, requiring close customer and supplier engagement. - Compliance challenges may arise from enforcement of new 3-monochloropropane diol (3-MCPD) and Glycidyl fatty acid esters (GE) regulations for local sales in Malaysia.
Sustainability	- Delivered our first shipment of 40,250 MT of palm oil to Europe and United Kingdom, that is fully compliant with the European Union Deforestation Regulation (EUDR). - Exhibiting SD Guthrie’s EUDR readiness via selected segregated supply chains. - The launch of ‘Crosscheck’ in 2019 has provided complete visibility from oil palm plantations to smallholder farms and combine local and global datasets such as forest baselines and commodity maps. As of FY2024, our No Deforestation progress stands at 78%, while our No Peat progress stands at 87%. Our global traceability score for TTM (Traceability to Mill) is 96.9%, and TTP (Traceability to Plantation) is at 84.9%.	- We developed the EUDR framework and ensured compliance with traceability, legality, deforestation-free and social/labour requirements. We also completed deforestation risk assessments on selected EUDR-compliant supply chains. - Delay in the implementation of EUDR has given us more time to strengthen our traceability system, to actively test EU Traces system and conduct dry runs with competent authorities.
Product Innovation & Development	- Enlarged our product development portfolio of plant-based food products and lubricants. - Intimacy with customers through our product knowledge and uses in all segments of food applications. - Provide alternative solutions to end users in both cost effectiveness and performances improvement programmes. - Creation of new products such as non-hydrogenated cocoa butter substitute with premium performance quality.	To navigate an increasingly competitive landscape, we have implemented digital technologies throughout the supply chain, which includes product innovation and development.

Business Review

SD Guthrie International

BUSINESS PERFORMANCE (continued)

Key Initiatives	Achievements	Potential Challenges and Mitigation
Health, Safety and Environment	- Commenced Road Transport Safety Audit for external transporters and employees in the area of transportation safety. - Enhanced the development of Process Safety Hazard Register (PSHR), as well as Management of Change (MOC) in Process Safety Management. - Improved the management of Ergonomics, Chemical Safety, and Occupational Noise by implementing the Systematic Occupational Health Enhancement Level Programme (SOHELP) initiative.	Increasingly stringent regulatory requirements in different countries requires proactive monitoring of our parameters to ensure regulatory compliance.
Strategic Communication and Brand Perception	- According to our annual survey on brand perception, 91% of respondents rating our sustainability performance between “Good” to “Excellent”. The percentage of “Good” ratings marked an improvement against FY2023 results. - Strategic communication efforts under the “Not All Palm Oil is Created Equal” campaign conveyed our commitment to quality, sustainability, and innovation, differentiating us from other players in the industry.	Consistent communication with relevant stakeholders will help to effectively mitigate reputational damage that may arise from controversies faced by suppliers and vendors.

OUTLOOK

Looking ahead, SD Guthrie International remains focused on bolstering profit margins, enhancing capital efficiency, and accelerating value creation to maximise Profits and Returns on Invested Capital. We will also adopt a disciplined approach to capital allocation to drive both organic and inorganic growth, to ensure long-term success and sustainability.

SD Guthrie International will continue to expand and align the strategic marketing campaign of “Not All Palm Oil is Created Equal” with our “Beyond Zero” Framework pillars: Zero, Restore, and Transform. This will enhance our brand visibility in key markets, reinforcing our strengths in sustainability, and supply-chain traceability.

In driving product excellence, we will work closely with the Group’s Upstream Division under the One Stream approach, maintaining the consistent production and supply of high-quality CPO, which is crucial to the quality, and value of our downstream products. Strengthening our talent pool will also be a key focus through the implementation of various holistic development programmes to support growth and professional advancement – aligned with our purpose of “Care to Nourish, Dare to Flourish.”



>> SD Guthrie International operates a diverse portfolio to meet worldwide demand for edible oils, palm oil-based biodiesel, nutraceuticals, and other palm oil derivatives.

Business Review

RENEWABLE ENERGY

Established in 2020, SD Guthrie Renewable Energy Sdn Bhd (SD Guthrie RE) is the wholly owned subsidiary of SD Guthrie that is responsible for the Group’s carbon emissions reduction efforts. SD Guthrie’s biogas portfolio is a key component in our target to achieve a 42% reduction in Scope 1 and Scope 2 Energy and Industrial (E&I) greenhouse gas (GHG) emissions by 2030. Our efforts in this space mitigate the impact of palm oil mill effluent (POME), which emits methane.

In May 2024, SD Guthrie announced our foray into two new verticals – the development of industrial parks and solar farms, which are part of the Group’s strategy to create diversified and sustainable revenue streams while leveraging our extensive landbank.

2024 OVERVIEW

As global energy demand surges due to population growth and increased economic activities, Renewable Energy (RE) has become crucial in meeting energy needs sustainably. The Malaysian government has set ambitious targets for RE sources to constitute 40% of the primary energy supply mix by 2035 and 70% by 2050, aligning with global climate change mitigation efforts. This goal, reinforced by the National Energy Transition Roadmap (NETR) launched in August 2023, necessitates significant expansion of RE capacity nationwide. Establishing RE as one of our new business verticals reflects SD Guthrie’s commitment to support this national agenda.

Over the course of FY2024, we made progress in three major RE sectors, namely:

- Solar – Progress in SD Guthrie’s first ever solar power plant under the Corporate Green Power Programme (CGPP) with 15MW capacity. The plant is expected to be commissioned by Q4 2025. To date 38% of aggregated land required for both Large Scale Solar (LSS) 4 and CGPP has been leased on SD Guthrie’s land. Additionally, rooftop solar panels were installed and commissioned at our premises.
- Biogas – We continued the expansion of biogas plants throughout the Group’s operations. We currently run 15 biogas plants in Malaysia, and another four biogas plants across Indonesia and Papua New Guinea.
- Biomass – We explored development opportunities in valorising biomass waste into valuable resources.

PERFORMANCE HIGHLIGHTS

Financial	Non-Financial
Earnings from RE Segment RM8.202 million from land rental and other revenue streams	Savings from Solar/Biogas RM6.189 million
	Solar/Biogas Solar rooftop initiatives contributed to 1,769 tCO ₂ e reduction in 2024. Emissions from effluent treatment was 1,105,018 tCO ₂ e in 2024. Total emissions reductions through biogas initiatives in 2024 was 411,943 tCO ₂ e.

Business Review

Renewable Energy

BUSINESS PERFORMANCE

Pillars	Achievements	Potential Challenges and Mitigation
Solar - Utility scale solar development is actively being explored, in line with SD Guthrie's aspiration to have 1 GW installed capacity. - Installation of rooftop solar panels and off-grid solar with battery storage to reduce the Group's conventional energy and diesel consumption.	CGPP - Developed and secured 15 MW quota for our first solar power plant in Bukit Selarong Estate, Kedah under CGPP. Currently under development and construction, it is expected to be commissioned by Q4 2025. Rooftop Solar - Installed solar system at SD Guthrie International's Port Klang refinery, bringing a cumulative amount of 10 rooftop solar system and an increase of solar capacity to 2.5 MW across the Group's operations. Off-grid Solar - Completed installation and commissioning of 703 kWp solar power system with a 1,605 kWh battery energy storage system for estate consumption at Jelata Bumi estate, Sabah via the build, own, operate, and transfer (BOOT) model.	- The highly competitive environment within the LSS programme has meant that the winning tariffs generate tighter returns when compared to our core palm operations. To participate in the LSS programmes, SD Guthrie has adjusted its expectations on returns given the long-term commitment and minimal counterparty risk. - Effective project execution becomes critical with tighter returns. Building in-house capabilities in large-scale solar and identifying reliable partners and advisors are key in supporting SD Guthrie's long-term success.
Biogas Reduce the Group's Energy and Industrial greenhouse gases emissions and achieve net-zero targets while generating income.	- Installed three additional biogas plants in Malaysia in 2024, bringing the Group's total number of biogas plants in operation to 19 plants¹ with a total capacity of 28.57 megawatt export (MWe). - Commenced construction of the Sangara biogas plant in Papua New Guinea (PNG).	Low processing trend at oil mills will directly impact power generation and revenue from power plants. In response, we will continue to evaluate and explore crop diversion initiatives and increase the supply of outside crops.
Biomass Explore development opportunities in valorising biomass waste into valuable resources, further reducing carbon emissions and working towards a circular economy.	- Completed the Proof-of-Concept on carbon capture sequestration using microalgae technology. The technology aims to reduce carbon emissions from our mill's boiler operations. - To assess implementation based on technical feasibility and commercial viability using cost-benefit analyses in anticipation of possible future carbon pricing mechanisms.	- Nascent technologies that are unproven and may pose challenges in scaling up for commercial applications. - Effective logistics management is essential to ensure cost-efficient aggregation and a reliable supply of feedstock.

OUTLOOK

SD Guthrie RE plays a significant role in advancing the Group's net-zero emissions goals to be a competitive force in the RE sector.

SD Guthrie is exploring all pathways through collaboration with other established solar players to realise our 1 GW aspiration. Collaboration is equally critical to ensure SD Guthrie remains informed of ground-breaking innovation and technologies within the solar space including the critical progress of battery storage systems. Additionally, plans are underway to expand our RE footprint in Indonesia and PNG.

In the area of biogas, SD Guthrie RE will continue to play a pivotal role in diversifying clean energy mix and reducing emissions. By 2030, we aim to have a total of 46 biogas plants.

With our continuous efforts in diversifying our RE mix and growing the Group's new business verticals, we are confident in delivering impact at scale while contributing to a more sustainable future.

¹ 19 biogas plants under different business models: three under JV, seven wholly owned, nine under BOOT.

Business Review

INDUSTRIAL PARK DEVELOPMENT

As we expand our business footprint and diversify our revenue streams, SD Guthrie continues to capitalise on opportunities beyond our core operations. By strategically leveraging our extensive landbank, we are maximising the value of our land assets and creating sustainable, high-value industrial ecosystems.

Guided by a strong emphasis on green infrastructure, we are spearheading the development of next-generation industrial parks that cater to high-demand sectors, including electronics, semiconductors, and halal manufacturing, among others.

2024 OVERVIEW

The development of future-ready industrial parks has emerged as a pivotal driver of economic growth, attracting high-value investments, and enhancing regional competitiveness. In Malaysia, the government's New Industrial Master Plan 2030 aims to accelerate demand for sustainable industrial developments – an ambition that aligns with SD Guthrie's expansion into industrial park development.

KEY INITIATIVES

Proposed collaboration with Permodalan Nasional Berhad (PNB), to co-develop the Kerian Integrated Green Industrial Park (KIGIP) in Perak. KIGIP will have a dedicated green energy supply via its own solar farm. This will attract green electric and electronic (E&E) as well as semiconductor investments.
Potential co-development of HALMAS-certified Managed Industrial Park on 464 acres in Bukit Pelandok Estate, Negeri Sembilan, in collaboration with TH Properties Sdn Bhd. Its prime location offers a logistical advantage for both small and medium enterprises alike.
Potential partnership with AME Elite Consortium Berhad to develop a 641-acre green industrial park in Kulai, Johor, within the Johor-Singapore Special Economic Zone (JS-SEZ). The development will include a dedicated solar farm and facilities customised for high-value industries such as logistics, advanced manufacturing, and clean energy for the JS-SEZ.
A joint development with EcoWorld Development Group Berhad and NS Corporation to develop a 1,195-acre industrial park in Bukit Pelandok, Negeri Sembilan. The park will feature industrial lots, ready-built factories, and commercial properties, in line with Negeri Sembilan's Malaysia Vision Valley 2.0 Master Plan.

OUTLOOK

SD Guthrie's extensive landbank in Malaysia and other business locations provides a strategic advantage, enabling us to create value while promoting environmental sustainability. Looking ahead, we will focus on translating our plans into impactful action. This means close collaboration with various stakeholders ranging from industrial partners, shareholders, and government agencies.

Through these efforts, we aim to drive commercial success while contributing to a sustainable and future-ready industrial landscape.

PERFORMANCE HIGHLIGHTS

Non-Financial

Formalised collaboration
to develop 1,195-acre industrial park with EcoWorld and NS Corporation

Four
Potential collaborations announced

Business Review

RESEARCH AND DEVELOPMENT

At SD Guthrie, Research and Development (R&D) is the driving force behind our commitment to innovation and sustainability. With a global team of over 200 scientists, we develop technologies and solutions that enhance our operations, meet the evolving needs of our customers, and promote sustainable agricultural practices in line with our “Beyond Zero” Framework.

Our R&D strategy focuses on three key priorities:

- Doubling commercial yields by 2050 through improved crop traits, harvesting efficiency, and milling processes
- Realising a 20% increase in fertiliser use efficiency (FUE) by 2040, while improving soil health and advancing environmentally sustainable farming methods
- Fostering growth through downstream innovation by developing new product opportunities and diversifying the agricultural ecosystem

By embracing innovation, collaboration, and responsible practices, we address today’s challenges while shaping a future where agriculture thrives in harmony with nature.

2024 OVERVIEW

- In FY2024, we achieved significant progress across the following key research areas:
- **Biotechnology and Breeding:** We advanced our progress with GenomeSelect® technology to deliver higher oil yields for customers.
 - **Plantation Research and Advisory:** We continued to drive innovation, enhance efficiencies, and strengthen disease resistance in oil palm plantations.
 - **Processing and Engineering:** We improved our milling and oil extraction technologies to optimise efficiency and product quality.
 - **Advanced Mechanisation Technology:** We transformed estate operations with cutting-edge mechanisation to boost productivity in labour-constrained areas.
 - **Oils and Fats:** We enhanced production processes to develop products that fit consumers’ evolving needs.
 - **Product Innovation and Development:** We developed new product blends through our customer-centric approach to meet evolving industry demands.

PERFORMANCE HIGHLIGHTS

Financial

R&D Investment
RM172.9 million

Non-Financial

GenomeSelect® Materials
17,601 hectares
planted since 2016

2.04 million
seeds supplied for replanting

Area Monitored Using Drones
103,000 hectares

Biofertiliser Production
88 MT
of Arbuscular Mycorrhiza Fungi/
Metarhizium bioinsecticide

Implemented Separate Oil
Recovery System (SORS) across
22 mills

BUSINESS PERFORMANCE

Key Initiatives	Achievements	Potential Challenges and Mitigation
Biotechnology and Breeding		
Operational Excellence	Extended genomic technology for improved GenomeSelect® with traits like disease resistance and stress tolerance. The technology is being deployed by New Britain Palm Oil Limited (NBPOL) in Papua New Guinea (PNG) and Minamas Research Centre (MRC) in Indonesia to enhance yield potential.	Disease resistance development and maintaining genetic purity require ongoing R&D investment. In response, we implement DNA testing to ensure seed genetic purity before field planting.
Sustainability	Increased yield potential and avoided deforestation by planting elite materials such as GenomeSelect®, calix600®, and calixQ6™ on existing land.	
Innovation	Halved breeding time for improved oil palm varieties by integrating genomic technology and expediting replanting of elite seeds.	
Plantation Research and Advisory		
Operational Excellence	Adopted hybridised agronomy with Precision Agriculture to improve fertiliser use, disease management, and boost yield in estates.	Limited access to high-quality climate and soil data was addressed by partnering with trusted data providers and implementing robust data validation processes.
Sustainability	Promoted regenerative agriculture and utilised precision farming for disease management. We also conducted research on biodiversity and peat management to support the implementation of SD Guthrie's policy decisions.	
Innovation	Pioneered the adoption of advanced fertiliser technologies and integration of regenerative agriculture practices, while leveraging on integrated AI-guided imaging for precision farming and disease management.	
Processing and Engineering		
Operational Excellence	Developed Rapid Tank with High-Speed Separator (HSS), reducing oil losses to 0.65% and eliminating decanter cake production. A full-scale evaluation is being scheduled for FY2026.	System maintenance and troubleshooting may cause downtime. Regular audits will proactively identify and resolve issues to minimise disruptions.
Sustainability	- Expanded SORS across 22 mills, producing 23,000 MT of Technical Grade Oil. - Commissioned the Oil Recovery System (ORS) at SD Guthrie International Langat Refinery. This reduces the biological and chemical oxygen demand to regulatory limits, while enabling the sludge oil to be recovered as Technical Grade Oil. - Plans are underway to commence a proof-of-concept Zero Liquid Discharge (ZLD) project in Q4 2025 in collaboration with wastewater treatment experts. This initiative aims to treat palm oil effluent to a standard that allows water to be recycled within mills and refineries.	
Innovation	Implemented Digital Twin technology to decrease kernel loss during sampling by 24% and developed a predictive model for press fibre oil loss with 94% accuracy. Initially tested at Sua Betong Mill, the system's success has prompted plans for a full-scale trial of the digital twin at the press station of Tanah Merah Mill, scheduled for 2025.	
Oils and Fats		
Operational Excellence	- Improved quality control across our supply chain, reducing contaminants and addressing Di(2-ethylhexyl) phthalate (DEHP) concerns. - Leveraged technologies such as near-infrared (NIR) sensor for real-time quality monitoring of bleached and refined products.	Meeting evolving food safety standards, while accelerating plant-based product development to meet consumer needs.
Sustainability	Developed plant-based solutions designed to meet consumer demands. This reduces carbon emissions compared to traditional animal-based alternatives.	
Innovation	Introduced plant-based alternatives like low-calorie margarine and produced low 3-MCPD GTE 50 to deliver high-quality food products that meet stringent safety and quality standards.	

Business Review

Research and Development

BUSINESS PERFORMANCE (continued)

Key Initiatives	Achievements	Potential Challenges and Mitigation
Advanced Mechanisation Technology		
Operational Excellence	Successfully trialled Mechanised Rock Phosphate Applicator. The applicator covered a total of 350 hectares, tripling productivity while reducing manpower needs.	Machine adaptability in varying weather conditions will be assessed through continuous testing and iteration.
Sustainability	Enhanced workplace safety by reducing direct contact with fertilisers and improving fertiliser application systems, minimising over-application and conserving resources.	
Innovation	Developed an innovative system to distribute a wide range of fertilisers that are both granular and powder based across estates.	
Product Innovation and Development		
Operational Excellence	Provided technical training and worked together with the commercial team to identify new business opportunities that drive expansion and growth.	Scaling production for new products across a wide range of markets can be challenging. Ongoing investment in production technology and quality control systems will ensure consistency in quality.
Sustainability	Integrated sustainable practices into product development to reduce environmental impact while meeting evolving customer needs.	
Innovation	Successfully commercialised new products, such as butter oil substitute and industrial margarine, to cater to evolving needs of customers.	

OUTLOOK

In the coming year, we will focus on 100% replanting of the Group's oil palm areas with GenomeSelect® seeds, while deepening our plantation research through the exploration of AI-based technologies.

Our team will continue to expand food safety initiatives across our supply chain while creating products that meet evolving market demands. We will further support downstream operations through automation and explore green technologies to enhance our sustainability efforts.

In product innovation and development, we continue to work closely with the commercial team in identifying market opportunities and creating high-value products through a product application-centric approach. This ensures we stay at the forefront of industry trends and consumer preferences. By further tapping on advanced mechanisation technology, we aim to help the Group achieve productivity gains and reach our Land-to-Man Ratio (LMR) target of 17.5 by 2027.

Furthermore, we remain committed to a 20% increase in FUE by 2040 and aim to double the Group's commercial yield by 2050.

Business Review

HUMAN CAPITAL GROWTH

Our people are at the heart of SD Guthrie's transformation journey. We are committed to the professional growth of our employees and equipping them with the skills needed to adapt to new ways of working. Collaboration and synergy are crucial in unifying all business streams under the SD Guthrie brand, enabling us to advance as One Stream. Building on our industry leadership, we have made significant progress in environment, social, and governance (ESG) as well as mechanisation, automation, and digitalisation across our operations.

2024 OVERVIEW

In an ever-changing global landscape, talent development is essential. At SD Guthrie, we continuously invest in upskilling and reskilling our employees to help them thrive in a dynamic environment. Following our rebranding, we remain focused on empowering our workforce, while strengthening the Group's long-term value through our Human Capital Framework, which is built on three key pillars:

- Creating Alignment – Ensuring clarity between strategy and daily operations

- Quality of Execution – Driving effective implementation of strategic initiatives
- Capacity for Renewal – Fostering innovation and equipping employees with future-ready skills

With this structured approach, SD Guthrie continues to develop a workforce that is agile, capable, and aligned with the Group's long-term ambitions.

PERFORMANCE HIGHLIGHTS

Financial		Non-Financial	
Learning and Development Budget	Learning Hours	Lost Time Injury (LTI)	Lost Time Injury Frequency Rate (LTIFR)
RM45 million	212,572 hours	2024: 1,203 hours	2024: 5.9
		2023: 1,729 hours	2023: 8.7

Business Review

Human Capital Growth

BUSINESS PERFORMANCE

Key Initiatives	Achievements
Commitment to ESG	- Aligned our Human Rights Charter (HRC) and Core Values with global principles from the International Labour Organization (ILO), the Universal Declaration of Human Rights (UDHR), and the United Nations Guiding Principles on Business and Human Rights (UNGP). - Implemented the ESG Scorecard to drive behavioural change and act as a check and balance mechanism while measuring success in human rights and climate action initiatives. The Scorecards' focus areas include grievance channels, social dialogue, workplace safety, worker satisfaction surveys, and climate change. - These efforts resulted in a 96.6% satisfaction rate among 24,177 respondents (92% response rate) in the Upstream Malaysia Workers' Satisfaction Survey (WSS). - In FY2024, a total of 7,002 issues were raised through the Social Dialogue platforms in Malaysia and Indonesia, with 94% resolved. The remaining issues primarily concern building and infrastructure, and housing and facilities, which are being actively addressed. - Retaining skilled local workers through fair remuneration and career development.
Employee Listening	- Implemented initiatives for employees based on three pillars: Listening, Engaging, and Nurturing. - Provided platforms for all employee levels (executive, non-executive, and workers) to provide real-time feedback that is analysed and addressed promptly. - Measured employee engagement through an anonymous digital platform, allowing employees to provide feedback in a safe space. The feedback is then used to enhance employee experience, with a strong focus on Diversity, Equity, and Inclusion (DEI).
Talent Management and Development	Project Lokal: - A programme that focuses on upskilling and attracting local talent to the plantation industry in the areas of mechanisation, automation, and digitalisation. - Recruited, trained, and deployed machine specialists across Malaysia, while also strengthening collaborations with Technical and Vocational Education and Training (TVET) institutions as well as other institutions to develop local talent. Building Estates Sustainability & Transformation (BEST) Programme: - Built capabilities in upstream operations to ensure a continuous supply of skilled workforce in Malaysia, Indonesia, and Papua New Guinea. - Collaborated with higher education institutions to co-develop training modules. - Attracted other industry players to enrol their employees in the programme. Graduate Accelerated Programme (GAP): - Successfully developed a global talent pipeline for key roles within the organisation. - Provided structured development programme and career growth opportunities for dynamic, global, young talents. Leadership Development Programmes: - Tailored programmes across all levels and geographical locations to address leadership competency gaps. - Focused on improving successors' readiness and meeting future organisational needs. Learning-on-Demand Platform: - Provided accessible and independent learning for all employees, including those in remote locations. SD Guthrie Protégé Programme: - Supported national agenda for youth empowerment and development by providing graduates with on-the-job training and exposure across various business units.

Key Initiatives	Achievements
Enhance Digital Literacy	SD Guthrie Digital Academy: - Enhanced digital literacy by building data analytics skills among employees. The programmes, which aim to guide employees from awareness to proficiency, helped them adapt to the demands of their roles. - Successfully trained Data Translators globally, bridging technical knowledge and domain expertise to help business leaders address key business challenges using data insights.
Culture Transformation	- Continued to integrate our Purpose, "Care to Nourish, Dare to Flourish," across operations, fostering a unified identity while embracing diverse regional practices. Our culture remains anchored in our core values: Integrity, Respect & Responsibility, Enterprise, and Excellence. - Activated global engagement initiatives, including roadshows and regional site engagements, to bring our purpose to life and strengthen its connection to our identity, encompassing our brand, strategy, and values. - Appointed a diverse team of Change Agents from eight countries to embed purpose-driven behaviours across the organisation. - Encouraged leaders to embody SD Guthrie's identity, bridging gaps, and building trust through employee engagement. - Streamlined communication through a centralised group email, offering engaging mini-contests, newsletters, and video highlights that provide insights on our Purpose & Culture journey while showcasing quick wins and positive outcomes.

OUTLOOK

For the year ahead, SD Guthrie remains committed to nurturing future global leaders and a workforce that embraces new ways of working while advancing mechanisation, automation, and digitalisation across our global operations. 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 dedicated to transforming the livelihoods of our people.



>> Employees' Children Education Excellence Award recognises outstanding achievements of employees' children in the national examinations in Malaysia.

A Summary of Our Sustainability Report

OUR SUSTAINABILITY DISCLOSURE

This Sustainability Statement charts our progress from 1 January to 31 December 2024. Our disclosures are guided by Bursa Malaysia Securities Berhad’s Sustainability Reporting Guide and the Global Reporting Initiative (GRI) Standards.

OUR SUSTAINABILITY GOVERNANCE

SD Guthrie’s Board oversees all sustainability matters and monitors our progress in achieving targets and meeting stakeholder expectations. In shaping a robust sustainability programme, we have integrated sustainability-related Key Performance Indicators (KPIs) into an Environmental, Social, and Governance (ESG) Scorecard for Upstream Malaysia. At the Group level, our Corporate Scorecard incorporates industry benchmarking of sustainability performance into the Group Managing Director’s KPI. The benchmarking incorporates climate action, human rights, supply chain management, and others.

» Refer to pages 14 and 15 of our Sustainability Report for more details.

OUR SUSTAINABILITY STRATEGY

The “Beyond Zero” Framework underscores the Group’s commitment to mitigating negative impacts on people and the planet while driving positive change. This framework supports SD Guthrie’s business growth and creates long-term value for stakeholders through three core pillars: Zero, Restore, and Transform.

ZERO	ZERO EMISSIONS	ZERO HARM	CIRCULARITY
RESTORE	BIODIVERSITY	REGENERATIVE AGRICULTURE	RESTORE & CONSERVE
TRANSFORM	HUMAN, LABOUR & LAND RIGHTS	LIVES & LIVELIHOODS	WORK & LIFE

RESPONSIBLE BUSINESS PRACTICES					
STRONG GOVERNANCE	TRANSPARENT & TRACEABLE SUPPLY CHAIN	RESEARCH & DEVELOPMENT	OPERATIONAL HEALTH & SAFETY	HUMAN RIGHTS	EXCELLENT PRODUCT QUALITY & SAFETY

» Refer to page 12 of our Sustainability Report for more details.

OUR SUSTAINABILITY POLICIES

Our sustainability policies and charters anchor our sustainability efforts. These include our Group Health, Safety and Environment Policy, Group Biodiversity Policy Statement, Responsible Agriculture Charter, and Human Rights Charter, among others.

» Refer to the Reports, Policies and Statement section on SD Guthrie’s website at <https://sdguthrie.com/beyond-zero/resource-centre>

OUR MATERIAL SUSTAINABILITY RISKS AND OPPORTUNITIES

SD Guthrie evaluates sustainability-related risks and opportunities as part of its risk management processes. In FY2024, we further assessed sustainability-related risks and opportunities impacting our short-, medium-, and long-term prospects, while considering our operations, value chain, and stakeholder insights. Climate change remains both a critical risk and an opportunity. Our report also includes other sustainability risks and opportunities relevant to our business.

» Refer to page 16 of our Sustainability Report for more details.

Achieving Targets and Progress

In 2024, SD Guthrie achieved new milestones across the three pillars of our “Beyond Zero” Framework, Zero, Restore and Transform. This demonstrates our commitment to continuous sustainability progress. We regularly assess and refine our objectives, aligning with industry best practices and emerging trends to ensure our goals remain relevant in an ever-evolving landscape.

Commitments	Sustainability Risks and Opportunities	Performance
Zero		
Zero Emissions: Reach net-zero greenhouse gas (GHG) emissions across our value chain by 2050.	- Climate Change and No Deforestation, No Peat, and No Exploitation (NDPE) - Fire and Haze	- Net-zero Progress (compared to FY2020 baseline respectively): - Net total Scope 1 and 2 emissions reduced by 23%. - Net Scope 1 Forest, Land, and Agriculture (FLAG) and Energy and Industrial emissions reduced by 24%. - Our No Deforestation progress stands at 78%, while our No Peat progress stands at 87%.
Zero Harm: Ensure a fully traceable, deforestation-free supply chain by 2025.	- Supply Chain Management - Health and Safety - Product Quality and Safety	Achieved 96.9% traceability to mills and 84.9% to plantations, as well as 100% traceability to plantation for SD Guthrie-owned mills.
Tackling Waste Through Circularity: Maintain circularity in waste streams and develop pathways to minimise other waste.	- Responsible Consumption and Production - Waste and Effluent Management	86% of all energy used in our operations was derived from biomass and biogas. - Effluent intensity: - Malaysia: 0.65 m³/metric tonne fresh fruit bunches (FFB). - Indonesia: 0.67 m³/metric tonne FFB. - Papua New Guinea (PNG)/Solomon Islands (SI): 0.61 m³/metric tonne FFB.
Restore		
Improving Biodiversity: Develop and implement a Biodiversity Conservation Plan by 2025.	- Biodiversity and Conservation - Responsible Consumption and Production - Water Management	Biodiversity Conservation Plan is in progress.
Regenerative Agriculture: Establish and pilot a regenerative agriculture framework for palm oil by 2028.		Regenerative agriculture framework is in progress.
Restoration and Conservation: Restore, rehabilitate or conserve 100,000 hectares by 2030.		- Restoration and conservation: - Reforestation in Malaysia: 434 hectares in 2024. - Protection and restoration of 51,212 hectares across four countries (Malaysia, Indonesia, PNG & SI), within and outside SD Guthrie’s concession area.
Transform		
Promoting Human, Land, and Labour Rights: Advocate for industry-wide progress.	Human Rights and Fair Labour Practices	- Ongoing participation in: Human Resources Ministry events on tackling forced labour. - Chair of Roundtable on Sustainable Palm Oil (RSPO) Human Rights and participation in RSPO Human Rights Working Groups: - Human Rights Due Diligence Sub-Group - Labour Sub-Group

Achieving Targets and Progress

Commitments	Sustainability Risks and Opportunities	Performance
Transforming Lives Through Smallholder Engagement: Support 50,000 smallholders with capacity-building programmes and new livelihood opportunities by 2035.	Community Rights and Development	46,672 smallholders in our supply chain across Malaysia, Indonesia, PNG/SI, and Thailand*. 35,799 smallholders are engaged through capacity building and training programmes. 19,555 smallholders in our supply chain are RSPO certified. <i>* In Thailand, this only includes RSPO-certified smallholders.</i>
Workforce and Community Well-Being: Enhance the quality of life for over 100,000 people across our workforce and communities by fostering growth and offering support at every stage of life.	Diversity and Inclusion	- Indonesia: <i>1,000 Pintu</i> housing project achieved 25% of our total target of 6,890 units by 2032 as of December 2024. - PNG/SI: Commencement of Worker Housing Replacement Project to replace 3,786 units of houses over a span of 15 years. 133 reverse osmosis (RO) water stations set up in all workers' housing in Indonesia.
Responsible Business Practices		
Customer Privacy and Data Protection: Maintain zero non-compliance with data privacy and cybersecurity laws.	Customer Privacy and Data Protection	Achieved zero non-compliance.
Corporate Governance and Anti-Corruption: Assess all operations for fraud and corruption risks.	Governance and Anti-Corruption	Completed anti-corruption assessment covering 100% of the operations.

Performance Data Table

Indicator	Measurement Unit	2022	2023	2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anticorruption by employee category				
Senior Management	Percentage	100.00	100.00	55.00
Management	Percentage	100.00	100.00	43.00
Executive	Percentage	100.00	100.00	36.00
Non-Executive	Percentage	76.00	79.00	3.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	38	27	10
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	80,918,865.00	72,399,562.00	55,368,360.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	62,906	24,526	272,610
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Executive 23 years and below	Percentage	15.30	12.10	14.00
Executive 24-38 years	Percentage	50.40	55.00	52.00
Executive 39-55 years	Percentage	33.40	31.40	33.00
Executive 56 years and above	Percentage	0.90	1.50	1.00
Non-Executive 23 years and below	Percentage	12.90	12.20	14.00
Non-Executive 24-38 years	Percentage	47.30	50.50	54.00
Non-Executive 39-55 years	Percentage	39.40	35.10	32.00
Non-Executive 56 years and above	Percentage	0.50	2.30	1.00
Worker 23 years and below	Percentage	16.60	16.80	19.00
Worker 24-38 years	Percentage	50.80	51.50	54.00
Worker 39-55 years	Percentage	32.50	31.30	27.00
Worker 56 years and above	Percentage	0.20	0.40	0.00
Gender Group by Employee Category				
Executive Male	Percentage	73.00	72.00	72.00
Executive Female	Percentage	27.00	28.00	28.00
Non-Executive Male	Percentage	78.00	75.00	79.00
Non-Executive Female	Percentage	22.00	25.00	21.00
Worker Male	Percentage	81.00	84.00	81.00
Worker Female	Percentage	19.00	16.00	19.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	70.00	67.00	66.00
Female	Percentage	30.00	33.00	33.00
30-50 years	Percentage	0.00	11.00	11.00
Above 50	Percentage	100.00	89.00	89.00
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	11,183,742.00 *	11,426,567.00 *	11,459,559.00
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	5	5	2
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	9.30	8.70	5.90
Bursa C5(c) Number of employees trained on health and safety standards	Number	72,245	71,320	85,571

Internal assurance

External assurance

No assurance

(*)Restated

Performance Data Table

Indicator	Measurement Unit	2022	2023	2024
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Management	Hours	28,964	22,478	23,029
Executive	Hours	57,321	75,717	71,537
Non-Executive	Hours	62,511	96,696	118,006
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	55.00	60.00	18.59
Bursa C6(c) Total number of employee turnover by employee category				
Executive	Number	336*	297	257
Non-Executive	Number	1,478	965	791
Worker	Number	19,641	20,861	16,656
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	97.00	99.00	75.00
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	24,964.528000	23,649.124000	19,481,038.000000
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	177,684.00	182,810.00	225,831.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	15,417.00	15,416.00	83,001.13
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	162,267.00	167,394.00	142,829.87
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	10,569,340.00*	10,245,294.00*	9,398,397.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	164,201.00	167,888.00	187,678.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	8,961,121.00	9,128,227.00	9,031,799.00

Internal assurance

External assurance

No assurance

(*)Restated

Notes:

1. Indicator C1(a)

a. Represents Head Office employees only for FY2022 and FY2023.

b. For FY2023, infographic email blast was considered as one of the modes of training. For FY2024, the numbers reported under training are limited to participants for the Integrity Day events and Code of Business Conduct (COBC) awareness sessions. Nevertheless, infographic email blasts are continued as a communication tool for anti-corruption awareness.

c. For FY2024, the reported numbers were expanded to encompass all employees across all sites, including workers, providing a more comprehensive representation of training participation, whereas, in the previous reporting period, the numbers reported were limited to personnel at the Group Head Office

d. For FY2024, COBC awareness was conducted via e-learning for executives and non-executives, while workers' training was conducted via COBC video sessions held at the Golden Hope Academy or at their respective operating units.

2. Indicator C3(a)

a. For FY2022 and FY2023, employee category by age and employee category by gender excludes PNG and SI, UK and Netherlands due to privacy laws.

b. For FY2024, employee category by age and employee category by gender excludes UK and Netherlands due to privacy laws.

3. Indicators C4(a) unit is in Megawatt-Hours (MWh). The amount in Gigajoules (GJ) - 41,254,412 GJ have been subjected to an external limited assurance by an independent third party, PricewaterhouseCoopers PLT. Please refer to the independent limited assurance report on pages 59 to 62 of the 2024 Sustainability Report.

4. Indicator C6(b) represents Malaysia and Indonesia only, and trainees, contract, and temporary employees are excluded from the total headcount reporting for FY2023 and FY2022.

5. Indicator C7(a) represents Malaysia and Indonesia only for FY2023 and FY2022.

6. Indicators C2 (a) and (b), C3 (a) and (b), C6 (a), (b), (c) and (d), and C8 (a) have been subjected to an internal assurance by Group Corporate Assurance (GCA), a unit under Group Integrity, Governance and Assurance (GIGA).

7. Indicators C11(a), (b) and (c) have been subjected to an external limited assurance by an independent third party, PricewaterhouseCoopers PLT. Please refer to the independent limited assurance report on pages 59 to 62 of the 2024 Sustainability Report. Among the key scope 3 categories included are Purchased Goods and Services, Capital Goods, Fuel and Energy related activities, Upstream Transportation and Distribution and Processing of Sold Products. Two Scope 3 categories are excluded as they are irrelevant to SD Guthrie's operations – Upstream-leased assets and Franchises.

8. Indicator C11(a) for FY2022 and FY2023 are restated.

Corporate Information

BOARD OF DIRECTORS	
Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani Non-Independent Non-Executive Chairman	Dato’ Idris Kechot Independent Non-Executive Director
Datuk Mohamad Helmy Othman Basha Group Managing Director	Dato’ Sri Sharifah Sofianny Syed Hussain Independent Non-Executive Director
Dato’ Halipah Esa Senior Independent Non-Executive Director	Mohd Irwan Ahmad Mustafa Non-Independent Non-Executive Director
Tan Sri Mohd Zuki Ali Non-Independent Non-Executive Director	Jenifer Thien Bit Leong Independent Non-Executive Director
Dato’ Mohd Nizam Zainordin Non-Independent Non-Executive Director	Ahmad Faiz Ahmad Shahrudin Alternate Director to Mohd Irwan Ahmad Mustafa
Datuk Mohd Anwar Yahya Independent Non-Executive Director	

GROUP MANAGING DIRECTOR
Datuk Mohamad Helmy Othman Basha

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

REGISTERED OFFICE
Level 10, Main Block, SD Guthrie Tower
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AUDITORS
PricewaterhouseCoopers PLT
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Chartered Accountants
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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



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

Nationality	Malaysian
Age/Gender	64/Male
Date of Appointment	16 June 2022

Directorships in other listed issuers/public companies:
Listed Issuers
T7 Global Berhad
IHH Healthcare Berhad

Public Companies
Malaysian Rating Corporation Berhad
Cagamas Holdings Berhad
Amanah Saham Nasional 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 in Singapore. In 2017, he was appointed 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



DATUK MOHAMAD HELMY OTHMAN BASHA
Group Managing Director

Nationality	Malaysian
Age/Gender	58/Male
Date of Appointment	1 July 2019

Directorships in other listed issuers/public companies:
Listed Issuers
None

Public Companies
Yayasan Sime Darby

Areas of Expertise:
Plantation, Management and Finance

Relevant Experience
Datuk Mohamad Helmy was formerly the Chief Executive Officer of Highlands & Lowlands Berhad and Guthrie Ropel Berhad. He has also held various senior leadership positions in SD Guthrie’s upstream business and Kumpulan Guthrie Berhad. His multidisciplinary experience and deep industry knowledge are invaluable to the Group as he steers SD Guthrie’s global business towards becoming an industry leader in environmental, social, and governance (ESG) practices and innovation. As Chairman of the Malaysian Palm Oil Board, Datuk Mohamad Helmy plays a pivotal role in shaping the industry’s direction and advancing sustainability initiatives within the country’s palm oil sector.

Industry Background

- Plantation
- Property development
- Oil and gas



DATO’ HALIPAH ESA
Senior Independent Non-Executive Director

Nationality	Malaysian
Age/Gender	75/Female
Date of Appointment	1 September 2020

Directorships in other listed issuers/public companies:
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 SD 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

Board Committees

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



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

Nationality	Malaysian
Age/Gender	62/Male
Date of Appointment	15 January 2025

Directorships in other listed issuers/public companies:
Listed Issuers
None

Public Companies
Pestech International Berhad

Areas of Expertise:
Policy and Regulatory Affairs, Public Administration, and 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.

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	61/Male
Date of Appointment	14 July 2017

Directorships in other listed issuers/public companies:
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	70/Male
Date of Appointment	10 May 2021

Directorships in other listed issuers/public companies:
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 (PwC), 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, and specialist valuation
- Policy and strategy

Board of Directors’ Profiles



DATO’ IDRIS KECHOT

Independent Non-Executive Director

G R S

Nationality	Malaysian
Age/Gender	70/Male
Date of Appointment	29 December 2022

Directorships in other listed issuers/public companies:

Listed Issuers

Kumpulan Fima Berhad

Public Companies

None

Areas of Expertise:

Accounting, Investment and Financial Management, and Banking

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, focussing on industry and sectorial 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 a valuable 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

B N

Nationality	Malaysian
Age/Gender	63/Female
Date of Appointment	29 December 2022

Directorships in other listed issuers/public companies:

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

N R B

Nationality	Malaysian
Age/Gender	44/Male
Date of Appointment	23 August 2023

Directorships in other listed issuers/public companies:

Listed Issuers

None

Public Companies

Amanah Saham Nasional Berhad

Areas of Expertise:

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

Relevant Experience

Encik 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 as an Associate in Assurance Services at PwC, where he rose to become Manager of Corporate Finance in Advisory Services. His tenure at PwC equipped him with a solid foundation in financial management and advisory.

- Industry Background
- Finance
 - Transportation
 - Consumer services
 - Banking
 - Fund management
 - Private equity and infrastructure investments

Board Committees

G GAC

N NRC

R RMC

S SC

B BTC

Denotes Committee Chairman



JENIFER THIEN BIT LEONG

Independent Non-Executive Director

S G

Nationality	Malaysian
Age/Gender	57/Female
Date of Appointment	22 December 2023

Directorships in other listed issuers/public companies:

Listed Issuers

None

Public Companies

UEM Edgenta Berhad
Malaysian Pacific Industries Berhad
AEON Co. (M) Berhad

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



AHMAD FAIZ AHMAD SHAHRUDIN

Alternate Director to Mohd Irwan Ahmad Mustafa

Nationality	Malaysian
Age/Gender	41/Male
Date of Appointment	23 August 2023

Directorships in other listed issuers/public companies:

Listed Issuers

None

Public Companies

None

Areas of Expertise:

Corporate Finance, Strategic Investment, and Plantation

Relevant Experience

Encik Ahmad Faiz currently serves as Vice President of Strategic Investments at PNB. He was previously an Assistant Vice President in Public Equity and Strategic Investments. He has over 16 years of extensive experience within PNB, primarily overseeing PNB’s investments in the Plantation and Property sectors. His strong work ethic has seen him progress through various key departments at PNB, including the Corporate Services Department and Office of the President & Group Chief Executive & Public Equity, where he provided invaluable support and managed the public equity portfolios.

- Industry Background
- Corporate finance
 - Strategic investment
 - Plantation

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;
 - Mohd Irwan Ahmad Mustafa; and
 - Ahmad Faiz Ahmad Shahrudin (Alternate Director to 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 position as Chairman and Independent Non-Executive Director of MARC Ratings Berhad, which serves as a credit rating agency to SD Guthrie.

ii Datuk Mohd Anwar Yahya by virtue of his indirect interest in Mizou Holdings Sdn Bhd, which is a vendor of SD Guthrie and his position as a Director of 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.

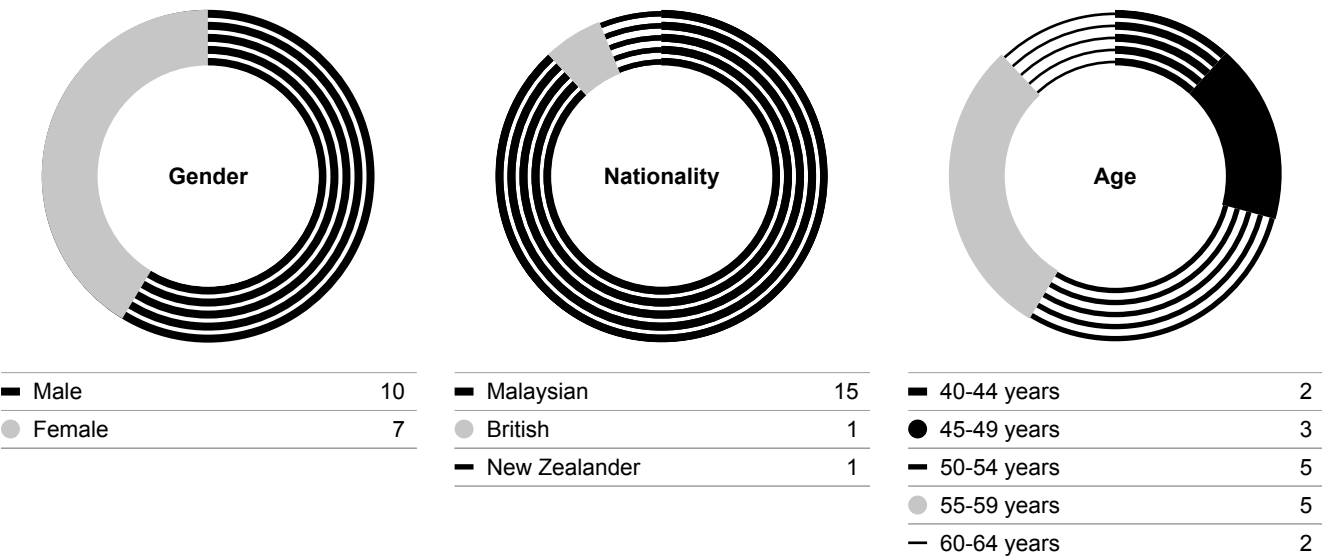
iv Jenifer Thien by virtue of her position as Director of Olam Agri Holdings Limited, which is in the same business sector as SD Guthrie.
- Given the above, the Group maintains independent controls, procedures and safeguards when reviewing transactions as they arise.
4. None of the Directors hold more than five directorships in listed issuers.

5. The details of Directors’ attendance at Board Meetings held in the financial year ended 31 December 2024 are set out in the Corporate Governance Overview Statement on pages 72 to 78.
- » For more information on the Directors’ qualifications and past experiences, refer to the Our Leaders section of SD Guthrie’s website at <https://sdguthrie.com/who-we-are/our-leaders>
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Senior Leadership Team



SD GUTHRIE LEADERSHIP COMMITTEE



Corporate Governance Overview Statement

INTRODUCTION

As a market leader operating in 12 countries and serving a global customer base, SD Guthrie Berhad (*formerly known as Sime Darby Plantation Berhad*) (SD Guthrie) navigates 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 SD 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 have consistently been at the forefront of governance excellence in our industry and remain committed to maintaining this leadership position. By continuously strengthening our governance framework and policies, we aim to set new benchmarks and build a sustainable business that delivers long-term value for all our stakeholders.

KEY GOVERNANCE HIGHLIGHTS

In 2024, we reinforced our commitment to corporate governance through several industry-leading initiatives. Key achievements included:

- Developing the “Beyond Zero” Framework through a rigorous stakeholder engagement process, securing approval from the Group Managing Director, and presenting it to the Board Sustainability Committee.
- Conducting internal and external assurance on sustainability-related disclosures in the Group’s FY2024 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 2024 provides a detailed overview of our application of MCCG 2021 and is available on our website under the Corporate Governance section at <https://sdguthrie.com/who-we-are/corporate-governance>.

This statement is issued in accordance with a resolution of the Board of Directors dated 17 April 2025.

CHANGES TO BOARD COMPOSITION

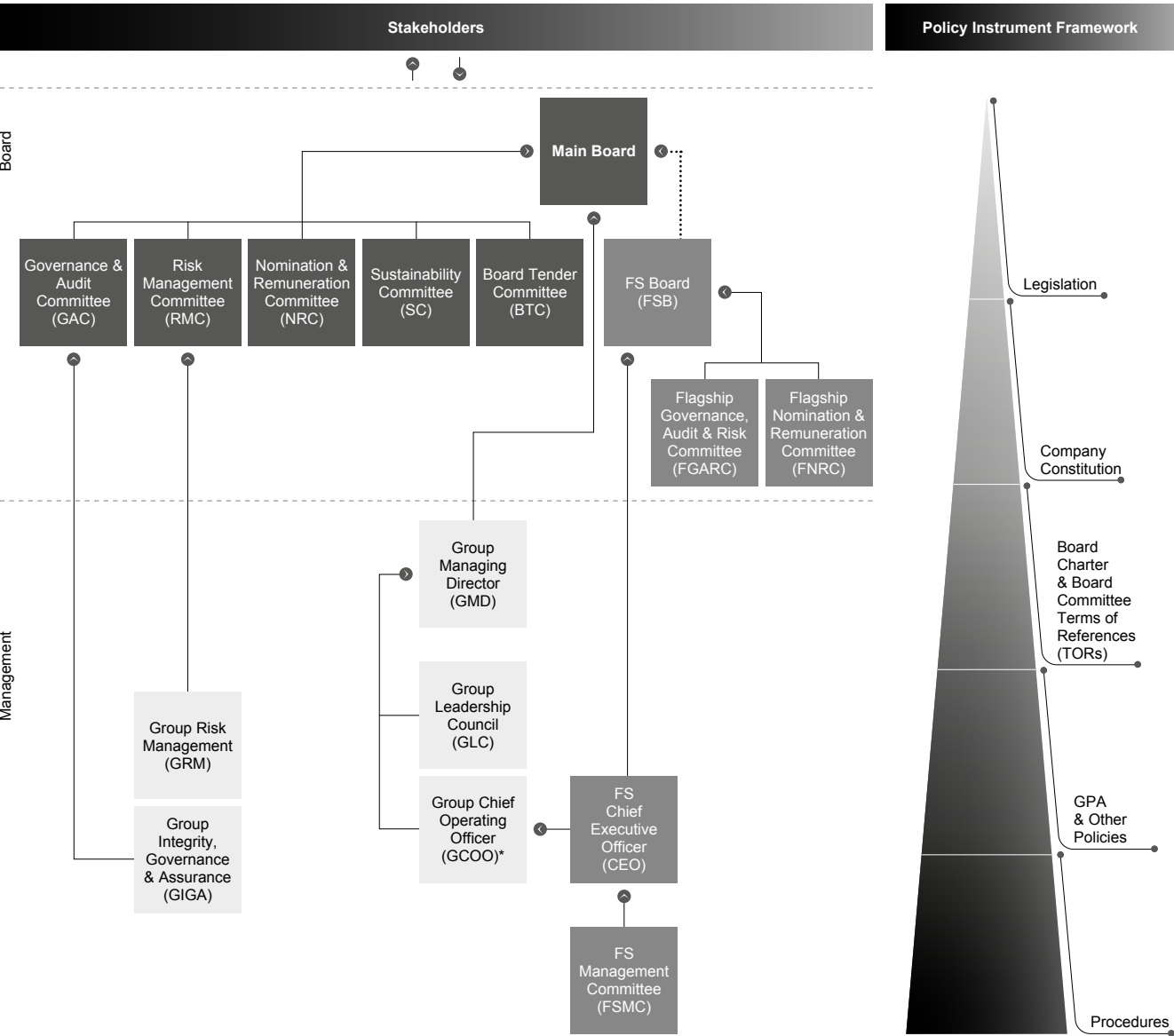
In 2024, Sharifah Sheila Syed Muhamad, a representative of Employees Provident Fund (EPF), was appointed as Non-Independent Non-Executive Director on 5 February and resigned on 19 December. She was succeeded by Tan Sri Mohd Zuki Ali, who was appointed on 15 January 2025.

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).

The diagram below illustrates the Group’s governance structure:



* GCOO is a GLC Member
** Chief Integrity & Assurance Officer (CIAO) and Chief Risk Officer (CRO) report administratively to the GMD and Group General Counsel, respectively
.... The Main Board approves key transactions and strategic decisions of the Flagship Subsidiary in accordance with the Group's Limits of Authority (LOA)

ROLE OF THE BOARD

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 our sustainability journey. Committed to transparency, we provide credible and comprehensive reporting, fostering meaningful engagement with stakeholders on the Group’s strategy, activities and outcomes.

BOARD COMMITTEES

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.

» The TOR for each Board Committee are available under the Corporate Governance section at <https://sdguthrie.com/who-we-are/corporate-governance>

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Roles and Responsibilities

The Board Charter defines the Board's strategic intent, clearly outlining the roles and powers it retains and those delegated to Management. It also establishes the delegation of specific responsibilities to Board Committees, enabling the Board to effectively discharge its duties.

» 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 <https://sdguthrie.com/who-we-are/corporate-governance>

Board Meetings and Attendance

Board and Board Committee Meetings 120 total hours	
GAC	16 hours
NRC	14 hours
RMC	15 hours
SC	13 hours
BTC	5 hours
Board (including Board Retreats)	57 hours

KEY DELIBERATIONS BY THE BOARD

In FY2024, the key deliberations by the Board includes:

Strategy	A session on strategy and business plan by the GMD starts off every quarterly Board meeting to provide the Board with an overview of the Group's strategic progress and current operating environment. Where required, the Board would provide guidance to the GMD to navigate through challenges and seizing opportunities. Two Board Retreats were held in March 2024 and September 2024 with the GLC and Operations Leadership Team. The retreats focussed on market outlook, business performance, upstream and downstream operations, and the Company's strategic shift towards new business verticals, specifically on industrial park development and renewable energy in Malaysia. To strengthen strategic alignment across the Group, the September 2024 retreat was also joined by the Boards of Flagship and Major Subsidiary Companies of SD Guthrie.
Corporate Rebranding	The Board deliberated on the Company's corporate rebranding strategy and evaluated options for a new brand. The Board approved the rebranding of the Company from Sime Darby Plantation to SD Guthrie, marking a significant milestone in our corporate evolution and strategic direction. The Company's new tagline, "Unlocking Nature's Superpower," further reflects its commitment to innovation and sustainability, aligning with the aspiration to expand into new business pillars, particularly industrial park development and renewable energy in Malaysia. This rebranding represents a pivotal transformation beyond the Company's traditional focus on the palm oil industry, reinforcing broader growth ambitions.
New Business Pillars	In line with the rebranding, the Board agreed for the Group to strategically venture into new business pillars, namely industrial park development and renewable energy. During the year, the Board focused on numerous projects relating to the new business pillars including deliberating on the following: a. Planned development of the Kerian Integrated Green Industrial Park in SD Guthrie's Tali Ayer Estate in Perak, which is deemed a national priority project for the Malaysian Government. b. Collaboration with TH Properties Sdn Bhd to develop Malaysia's First Halal Malaysia-certified Managed Industrial Park in SD Guthrie's Bukit Pelandok Estate in Negeri Sembilan. c. Collaboration with AME Elite Consortium Berhad to develop Green Industrial Park in Johor-Singapore Economic Zone in SD Guthrie's Kulai Estate in Johor. d. Collaboration with Eco World Development Group Berhad and NS Corporation to develop an industrial park in SD Guthrie's land located at Bukit Pelandok, Negeri Sembilan. e. Reviewed SD Guthrie's strategy to be involved in renewable energy including deliberating on potential opportunities and partnerships to expand the Company's involvement in Large Scale Solar and Corporate Renewable Energy Supply Scheme (CRESS), moving beyond land leasing for solar energy. » Further details on the new business pillars, refer to the GMD's review and Chairman's Message on pages 8 to 13.
Finance and Business Performance	The Board had in-depth deliberations on the financial and business performance of the Group. 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.
Board Composition	The year saw some changes to the composition of the Board and Board Committees, in particular the change in Nominee Director representing the EPF, following the resignation of Datuk Seri Amir Hamzah Azizan in December 2023 upon his appointment as the Finance Minister II of Malaysia. Sharifah Sheila Syed Muhamad, Nominee Director of EPF, served on the Board from 5 February 2024 to 19 December 2024. She was succeeded by Tan Sri Mohd Zuki Ali, who was appointed to the Board on 15 January 2025. » Further details on the nomination process and appointment, refer to the NRC Report on pages 82 to 86. » 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 meetings on page 74.

The table below provides a breakdown of Directors' attendance at the Board and Board Committee meetings during FY2024:

Directors	Designation/ Independence	Composition	Meeting Attendance*					
			Board	GAC	NRC	RMC	SC	BTC
Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani	Chairman, Non-Independent		10/10					
Datuk Mohamad Helmy Othman Basha	Group Managing Director		10/10					
Dato' Halipah Esa ¹	Senior Independent	N S B	10/10		6/6		5/5	5/5
Tan Sri Mohd Zuki Ali ²	Non-Independent		–					
Dato' Mohd Nizam Zainordin ³	Non-Independent	G R	10/10	7/7	1/1			
Datuk Mohd Anwar Yahya	Independent	R G N	10/10	7/7	6/6	8/8		
Dato' Idris Kechot	Independent	G R S	10/10	7/7		8/8	5/5	
Dato' Sri Sharifah Sofianny Syed Hussain	Independent	B N	10/10		6/6			5/5
Mohd Irwan Ahmad Mustafa ⁴	Non-Independent	N R B	10/10		5/5	8/8		4/5
Jenifer Thien Bit Leong ⁵	Independent	S G	10/10	7/7			5/5	
Sharifah Sheila Syed Muhamad ⁶	Non-Independent	R	9/9			8/8		

Notes:

* Reflects the number of meetings held during the time the Director held office.

¹ Dato' Halipah Esa was redesignated as Member of SC on 15 January 2025.

² Tan Sri Mohd Zuki Ali was appointed to the Board on 15 January 2025.

³ Dato' Mohd Nizam Zainordin resigned as Member of NRC on 5 February 2024 and was appointed as member of RMC on 15 January 2025.

⁴ Mohd Irwan Ahmad Mustafa was appointed as Member of NRC on 5 February 2024.

⁵ Jenifer Thien Bit Leong was appointed as Member of GAC on 5 February 2024 and was appointed as Chairman of SC on 15 January 2025.

⁶ Sharifah Sheila Syed Muhamad was appointed to the Board and as Member of RMC on 5 February 2024. She resigned on 19 December 2024.

Board Committees

G

 GAC

N

 NRC

R

 RMC

S

 SC

B

 BTC Denotes Committee Chairman

Corporate Governance Overview Statement

Board Remuneration Review	In 2023, the Board reviewed the Board Remuneration Framework for Flagship and Major Subsidiary Companies. The review was assisted by a consultant with the aim of ensuring that the level and composition of the remuneration of the Boards of Flagship and Major Subsidiary Companies are aligned with similar businesses in the marketplace and the ongoing rate for comparable roles. The review concluded in 2024, with the Board approving phased remuneration adjustments to be implemented in two phases, effective from 1 July 2024 and 1 July 2025 respectively. The benefits-in-kind (BIK) in the Board Remuneration Framework for the Non-Executive Directors (NEDs) of SD Guthrie was also reviewed in 2024 and approved for adoption effective 1 July 2024. Key revisions made to the BIK include: a. Expanding the provision of Company car for the Chairman to cover electric, internal combustion or hybrid vehicles. b. Enhancing medical benefits in line with current market practices. In 2025, the Board approved the introduction of club membership/privileges for the Chairman as a BIK given his vital role as the public face and spokesperson of the Board. Subject to shareholders' approval, this BIK will take effect on 1 June 2025.
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. Group Policies & Authorities (GPA) b. COBC Handbook c. Group Conflict of Interest Guidelines »» For further details on Governance, Risk and Compliance, refer to the GAC Report on pages 79 to 81, the RMC Report on page 89, and the Statement on Risk Management and Internal Control on pages 90 to 96.
Succession Planning	The Board, together with NRC, ensured that there is an appropriate succession plan for members of the Board and Senior Management. »» For further details on succession planning, refer to the NRC Report on pages 82 to 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 82 to 86.

Board & Directors' Effectiveness Evaluation

The NRC conducts the Board & Directors' Effectiveness Evaluation (BDEE) annually. The findings of the BDEE 2024 included strengths and focus areas for FY2025. 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 82 to 86 and Practice 6.1 of the Corporate Governance Report, available on our website under the Corporate Governance section at <https://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

SD 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 written policies are circulated to employees and stakeholders and are available on 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:

- Code of Business Conduct: 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 Code of Business Conduct: 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 <https://sdguthrie.com/who-we-are/corporate-governance>

Professional Development and Continuous Education

Following the Directors' Training Needs Assessment for FY2024, training areas that were relevant to the focus areas were shared with the Board in 2024. All Directors are encouraged to participate in continuous education programmes, as well as visits to SD Guthrie's various operations to enhance their skills and knowledge, and to ensure that they keep abreast of new developments and legislations 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), except for Tan Sri Mohd Zuki (MAP Part I), and Datuk Mohamad Helmy Othman Basha and Dato' Mohd Nizam Zainordin (MAP Part II). Tan Sri Mohd Zuki, who was appointed on 15 January 2025, will be attending MAP Part I by 15 May 2025 and MAP Part II within 18 months of his appointment. Datuk Mohamad Helmy and Dato' Mohd Nizam will be attending MAP Part II by 1 August 2025.

The Board Education Programme (BEP) commenced with a Pre-Programme Kick-off in September 2024. The BEP is a fit-for-purpose long-term education programme spanning two years, tailored to the aspirations of the new SD Guthrie and how the Board can effectively provide rigour and oversight into new frontiers/growth opportunities. The objectives of BEP include transitioning the Board into a Global Board, enhancing Board dynamics and including Flagship/Major Subsidiary Boards into selected sessions of the BEP to drive alignment.

The NRC has also identified areas of interest from the Directors' Training Needs Assessment for FY2025, 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 <https://sdguthrie.com/who-we-are/our-leaders> and the NRC Report on pages 82 to 86 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 2024, available on our website under the Corporate Governance section at <https://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 FY2024 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 FY2024, refer to Practice 8.1 of the Corporate Governance Report, available on our website under the Corporate Governance section at <https://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.

Corporate Governance Overview Statement

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Governance & Audit Committee

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 FY2024, the GAC convened seven meetings, where they discussed key governance matters, audit initiatives and issues across the Group. The committee also reviewed significant topics, including financial reporting issues, important judgements made by Management, material and unusual events or transactions, and how these matters were addressed.

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, assurance, integrity and governance functions.

» For further details on the GAC's role and activities, refer to the GAC Report on pages 79 to 81 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 2024, available on our website under the Corporate Governance section at <https://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 in maintaining the right 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 90 to 96 of this Integrated Report, and Practices 10.1, 10.2 and 10.3 of the Corporate Governance Report 2024, available on our website under the Corporate Governance section at <https://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 Annual General Meeting (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 FY2024 has been prepared with reference to the GRI 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 sent to shareholders in hardcopy or electronic form at least 28 days before the AGM. Shareholders will be provided with a designated website link to access and download the Notice of AGM and the Integrated Report, with an option to request a hardcopy.

The AGM 2025 will be held through a hybrid mode where shareholders, proxies, corporate representatives and attorneys 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 and Senior Management 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 2024 under the Corporate Governance section, both available on our website at <https://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 page 74.

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 is a former key audit partner 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 and performance, internal audit and assurance, integrity and governance functions, external audit matters, related party transactions, share issuance schemes, and overall controls and governance.

» The Committee's roles and functions are outlined in their Terms of Reference (TOR) which is available under the Corporate Governance section of SD Guthrie's website at <https://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 external 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. - Reviewed and approved revisions to the Group Finance Manual. - Deliberated on the proposed dividends and recommended them for Board approval.
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 FY2024. - 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 FY2024.
Internal Audit	- 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 Group Corporate Assurance Plan (GCA) (the Plan) for FY2024, assessing the adequacy of resources in fulfilling the Plan. - Reviewed the internal audit reports issued by GCA and tracked audit progress against the Plan. - Assessed the CIAO's performance, including proposed Key Performance Indicators (KPIs) and achievement levels. - Conducted an annual assessment of the corporate assurance function to ensure its purpose, authority, and responsibilities remained adequate to achieve set objectives.

Governance & Audit Committee Report

Integrity & Governance	- Reviewed and approved the Group Integrity & Governance Plan for FY2024, outlining key initiatives, activities, and required resources. - Reviewed and recommended revisions to the Code of Business Conduct (COBC) Handbook, Vendor Code of Business Conduct (VCOBC), the Group Conflict of Interest (COI) Guidelines, and the Group Policies & Authorities for Board approval. - 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 37001:2016 (Anti-Bribery Management System) certification requirements. The GAC was also kept informed of 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 whistleblowing investigation outcomes to ensure independent assessments were conducted and appropriate follow-up actions taken as well as monitored statistics on whistleblowing complaints. - Oversaw the Group's prioritised compliance areas through self-attestation by Management regarding known non-compliance incidents and corrective actions taken. - Reviewed quarterly Whistleblowing and Non-Whistleblowing investigation reports issued by Group Fraud & Corruption Risk Management (GFCRM). - Conducted an annual assessment of the integrity and governance function to ensure its purpose, authority, and responsibilities remained adequate to achieve set objectives.
Related Party Transactions (RPTs) and Recurrent Related Party Transactions (RRPTs)	- Reviewed the Group's related party disclosures, including RPTs and RRPTs to ensure compliance with MFRS 124, the MMLR, the Malaysian Companies Act 2016, and the Group's internal guidelines. - Approved revisions to the Internal Guidelines on RPT.
Conflict of Interest	- 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, and potential investment 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 a RPT were managed in compliance with the Companies Act 2016, the MMLR, and the Internal Guidelines on RPT. - 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 2024, for the Board's approval: - The Corporate Governance Report - The Corporate Governance Overview Statement - The Governance & Audit Committee Report - The Statement on Risk Management and Internal Control
Other Matters	- As a standing agenda, the following reports were presented to the GAC for noting: - Report on hedges and open positions - Appointments of financial advisors for non-audit services - Investment Tracking Report

GROUP INTEGRITY, GOVERNANCE & ASSURANCE

1. Overview

The Group Integrity, Governance & Assurance (GIGA) function comprises GCA and Group Integrity & Governance (GIG). GIGA operates an independent function led by the CIAO, Suhailah Mohamed Abdulla, who reports functionally to the GAC and administratively to the Group Managing Director. Suhailah is a Certified Fraud Examiner, a Certified Integrity Officer, 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 25 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. Group Corporate Assurance

GCA 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 ensures that its internal auditors remain free from any conflicts of interest while performing their duties.

During FY2024, 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, and Papua New Guinea & Solomon Islands, as well as Head of GCA IT & Data Analytics, all of whom report to the CIAO. GCA IT & Data Analytics manages an in-house data analytics unit to enhance audit processes through advanced analytics. Operational costs incurred by GCA for FY2024 amounted to approximately RM14.6 million, primarily comprising staff costs (65 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.

On 2 December 2024, GCA received the Exemplary Engagement Award (Category 1) from the Institute of Internal Auditors Malaysia, recognising its strong commitment to Continuous Professional Development (CPD) Programmes for 2022 and 2023.

3. Group Integrity & Governance

GIG oversees whistleblowing (complaints management), investigations (detection and verification), integrity enhancement, and governance for the Group. On 29 February 2024, the Group received the highest accolade – the Platinum Award – at the Integrity, Governance, and Anti-Corruption Awards (AIGA) 2023. Organised by the Malaysian Institute of Integrity, AIGA is a prestigious platform that recognises outstanding efforts in promoting integrity within both the public and private sectors in Malaysia.

Group Compliance

Group Compliance (GCO) provides compliance assurance and advisory support to ensure that the Group's operations adhere to regulatory requirements, internal policies and procedures, the COBC, and standards of good business practice. The GCO Framework is based on ISO 37301:2021 – Compliance Management System, outlining the foundations and organisational structures for designing, implementing, monitoring, reviewing, and continuously improving compliance management across the Group.

Details of key GCO activities, including policy instruments, COBC, Control Self-Assessment, Anti-Corruption Compliance, and whistleblowing, are provided in the Statement on Risk Management and Internal Control on pages 90 to 96.

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, in collaboration with GCO, conducts 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 2016 (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 17 April 2025.

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 74.

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 (*formerly known as Sime Darby Plantation Berhad*) (SD 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 <https://sdguthrie.com/who-we-are/corporate-governance>

OUR FOCUS AND ACTION PLANS

In FY2024, the significant initiatives and matters deliberated by the NRC include:

Nomination Activities

Nomination and Appointment	The NRC deliberated on appointments and changes to the composition of the Board and Board Committees, including those of Flagship and Major Subsidiary Companies. On 5 February 2024, Sharifah Sheila Syed Muhamad was appointed a Non-Independent Non-Executive Director (NED). She is a Nominee Director of the Employees Provident Fund (EPF). Following her resignation on 19 December 2024, Tan Sri Mohd Zuki Ali, Chairman of EPF, was appointed to the Board on 15 January 2025 as Nominee Director of EPF. » The profile of Tan Sri Mohd Zuki Ali is available on page 67. » Further details on the Nomination and Recruitment Process and Board Composition and Diversity are provided on pages 83 and 84, respectively. In line with the transition of PT Minamas Gemilang & PT Anugerah Sumbermakmur (Minamas) into a flagship subsidiary, the NRC ensured that Minamas has a strong board and structure in place to thrive. The NRC deliberated and recommended the establishment of an NRC at the Minamas Board level, changes to the Minamas Board of Commissioners, enhancements to the Minamas Governance, Audit & Risk Committee, as well as changes to key management positions within Minamas.
Board & Directors' Effectiveness Evaluation (BDEE)	In FY2024, the NRC reviewed the follow-up actions from the BDEE 2023. This included identifying the desired skillsets and experience for appointing a new Independent NED, overseeing management succession planning, and improving boardroom administration. The BDEE 2023 also strengthened NRC oversight of senior management succession and talent management; led to the adoption of the Guidelines on Alternate Directors; and facilitated engagement sessions between the SD Guthrie Board, and the Chairmen and Chief Executive Officers of Flagship and Major Subsidiary Companies. The NRC finalised the assessment criteria and agreed to conduct the BDEE 2024 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 GAC. The findings of the BDEE 2024, presented to the NRC and Board in 2025, included strengths and focus areas for FY2025. The evaluation reflected satisfactory performance by the Board and its Committees. All Directors have responded that they are fit and proper. » Detailed information on the BDEE 2024, including assessment criteria and findings, are disclosed in Practice 6.1 of the Corporate Governance Report under the Stock and Shareholder Information section at https://sdguthrie.com/investor-relations/stock-and-shareholder-information

Board Policies and Guidelines	In addition to the Guidelines on Alternate Directors, the NRC also reviewed and recommended the revision or adoption of several policies and guidelines, including the Board Composition Policy and the Guidelines on Board Membership of Employees.
Succession Planning	The NRC reviewed the reassessment outcomes of L1 (direct reports to Group Managing Director (GMD)) successors to supplement readiness and suitability profiles. The assessment, conducted via the Behavioural Event Interview (BEI) approach, validated data from competency assessments, covering personality traits, cognitive abilities, and situational judgement. Insights gathered were translated into targeted development initiatives for successors, incorporating exposure opportunities, executive coaching, and participation in executive education programmes.

Remuneration Activities

Board Remuneration	The NRC reviewed and recommended the remuneration of 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 https://sdguthrie.com/investor-relations/stock-and-shareholder-information In FY2023, the NRC initiated a review of the Board Remuneration Framework for Flagship and Major Subsidiary Companies. The review concluded in 2024, with the Board approving two phased remuneration adjustments, effective from 2024 and 2025 respectively. The NRC viewed that it was important for the Flagship and Major Subsidiary Companies' Boards to be remunerated competitively based on their roles and responsibilities to attract the right talent of high calibre considering the performance of the companies, their business direction, aspirations and expectations of future growth. This was also in line with plans to transition all Major Subsidiary Companies into Flagship Subsidiary Companies. In 2024, the NRC reviewed and proposed revisions to the benefit-in-kind (BIK) for SD Guthrie's Board to ensure competitiveness and clarity. Key revisions included: a. Expanding the provision of a Company Car for the Chairman to cover electric, internal combustion, or hybrid vehicles. b. Enhancing medical benefits in line with market practices. These revisions were approved by shareholders at the 2024 AGM and took effect on 1 July 2024. Given the vital role of the SD Guthrie Chairman as the public face and spokesperson of the Board, the NRC has also recommended introducing Club Membership/Privileges as a new BIK for the Chairman in February 2025. The Board agreed, and shareholders' approval will be sought at the upcoming AGM. If approved, this benefit will take 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 Board approval.
Senior Management Remuneration and Renewals	The NRC recommended for Board approval the salary increments, bonus proposals and contract renewals for GMD's direct reports.

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

Nomination & Remuneration Committee Report

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 met the required fit and proper criteria.

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 SD 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
Tan Sri Mohd Zuki Ali	Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani Datuk Mohamad Helmy Othman Basha Dato' Mohd Nizam Zainordin

» The profiles of the above Directors are available in the Board of Directors' Profiles section on pages 66 to 69.

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.

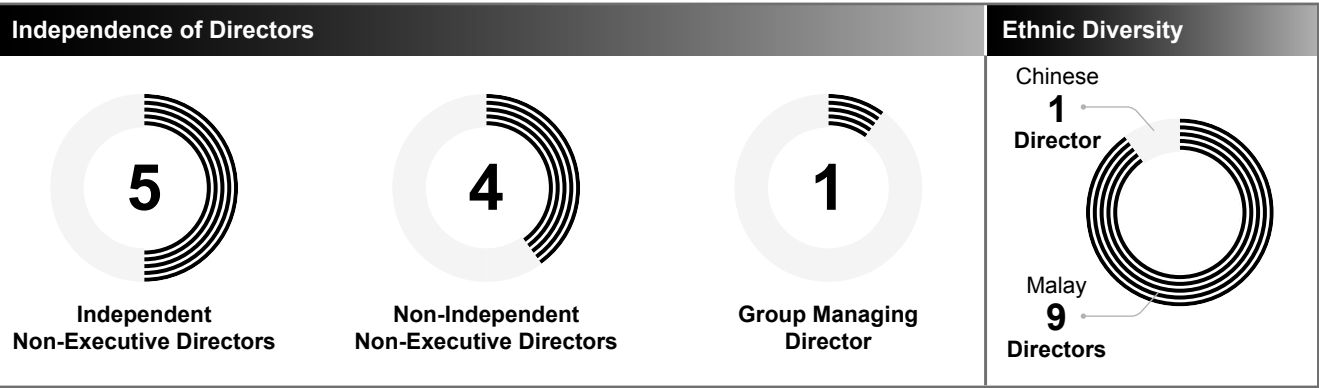
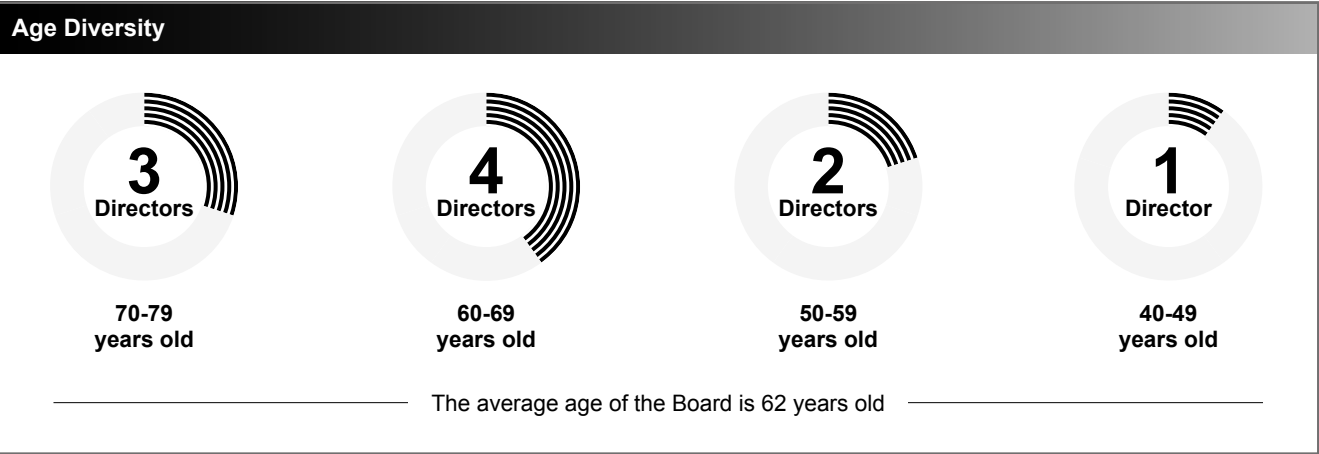
The Board's current diversity against the Policy is as follows:

- 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 that will create a balance between maturity and experience with an injection of energy and a greater level of flexibility and adaptability to reinvigorate 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. It continues to identify and recommend qualified candidates for appointment as Independent NED(s) for the Board's consideration and approval.

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



Note: As at 17 March 2025

» The profiles of the Board of Directors are available on pages 66 to 69 of this Integrated Report.

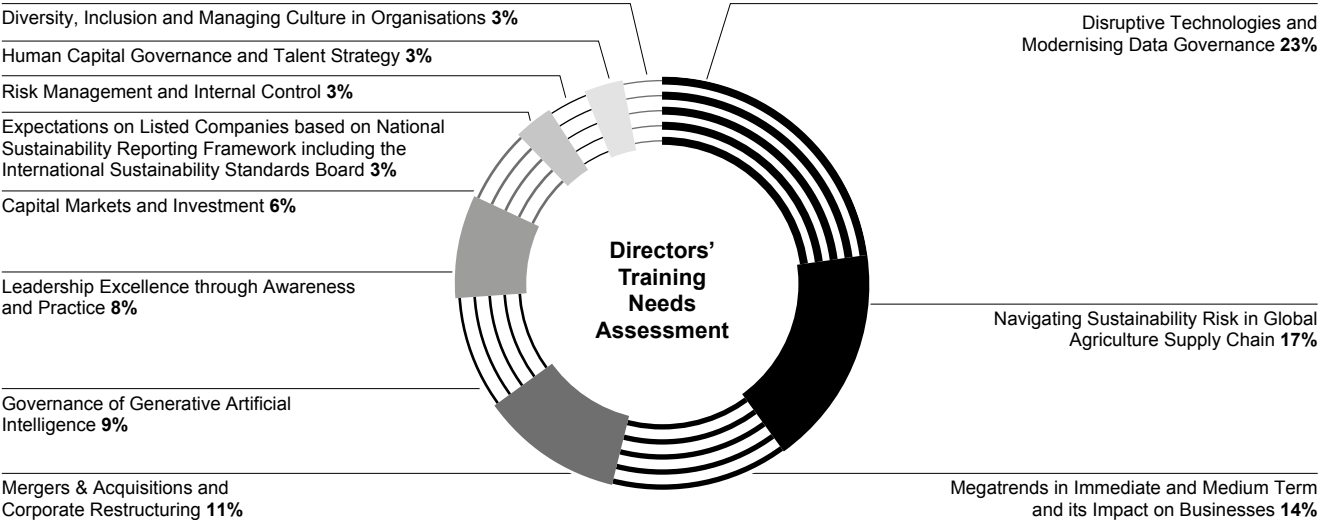
The Board Composition Policy is implemented and monitored by the NRC to ensure continuous progress towards the achievement of the Board's diversity objectives.

» Salient features of the Board Composition Policy are available in the Corporate Governance section at <https://sdguthrie.com/who-we-are/corporate-governance>

Nomination & Remuneration Committee Report

DIRECTORS' TRAINING NEEDS ASSESSMENT

The Directors' Training Needs Assessment conducted in 2024 gathered input from all Directors on priority training areas for FY2025. The following areas of interest were identified:



Training programmes relating to these focus areas will be monitored and shared with/recommended to the Board as part of ongoing development efforts.

- » For details of the training and continuous education programmes attended by each Director, refer to the Board of Directors' profiles under Our Leaders section at <https://sdguthrie.com/index.php/who-we-are/our-leaders>
- » The Directors' individual areas of expertise are in the Board of Directors' Profiles section on pages 66 to 69 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 candidates to strengthen Board independence and maintain a majority of Independent Directors, fostering greater objectivity in boardroom deliberations.
- ii. **Board Composition Review** – the NRC will commence a comprehensive review of the composition of the Main Board, Flagship Subsidiary Board and Major Subsidiary Boards in 2025. This review ensures the skills, experience, and core competencies of Directors/Commissioners remain balanced and relevant. The NRC will assess the need for new skills and perspectives, refreshing the Boards where necessary, to future-proof leadership and enhance boardroom dynamics and effectiveness.
- iii. **Board Education** – the Board Education Programme (BEP), launched in 2024, is a long-term initiative designed to strengthen the Board's capability in providing rigorous oversight and navigating new growth opportunities. The first session was held in February 2025, with additional sessions planned. The NRC will continue to oversee the BEP's progress and impact in reframing perspectives, long-held beliefs and norms about boards and supporting SD Guthrie's transition into a Global Board.
- iv. **Strengthening Talent Management** – SD Guthrie will continue to bolster its talent management in FY2025, focusing on expanding its talent pool, enhancing capabilities, and building a strong succession pipeline. A review of the Talent Management Framework will also be conducted to align with market advancements and best practices.

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 page 74.

OUR ROLES AND FUNCTIONS

The SC is committed to ensuring that the Group operates in line with its sustainability objectives – contributing to a better society, combatting climate change, and advancing sustainable development.

- » The Committee's roles and functions are outlined in its Terms of Reference (TOR), which is available under the Corporate Governance section on SD Guthrie's website at <https://sdguthrie.com/who-we-are/corporate-governance>

OUR FOCUS AND ACTION PLANS

The SC closely reviewed the sustainability performance of material sustainability issues impacting SD Guthrie's operations 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 FY2024 were as follows:

1. **Reviewing the Group's Sustainability Strategy and Disclosures**

The SC deliberated extensively on the Group's sustainability approach to ensure alignment with stakeholder expectations. These included:

a. Reviewing and providing feedback throughout the development of SD Guthrie's "Beyond Zero" Framework to ensure it reflects the Group's holistic sustainability approach, and reinforces its leadership position.

b. Engaging directly with stakeholders to gather insights and perspectives on sustainable palm oil and industry developments. In FY2024, our external engagements included shareholders, financial institutions and civil society organisations.

c. Reviewing all sustainability-related disclosures in the Group's FY2023 Annual Report, Sustainability Report, and Modern Slavery and Human Trafficking Statement.

» Further details of SD Guthrie's "Beyond Zero" Framework, launched in 2024, can be found in the Sustainability Report page 12.
2. **Monitoring Progress of the Group's Climate Action**

Recognising climate change as a material issue and a key area of stakeholder interest, the SC continues to monitor the progress of the Group's climate efforts. These included:

a. To review the progress of the Renewables Business of the Group, which includes the development of methane capture plants, solar projects and other renewables related initiatives.

b. Monitoring the progress of climate-related strategies, which includes ongoing reforestation efforts and progress in achieving a deforestation-free supply chain.

c. Reviewing and deliberating the Group's climate-related disclosures to ensure alignment with globally recognised standards and guidelines, such as the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations.

d. Deliberating the outcomes of the limited external assurance process conducted on the Group's FY2023 climate data.

» Further details of the Group's progress on climate action and disclosures can be found in the Sustainability Report, pages 17 to 29.

3. **Enhancing Practices Around Human and Labour Rights**

The SC closely deliberated and monitored material matters related to human and labour rights. These included:

a. Monitoring the progress of labour practice assessments and enhancements at operations in Indonesia, Papua New Guinea and Solomon Islands.

b. Reviewing the effectiveness of enhancements implemented in Malaysia, such as the Responsible Recruitment Procedures and Grievance Mechanisms.

c. Overseeing the implementation of Occupational Safety and Health policies and procedures across the Group, including detailed reviews of all fatality incidents during the year.

» Details of the Group's initiatives on human and labour rights can be found in the Sustainability Report, pages 43 to 45.
4. **Ensuring a Sustainable Supply Chain**

The SC also reviewed and monitored the Group's efforts in managing supply chain sustainability risks. These included:

a. Monitoring progress in improving supply chain traceability and compliance with the Group's No Deforestation, Peat and Exploitation (NDPE) commitments across our supply chain.

b. Reviewing ongoing smallholder inclusion programmes, including briefings by civil society partners on project progress, challenges and implementations in Malaysia.

c. 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).

» Further details on the Group's supply chain sustainability initiatives can be found in the Sustainability Report, pages 30 to 32.

OUR PRIORITIES

In FY2025, 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.** Following the framework's launch in 2024, the Group would need to ensure that it demonstrates progress against its climate, nature and people ambitions. The SC will work closely with Management to ensure that public disclosures are credible and supported by robust data.
- **Enhancing supply chain risk management.** With supply chain sustainability remaining a key area of scrutiny, the SC will continue to work with Management to ensure supply chain sustainability risks are adequately mitigated. This includes tracking readiness for compliance with the EUDR, which has now been delayed to end-2025.
- **Strengthening External Stakeholder Engagement.** Recognising the evolving sustainability landscape, the SC will continue to work with Management in engaging stakeholders to better understand expectations, emerging trends, and regulatory developments.
- » Further details of the Group's sustainability highlights can be found on page 9 of the Sustainability Report.

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 74.

OUR ROLES AND FUNCTIONS

The BTC oversees and governs the Group's procurement and tendering processes, ensuring transparency, accountability, and value creation at every stage. It plays a pivotal role in upholding strong governance standards, ensuring compliance with the Group Procurement Policies and Authorities (GPPA) and regulatory requirements, and safeguarding the Company's best interests in all procurement-related decisions.

By diligently fulfilling these responsibilities, the Committee strengthens the Group's procurement governance framework, enhances operational efficiency, and promotes ethical and responsible procurement practices. These efforts contribute to cost optimisation, risk mitigation, and supply chain resilience, ultimately supporting the Company's long-term growth, sustainability and stakeholder trust.

» The Committee's roles and functions are outlined in their Terms of Reference (TOR) which is available under the Corporate Governance section on SD Guthrie Berhad's website at <https://sdguthrie.com/who-we-are/corporate-governance>

OUR FOCUS AND ACTION PLANS

In FY2024 the significant initiatives and matters deliberated by the BTC include:

- **Enhancing Procurement Governance and Efficiency**
Reviewed and enhanced the GPPA to ensure greater transparency, efficiency and governance. The revisions align with industry best practices, strengthen compliance frameworks, and support cost-effective and ethical procurement decisions across SD Guthrie.
- **Enhancing Supply Chain Resilience through Strategic Sourcing**
Through proactive planning and inclusive engagement with key stakeholders, SD Guthrie has successfully implemented a strategic sourcing framework that secures alternative materials from multiple suppliers. This initiative significantly mitigates the risks posed by global supply chain disruptions, ensuring operational continuity and efficiency. By diversifying supply channels, and strengthening supplier relationships, the Company reinforces its supply chain resilience, reduces exposure to external shocks, and upholds business performance – aligning with our long-term strategic priorities.
- **Enhancing Cost Efficiency and Procurement Excellence**
Standardised specifications, optimised procurement volume and implemented highly competitive negotiation strategies to secure the best value for SD Guthrie. These measures enhance cost efficiency, improve procurement effectiveness and strengthen the Group's overall supply chain management.
- **Strengthening Bumiputera Empowerment Agenda**
Successfully increased Bumiputera participation, with over 30% of SD Guthrie's approved vendors now comprising registered Bumiputera vendors. This milestone reflects the Company's commitment to fostering inclusive economic growth and supporting the development of Bumiputera enterprises within its supply chain.

- **Empowering Bumiputera Entrepreneurs for Sustainable Growth**
Established and expanded the Bumiputera Entrepreneur Development Programme (BEDP) to empower aspiring Bumiputera entrepreneurs in agricultural ventures on Tenaga Nasional Berhad rentice land within SD Guthrie estates across Peninsular Malaysia. The BTC also ensured the BEDP and Vendor Programme objectives were met through strict monitoring of the performance and track records of participating companies/vendors.
- **Engagement with Entrepreneurs and Vendors**
Organised Hari Usahawan dan Vendor 2024 on 21 October 2024 to showcase SD Guthrie's ongoing BEDP initiatives, supporting the Government's vision to strengthen food security.
- **Summary of Tender Reviewed and Deliberated by BTC**
During the year, the BTC reviewed and deliberated on the following tenders:
 - Transportation of Fresh Fruit Bunches for SD Guthrie's Peninsular Malaysia and Sabah Estates.
 - Appointment of Deloitte Indonesia to assist in the Application for Import Duty Exemption at PT SD Guthrie International Sei Mangkei Refinery (formerly known as PT Sime Darby Oils Sei Mangkei Refinery).
 - Appointment of Ernst & Young Malaysia for Market Research on Data Centres as part of SD Guthrie's Land Strategy.
 - Supply of fertiliser for Plantation Upstream Malaysia and Supply of Muriate of Potash for SD Guthrie Agri Bio Sdn Bhd (formerly known as Guthrie Agri Bio Sdn Bhd) (SD Guthrie Agri Bio) for the period from July to December 2024 and January to June 2025.
 - Supply of fertiliser for Plantation Upstream Indonesia for the period from January to December 2025.
 - Supply of fertiliser to New Britain Palm Oil Limited (NBPOL) in Papua New Guinea (PNG) & Solomon Islands for the period from January to December 2025.
 - Supply of fuel for NBPOL for the period from January to December 2025 in PNG.

OUR PRIORITIES

The BTC remains steadfast in its commitment to ensuring that the Group's procurement of goods and services for key contracts and tenders is conducted with the highest standards of transparency, objectivity, and fairness. By upholding strong governance, ethical sourcing, and competitive procurement practices, the BTC ensures that all procurement activities contribute to the Group's long-term value creation and operational efficiency.

A key priority for the BTC is to ensure that the procurement of all contracts adheres strictly to the GPPA, maintaining compliance, accountability, and strategic alignment with the Group's overall business objectives. Additionally, the BTC places a strong emphasis on cost optimisation, seeking to maximise value while balancing quality, sustainability and financial prudence.

Looking ahead, the BTC remains focused on driving sustainable value creation for SD Guthrie, ensuring that procurement strategies continue to enhance business resilience, stakeholder confidence, and long-term growth in an evolving global landscape.

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 74.

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 Group Risk Management Framework (GRMF) incorporates the necessary policies and mechanisms to manage the Group's overall risk exposure.

The RMC evaluates the adequacy and effectiveness of the GRMF 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 on SD Guthrie's website at <https://sdguthrie.com/who-we-are/corporate-governance>

OUR FOCUS AND ACTION PLANS

In FY2024, 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 Group Risk Management activities, including:

Enterprise Risk Management

- Issuing fortnightly key risks perspective newsletters
- Deep-dive risk assessments of critical risk areas
- Evaluating risks associated with new investments or divestments
- Updating and establishing new risk profiles through assessment and by conducting risk workshops
- Reviewing project risks for previously approved investment initiatives
- Conducting stress testing simulations
- Updating the Risk Management Standard
- Strengthening a risk-aware culture through employee risk newsletters on active risk management and the Group's risk management methodology

Business Continuity Management

- Developing and testing Business Continuity Plans (BCPs) for downstream operations
- Establishing BCPs for upstream operations
- Organising Business Continuity Management refresher sessions and updating existing BCPs

- 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 GRMF 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, enhancing the Group's resilience in an evolving risk landscape.

Statement on Risk Management and Internal Control

INTRODUCTION

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 for the financial year under review.

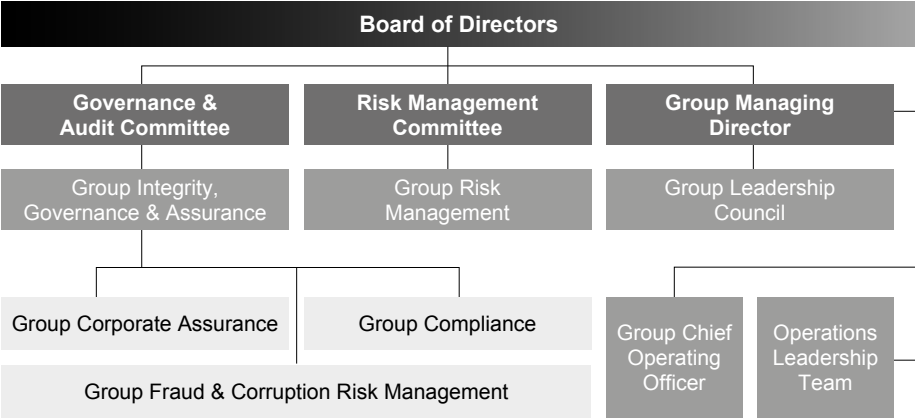
RESPONSIBILITIES AND ACCOUNTABILITIES

SD Guthrie's robust governance structure provides a system of checks and balances, to ensure accountability and foster informed decision-making, while creating long-term value for our stakeholders. In navigating the challenges of 2024, our integrated ecosystem of governance, risk management, and internal controls has enabled the Group to address challenges effectively and deliver sustainable value to our stakeholders, in line with our commitment to transparency, integrity, and ethical practices.

RISK MANAGEMENT

Risk Management Governance Structure

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



» For more information on our governance structure, refer to the Corporate Governance Overview Statement on pages 72 to 78, the Governance & Audit Committee Report on pages 79 to 81, and the Risk Management Committee Report on page 89.

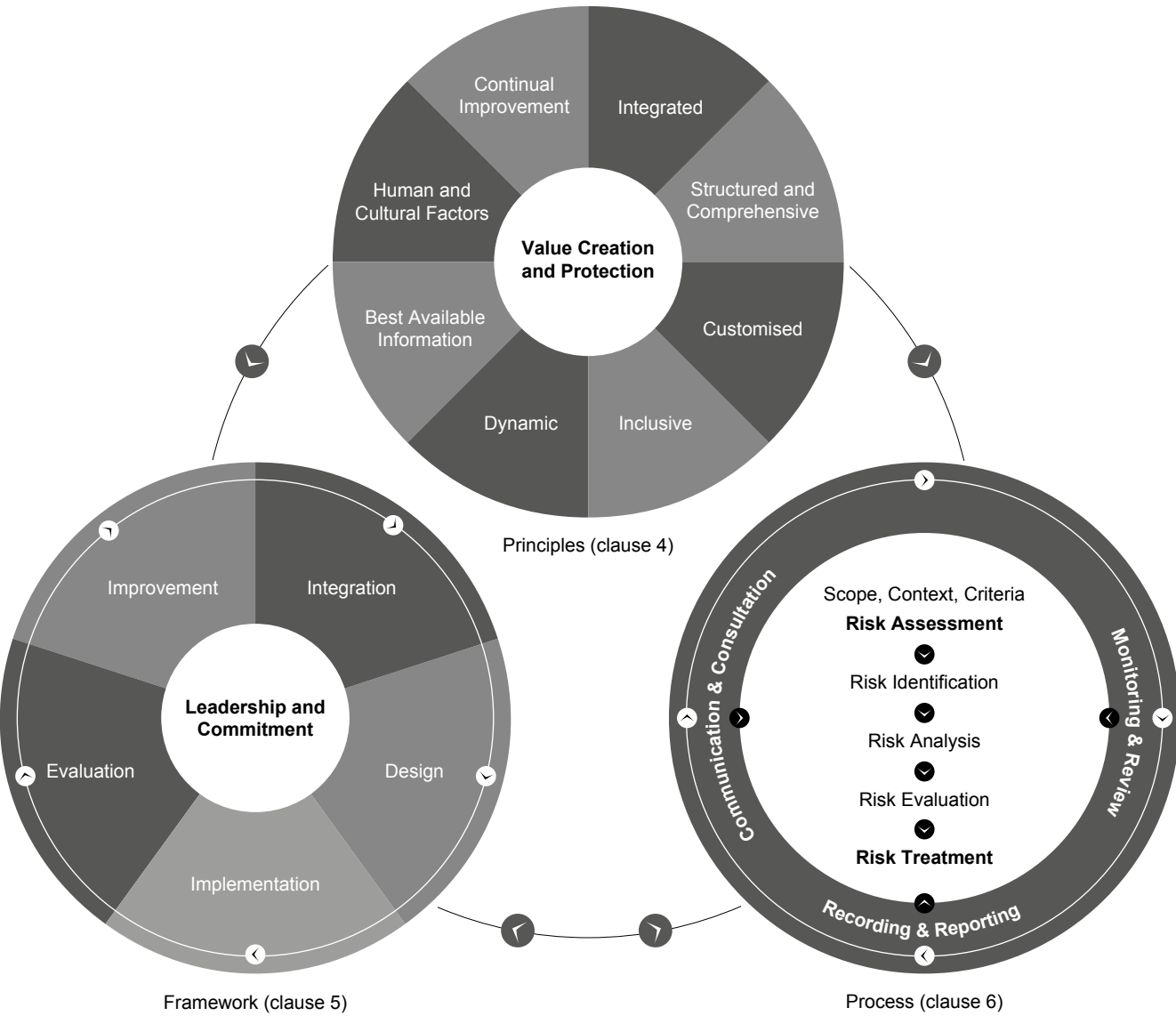


Board of Directors	Responsible for the establishment, oversight, and monitoring of the Group Risk Management Framework (GRMF) and for reviewing its effectiveness in supporting SD Guthrie's vision and strategic objectives while safeguarding shareholders' investments and the Group's assets.
Risk Management Committee (RMC)	Assists the Board in providing the framework and guidance to business units to operate, identify, and report on Group-wide risks. The RMC has a broad mandate to ensure the effective implementation of the GRMF and compliance with the framework across the Group. The RMC is also responsible for periodically reporting material risk exposures, as well as the progress and assessment of risk management activities to the Board.
Group Risk Management (GRM)	Responsible for supporting the Board and RMC in overseeing the Group's risk management activities. This includes the establishment, periodic updates and oversight of the GRMF. GRM integrates risk management into key business processes through a formal risk management process to facilitate effective decision-making while fostering a strong risk-aware culture. Working in close collaboration with business units, GRM provides expertise and support 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, facilitating the process to strengthen overall risk governance. » For further details on the activities of the RMC and GRM, refer to the RMC Report on page 89.

Group Managing Director (GMD) and Group Leadership Council (GLC)	The Board delegates to the GMD the responsibility of ensuring the effective implementation, maintenance, and adherence of the GRMF throughout the Group. The GLC assists the GMD in ensuring that risk management is adequately carried out, particularly in evaluating and making key strategic and operational decisions. The GMD and GLC are responsible for providing leadership and sponsorship to the business operations in the implementation of the GRMF 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 work 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. Our GRMF promotes three facets of risk management as illustrated in the diagram below.



Statement on Risk Management and Internal Control

SD Guthrie's GRMF is aligned with the ISO 31000:2018 standard on risk management and 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 GRMF 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 early identification and evaluation of threats and opportunities, mitigating potential threats before they materialise, and responding swiftly when they do. 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 a level of risk where appropriate to generate sustainable returns.

The GRMF 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 deep dives in key risk areas, strategic country risk analyses and fortnightly risk outlooks, and risk assessments for key projects, and investments undertaken by the Group. The 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 our GRMF, risk management follows a structured process comprising the following steps shown in the diagram above.

The role of leaders and their responsibilities are emphasised in the GRMF to ensure that risk management is an essential part of the business. The 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, as guided by risk appetite statements. In pursuit of our strategic objectives, it is imperative to balance between risk and growth potential to ensure that the rewards commensurate with the associated risks.



Risk Appetite
Risk appetite refers to the amount of risk that an organisation is prepared to accept in pursuit of its strategic objectives. At SD Guthrie, a risk appetite framework guides how we conduct business to achieve business objectives within the boundaries of the Group's risk appetite, business ethics, and good governance. Risk considerations are integral to the Group's strategy-setting and decision-making process. When defining objectives and strategic goals, the Group assesses the associated risks and determines its appetite for those risks, ensuring that decisions are made within these established 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.
SD 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 statements have been developed in alignment with the risk appetite framework and approved by the Board via the RMC.

» For more details on the Group's risk appetite statements, refer to page 27.

Risk Reporting
The GRMF ensures regular review and reporting of risks. On a quarterly basis, formal risk reports are prepared and presented to the GLC and RMC. Any potential risks identified are promptly escalated, and appropriate mitigation actions are implemented to manage them. Significant risks impacting the business, along with periodic external and emerging risk outlooks, are shared with the RMC. Additionally, 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 standard on business continuity management systems. It provides end-to-end guidance on managing crises, with the following main objectives:

- Safeguarding life, property, environment, and corporate reputation
- Minimising assets and revenue loss, as well as the impact on customers
- Ensuring the continued delivery of products and services during adverse conditions
- Facilitating the timely recovery of critical business functions

SD Guthrie's Business Continuity Framework

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 times of disaster or emergency. This 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.

INTERNAL CONTROL FRAMEWORK

At SD 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 online briefings and infographic announcements.

Statement on Risk Management and Internal Control

Code of Business Conduct

Our Code of Business Conduct (COBC) is available in all key languages across the jurisdictions where the Group operates. It continues to guide 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. To ensure employees fully understand its contents, the COBC is reaffirmed 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.

Business Planning and Reporting

Our annual business planning process entails a review of the Group's strategy, with findings, outcomes, and new proposals presented to the Management and Board. In addition, the Group Strategy Blueprint, which charts SD Guthrie's business direction, objectives, strategies, action plans, and the corresponding Group Budget, is reviewed every five years and updated annually as needed. Both the Group Strategy Blueprint and the Group Budget undergo thorough deliberation by key stakeholders before receiving Board approval. Performance is monitored quarterly by the Board and Management, with corrective actions taken to address any deviations from the plan.

Human Capital

Performance Management

To realise SD Guthrie's vision of becoming a leading organisation, the Group's Performance Management Framework drives employee motivation by identifying and rewarding top performers, while enhancing the objectivity of performance evaluations. The KPIs developed are aligned across businesses, functions and levels, ensuring a unified effort towards achieving business objectives, all while steadfastly upholding core governance principles.

People Development

» For further details on the people development activities of the Group, refer to the Sustainability Report on pages 44 and 45.

Compliance

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.

Control Self-Assessment

Our Control Self-Assessment (CSA) process empowers line management with full responsibility for effective risk management and control implementation, while providing a platform for discussing and agreeing on control improvements.

Fraud & Corruption Risk Management

Our Group Fraud & Corruption Risk Management function identifies and responds to fraud risks through investigative reviews initiated by the Governance & Audit Committee or Management, and addresses complaints from whistleblowing channels and other red flags uncovered during reviews. Fraud 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 37001:2016 and the Corporate Integrity System Malaysia (CISM) Framework for private companies. These principles are extended to our counterparties and business partners to promote 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 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.

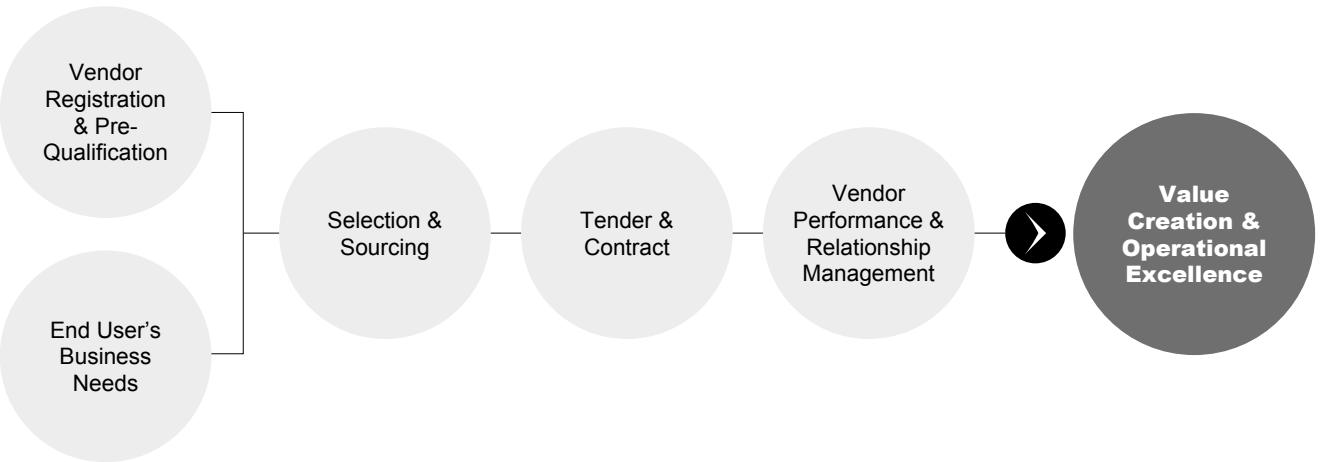
Whistleblowing

SD Guthrie's whistleblowing process reflects our commitment to cultivating an open, 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 in line with our Human Rights Charter.

» For further details on compliance initiatives, refer to the Governance & Audit Committee Report on pages 79 to 81.

Vendor Management

Robust procurement governance and effective vendor management are key to our pursuit of operational excellence. The foundation of strong procurement governance at SD 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 its business operations, as illustrated in the procurement governance landscape below:



PROCUREMENT GOVERNANCE				
Code of Business Conduct	Group Policies & Authorities: Procurement	Group Procurement Policies & Authorities	Vendor Code of Business Conduct (VCOBC)	Vendor Integrity Pledge (VIP)

SD Guthrie's 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 VIP, 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.

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.

Statement on Risk Management and Internal Control

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

SD 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-focused organisation, we are making significant efforts to strengthen our enterprise systems and build a digital culture that evolves alongside technology, while keeping pace with changes, and opportunities in our operating environment. To prepare our employees for a digital future, we have intensified our efforts to upskill our talent in data analytics and AI through the establishment of our internal Digital Academy.

» For more information on our digital initiatives, refer to the section on pages 44 to 59.

Sustainability

Our commitment to sustainability – across environmental, social and governance factors – is embodied in our refreshed sustainability framework, “Beyond Zero”. 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. All employees are accountable for ensuring that responsible and ethical practices are adopted in our operational and decision-making processes.

Our sustainability purpose also addresses a wide range of stakeholder expectations and concerns, including climate change, conservation and biodiversity, human rights and labour practices, responsible sourcing, safety and health, and smallholder inclusion in our supply chain.

Responsible Agriculture

Our Responsible Agriculture Charter outlines our commitment to No Deforestation, No Peat and No Exploitation (NDPE), and the protection of the rights of indigenous peoples, workers, and local communities from exploitation.

Human Rights

Our Human Rights Charter articulates our commitment to respect, support, and uphold fundamental human rights as reflected in key documents such as the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. This also includes our dedication to providing a safe and healthy working environment for all workers across our operations.

Supply Chain Sustainability

Our Responsible Sourcing Guideline extends our sustainability commitments throughout our supply chain. We are also guided by our policy statement – Working with Our Suppliers to Draw the Line on Deforestation – which outlines our approach to engaging with suppliers to ensure compliance with NDPE standards.

» For more information on our sustainability practices, refer to the Sustainability Section on pages 60 to 64.

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. SD 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

In accordance with Paragraph 15.23 of the Main Market Listing Requirements (MMLR) of Bursa Securities, the external auditors have reviewed this Statement on Risk Management and Internal Control (SORMIC). Their limited assurance review was conducted in line with the Audit and Assurance Practice Guide (AAPG) 3 (Revised: November 2022) issued by the Malaysian Institute of Accountants. AAPG 3 (Revised) does not require the external auditors to consider whether the SORMIC covers all risks and controls, nor to form an opinion on the adequacy and effectiveness of the Group’s risk management and internal control systems, including the assessments and opinions provided by the Board of Directors and Management.

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 17 April 2025.

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 (*formerly known as Sime Darby Plantation 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 2024, as presented on pages 99 to 217, 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 2024 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 17 April 2025.

BOARD APPROVAL OF FINANCIAL STATEMENTS

The annual financial statements for the financial year ended 31 December 2024 are set out on pages 99 to 217. The preparation thereof was supervised by the Chief Financial Officer and approved by the Board of Directors on 17 April 2025.

Additional Compliance Information

Information pertaining to SD Guthrie Berhad (*formerly known as Sime Darby Plantation 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 2024.

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 2024 is RM13.030 million. The amount paid or payable to PwC for services rendered to the Company is RM2.008 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 2024 amounted to RM3.896 million and RM1.137 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 2024.

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 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 2024.

Directors’ Report

For the financial year ended 31 December 2024

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 2024.

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 has ceased its 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 other than the venture into new business verticals as disclosed in Note 40.

CHANGE OF NAME

On 28 May 2024, the Company changed its name from Sime Darby Plantation Berhad to SD Guthrie Berhad.

FINANCIAL RESULTS

	GROUP RM'000	COMPANY RM'000
Profit before tax	3,139,318	2,349,497
Tax expense	(795,808)	(282,016)
Profit for the financial year	2,343,510	2,067,481
Profit for the financial year attributable to:		
– equity holders of the Company	2,163,808	1,942,841
– Perpetual Sukuk holders	124,640	124,640
– non-controlling interests	55,062	–
	2,343,510	2,067,481

DIVIDENDS

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

	RM'000
Dividends for the financial year ended 31 December 2023:	
– Special dividend of 5.70 sen per share, declared on 27 October 2023, and paid in cash on 24 January 2024	394,196
– 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
	1,134,177

A final dividend of 11.71 sen per ordinary share, amounting to RM809.8 million in respect of the financial year ended 31 December 2024 has been declared on 27 February 2025 and will be paid on 23 May 2025. The entitlement date for the dividend payment is 9 May 2025.

Directors’ Report

For the financial year ended 31 December 2024

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	
Datuk Mohamad Helmy Othman Basha	
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 @ Mustafa	
Jenifer Thien Bit Leong	
Ahmad Faiz Ahmad Shahrudin	
(Alternate Director to Mohd Irwan Ahmad Mustafa @ Mustafa)	
Sharifah Sheila Syed Muhamad	(Appointed on 5 February 2024 and resigned on 19 December 2024)

DIRECTORS’ REMUNERATION

Total Directors’ remuneration incurred by the Group and the Company for the financial year ended 31 December 2024 were RM13.5 million (2023: RM10.4 million) and RM13.0 million (2023: RM9.9 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; 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 2024

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	Ir Mohd Yusrizal Mohd Yusof	R Krishna Moorthy Ramasamy
Abdul Jalil Sulaiman	Ir Safwani	Raphael Yuen Kong Yian
Achmad Sudarsono	Jeffry Faizal Kamaruddin	Rashyid Redza Anwarudin
Adi Wira Abd Razak	Jonathan Pennefather	Razlanshah Abd Malek
Adrian Mohd Fazrin Mohd Fairuz	Ken Kubota	Renaka Ramachandran
Adrianudin Raj Azman	(Alternate Director to Mitsuyoshi Okita)	Robert Anak Tugang
Agus Dani Ariyanto	Khaizarudin Awaludin	Robert Nilkare
Ainor Khaliq Anuarudin	Khusboo Beeharry	Roslin Azmy Hassan
Alagendran Maniam	Lakon Anak Igey	Rozli Alwi
Amir Hamzah	Law Pei Yee	Sallim Abdul Kadir
Ary Tri Prasetyo	Lim Ban Yeow	Sandeep Bhan
Asanee Mallamphut	Lisnawati Ibrahim	Shah Nizam Yasin Shah
AS Simanjuntak	Loi Martin Bakani	Shahrakbah Yacob
Azmi Jaafar	Marie-Claude Priscille Koenig	Shahrizal Suhainy
Bambang Purwono	Mazrina Ahmad Zahidi	Shahrizan Aini Shamsul Khalil
Budi Darmono	(Alternate Director to Chen Kim Yin	Shashi Kumar Rajan
Budy Suyanto	@ Chen Chou Foong)	Shogo Yoshida
Burhan Chahyadi	Melissa Lokman	Sri Marlina Md Ison
Chen Kim Yin @ Chen Chou Foong	Mersal Abang Rosli	Subramaniam Govindasarmy
Chim Foong May	Michael Barkhuysen	Suparmadi
Chong Seet Fei	Michelle Chang Yuet Ling	Supasak Chirasavinuprapand
Dali Kumar Sardar	Mitsuyoshi Okita	Syed Said Syed Saggaf
Dato’ Philip Tan Puay Koon	Mohamad Fauzi Maulana Ichsan	Tan Sri Datuk Amar (Dr) Haji
Datuk Franki Anthony Dass	Mohamed Abd Samad	Abdul Aziz Dato Haji Husain
Datuk Haji Abang Abdul Wahap Haji Abang Julai	Mohammad Japri Giman	Vavan Safwan Isman
(Alternate Director to Tan Sri Datuk Amar (Dr)	Mohd Amri Baharuddin	Winardi Nooryanto
Haji Abdul Aziz Dato Haji Husain)	Mohd Azlan Shah Mohd Zin	Yogesh Kotak
Datuk Mohamad Nageeb Ahmad Abdul Wahab	Mohd Hafiz Hamzah	Yustinus Lambang Setyo Putro
David Manoa Toua	Mohd Hamdi Abd Karim	Zulkifli Nasution
Denny Wicaksana	Mohd Haris Mohd Arshad	Zulkifli Zainal Abidin
Dr David Ross Appleton	Mohd Haziq Jamaludin	
Dr Hirzun Mohd Yusof	Mohd Razlan Mohd Rahim	
Dr K. Harikrishna Dr K. Kulaveerasingam	Mohd Zamri Pardi	
Dr Shariman Alwani Mohamed Nordin	Muhammad Farid Abdullah	
Drs. Jakob Tobing MPA	Muhammad Hakim See Abdullah	
Edi Febriyanto	Mohd Idzaruddin Hasan	
Edy Suparno	Muhammad Nizar Arshad	
Eliam Tangirongo	Muhammad Nuryadi	
Ernie Gangloff	Ng Say Guat	
Ery Revlisa	Nik Abdul Hamid Shukri Nik Abdullah	
Farid	Nik Maziah Nik Mustapha	
Fazli Salikin	Nono Suharsono	
Gajani Nayagi Seeveneserajah	Nor Azam Bin Abu Samah	
Ganesan R. Ampalavanar	Noor Azam Bin Mohd Nasir	
Godfrey Shiletikwa Urasa	Nuchanand Sukmongkol	
Hanif Siraf	Nurain Zarrataj Zulkiffli	
Hersoebeno Brotowinoto	Nurwanto	
Imran Ramli	Ondra Utama	
Indro Respati	Philip KO Kunjappy	

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 RM 13.0 million (2023: RM13.7 million), while total fees for assurance related and non-audit services are RM 3.9 million (2023: RM3.5 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.

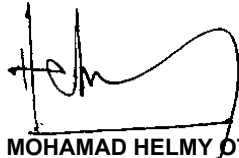
The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

This Report was approved by the Board of Directors on 17 April 2025.



TAN SRI DR NIK NORZRUL THANI NIK HASSAN THANI
DIRECTOR

Selangor
17 April 2025



DATUK MOHAMAD HELMY OTHMAN BASHA
DIRECTOR

Statements of Profit or Loss

For the financial year ended 31 December 2024

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	5	19,831,040	18,427,883	4,852,166	4,709,591
Operating expenses	6	(17,357,041)	(16,819,094)	(3,051,860)	(3,007,932)
Other operating income	7	848,198	1,391,658	736,767	913,718
Other losses and gains	8	(35,862)	(113,028)	15,721	(170,624)
Operating profit		3,286,335	2,887,419	2,552,794	2,444,753
Share of results of joint ventures	19(a)	(31,219)	39,239	–	–
Share of results of associates	20(a)	3,291	645	–	–
Profit before interest and tax		3,258,407	2,927,303	2,552,794	2,444,753
Finance income		25,842	22,696	34,196	32,207
Finance costs	9	(144,931)	(197,544)	(237,493)	(320,911)
Profit before tax		3,139,318	2,752,455	2,349,497	2,156,049
Tax expense	11	(795,808)	(719,076)	(282,016)	(194,227)
Profit for the financial year		2,343,510	2,033,379	2,067,481	1,961,822
Profit for the financial year attributable to:					
– equity holders of the Company		2,163,808	1,860,040	1,942,841	1,837,522
– Perpetual Sukuk holders	33	124,640	124,300	124,640	124,300
– non-controlling interests	34	55,062	49,039	–	–
		2,343,510	2,033,379	2,067,481	1,961,822
		sen	sen		
Basic/Diluted earnings per share attributable to equity holders of the Company	12	31.29	26.90		

Statements of Comprehensive Income

For the financial year ended 31 December 2024

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit for the financial year		2,343,510	2,033,379	2,067,481	1,961,822
Items that will be reclassified subsequently to profit or loss:					
Currency translation differences (losses)/gains:					
– subsidiaries		(707,834)	571,529	–	–
– joint ventures and associates		(20,767)	15,939	–	–
Cash flow hedge					
– changes in fair value		(13,372)	97,896	–	–
– transfers from/(to) profit or loss		18,941	(98,333)	–	–
Tax expense relating to components of other comprehensive income		(1,754)	(23)	–	–
		(724,786)	587,008	–	–
Items that will not be reclassified subsequently to profit or loss:					
Actuarial gains/(losses) on defined benefit plans	35	7,067	(13,883)	–	896
Investment at fair value through other comprehensive income (“FVOCI”)					
– changes in fair value	22	9,198	617	9,195	629
Share of other comprehensive income/(losses) of joint ventures	19a	6,609	(4,447)	–	–
Tax (expense)/credit relating to components of other comprehensive income		(1,331)	2,391	–	(215)
		21,543	(15,322)	9,195	1,310
Total other comprehensive (loss)/income for the financial year		(703,243)	571,686	9,195	1,310
Total comprehensive income for the financial year		1,640,267	2,605,065	2,076,676	1,963,132
Total comprehensive income for the financial year attributable to:					
– equity holders of the Company		1,483,408	2,411,993	1,952,036	1,838,832
– Perpetual Sukuk holders		124,640	124,300	124,640	124,300
– non-controlling interests		32,219	68,772	–	–
		1,640,267	2,605,065	2,076,676	1,963,132

Statements of Financial Position

As at 31 December 2024

		GROUP		COMPANY	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	14	19,364,673	19,145,330	8,140,068	8,002,340
Investment properties	15	7,901	8,059	–	–
Right-of-use assets	17	1,959,345	2,060,470	216,334	219,057
Subsidiaries	18	–	–	8,443,781	8,444,192
Joint ventures	19	373,218	415,776	284,884	285,061
Associates	20	52,186	51,852	420	420
Intangible assets	21	2,995,078	3,054,722	2,051,252	2,080,567
Investments at fair value through other comprehensive income ("FVOCI")	22	32,311	23,113	32,161	22,966
Deferred tax assets	23	450,509	442,922	–	–
Tax recoverable	24	202,623	251,204	–	–
Trade and other receivables	25	62,167	58,224	–	–
Amounts due from subsidiaries	27	–	–	52,204	123,178
		25,500,011	25,511,672	19,221,104	19,177,781
CURRENT ASSETS					
Inventories	26	2,841,714	2,663,918	83,019	76,378
Biological assets	16	251,764	175,261	46,298	24,810
Trade and other receivables	25	2,407,817	2,207,514	123,141	104,049
Tax recoverable	24	238,336	298,085	39,511	96,925
Amounts due from subsidiaries	27	–	–	1,543,243	996,184
Amounts due from related parties	27	340	124	130	79
Derivatives	28	29,868	33,639	3,889	–
Bank balances, deposits and cash	29	625,382	830,382	150,619	100,700
		6,395,221	6,208,923	1,989,850	1,399,125
Non-current assets held for sale	30	151,773	165,859	39,547	32,599
TOTAL ASSETS		32,047,005	31,886,454	21,250,501	20,609,505

		GROUP		COMPANY	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
EQUITY					
Share capital	31	1,633,790	1,633,790	1,633,790	1,633,790
Reserves	32	16,852,193	16,108,766	10,192,951	8,980,896
Attributable to equity holders of the Company		18,485,983	17,742,556	11,826,741	10,614,686
Perpetual Sukuk	33	2,231,398	2,231,058	2,231,398	2,231,058
Non-controlling interests	34	443,263	432,799	—	—
TOTAL EQUITY		21,160,644	20,406,413	14,058,139	12,845,744
NON-CURRENT LIABILITIES					
Retirement benefits	35	180,046	190,715	49,265	48,929
Deferred income	37	365	427	—	—
Deferred tax liabilities	23	2,685,870	2,653,814	810,953	688,013
Borrowings	36	3,360,229	3,581,686	2,887,758	3,058,770
Lease liabilities		176,739	193,967	—	—
Trade and other payables	39	52,741	56,697	24,252	29,544
		6,455,990	6,677,306	3,772,228	3,825,256
CURRENT LIABILITIES					
Trade and other payables	39	2,384,418	2,385,761	518,701	545,517
Contract liabilities	38	67,420	24,050	—	—
Amounts due to subsidiaries	27	—	—	1,860,549	1,897,629
Amounts due to related parties	27	13,732	13,677	6,519	6,951
Retirement benefits	35	20,127	20,208	—	—
Lease liabilities		27,919	25,602	—	—
Tax payable		151,751	207,599	17,746	45,504
Derivatives	28	12,107	18,765	—	347
Dividend payable		—	394,196	—	394,196
Borrowings	36	1,741,865	1,700,617	1,016,619	1,048,361
		4,419,339	4,790,475	3,420,134	3,938,505
LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE					
Liabilities directly associated with non-current assets held for sale	30	11,032	12,260	—	—
TOTAL LIABILITIES		10,886,361	11,480,041	7,192,362	7,763,761
TOTAL EQUITY AND LIABILITIES		32,047,005	31,886,454	21,250,501	20,609,505

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2024

GROUP												
Attributable to equity holders of the Company												
	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
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	13,34	-	-	-	-	-	-	(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
At 1 January 2023		1,633,790	9,516	9,048	20,146	716,128	(17,696)	13,996,297	16,367,229	2,230,717	418,068	19,016,014
Profit for the financial year		-	-	-	-	-	-	1,860,040	1,860,040	124,300	49,039	2,033,379
Other comprehensive (loss)/income for the financial year		-	(1,083)	-	617	591,203	-	(15,988)	574,749	-	19,733	594,482
Disposal of subsidiaries	30c	-	-	-	-	(22,796)	-	-	(22,796)	-	-	(22,796)
Total comprehensive (loss)/income for the financial year		-	(1,083)	-	617	568,407	-	1,844,052	2,411,993	124,300	68,772	2,605,065
Transactions with equity holders:												
– dividends	13,34	-	-	-	-	-	-	(1,036,666)	(1,036,666)	-	(54,041)	(1,090,707)
– distribution to Perpetual Sukuk holders	33	-	-	-	-	-	-	-	-	(123,959)	-	(123,959)
At 31 December 2023		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

Company Statement of Changes in Equity

For the financial year ended 31 December 2024

	Note	COMPANY						
		Attributable to equity holders of the Company						
		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
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
At 1 January 2023		1,633,790	21,232	(57)	8,157,555	9,812,520	2,230,717	12,043,237
Profit for the financial year		-	-	-	1,837,522	1,837,522	124,300	1,961,822
Other comprehensive income for the financial year		-	629	-	681	1,310	-	1,310
Total comprehensive income for the financial year		-	629	-	1,838,203	1,838,832	124,300	1,963,132
Transactions with equity holders:								
– dividends	13	-	-	-	(1,036,666)	(1,036,666)	-	(1,036,666)
– distribution to Perpetual Sukuk holders	33	-	-	-	-	-	(123,959)	(123,959)
At 31 December 2023		1,633,790	21,861	(57)	8,959,092	10,614,686	2,231,058	12,845,744

Statements of Cash Flows

For the financial year ended 31 December 2024

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit for the financial year		2,343,510	2,033,379	2,067,481	1,961,822
Adjustments for:					
Amortisation of intangible assets	6a	43,949	44,231	13,419	14,433
Depreciation of:					
– property, plant and equipment	6a	1,323,458	1,304,167	287,660	273,128
– investment properties	6a	41	41	–	–
– right-of-use assets	6a	85,305	83,592	2,442	2,452
Dividend income:					
– other investments	5b	(5,967)	(3,544)	(5,967)	(3,544)
– subsidiaries	5b	–	–	(1,085,943)	(1,540,125)
Finance costs	9	144,931	197,544	237,493	320,911
Finance income		(25,842)	(22,696)	(34,196)	(32,207)
Unrealised fair value (gains)/losses:					
– commodities futures and forward contracts (non-hedging derivative)	8	(559)	80,743	–	–
– forward foreign exchange contracts (non-hedging derivatives)	8	5,625	3,562	(347)	347
Fair value changes in biological assets (net)	6d	(92,484)	7,888	(21,488)	(10,771)
Gains on disposals of:					
– property, plant and equipment	7	(68,584)	(75,856)	(65,098)	(75,398)
– non-current assets held for sale	7	(634,522)	(1,092,896)	(626,865)	(802,270)
Impairment of:					
– property, plant and equipment	6d	31,612	28,805	3,738	28,181
– advances for plasma plantation projects	6d	–	881	–	–
– trade and other receivables	6d	14,542	5,335	–	–
– amounts due from subsidiaries	6d	–	–	9,018	7,778
– investment in subsidiaries	18	–	–	410	4,737
– investment in a joint venture	6d	–	–	1,503	–
– non-current assets held for sale	6d	12,555	–	–	–
Write off/(Write back) of:					
– property, plant and equipment	14	20,312	18,213	15,235	7,712
– inventories	6d	13,205	4,361	–	–
– intangible assets	6d	–	854	–	–
– bad debts	6d	(321)	–	–	–
Write-down of:					
– inventories (net)	6d	14,249	5,988	–	7
Retirement benefits	6c	39,956	39,421	8,335	8,745
Reversal of impairment of:					
– advances for plasma plantation projects	6d	(1,785)	–	–	–
– investment in a subsidiary	7	–	–	–	(2,772)
– amounts due from subsidiaries	7	–	–	(34)	(11,938)
– trade and other receivables	7	(4,362)	–	–	–
Share of results of:					
– joint ventures	19a	31,219	(39,239)	–	–
– associates	20a	(3,291)	(645)	–	–

		GROUP		COMPANY	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)					
Tax expense	11	795,808	719,076	282,016	194,227
Unrealised exchange (gains)/losses (net)	8	(27,927)	38,960	(135,073)	(43,544)
		4,054,633	3,382,165	953,739	301,911
Changes in working capital:					
Inventories		(317,635)	242,996	(6,641)	9,303
Trade and other payables		12,341	(133,611)	44,204	226,291
Trade and other receivables		(338,961)	609,882	(19,081)	31,939
Intercompany and related party balances		(160)	4,090	(14,668)	216,488
Cash generated from operations		3,410,218	4,105,522	957,553	785,932
Tax paid		(743,229)	(1,087,109)	(90,750)	(57,272)
Tax refunded		129,091	77,522	—	—
Retirement benefits paid	35	(37,438)	(20,940)	(7,999)	(9,549)
Net cash generated from operating activities		2,758,642	3,074,995	858,804	719,111
CASH FLOWS FROM INVESTING ACTIVITIES					
Advances for plasma plantation projects		(2,395)	(2,385)	—	—
Repayment of advances for plasma plantation projects		2,313	—	—	—
Advances to subsidiaries		—	—	(372,748)	(702,517)
Repayment of advances to subsidiaries		—	—	750,662	630,239
Dividends received from:					
— associates		1,463	8,926	—	—
— other investments	5b	5,967	3,544	5,967	3,544
— subsidiaries		—	—	476,545	1,414,843
Finance income received		25,842	22,696	28,907	26,844
Additional investment in joint venture	19b	—	—	(1,326)	—
Proceeds from sale of:					
— property, plant and equipment		85,989	78,694	70,399	76,559
— non-current assets held for sale		640,848	1,387,318	640,848	816,064
Purchase of:					
— property, plant and equipment		(1,967,850)	(2,096,470)	(429,618)	(524,367)
— intangible assets	21	(74,388)	(32,150)	(3,899)	(29,236)
Net cash (used in)/generated from investing activities		(1,282,211)	(629,827)	1,165,737	1,711,973

Statements of Cash Flows

For the financial year ended 31 December 2024

		GROUP		COMPANY	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES					
Finance costs paid		(284,738)	(325,445)	(221,414)	(257,006)
Loans raised		5,159,997	7,277,127	2,040,000	5,079,335
Borrowing transaction cost paid		–	(15,555)	–	(15,555)
Loan repayments		(5,230,728)	(8,305,794)	(2,223,102)	(5,848,529)
Advances from subsidiaries		–	–	721,310	700,767
Repayment of advances from subsidiaries		–	–	(1,030,426)	(1,336,196)
Repayment of lease liabilities		(48,647)	(53,980)	–	–
Distribution to Perpetual Sukuk holders	33	(124,300)	(123,959)	(124,300)	(123,959)
Dividend paid to shareholders		(1,134,177)	(642,470)	(1,134,177)	(642,470)
Dividend paid to non-controlling interests of subsidiaries	34	(21,755)	(54,041)	–	–
Net cash used in financing activities		(1,684,348)	(2,244,117)	(1,972,109)	(2,443,613)
NET (DECREASE)/INCREASE CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR					
		(207,917)	201,051	52,432	(12,529)
Exchange differences		2,917	(5,662)	(2,513)	7,457
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR					
		830,382	634,993	100,700	105,772
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR					
	29	625,382	830,382	150,619	100,700

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	
	2024 RM'000	2023 RM'000
Dividend received through intercompany settlement	499,977	–
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:

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Acquisition of property, plant and equipment during the financial year	14	2,162,743	2,280,562	477,337	565,089
Less non-cash items:					
– Depreciation of property, plant and equipment capitalised in bearer plants	14a	(36,736)	(38,426)	(10,143)	(9,180)
– Depreciation of right-of-use assets capitalised in bearer plants	17	(1,408)	(1,866)	(281)	(501)
– Finance costs capitalised in capital work-in-progress	9	(42,337)	(35,016)	(8,313)	(6,462)
– Finance costs capitalised in bearer plants	9	(114,412)	(108,784)	(28,982)	(24,579)
Net cash outflow for the acquisition of property, plant and equipment		1,967,850	2,096,470	429,618	524,367

Statements of Cash Flows

For the financial year ended 31 December 2024

NOTES TO STATEMENTS OF CASH FLOWS (CONTINUED)

c. 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:

GROUP				
	Note	Borrowings* RM'000	Lease liabilities RM'000	Total RM'000
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
2023				
At 1 January 2023		6,118,118	172,265	6,290,383
Cash flows from financing activities				
Finance costs paid		(325,445)	–	(325,445)
Loans raised		7,277,127	–	7,277,127
Borrowing transaction cost paid		(15,555)	–	(15,555)
Loan repayments		(8,305,794)	–	(8,305,794)
Repayment of lease liabilities		–	(53,980)	(53,980)
Non-cash changes				
Finance costs	9	331,274	10,070	341,344
Recognition of additional lease liabilities		–	78,077	78,077
Exchange differences		225,703	13,137	238,840
At 31 December 2023		5,305,428	219,569	5,524,997

* 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)

c. 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)

COMPANY					
	Note	Borrowings* RM'000	Lease liabilities RM'000	Amounts due to subsidiaries RM'000	Total RM'000
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
2023					
At 1 January 2023		4,741,810	6,108	1,269,518	6,017,436
Cash flows from financing activities					
Finance costs paid		(249,760)	–	(7,246)	(257,006)
Loans raised		5,079,335	–	–	5,079,335
Borrowing transaction cost paid		(15,555)	–	–	(15,555)
Loan repayments		(5,848,529)	–	–	(5,848,529)
Advances from subsidiaries		–	–	700,767	700,767
Repayment of advances from subsidiaries		–	–	(1,336,196)	(1,336,196)
Cash flows from operating activities					
Working capital changes		–	–	1,077,572	1,077,572
Non-cash changes					
Finance costs	9	262,989	–	88,963	351,952
Derecognition of lease liabilities		–	(6,108)	–	(6,108)
Exchange differences		153,003	–	42,907	195,910
At 31 December 2023		4,123,293	–	1,836,285	5,959,578

* 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 2024

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 has ceased its 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 other than the venture into new business verticals as disclosed in Note 40.

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 2024

- Amendments to MFRS 101 on “Classification of Liabilities as Current or Non-current” (‘2020 amendments’) and “Non-current Liabilities with Covenants” (‘2022 amendments’)
- Amendments to MFRS 16 on Lease Liability in a Sale and Leaseback
- Amendments to MFRS 107 and MFRS 7 on Supplier Finance Arrangements

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 2025

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

ii. 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”

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 2024

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
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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.

g. Inventories

Inventories comprise palm oil products, sugar stocks, coconut oil, raw materials, trading inventories, consumables and spare parts.

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 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 2024

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”), rubber, 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)

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	20 to 50 years, or over the lease term, if shorter
Plant and machinery	5 to 40 years, or over the lease term, if shorter
Vehicles, equipment and fixtures	5 years, or over the lease term, if shorter

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.

Notes to the Financial Statements

For the financial year ended 31 December 2024

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 2024 were RM2,274.9 million, arising from the acquisition of New Britain Palm Oil Limited ("NBPOL") and RM1,963.0 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.

The Group and the Company had assessed whether there is any indication that the other non-financial assets are impaired at the end of each reporting period. Significant judgement is required in the estimation of the present value of the future cash flows generated by the non-financial assets, which involve uncertainties and are significantly affected by the assumptions used and judgements made regarding the estimates of future cash flows and discount rates. Changes in assumptions could significantly affect the results of the Group's and the Company's impairment assessment on the non-financial assets.

Based on the assessment, the Group and the Company have recognised an impairment on property, plant and equipment of RM31.6 million and RM3.7 million respectively (see Notes 6d and 14).

5. REVENUE

The Group and the Company derive the following types of revenue:

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers	5a	19,799,066	18,396,943	3,742,773	3,145,969
Revenue from other sources	5b	31,974	30,940	1,109,393	1,563,622
		19,831,040	18,427,883	4,852,166	4,709,591

a. Disaggregation of revenue from contracts with customers

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Upstream					
– Malaysia		737,117	895,379	3,742,773	3,145,969
– Indonesia		1,149,177	1,048,755	–	–
– Papua New Guinea and Solomon Islands ("PNG/SI")		304,882	195,875	–	–
Downstream					
– Bulk products	i	10,106,186	8,053,596	–	–
– Differentiated products	ii	7,349,403	8,001,565	–	–
– Tolling fees	iii	44,732	80,278	–	–
Other operations		107,569	121,495	–	–
		19,799,066	18,396,943	3,742,773	3,145,969

- 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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Sales of palm based products, other refined edible oils, rubber, sugar, beef and other agricultural products	19,549,725	18,037,748	3,711,061	3,114,251
Management fee income from subsidiaries	–	–	31,712	31,718
Freight services	204,609	278,917	–	–
Tolling services	44,732	80,278	–	–
	19,799,066	18,396,943	3,742,773	3,145,969
Timing of revenue recognition				
– at point in time	19,549,725	18,037,748	3,711,061	3,114,251
– over time	249,341	359,195	31,712	31,718
	19,799,066	18,396,943	3,742,773	3,145,969

Notes to the Financial Statements

For the financial year ended 31 December 2024

5. REVENUE (CONTINUED)

b. Revenue from other sources

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Dividends (gross) received/receivable from:				
– other investments	5,967	3,544	5,967	3,544
– subsidiaries	–	–	1,085,943	1,540,125
Rental income	26,007	27,396	17,483	19,953
	31,974	30,940	1,109,393	1,563,622

6. OPERATING EXPENSES

a. Operating expenses include:

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cost of raw materials and inventories sold for palm products, rubber, sugar, beef and other agricultural products		8,587,593	8,128,422	625,784	725,324
Other direct costs of sales	6b	3,149,042	3,073,957	766,749	637,186
Employee costs	6c	3,112,218	3,069,115	1,005,398	1,006,436
Depreciation of:					
– property, plant and equipment	14	1,323,458	1,304,167	287,660	273,128
– investment properties	15	41	41	–	–
– right-of-use assets	17	85,305	83,592	2,442	2,452
Amortisation of intangible assets	21	43,949	44,231	13,419	14,433
Other operating expenses	6d	1,055,435	1,115,569	350,408	348,973
		17,357,041	16,819,094	3,051,860	3,007,932

b. Other direct costs of sales include:

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Export duty, transport and handling charges	1,360,336	1,192,886	154,096	96,265
Commissions fees	12,654	12,435	54,511	45,871
Tolling fees	138,098	198,869	–	–
Upkeep, manuring, and collection expenses	823,864	838,285	337,314	296,298
Selling and distribution expenses	79,371	138,387	–	–
Mills and refineries maintenance expenses	285,473	229,866	88,369	82,764
Research expenses	2,007	2,526	112,482	105,451
Others	447,239	460,703	19,977	10,537
	3,149,042	3,073,957	766,749	637,186

6. OPERATING EXPENSES (CONTINUED)

c. Employee costs include:

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Salaries, wages and bonus		2,429,122	2,427,716	673,346	690,170
Defined contribution plans		171,842	158,102	109,213	113,806
Retirement benefits	35	39,956	39,421	8,335	8,745
Termination benefits		820	4,346	820	4,346
Reimbursement of recruitment fees		–	(25,221)	–	(19,023)
Other short term employee benefits		470,478	464,751	213,684	208,392
		3,112,218	3,069,115	1,005,398	1,006,436

Employee costs above include the remuneration of the Directors and the key management personnel, as set out in Notes 10 and 44e respectively to the financial statements.

d. Other operating expenses include:

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fair value changes in biological assets (net)		(92,484)	7,888	(21,488)	(10,771)
Impairment/(Reversal of impairment) of:					
– property, plant and equipment	14	31,612	28,805	3,738	28,181
– advances for plasma plantation projects	45aiii	(1,785)	881	–	–
– trade and other receivables	45aiii	14,542	5,335	–	–
– amounts due from subsidiaries	45aiii	–	–	9,018	7,778
– investment in subsidiaries	18	–	–	410	4,737
– investment in a joint venture	19b	–	–	1,503	–
– non-current assets held for sale	30b	12,555	–	–	–
Write off/(Write back) of:					
– property, plant and equipment	14	20,312	18,213	15,235	7,712
– inventories		13,205	4,361	–	–
– intangible assets	21	–	854	–	–
– bad debts		(321)	–	–	–
Write-down of inventories		14,249	5,988	–	7
Donations		30,000	30,000	3,310	3,530
Insurance charges		53,571	47,591	6,195	4,723
Information technology charges		89,327	83,080	36,557	31,354
Professional fees		104,028	127,148	59,392	69,664
Quit rent and assessment		60,807	59,022	34,057	31,541
Expense relating to short-term leases		36,495	44,101	26,852	22,891
Repairs and maintenance		229,243	227,812	35,599	28,243
Telecommunication expenses		6,416	7,352	1,477	2,117
Travelling expenditure		52,120	44,619	15,919	12,758
Utilities expenditure		152,893	168,975	37,925	36,614

Notes to the Financial Statements

For the financial year ended 31 December 2024

6. OPERATING EXPENSES (CONTINUED)

e. Auditors' remuneration

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fees for statutory audits:				
– PricewaterhouseCoopers PLT, Malaysia	3,620	3,631	2,008	2,035
– Member firms of PricewaterhouseCoopers International Limited	9,410	10,112	–	–
– Other firms	598	596	–	–
	13,628	14,339	2,008	2,035
Fees for non-audit services:				
– PricewaterhouseCoopers PLT, Malaysia	2,218	1,515	1,137	1,283
– Member firms of PricewaterhouseCoopers International Limited	1,678	1,957	–	–
	3,896	3,472	1,137	1,283

7. OTHER OPERATING INCOME

Note	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net gain on disposal of:				
– property, plant and equipment	68,584	75,856	65,098	75,398
– non-current assets held for sale	634,522	1,092,896	626,865	802,270
Government grants/incentives	10,282	72	–	–
Insurance claims	23,677	16,140	1,756	1,758
Other incidental income	5,042	111,046	2,856	593
Reversal of impairment of:				
– investment in a subsidiary	18	–	50	2,772
– amounts due from subsidiaries	45aiii	–	34	11,938
– trade and other receivables	45aiii	–	–	–
Sale of scrap				
	31,546	25,857	4,892	4,881
Sale of rubber wood				
	14,600	1,507	14,600	1,507
Other income				
	55,583	68,284	20,616	12,601
	848,198	1,391,658	736,767	913,718

The net gain on disposal of non-current assets held for sale mainly comprised the disposal of 5 parcels of freehold land measuring approximately 380.0 hectares to third parties for a total sale consideration of RM640.8 million, resulting in a gain of disposal of non-current assets held for sale of RM634.5 million and RM626.9 million at Group and Company respectively (See Note 30a).

In the previous financial year, the other incidental income includes income from the granting of access over land use rights in Indonesia of RM109 million.

8. OTHER LOSSES AND GAINS

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fair value (losses)/gains on forward foreign exchange contracts:				
– realised non-hedging derivatives	(1,150)	(6,093)	–	–
– unrealised non-hedging derivatives	(5,625)	(3,562)	347	(347)
Fair value losses on cash flow hedge ineffectiveness of commodities futures contracts:				
– realised	(11,393)	(14,128)	–	–
Fair value (losses)/gains on commodities futures and forward contracts (non-hedging derivative):				
– realised	(11,320)	(685)	–	–
– unrealised	559	(80,743)	–	–
Foreign currencies exchange (losses)/gains:				
– realised	(34,860)	31,143	(119,699)	(213,821)
– unrealised	27,927	(38,960)	135,073	43,544
	(35,862)	(113,028)	15,721	(170,624)

9. FINANCE COSTS

Note	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Finance costs charged by:				
– banks and other financial institutions	285,481	325,445	215,495	257,542
– lease liabilities	10,817	10,070	–	–
– subsidiaries	–	–	53,461	88,963
Amortisation of deferred financing expenses	36	5,829	5,832	5,447
	301,680	341,344	274,788	351,952
Interests capitalised in:				
– capital work-in-progress	(42,337)	(35,016)	(8,313)	(6,462)
– immature bearer plants	(114,412)	(108,784)	(28,982)	(24,579)
	(156,749)	(143,800)	(37,295)	(31,041)
Net finance costs	144,931	197,544	237,493	320,911

Notes to the Financial Statements

For the financial year ended 31 December 2024

10. DIRECTORS’ REMUNERATION

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-executive Directors:				
– fees	3,732	3,531	3,296	3,110
– allowances	305	206	267	179
– estimated monetary value of benefits	515	144	515	144
	4,552	3,881	4,078	3,433
Executive Director:				
– salaries and other emoluments	7,891	5,561	7,891	5,561
– defined contribution pension plans	1,040	879	1,040	879
– estimated monetary value of benefits	38	38	38	38
	8,969	6,478	8,969	6,478
Total	13,521	10,359	13,047	9,911

11. TAX EXPENSE

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current tax:					
In respect of current financial year					
– Malaysian income tax		68,711	47,248	9,980	–
– foreign income tax		449,336	511,258	–	–
– real property gain tax		62,936	80,931	62,936	80,931
– withholding tax		112,504	184,465	88,614	117,157
		693,487	823,902	161,530	198,088
Under/(Over) provision in respect of prior financial years					
– Malaysian income tax		(2,140)	486	(2,454)	–
– foreign income tax		17,616	11,033	–	–
		15,476	11,519	(2,454)	–
Deferred tax					
– origination and reversal of temporary differences	23	86,845	(116,345)	122,940	(3,861)
Tax expense		795,808	719,076	282,016	194,227

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:

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax		3,139,318	2,752,455	2,349,497	2,156,049
Applicable tax	11a	954,215	1,214,308	563,879	517,451
Effects of income not subject to tax		(64,200)	(63,993)	(154,272)	(229,288)
Effects of expenses not deductible for tax purposes		156,423	157,557	75,041	142,933
Expenses subject to double deductions		(38,645)	(39,211)	(28,998)	(25,308)
Income subject to different tax rate		(194,553)	(435,095)	(141,266)	(181,729)
Deferred tax assets not recognised in respect of tax losses and deductible temporary differences for the current financial year		6,194	7,000	–	–
Under/(Over) provision in respect of prior financial years		15,476	11,519	(2,454)	–
Deferred tax assets recognised in respect of previously unrecognised tax losses		(1,071)	(19,739)	–	–
Taxable temporary difference on investments in subsidiaries		(8,117)	(83,438)	–	–
Perpetual Sukuk attribution		(29,914)	(29,832)	(29,914)	(29,832)
Tax expense for the financial year		795,808	719,076	282,016	194,227
Effective tax rate (%)		25.3	26.1	12.0	9.0

- 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.
- 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.
- 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 will be 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. The Group also operates in certain jurisdictions, namely United Kingdom, Netherlands and South Africa, where the legislation to implement the OECD’s Pillar Two model rules has been enacted and effective for accounting period commencing on or after 31 December 2023. The Group has assessed the tax exposure arising from this legislation for all entities (including joint venture) operate in the UK, Netherlands and South Africa and no top-up tax was required for the financial year 2024.

The Group has assessed the tax exposure for the jurisdictions in which the legislation has been enacted but not yet effective for financial year 2024 and no significant financial impact is expected.

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 2024

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		
	2024	2023
Profit for the financial year (RM'000)	2,163,808	1,860,040
Weighted average number of ordinary shares in issue ('000 units)	6,915,714	6,915,714
Basic earnings per share (sen)	31.29	26.90

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		
	2024 RM'000	2023 RM'000
Dividends for the financial year ended 31 December 2022:		
– Final dividend of 6.04 sen per share, paid in cash on 15 May 2023	–	417,709
Dividends for the financial year ended 31 December 2023:		
– Interim dividend of 3.25 sen per share, paid in cash on 17 November 2023	–	224,761
– Special dividend of 5.70 sen per share, declared on 27 October 2023, and paid in cash on 24 January 2024	–	394,196
– 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	–
	739,981	1,036,666

A final dividend of 11.71 sen per ordinary share, amounting to RM809.8 million in respect of the financial year ended 31 December 2024 has been declared on 27 February 2025 and will be paid on 23 May 2025. The entitlement date for the dividend payment is 9 May 2025.

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
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

Notes to the Financial Statements

For the financial year ended 31 December 2024

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
2023							
Net book value							
At 1 January 2023	2,674,008	3,201,756	8,917,294	1,879,254	537,586	590,533	17,800,431
Additions	–	55,151	1,235,713	125,150	138,212	726,336	2,280,562
Disposals	(237)	(22)	(122)	(1,615)	(285)	(557)	(2,838)
Write offs	6d	–	(1,349)	(14,736)	(1,772)	–	(18,213)
Depreciation charge for the financial year	–	(272,353)	(595,311)	(305,962)	(168,967)	–	(1,342,593)
Impairment charge for the financial year	6d	–	(8,219)	(8,736)	(11,352)	–	(28,805)
Transfer to non-current assets held for sale		(6,118)	(2,223)	(2,238)	(4,609)	(17,229)	(32,938)
Transfer from investment properties	15	3,500	–	–	–	–	3,500
Reclassification		–	268,008	–	180,684	(543,425)	–
Exchange differences		2,606	109,187	243,434	81,757	28,556	486,224
At 31 December 2023	2,673,759	3,349,936	9,775,298	1,941,535	620,588	784,214	19,145,330
Cost	2,673,759	6,214,497	15,284,935	5,549,526	2,902,409	788,000	33,413,126
Accumulated depreciation	–	(2,828,586)	(5,211,218)	(3,569,836)	(2,276,869)	–	(13,886,509)
Accumulated impairment losses	–	(35,975)	(298,419)	(38,155)	(4,952)	(3,786)	(381,287)
Net book value	2,673,759	3,349,936	9,775,298	1,941,535	620,588	784,214	19,145,330

The finance cost is capitalised at the Group at an average capitalisation rate of 5.58% (2023: 5.80%) per annum. The depreciation of property, plant and equipment capitalised in immature bearer plant for the Group amounts to RM36.74 million (2023: RM38.43 million). The depreciation of right-of-use assets capitalised in immature bearer plant for the Group amounts to RM1.4 million (2023: RM 1.9 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
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	–	–	–	–	–	–
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

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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
2023							
Net book value							
At 1 January 2023	4,007,920	802,862	2,508,629	193,431	153,766	115,411	7,782,019
Additions	—	13,660	320,523	31,356	40,485	159,065	565,089
Intra group acquisition	—	—	—	286	1,874	—	2,160
Disposals	(420)	—	—	—	—	—	(420)
Intra group disposal	—	(741)	—	(408)	(403)	—	(1,552)
Write offs	6d	—	(864)	(1,336)	(278)	—	(7,712)
Depreciation charge for the financial year	—	(65,938)	(137,346)	(39,132)	(39,892)	—	(282,308)
Impairment charge for the financial year	6d	—	(3,961)	(10,932)	(498)	—	(28,181)
Transfer to non-current assets held for sale	(24,575)	(20)	(2,160)	—	—	—	(26,755)
Reclassification	—	46,928	—	51,417	1,916	(100,261)	—
At 31 December 2023	3,982,925	791,926	2,671,622	224,682	156,970	174,215	8,002,340
Cost	3,982,925	1,501,323	3,964,659	798,566	562,902	174,215	10,984,590
Accumulated depreciation	—	(694,802)	(1,056,594)	(554,776)	(405,188)	—	(2,711,360)
Accumulated impairment losses	—	(14,595)	(236,443)	(19,108)	(744)	—	(270,890)
Net book value	3,982,925	791,926	2,671,622	224,682	156,970	174,215	8,002,340

The finance cost is capitalised at the Company at an average capitalisation rate of 4.89% (2023: 5.05%) per annum. The depreciation of property, plant and equipment capitalised in immature bearer plant for the Company amounts to RM10.14 million (2023: RM9.18 million). The depreciation of right-of-use assets capitalised in immature bearer plant for the Company amounts to RM0.28 million (2023: RM0.50 million).

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- a. Bearer plants
- Bearer plants comprised oil palm, rubber trees and growing canes.

	GROUP							Total bearer plants RM'000			
	Mature			Immature							
	Oil palm RM'000	Rubber trees RM'000	Growing canes RM'000	Coconut RM'000	Total RM'000	Oil palm RM'000	Rubber trees RM'000		Coconut RM'000	Total RM'000	
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	
2023											
Cost	12,743,045	61,564	153,022	–	12,957,631	2,048,260	279,044	–	2,327,304	15,284,935	
Accumulated depreciation	(5,056,223)	(32,198)	(122,797)	–	(5,211,218)	–	–	–	–	(5,211,218)	
Accumulated impairment losses	–	(8,736)	–	–	(8,736)	(10,639)	(279,044)	–	(289,683)	(298,419)	
Net book value	7,686,822	20,630	30,225	–	7,737,677	2,037,621	–	–	2,037,621	9,775,298	
	COMPANY										
	Mature			Immature							Total bearer plants RM'000
	Oil palm RM'000	Rubber trees RM'000	Coconut RM'000	Coconut RM'000	Total RM'000	Oil palm RM'000	Rubber trees RM'000	Coconut RM'000	Total RM'000		
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		
2023											
Cost	3,197,623	58,430	–	3,256,053	484,953	223,653	–	708,606	3,964,659		
Accumulated depreciation	(1,030,173)	(26,421)	–	(1,056,594)	–	–	–	–	(1,056,594)		
Accumulated impairment	–	(12,790)	–	(12,790)	–	(223,653)	–	(223,653)	(236,443)		
Net book value	2,167,450	19,219	–	2,186,669	484,953	–	–	484,953	2,671,622		

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For the financial year ended 31 December 2024

15. INVESTMENT PROPERTIES

GROUP						
2024				2023		
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	8,002	703	8,705	11,292	665	11,957
Transfer to property, plant and equipment	14	—	—	(3,500)	—	(3,500)
Exchange differences	(116)	(22)	(138)	210	38	248
At 31 December	7,886	681	8,567	8,002	703	8,705
Accumulated depreciation						
At 1 January	—	646	646	—	570	570
Charge for the financial year	6a	—	41	—	41	41
Exchange differences	—	(21)	(21)	—	35	35
At 31 December	—	666	666	—	646	646
Net book value at 31 December	7,886	15	7,901	8,002	57	8,059

The fair value of investment properties is RM412.9 million (2023: RM347.9 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 31 December 2024 and 25 March 2025, respectively.

16. BIOLOGICAL ASSETS

	GROUP				COMPANY
	Oil palm RM'000	Growing canes RM'000	Livestock RM'000	Total RM'000	Oil palm RM'000
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
2023					
At 1 January 2023	60,938	31,304	88,036	180,278	14,039
Transfers to produce stocks	(62,857)	(32,294)	(90,820)	(185,971)	(14,039)
Fair value changes	56,483	27,933	93,667	178,083	24,810
Exchange differences	3,205	1,310	(1,644)	2,871	–
At 31 December 2023	57,769	28,253	89,239	175,261	24,810

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 8,768,525 metric tonnes ("MT") of FFB (2023: 8,705,185 MT) and 3,542,976 MT of FFB (2023: 3,087,789 MT) respectively. The quantity of unharvested FFB of the Group and of the Company as at 31 December 2024 included in the fair valuation of FFB was 297,459 MT (2023: 319,271 MT) and 104,625 MT (2023: 126,000 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% (2023: 10%) and 10% (2023: 10%) respectively, the impact of fair value of unharvested FFB of the Group and the Company would have increased or decreased by approximately RM26.7 million (2023: RM20.7 million) and RM9.7 million (2023: RM8.1 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 204,026 MT (2023: 247,696 MT) of canes. The estimated quantity of unharvested canes as at 31 December 2024 included in the fair valuation of growing canes of the Group was 270,057 MT (2023: 224,948 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% (2023: 10%), fair value changes in growing canes would have increased or decreased by approximately RM2.5 million (2023: RM2.8 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 2,172 tonnes (2023: 2,113 tonnes) of beef. The number of cattle as at 31 December 2024 included in the fair values of livestock was 27,189 heads (2023: 28,189 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% (2023: 1%), fair value changes in livestock would have increased or decreased by approximately RM0.8 million (2023: RM0.9 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
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
2023					
Net book value:					
At 1 January 2023	1,942,088	31,525	31,536	2,528	2,007,677
Additions	17,577	20,609	38,256	1,635	78,077
Depreciation charge for the financial year	(59,869)	(9,570)	(14,940)	(1,079)	(85,458)
Exchange differences	57,364	1,220	1,572	18	60,174
At 31 December 2023	1,957,160	43,784	56,424	3,102	2,060,470
Cost	3,396,472	111,748	106,413	12,678	3,627,311
Accumulated depreciation	(1,425,551)	(67,964)	(49,989)	(9,576)	(1,553,080)
Accumulated impairment	(13,761)	–	–	–	(13,761)
Net book value	1,957,160	43,784	56,424	3,102	2,060,470

17. RIGHT-OF-USE ASSETS (CONTINUED)

COMPANY	Leasehold land RM'000	Plant and machinery RM'000	Total RM'000
2024			
Net book value:			
At 1 January 2024	219,057	–	219,057
Depreciation charge for the financial year	(2,723)	–	(2,723)
At 31 December 2024	216,334	–	216,334
Cost	277,638	–	277,638
Accumulated depreciation	(56,997)	–	(56,997)
Accumulated impairment	(4,307)	–	(4,307)
Net book value	216,334	–	216,334
2023			
Net book value:			
At 1 January 2023	221,956	5,307	227,263
Termination of lease	–	(5,253)	(5,253)
Depreciation charge for the financial year	(2,899)	(54)	(2,953)
At 31 December 2023	219,057	–	219,057
Cost	277,638	–	277,638
Accumulated depreciation	(54,274)	–	(54,274)
Accumulated impairment	(4,307)	–	(4,307)
Net book value	219,057	–	219,057

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 893 years (2023: 1 year to 894 years) but may have extension options.

The maturity analysis of the lease liabilities is disclosed in Note 45aiv under liquidity risks.

Payments for short term leases are disclosed in Note 6d.

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 RM99.5 million (2023: RM101.5 million).

Notes to the Financial Statements

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18. SUBSIDIARIES

	COMPANY	
	2024 RM'000	2023 RM'000
Unquoted shares at cost	7,687,762	7,687,813
Amounts due from subsidiaries - non-interest bearing	1,482,702	1,482,702
Accumulated impairment losses	(726,683)	(726,323)
	8,443,781	8,444,192

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	
		2024 RM'000	2023 RM'000
At 1 January		726,323	724,358
Charge for the financial year	6d	410	4,737
Reversal for the financial year	7	(50)	(2,772)
At 31 December		726,683	726,323

The Group's equity interest in the subsidiaries as at 31 December 2024 and 31 December 2023, 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 2024 and 31 December 2023, 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	
	2024 RM'000	2023 RM'000
Share of results for the financial year	(31,219)	39,239
Currency translation differences	(19,273)	12,899
Share of other comprehensive (loss)/income of joint ventures (net of tax)	6,609	(4,447)
Total comprehensive income	(43,883)	47,691

19. JOINT VENTURES (CONTINUED)

b. Investments in joint ventures

The Group's and the Company's investments in joint ventures are as follows:

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted shares, at cost	424,943	424,943	295,009	293,683
Share of post-acquisition reserves	(26,356)	16,202	–	–
Accumulated impairment	(25,369)	(25,369)	(10,125)	(8,622)
	373,218	415,776	284,884	285,061

The Company has provided an equity injection by subscribing to 51% of the total 2,600,000 shares in SD Guthrie TNB Renewables Sdn. Bhd. (*formerly known as SD Plantation TNB Renewables Sdn. Bhd.*) which equivalent to 1,326,000 units of shares at RM1.00 per share for a total cash consideration of RM1.3 million.

The Group's investments in joint ventures 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 joint ventures.

c. Material joint ventures

Set out below are the joint ventures of the Group as at 31 December 2024 and 31 December 2023 which, in the opinion of the Directors, are material to the Group.

Name of joint ventures	Group's effective interest (%)		Place of business/ Country of incorporation
	2024	2023	
Emery Oleochemicals UK Limited	50.0	50.0	United Kingdom

Notes to the Financial Statements

For the financial year ended 31 December 2024

19. JOINT VENTURES (CONTINUED)

d. Summarised financial information

The summarised statements of comprehensive income of the joint ventures are as follows:

	Emery Oleochemicals UK Limited RM'000	Others RM'000	Total RM'000
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 (loss)/income			
– currency translation differences	(38,547)	–	(38,547)
– actuarial gain on defined benefit plans	17,159	–	17,159
– tax expense relating to actuarial gain 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)
For the financial year ended 31 December 2023			
Revenue	2,250,941	11,231	2,262,172
Depreciation and amortisation	(54,331)	(2,592)	(56,923)
Interest income	643	–	643
Interest expense	(25,012)	(991)	(26,003)
Profit/(Loss) before tax	94,346	(1,685)	92,661
Tax (expense)/credit	(15,242)	172	(15,070)
Profit/(Loss) for the financial year	79,104	(1,513)	77,591
Other comprehensive income/(loss)			
– currency translation differences	25,789	–	25,789
– actuarial loss on defined benefit plans	(12,513)	–	(12,513)
– tax credit relating to actuarial loss on defined benefit plans	3,619	–	3,619
	16,895	–	16,895
Total comprehensive income/(loss) for the financial year	95,999	(1,513)	94,486

19. JOINT VENTURES (CONTINUED)

d. Summarised financial information (continued)

The summarised statements of financial position of the joint ventures are as follows:

	Emery Oleochemicals UK Limited RM'000	Others RM'000	Total RM'000
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
31 December 2023			
Non-current assets	585,823	98,814	684,637
Current assets			
Cash and cash equivalents	117,924	1,348	119,272
Other current assets	774,372	2,842	777,214
	892,296	4,190	896,486
Non-current liability			
Financial liabilities	(19,885)	(20,772)	(40,657)
Current liabilities			
Financial liabilities	(386,704)	(20,534)	(407,238)
Other current liabilities	(246,123)	(206)	(246,329)
	(632,827)	(20,740)	(653,567)
Net assets	825,407	61,492	886,899

Notes to the Financial Statements

For the financial year ended 31 December 2024

19. JOINT VENTURES (CONTINUED)

e. 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:

	Emery Oleochemicals UK Limited 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

The Group has capped the recognition of its share of losses on Rizhao Sime Darby Oils & Fats Co. Ltd. (“Rizhao”) up until its costs of investment in Rizhao. The Group does not have any obligations or guarantee of any obligations on behalf of Rizhao. The Group's share of losses in Rizhao for the current financial year amounted to RM1.6 million (2023: RM1.3 million) which had not been equity accounted for.

	Emery Oleochemicals UK Limited RM'000	Others RM'000	Total RM'000
31 December 2023			
Net assets			
At 1 January 2023	729,408	63,005	792,413
Total comprehensive income/(loss)	95,999	(1,513)	94,486
At 31 December 2023	825,407	61,492	886,899
Group's effective interest	50.0%	45.0% – 51.0%	
Interests in joint ventures	412,704	28,441	441,145
Accumulated impairment of investment in a joint venture	–	(25,369)	(25,369)
Carrying amount at end of the financial year	412,704	3,072	415,776

20. ASSOCIATES

The Group's equity interest in the associates as at 31 December 2024 and 31 December 2023, 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	
	2024 RM'000	2023 RM'000
Share of results for the financial year	3,291	645

b. Investments in associates

The Group's and the Company's investments in associates are as follows:

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted shares, at cost	74,481	74,481	420	420
Share of post-acquisition reserves	(22,295)	(22,629)	–	–
	52,186	51,852	420	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	
	2024 RM'000	2023 RM'000
Aggregate carrying amount of individually immaterial associates	52,186	51,852
Aggregate amounts of the Group's share of profit	3,291	645
Dividends received from associates	1,463	8,926

Notes to the Financial Statements

For the financial year ended 31 December 2024

21. INTANGIBLE ASSETS

GROUP											
	Note	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	Work-in- progress capitalised – agriculture development costs RM'000	Acquired brand/ names/ trademarks RM'000	Total RM'000
2024											
Net book value											
At 1 January 2024		2,368,006	44	10,500	539,097	–	43,921	67,079	73	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	(68)	(37)	(879)	(90,083)
At 31 December 2024		2,294,691	265	9,660	505,525	–	101,923	60,652	36	22,326	2,995,078
Cost		2,300,214	2,226	16,800	712,895	10,710	333,063	108,056	863	78,849	3,563,676
Accumulated amortisation		–	(1,961)	(7,140)	(207,370)	(10,710)	(228,173)	(47,404)	(827)	(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	60,652	36	22,326	2,995,078
2023											
Net book value											
At 1 January 2023		2,271,735	298	11,340	534,055	–	27,264	73,444	877	27,578	2,946,591
Additions		–	–	–	–	–	32,150	–	–	–	32,150
Write off		–	–	–	–	–	–	–	(854)	–	(854)
Amortisation	6a	–	(314)	(840)	(17,397)	–	(16,329)	(6,492)	–	(2,859)	(44,231)
Exchange differences		96,271	60	–	22,439	–	836	127	50	1,283	121,066
At 31 December 2023		2,368,006	44	10,500	539,097	–	43,921	67,079	73	26,002	3,054,722
Cost		2,373,529	2,004	16,800	733,457	10,710	266,876	108,277	900	82,449	3,595,002
Accumulated amortisation		–	(1,960)	(6,300)	(194,360)	(10,710)	(219,720)	(41,198)	(827)	(54,303)	(529,378)
Accumulated impairment losses		(5,523)	–	–	–	–	(3,235)	–	–	(2,144)	(10,902)
Net book value		2,368,006	44	10,500	539,097	–	43,921	67,079	73	26,002	3,054,722

21. INTANGIBLE ASSETS (CONTINUED)

		COMPANY				
	Note	Goodwill RM'000	Intellectual property rights RM'000	Computer software RM'000	Agriculture development costs RM'000	Total RM'000
2024						
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)
Transfer to other entity		–	–	(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
2023						
At 1 January 2023		1,966,053	11,340	17,581	71,644	2,066,618
Additions		–	–	29,236	–	29,236
Amortisation	6a	–	(840)	(7,699)	(5,894)	(14,433)
Disposal		(854)	–	–	–	(854)
At 31 December 2023		1,965,199	10,500	39,118	65,750	2,080,567
Cost		1,965,199	16,800	117,472	102,422	2,201,893
Accumulated amortisation		–	(6,300)	(78,354)	(36,672)	(121,326)
Net book value		1,965,199	10,500	39,118	65,750	2,080,567

Notes to the Financial Statements

For the financial year ended 31 December 2024

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 RM1,643.9 million) (2023: USD367 million (equivalent to RM1,695.9 million) and Minamas Group CGU of USD141 million (equivalent to RM631.0 million) (2023: USD141 million (equivalent to RM651.1 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:

	2024			2023		
	Short term (2025)	Mid term (2026 – 2030)	Long term (2031 onwards)	Short term (2025)	Mid term (2026 – 2030)	Long term (2031 onwards)
NBPOL CGU						
Projection period	A 37-year cash flow projection, based on the average remaining lease period of land in NBPOL			A 38-year cash flow projection, based on the average remaining lease period of land in NBPOL		
FFB yields (MT per hectare) ("ha")	22.2	23.0 – 26.1	23.5 – 27.2	23.9	25.2 – 27.1	23.5 – 27.9
CPO price (per MT)	900	1,197 – 1,307	1,045	775	1,060 – 1,115	1,080
Discount rate	12.2% per annum			12.6% per annum		
Minamas Group CGU						
Projection period	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.			A 36-year cash flow projection, based on the remaining average lease period of 36 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 11 years, plus expected renewal of 25 years.		
FFB yields	16.8	18.7 – 23.0	21.6 – 25.5	18.9	20.0 – 22.5	22.1 – 25.0
CPO price	775	879 – 968	789	633	793 – 831	819
Discount rate	11.0% per annum			10.4% 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	
		2024 RM'million	2023 RM'million
NBPOL CGU	Sensitivity		
FFB yields			
– short term	Lower by 1 MT per ha (2023: 1 MT)	38.4	34.8
– medium term	Lower by 1 MT per ha (2023: 1 MT)	211.2	190.0
– long term	Lower by 1 MT per ha (2023: 1 MT)	243.3	248.0
CPO price			
– short term	Lower by 10% (2023: 10%)	101.6	102.3
– medium term	Lower by 10% (2023: 10%)	576.0	558.2
– long term	Lower by 5% (2023: 5%)	371.3	383.5
Discount rate	Higher by 50 basis points (2023: 50 basis points)	335.0	345.7

		Value-in-use lower by	
		2024 RM'million	2023 RM'million
Minamas CGU			
FFB yields			
– short term	Lower by 1 MT per ha (2023: 1 MT)	64.8	52.3
– medium term	Lower by 1 MT per ha (2023: 1 MT)	319.9	284.3
– long term	Lower by 1 MT per ha (2023: 1 MT)	436.5	489.7
CPO price			
– short term	Lower by 10% (2023: 10%)	116.3	105.8
– medium term	Lower by 10% (2023: 10%)	670.4	624.5
– long term	Lower by 5% (2023: 5%)	556.5	618.7
Discount rate	Higher by 50 basis points (2023: 110 basis points)	433.3	1,092.3

Based on the results of the sensitivy 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.

Notes to the Financial Statements

For the financial year ended 31 December 2024

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 RM1,963.0 million as one CGU based on its value-in-use calculations using cash flow from approved financial budgets covering a 5 year (2023: 5 year) period inclusive of the terminal values.

	2024	2023
Discount rate (%)	9.1	8.9
CPO price (RM per MT)	3,635 to 5,285	3,500 to 5,144
FFB yields (MT per ha)	20.54 to 23.77	18.57 to 22.59

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. Work-in-progress capitalised - 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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Unquoted shares				
At 1 January	23,113	22,496	22,966	22,337
Net changes in fair value	9,198	617	9,195	629
At 31 December	32,311	23,113	32,161	22,966

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deferred tax assets	450,509	442,922	–	–
Deferred tax liabilities	(2,685,870)	(2,653,814)	(810,953)	(688,013)
	(2,235,361)	(2,210,892)	(810,953)	(688,013)

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unutilised tax losses				
– Expiring within 10 years	125,569	134,503	–	–
– No expiry period	25,704	30,359	–	–
	151,273	164,862	–	–
Deductible temporary differences				
– No expiry period	662,015	656,791	580,708	576,629
	813,288	821,653	580,708	576,629

Notes to the Financial Statements

For the financial year ended 31 December 2024

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unutilised tax losses	36,370	39,199	–	–
Unutilised capital allowances	17,790	16,812	–	–
Other deductible temporary differences	58,789	58,674	58,071	57,663
	112,949	114,685	58,071	57,663

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 expects deductible temporary differences of RM587.9 million (2023: RM586.7 million) and RM580.7 million (2023: RM576.6 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	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 January		(2,210,892)	(2,242,038)	(688,013)	(691,659)
(Charged)/Credited to profit or loss	11				
– property, plant and equipment		(50,159)	29,050	(97,564)	(3,483)
– biological assets		(19,549)	3,023	(5,157)	(2,584)
– right-of-use assets		2,808	(6,542)	–	–
– lease liabilities		1,930	1,766	–	–
– derivatives		3,621	2,307	(1,017)	83
– unutilised tax losses		(39,413)	54,306	(9,416)	32,218
– retirement benefits		965	(1,388)	(487)	375
– impairments and provisions		17,002	188	(9,009)	(5,979)
– inventories		(10,290)	(37,294)	–	–
– temporary difference on investments in subsidiaries		8,117	83,438	–	–
– others		(1,877)	(12,509)	(290)	(16,769)
		(86,845)	116,345	(122,940)	3,861
(Charged)/Credited to other comprehensive income		(3,085)	2,368	–	(215)
Exchange differences		65,461	(87,567)	–	–
At 31 December		(2,235,361)	(2,210,892)	(810,953)	(688,013)

23. DEFERRED TAX (CONTINUED)

		GROUP		COMPANY	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deferred tax assets (before offsetting)					
– unutilised tax losses		94,910	122,377	22,802	32,218
– retirement benefits		47,364	50,221	11,823	12,310
– impairments and provisions		151,951	135,168	16,477	25,486
– derivatives		(571)	494	–	83
– property, plant and equipment	23a	301,036	386,687	–	–
– lease liabilities		31,728	29,228	–	–
– temporary difference on investments in subsidiaries	23b	11,678	3,440	–	–
– others		4,215	2,288	–	–
		642,311	729,903	51,102	70,097
Offsetting		(191,802)	(286,981)	(51,102)	(70,097)
Deferred tax assets (after offsetting)		450,509	442,922	–	–
Deferred tax liabilities (before offsetting)					
– property, plant and equipment		(2,442,654)	(2,524,566)	(846,516)	(748,952)
– biological assets		(65,795)	(48,174)	(11,111)	(5,954)
– intangible assets		(117,806)	(117,806)	–	–
– right-of-use assets		(140,328)	(145,441)	–	–
– derivatives		(618)	(4,021)	(934)	–
– inventories		(78,708)	(71,918)	–	–
– others		(31,763)	(28,869)	(3,494)	(3,204)
		(2,877,672)	(2,940,795)	(862,055)	(758,110)
Offsetting		191,802	286,981	51,102	70,097
Deferred tax liabilities (after offsetting)		(2,685,870)	(2,653,814)	(810,953)	(688,013)

- 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 RM2,885 million (2023: RM2,817 million) would have been payable.

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24. TAX RECOVERABLE

		GROUP		COMPANY	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current					
Corporate income taxes recoverable	24a	126,917	161,834	–	–
Value added tax recoverable	24b	70,681	82,895	–	–
Other taxes recoverable		5,025	6,475	–	–
		202,623	251,204	–	–
Current					
Corporate income taxes recoverable	24a	164,100	200,909	39,511	96,925
Value added tax recoverable	24b	74,231	96,712	–	–
Other taxes recoverable		5	464	–	–
		238,336	298,085	39,511	96,925

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 IDR165 billion (RM46 million) (2023: IDR83 billion (RM25 million)) and paid tax assessments of IDR31 billion (RM9 million) (2023: IDR17 billion (RM5 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 IDR381 billion (RM105 million) (2023: IDR282 billion (RM84 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

		GROUP		COMPANY	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current					
Advances for plasma plantation projects		62,725	71,147	–	–
Other receivables		22,935	14,655	–	–
		85,660	85,802	–	–
Accumulated impairment losses:					
Advances for plasma plantation projects 45aiii		(23,493)	(27,578)	–	–
		62,167	58,224	–	–
Current					
Trade receivables		1,650,454	1,481,859	23,034	21,221
Other receivables		320,434	270,478	75,669	64,086
Goods and services tax/value added tax receivable		233,070	240,107	–	–
Prepayments		222,420	187,820	14,692	9,297
Deposits		18,759	19,682	10,446	9,911
Amounts due from associates		1,033	1,157	248	347
Amounts due from joint ventures		54,008	53,919	41,205	41,340
Interest receivable		3	34,795	–	–
		2,500,181	2,289,817	165,294	146,202
Accumulated impairment losses:					
Trade receivables 45aiii		(19,472)	(21,934)	(388)	(388)
Other receivables 45aiii		(20,821)	(8,298)	(1,765)	(1,765)
Amounts due from joint ventures 45aiii		(52,071)	(52,071)	(40,000)	(40,000)
		(92,364)	(82,303)	(42,153)	(42,153)
		2,407,817	2,207,514	123,141	104,049

Credit terms for trade receivables of the Group and of the Company range from 7 to 120 days (2023: 7 to 120 days).

Trade and other receivables pledged as security for borrowings is disclosed in Note 36b to the financial statements.

The amounts due from associates and joint ventures are trade in nature, unsecured, interest free and repayable within 30 days (2023: 30 days).

The Group's and the Company's currency exposure profile and concentration of credit risk are disclosed in Notes 45ai and 45aiii.

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26. INVENTORIES

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Produce inventories:				
– palm oil products	508,083	518,108	56,911	50,042
– sugar stocks	15,356	30,612	–	–
Trading inventories	438,160	263,536	–	–
Raw materials and consumable stores	1,299,575	1,187,221	26,108	26,336
Refined inventories:				
– work-in-progress	464,713	502,014	–	–
– finished goods	115,827	162,427	–	–
	2,841,714	2,663,918	83,019	76,378

Included in the inventories above of the Group and the Company are amounts of RM260.6 million (2023: RM97.5 million) and RM8.84 million (2023: nil) respectively which are stated at net realisable value.

27. AMOUNTS DUE FROM/(TO) SUBSIDIARIES AND RELATED PARTIES

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Amounts due from subsidiaries				
– interest bearing (non-trade)	–	–	52,204	123,178
Current				
Amounts due from subsidiaries				
– interest bearing (non-trade)	–	–	772,960	661,515
– non-interest bearing (non-trade)	–	–	210,249	107,314
– non-interest bearing (trade)	–	–	560,034	227,355
	–	–	1,543,243	996,184
Amounts due from related parties				
– non-interest bearing (trade)	340	124	130	79
Amounts due to subsidiaries				
– interest bearing (non-trade)	–	–	(1,552,174)	(1,572,107)
– non-interest bearing (non-trade)	–	–	(242,736)	(264,178)
– non-interest bearing (trade)	–	–	(65,639)	(61,344)
	–	–	(1,860,549)	(1,897,629)
Amounts due to related parties				
– non-interest bearing (trade)	(13,732)	(13,677)	(6,519)	(6,951)

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	
	2024 %	2023 %
Non-current		
Amounts due from subsidiaries	4.00 – 4.21	3.89 – 5.92
Current		
Amounts due from subsidiaries	3.70 – 4.19	3.38 – 4.27
Amounts due to subsidiaries	4.18 – 5.94	3.86 – 5.92

The amounts due from/(to) subsidiaries and related parties are unsecured. The non-current amounts are payable after 12 months and all current amounts are repayable on demand. The amounts due from subsidiaries and related parties are neither past due nor impaired, except as disclosed in Note 45aiiiC.

The Group's and the Company's currency exposure profile and concentration of credit risk are disclosed in Notes 45ai and 45aiii.

28. DERIVATIVES

The Group's derivatives are as follows:

	Contract/ notional amount RM'000	GROUP	
		Fair value	
		Assets RM'000	Liabilities RM'000
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)
2023			
Current			
Cash flow hedges:			
– forward foreign exchange contracts	955,186	3,236	(8,774)
– commodities futures contracts	63,911	9,627	–
	1,019,097	12,863	(8,774)
Non-hedging derivatives:			
– forward foreign exchange contracts	407,585	8,081	(5,284)
– commodities futures contracts	189,297	7,311	(4,272)
– commodities forward contracts	385,709	5,384	(435)
	982,591	20,776	(9,991)
	2,001,688	33,639	(18,765)

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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	Liabilities RM'000
2024			
Current			
Cash flow hedges:			
– forward foreign exchange contracts	104,465	3,889	–
2023			
Current			
Cash flow hedges:			
– forward foreign exchange contracts	78,571	–	(347)

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 (2023: 1 month to 12 months) and the Company's exposures ranging from 1 month to 6 months (2023:1 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.

During the financial year, the Group's hedge ineffectiveness for commodities futures contracts amounted to RM11.4 million (2023: RM14.1 million).

29. BANK BALANCES, DEPOSITS AND CASH

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deposits with licensed banks	208,560	304,760	22,237	37
Cash and bank balances	416,822	525,622	128,382	100,663
	625,382	830,382	150,619	100,700
Effective average annual interest rates applicable during the financial year are as follows:				
	%	%	%	%
Deposits with licensed banks	4.55	4.10	3.00	2.76

The maturity period for deposits with licensed banks of the Group and the Company range from 1 to 90 days (2023: 1 to 90 days) and 90 days (2023: 90 days) respectively.

Bank balances are non-interest bearing deposits held at call with banks.

The currency exposure profile is disclosed in Note 45ai.

30. ASSETS AND LIABILITIES HELD FOR SALE

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current assets held for sale					
– property, plant and equipment	30a	26,688	15,111	39,547	32,599
Disposal group held for sale					
– property, plant and equipment		100,759	111,827	–	–
– other assets		24,326	38,921	–	–
		151,773	165,859	39,547	32,599
Disposal group held for sale					
– total liabilities		(11,032)	(12,260)	–	–
		140,741	153,599	39,547	32,599

a. Proposed disposal of property, plant and equipment

During the financial year, the Group and the Company have completed the disposal of 5 parcels of land totalling 380.0 hectares for a total sale consideration of RM640.8 million, which were previously classified as non-current assets held for sale as at 31 December 2023. The net gain on disposal arising from the disposal of these lands are disclosed in Note 7. There are additional 6 parcels of land totalling 598.52 hectares being reclassified from property, plant and equipment to non-current assets held for sale in financial year 2024.

As at 31 December 2024, 1,064.67 hectares (2023: 846.1 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 1,064.67 hectares as at 31 December 2024 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. Proposed divestment of subsidiaries

On 16 April 2020, the Board of Directors had approved a proposed divestment of the entire equity interest in PT Sedjahtera Indo Agro (“PT SIA”). There were potential buyers seeking to buy the subsidiaries, however no sales were concluded yet. The Group is still actively seeking for suitable buyers and the transaction is expected to be completed within the next 12 months subsequent to the financial year end.

During the financial year, the Group has recognised an impairment loss of RM12.6 million given the carrying value exceeded the expected recoverable amount.

c. Completed divestment of subsidiaries in the previous financial year

PT Anugerah Sumbermakmur (“ASM”) and PT Minamas Gemilang (“PT MGG”) (PT ASM and PT MGG collectively, “Sellers”), both wholly-owned indirect subsidiaries of SD Guthrie (*formerly known as Sime Darby Plantation Berhad*) had, on 31 July 2023, completed the disposal of the Sellers’ cumulative 100% equity interest in PT Ladangrumpun Suburabadi (“PT LSI”) and PT Sajang Heulang (“PT SHE”) for a total cash consideration of IDR1.88 trillion (equivalent to approximately RM571 million).

Details of the assets, liabilities and net cashflow arising from the disposal of the subsidiaries are as follows:

	2023 RM’000
Consideration received	571,254
Less: Incidental cost of disposal	–
Proceeds from disposal, net of transaction costs	571,254
Net assets/(liabilities) disposed	
– Property, plant and equipment	153,105
– Right-of-use assets	25,968
– Receivables and prepayments	43,423
– Inventories	2,014
– Deferred tax assets	52,048
– Bank	14
– Payables	(5,531)
– Intangible assets	32,826
Net assets disposed	303,867
Gain on disposal of subsidiaries before reclassification of foreign currency translation reserve	267,387
Reclassification of foreign currency translation reserve	22,796
Gain on disposal of the subsidiaries	290,183
Consideration received, net of transaction costs	571,254
Less: Cash and cash equivalent in the subsidiaries	(14)
Net cash outflow from disposal of the subsidiaries	571,240

31. SHARE CAPITAL

	GROUP/COMPANY			
	Number of shares		Amount	
	2024 ’000	2023 ’000	2024 RM’000	2023 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 each reserve is 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:

- 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
- 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	
	2024 RM’000	2023 RM’000
At 1 January	2,231,058	2,230,717
Profit attributable to Perpetual Sukuk holders	124,640	124,300
Distribution to Perpetual Sukuk holders	(124,300)	(123,959)
At 31 December	2,231,398	2,231,058

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:

- 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.
- 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.
- 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.
- 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.

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33. PERPETUAL SUKUK (CONTINUED)

- e. 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 (%)		Place of business/ Country of incorporation
	2024	2023	
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:

	2024			2023		
	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	1,087,646	138,693	102,927	1,210,373	150,679	76,263
Profit for the financial year	216,768	21,805	16,048	156,134	11,247	3,783
Other comprehensive income/(loss)	771	–	–	(992)	–	336
Total comprehensive income	217,539	21,805	16,048	155,142	11,247	4,119
Profit attributable to non-controlling interests	42,717	3,715	3,966	43,104	1,532	377
Dividends paid to non-controlling interests	(14,929)	(6,326)	–	(50,208)	(3,212)	–
Non-current assets	1,437,361	194,703	309,837	1,454,586	197,541	302,828
Current assets	390,270	91,860	27,052	453,575	120,930	19,205
Non-current liabilities	(33,148)	(36,257)	(65,853)	(42,676)	(43,551)	(62,214)
Current liabilities	(479,189)	(7,940)	(16,523)	(593,414)	(10,357)	(21,354)
Net assets	1,315,294	242,366	254,513	1,272,071	264,563	238,465
Non-controlling interests' share of net assets	262,120	61,786	91,566	254,453	66,691	87,604

The summarised statements of cash flows of each non-controlling interests that are material to the Group are as follows:

	2024			2023		
	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	201,124	25,410	38,869	280,273	46,200	22,831
Net cash used in investing activities	(165,972)	(20,597)	(21,617)	(190,173)	(18,979)	(31,620)
Net cash (used in)/from financing activities	(41,131)	(20,902)	(9,600)	(139,190)	(16,658)	2,704
Net (decrease)/increase in cash and cash equivalents	(5,979)	(16,089)	7,652	(49,090)	10,563	(6,085)
Exchange differences	(2,356)	(206)	–	4,742	394	–
Cash and cash equivalents at beginning of the financial year	35,144	18,137	1,314	79,492	7,180	7,399
Cash and cash equivalents at end of the financial year	26,809	1,842	8,966	35,144	18,137	1,314

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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 4 February 2025, respectively.

The movements during the financial year in the amounts recognised in the statements of financial position are as follows:

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current liabilities				
At 1 January	190,715	157,773	48,929	50,629
Charge for the financial year	20,197	29,334	8,335	8,745
Actuarial (gains)/losses recognised in other comprehensive income	(7,067)	13,965	–	(896)
Contributions and benefits paid	(18,831)	(12,203)	(7,999)	(9,549)
Transfers to current retirement benefits	(357)	(2,580)	–	–
Exchange differences	(4,611)	4,426	–	–
At 31 December	180,046	190,715	49,265	48,929
Current liabilities				
At 1 January	20,208	15,303	–	–
Charge for the financial year	19,759	10,087	–	–
Actuarial gains recognised in other comprehensive income	–	(82)	–	–
Contributions and benefits paid	(18,607)	(8,737)	–	–
Transfers from non-current retirement benefits	357	2,580	–	–
Exchange differences	(1,590)	1,057	–	–
At 31 December	20,127	20,208	–	–

35. RETIREMENT BENEFITS (CONTINUED)

The amounts recognised on the statements of financial position are determined as follows:

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Present value of funded obligations	35a	114,817	108,144	–	–
Fair value of plan assets	35b	(337,827)	(360,778)	–	–
		(223,010)	(252,634)	–	–
Present value of unfunded obligations	35a	423,183	463,557	49,265	48,929
Net liabilities		200,173	210,923	49,265	48,929

The expenses recognised in statements of profit or loss are analysed as follows:

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current service cost		21,595	15,538	3,938	2,832
Past service cost		10,383	14,274	–	1,922
Interest cost		11,085	8,187	1,972	1,762
Expected return on plan assets		(12,651)	(10,659)	–	–
Contracted gratuity		10,871	12,715	3,096	2,838
Curtailment		(1,327)	(634)	(671)	(609)
Total included in employee costs	6c	39,956	39,421	8,335	8,745

a. Changes in the present value of defined benefit (funded and unfunded) obligations

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 January	571,701	505,954	48,929	50,629
Current service cost	21,595	15,538	3,938	2,832
Past service cost	10,383	14,274	–	1,922
Interest cost	11,085	8,187	1,972	1,762
Contracted gratuity	10,871	12,715	3,096	2,838
Curtailment	(1,327)	(634)	(671)	(609)
Benefits paid	(49,837)	(32,062)	(7,999)	(9,549)
Actuarial losses/(gains) recognised in other comprehensive income	3,091	12,044	–	(896)
Exchange differences	(39,562)	35,685	–	–
At 31 December	538,000	571,701	49,265	48,929

b. Changes in the fair value of plan assets

	GROUP	
	2024 RM'000	2023 RM'000
At 1 January	360,778	332,878
Expected return on plan assets	12,651	10,659
Actuarial gains/(losses) due to actual experience	10,158	(1,839)
Benefits paid	(12,399)	(11,122)
Exchange differences	(33,361)	30,202
At 31 December	337,827	360,778

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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		
	2024 %	2023 %
Expected return on plan assets (per annum)	3.4	3.7
Discount rates (per annum)	2.5 – 7.0	4.0 – 7.0
Expected rate of salary increases (per annum)	1.5 – 6.5	1.5 – 6.5
COMPANY		
	2024 %	2023 %
Discount rates (per annum)	4.5	4.5
Expected rate of salary increases (per annum)	6.0	6.0

36. BORROWINGS

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Unsecured				
– term loans	2,197,122	2,374,188	2,190,246	2,364,188
– revolving credits-i	710,000	710,000	710,000	710,000
– bonds	466,314	512,890	–	–
– unamortised deferred financing expenses	(13,207)	(15,392)	(12,488)	(15,418)
	3,360,229	3,581,686	2,887,758	3,058,770
Current				
Secured				
– trade facilities	–	120	–	–
– revolving credits	88,684	–	–	–
Unsecured				
– term loans	290,607	73,744	287,363	57,612
– revolving credits-i	630,000	–	630,000	–
– revolving credits	733,345	1,630,721	100,000	994,395
– unamortised deferred financing expenses	(771)	(3,968)	(744)	(3,646)
	1,741,865	1,700,617	1,016,619	1,048,361
Total borrowings	5,102,094	5,282,303	3,904,377	4,107,131

The currency exposure profile is disclosed in Note 45ai.

The breakdown of the unamortised deferred financing expenses is as follows:

	Note	GROUP		COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 January		19,360	9,634	19,064	8,956
Drawdown		–	15,555	–	15,555
Amortisation	9	(5,382)	(5,829)	(5,832)	(5,447)
At 31 December		13,978	19,360	13,232	19,064

36. BORROWINGS (CONTINUED)

a. Bonds

The N-bonds amounting to EUR100 million shall be repayable at a nominal amount on 12 August 2030.

b. 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 RM0.1 million in prior year are secured by fixed charge on trade receivables of the Group of an equivalent amount.

c. Other information

i. The average annual effective interest rates by currency profile of the borrowings are as follows:

	GROUP	
	2024 %	2023 %
Floating interest rates		
Term loans		
– Ringgit Malaysia	4.08 – 4.80	4.11 – 4.81
– United States Dollar	5.96 – 6.65	6.17 – 6.65
Revolving credits		
– Ringgit Malaysia	3.59 – 3.92	3.75 – 3.86
– United States Dollar	5.05 – 5.5	5.25 – 6.29
– United Kingdom Pound	5.51	4.26
– European Union Euro	–	3.76
– Papua New Guinenan Kina	5.20	–
Trade facilities		
– European Union Euro	4.00	4.18
Fixed interest rates		
Bonds		
– European Union Euro	2.90	2.90

	COMPANY	
	2024 %	2023 %
Floating interest rates		
Term loans		
– Ringgit Malaysia	4.08 – 4.80	4.11 – 4.81
– United States Dollar	5.96 – 6.45	6.17 – 6.33
Revolving credits		
– Ringgit Malaysia	3.59 – 3.92	3.75 – 3.86
– United States Dollar	–	5.99 – 6.10

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36. BORROWINGS (CONTINUED)

c. Other information (continued)

ii. The maturity periods of borrowings are as follows:

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Not later than 1 year	1,741,865	1,700,617	1,016,619	1,048,361
Later than 1 year but not later than 2 years	476,843	279,023	475,060	275,871
Later than 2 years but not later than 5 years	2,019,058	1,989,774	2,014,684	1,985,161
More than 5 years	864,328	1,312,889	398,014	797,738
	5,102,094	5,282,303	3,904,377	4,107,131

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

	GROUP	
	2024 RM'000	2023 RM'000
Non-current		
Government grant	365	427

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.

38. CONTRACT LIABILITIES

	GROUP	
	2024 RM'000	2023 RM'000
Current		
Deferred freight income	67,420	24,050
Significant changes of the deferred freight income during the financial year are as follows:		
Revenue recognised that was deferred from previous financial year	24,050	35,273
Consideration received for freight services that are partially or fully unsatisfied at the end of the financial year	67,420	24,050

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.

39. TRADE AND OTHER PAYABLES

		GROUP		COMPANY	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current					
Other payables		50,077	54,086	–	–
Financial guarantee contracts	39a	2,664	2,611	24,252	29,544
		52,741	56,697	24,252	29,544
Current					
Trade payables		787,274	1,004,570	101,052	82,930
Accruals		326,522	279,000	116,132	89,771
Other payables		656,084	477,713	135,782	176,830
Employee related payables		572,017	589,301	142,610	174,531
Interest payable		23,738	23,125	17,832	16,162
Goods and services tax/value added tax payable		17,945	11,316	–	–
Financial guarantee contracts	39a	838	736	5,293	5,293
		2,384,418	2,385,761	518,701	545,517

Credit terms for trade payables of the Group and of the Company range from 1 to 90 days (2023: 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		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Guarantees in respect of credit facilities granted to:				
– joint ventures	2,346	2,907	2,346	2,907
– subsidiaries	–	–	547,453	617,007
– plasma stakeholders	98,277	116,688	–	–
	100,623	119,595	549,799	619,914

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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”), Group Chief Operating Officer, Chief Financial Officer, Group Secretary, Chief Human Resources Officer, Chief Communications Officer, Chief Sustainability Officer, Chief Strategy and Innovation Officer, Group General Counsel, Chief Integrity & Assurance Officer, Chief Risk Officer and Chief Digital Officer 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.

The comparative figures for the segment information have been restated for the two new segments.

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/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.

40. SEGMENT INFORMATION – GROUP (CONTINUED)

a. Segment results

	Note	Upstream Malaysia RM'000	Upstream Indonesia RM'000	Upstream PNG/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 of property, plant and equipment, advances for plasma plantation projects, and trade and other receivables	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)

Notes to the Financial Statements

For the financial year ended 31 December 2024

40. SEGMENT INFORMATION – GROUP (CONTINUED)

a. Segment results (continued)

	Note	Upstream Malaysia RM'000	Upstream Indonesia RM'000	Upstream PNG/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
2023										
Segment revenue, restated										
External		923,785	1,048,755	196,427	16,137,354	–	–	121,562	–	18,427,883
Inter-segment		3,284,739	1,485,474	2,787,613	345,939	7,050	–	651,337	(8,562,152)	–
		4,208,524	2,534,229	2,984,040	16,483,293	7,050	–	772,899	(8,562,152)	18,427,883
Segment results, restated										
Operating profit		1,127,083	890,138	265,970	561,730	421	(556)	42,633	–	2,887,419
Share of results of joint ventures and associates		–	–	–	38,179	(313)	–	2,018	–	39,884
Profit before interest and tax		1,127,083	890,138	265,970	599,909	108	(556)	44,651	–	2,927,303
Finance income		3,617	10,616	698	7,105	–	–	660	–	22,696
Finance costs		(149,881)	–	–	(46,899)	(11)	–	(753)	–	(197,544)
Profit before tax		980,819	900,754	266,668	560,115	97	(556)	44,558	–	2,752,455
Tax expense		(219,989)	(184,405)	(91,889)	(155,807)	(50)	–	(66,936)	–	(719,076)
Profit for the financial year		760,830	716,349	174,779	404,308	47	(556)	(22,378)	–	2,033,379
Included in the operating profit are:										
Depreciation and amortisation, restated	6a	445,944	283,159	527,344	152,271	188	–	23,125	–	1,432,031
Impairment losses of property, plant and equipment, advances for plasma plantation projects, and trade and other receivables	6d.7	24,134	881	–	5,752	–	–	4,254	–	35,021
Write off of property, plant and equipment	6d	13,619	4,065	–	433	–	–	96	–	18,213
Gains on disposals of property, plant and equipment and non-current assets held for sale	7	(878,296)	(290,415)	–	(41)	–	–	–	–	(1,168,752)

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/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

Notes to the Financial Statements

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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/SI RM'000	Downstream RM'000	Renewable energy RM'000	Industrial development RM'000	Other operations RM'000	Total RM'000
2023								
Segment assets, restated								
Operating assets	10,296,022	5,713,414	7,918,419	5,975,444	6,637	24,839	325,981	30,260,756
Joint ventures and associates	–	–	–	428,291	3,072	–	36,265	467,628
Non-current assets held for sale	15,111	150,748	–	–	–	–	–	165,859
	10,311,133	5,864,162	7,918,419	6,403,735	9,709	24,839	362,246	30,894,243
Tax assets								992,211
								31,886,454
Segment liabilities, restated								
Liabilities	1,175,610	606,710	204,814	1,006,217	2,009	–	109,136	3,104,496
Liabilities directly associated with non-current assets held for sale	–	12,260	–	–	–	–	–	12,260
	1,175,610	618,970	204,814	1,006,217	2,009	–	109,136	3,116,756
Tax liabilities								2,861,413
Borrowings								5,282,303
Lease liabilities								219,569
								11,480,041
Additions to non-current assets are as follows:								
Capital expenditure, restated	942,564	676,756	354,695	370,214	1,883	–	44,679	2,390,791

40. SEGMENT INFORMATION – GROUP (CONTINUED)

c. Segment by geography

Revenue by location of customers is analysed as follows:

	GROUP	
	2024 RM'000	2023 RM'000
Malaysia	4,925,874	4,644,078
Europe	3,531,241	2,984,288
United Kingdom	1,341,841	1,466,962
India	3,670,871	1,245,292
Indonesia	1,697,149	1,401,102
Thailand	1,933,571	1,953,730
Other countries in South East Asia	709,350	3,013,469
South Africa	712,658	786,693
Papua New Guinea and Solomon Islands	456,500	505,024
China	212,407	56,013
Pakistan	205,177	1,023
Other countries (which are individually insignificant)	434,401	370,209
	19,831,040	18,427,883

Non-current assets, other than financial instruments and tax assets, by location of the Group's operations are analysed as follows:

	GROUP	
	2024 RM'000	2023 RM'000
Malaysia	11,348,870	11,089,764
Indonesia	5,424,042	5,337,154
Papua New Guinea and Solomon Islands	6,658,483	6,957,765
Thailand	279,246	287,917
Europe	336,992	360,554
United Kingdom	639,331	679,966
Singapore	46,459	6,024
South Africa	18,978	17,065
	24,752,401	24,736,209

Reconciliations of non-current assets, other than financial instruments and tax assets to the total non-current assets are as follows:

	GROUP	
	2024 RM'000	2023 RM'000
Non-current assets other than financial instruments and tax assets	24,752,401	24,736,209
Investments at FVOCI	32,311	23,113
Deferred tax assets	450,509	442,922
Tax recoverable	202,623	251,204
Trade and other receivables	62,167	58,224
	25,500,011	25,511,672

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.

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41. CONTINGENT LIABILITIES

There are no significant contingent liabilities as at the financial year end.

42. COMMITMENTS

a. Capital commitments

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Authorised capital expenditure contracted but not provided for	749,589	722,751	202,211	131,703

b. Plasma plantation

The Group is committed to develop a total of 32,647 hectares (2023: 32,454 hectares) of oil palm plantation for plasma farmers in Indonesia. A total of 25,946 hectares (2023: 25,731 hectares) have been developed of which approximately 20,451 hectares (2023: 25,627 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”)

NBPOL, a wholly-owned subsidiary of the Company, had on 31 August 2011 initiated 3 separate legal actions against the Defendants in the National Court of Justice at Waigani, Papua New Guinea (“Court”). All 3 actions relate to the same cause of action whereby the Defendants had defaulted in their obligations to surrender their Special Agricultural Business Leases (“SABL”) to NBPOL for registration of the sub-leases despite having received benefits from NBPOL under the sub-lease agreements (“SLA”). Such benefits received by the Defendants include rental paid by NBPOL for 3,720 Ha of land under the SABL (“Land”), royalties for the FFB harvested from the Land, and 31,250 ordinary shares in NBPOL respectively issued to each of the Defendants.

On 25 June 2018, the Court rendered its decision on NBPOL’s claims against Meloks in NBPOL’s favour. In its decision, the Court declared the SLA entered into between NBPOL and Meloks to be valid and an order of specific performance was made against Meloks to deliver the SABL to NBPOL and to do all acts and things necessary to enable NBPOL to register the SLA entered into between NBPOL and Meloks. On 10 October 2018, Meloks surrendered the SABL to NBPOL. However, in view that Meloks had laminated the SABL, Meloks had to execute an application for the official copy of the SABL which NBPOL lodged with the registrar of titles together with NBPOL’s application for registration of the SLA. The laminated plastic subsequently dislodged from Melok’s SABL. However, NBPOL and Meloks were required to execute a new SLA to facilitate the registration of the SLA as the date of the SLA has to be the same or after the date of the SABL.

Masile and Rikau then had to consider whether to continue defending against NBPOL’s claims in view of the Court’s decision on the trial relating to NBPOL’s claims against Meloks or to conclude on the same basis as Meloks given that the facts, issues and evidences are similar. Parties then agreed to enter into Consent Court Orders (“CCOs”) on terms similar to the order made in respect of Meloks and the CCOs were formally endorsed by the Court on 15 December 2020. Masile and Rikau surrendered their respective SABLs to NBPOL on 30 July 2020. However, the SABL received from Masile was laminated whilst the SABL received from Rikau was a copy and therefore NBPOL had to obtain the official copy of the SABLs and compile the relevant documents (including execution of new SLAs) before it could proceed with the registration of the SLAs. The issues related to the lamination of Masile’s SABL and obtaining an official copy of Rikau’s SABL as stated above have been resolved.

The SLAs were executed by the Defendants on 4 October 2024 and affixed with the Defendants’ respective common seals. The stamp duty assessed by the Internal Revenue Commission on the SLAs have been paid and the SLAs are now pending lodgement for Ministerial Approval for the SLAs to be registered with the PNG National Department for Lands.

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. (formerly known as Sime Darby Oils 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 RM28.0 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 was 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 RM43.4 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.

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 and the time limit to file an appeal was 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 has since expired and the judgment of the Piraeus Court of Appeal is final and unappealable. Chantico’s lawsuits are dismissed, and this matter is deemed closed. SDGIZR’s Greek lawyer estimated the exposure (and all of the other 8 cargo owners, jointly and severally) at EUR2.1 million (approximately RM 9.8 million) for Lawsuit 1 and EUR 145,000 (approximately RM 0.7 million) for Lawsuit 2, all amounts inclusive of interest.

On 18 June 2024, Chantico filed a new lawsuit 3 (“Lawsuit 3”) with the Piraeus Court of against the same defendants in Lawsuit 1 and Lawsuit 2 is based (1) on alleged acts and omissions in tort, and (2) alternatively on liability for unjust enrichments. The claim in tort is the same as pursued in Lawsuit 1. In Lawsuit 3, jointly and severally, is calculated at USD 2,958,660, the equivalent of which in Euros 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 Euros 3,332,817 (approximately RM15.5 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 Euros 480,793.62 (approximately RM2.2 million)). Additionally, over all of the above-mentioned amounts Chantico claims legal interest as from 18.05.2018, allegedly the date of service of the lawsuit 1 writ. No provision is made at this juncture as the lawsuit is still under review.

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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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
a. Transactions with associates				
i. Purchase of palm oil				
– Thai Eastern Trat Co., Ltd.	70,119	75,553	–	–
ii. Corporate social responsibility donation paid				
– Yayasan Sime Darby	30,000	30,000	3,200	2,500
b. Transactions with subsidiaries				
i. Sales of goods				
– SD Guthrie International Commodities Sdn Bhd	–	–	2,149,959	1,945,726
– SD Guthrie International Port Klang Refinery Sdn Bhd	–	–	527,402	297,919
– SD Guthrie International Carey Island KCP Sdn Bhd	–	–	314,971	213,669
– SD Guthrie International Biodiesel Sdn Bhd	–	–	71,461	68,287
– The China Engineers (Malaysia) Sdn Bhd	–	–	86,924	58,251
ii. Research expenses				
– SD Guthrie Technology Centre Sdn Bhd	–	–	37,699	28,740
– SD Guthrie Biotechnology Lab Sdn Bhd	–	–	9,512	10,162
– SD Guthrie Research Sdn Bhd	–	–	65,271	66,886
iii. Commission on purchase of FFB and sale of palm products				
– SD Guthrie International Trading Sdn Bhd	–	–	54,511	45,871
iv. Management fees income				
– SD Guthrie Plantation (Sabah) Sdn Bhd	–	–	13,828	13,780
v. Interest expenses				
– SD Guthrie Global Berhad	–	–	–	1,370
– SD Guthrie International Trading Sdn Bhd	–	–	12,092	21,442
– Mulligan International B.V.	–	–	3,491	14,848
– SD Guthrie International Carey Island KCP Sdn Bhd	–	–	8,878	14,359
vi. Purchases of goods				
– The China Engineers (Malaysia) Sdn Bhd	–	–	77,217	57,178
– SD Guthrie Agri Bio Sdn Bhd	–	–	222,993	337,527
vii. Dividend income				
– Mulligan International B.V.	–	–	381,267	751,582
– New Britain Palm Oil Limited	–	–	585,966	772,739
– SD Guthrie International Thailand Sdn Bhd	–	–	1,300	12,565
– SD Guthrie International Limited	–	–	117,410	–

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
b. Transactions with subsidiaries (continued)				
viii. Advances from/(to) subsidiaries				
– SD Guthrie International Pasir Gudang Refinery Sdn Bhd	–	–	(18,938)	92,397
– Mulligan International B.V.	–	–	(4,008)	411,583
– SD Guthrie International Carey Island KCP Sdn Bhd	–	–	(6,187)	31,244
– SD Guthrie International Langat Refinery Sdn Bhd	–	–	(8,818)	58,859
– New Britain Plantation Services Pte. Ltd.	–	–	–	13,794
– SD Guthrie Research Sdn Bhd	–	–	(13,385)	17,454
– SD Guthrie Technology Centre Sdn Bhd	–	–	(2,631)	21,678
– SD Guthrie International Limited	–	–	(324)	19,082
– PT Minamas Gemilang	–	–	(24,257)	(43,331)
– SD Guthrie Plantation Industries Malaysia Sdn Bhd	–	–	(77,014)	(30,925)
– SD Guthrie International Bintulu Sdn Bhd	–	–	(2,278)	(156,627)
– SD Guthrie International Biodiesel Sdn Bhd	–	–	(509)	(97,376)
– New Britain Palm Oil Limited	–	–	(16,572)	(17,081)
– SD Guthrie Plantation (Sarawak) Sdn Bhd	–	–	(137,181)	(111,134)
– SD Guthrie Plantation (Sabah) Sdn Bhd	–	–	(177,132)	(76,491)
– SD Guthrie International Port Klang Refinery Sdn Bhd	–	–	(3,654)	(14,641)
– SD Guthrie International Trading Private Limited	–	–	(24,147)	–
– The China Engineers (Malaysia) Sdn Bhd	–	–	(40,304)	–
– Agri Sumber Prestari Sdn Bhd	–	–	(20,406)	–
– SD Guthrie International Trading Sdn Bhd	–	–	(11,583)	–
ix. Repayment of advances to/(from) subsidiaries				
– SD Guthrie Global Berhad	–	–	176	(550,068)
– PT Anugerah Sumbermakmur	–	–	–	(149,135)
– PT Minamas Gemilang	–	–	–	(149,144)
– SD Guthrie International Limited	–	–	1,537	(263,564)
– SD Guthrie International Netherlands B.V.	–	–	13,669	(50,824)
– SD Guthrie International Trading Sdn Bhd	–	–	224,257	(227,073)
– SD Guthrie International Carey Island KCP Sdn Bhd	–	–	(255,708)	(223,523)
– SD Guthrie International Langat Refinery Sdn Bhd	–	–	186,789	40,057
– SD Guthrie Research Sdn Bhd	–	–	23,027	–
– SD Guthrie Technology Centre Sdn Bhd	–	–	50,469	–
– SD Guthrie International Port Klang Refinery Sdn Bhd	–	–	(61,466)	–
– SD Guthrie Plantation Industries Malaysia Sdn Bhd	–	–	(60,606)	–
– SD Guthrie International Bintulu Sdn Bhd	–	–	43,113	–
– SD Guthrie Agri Bio Sdn Bhd	–	–	167,472	122,722
– SD Guthrie International Biodiesel Sdn Bhd	–	–	(92,924)	–
– SD Guthrie Plantation (Sabah) Sdn Bhd	–	–	(262,295)	38,780
– SD Guthrie Plantation (Sarawak) Sdn Bhd	–	–	(109,557)	25,573
– The China Engineers (Malaysia) Sdn Bhd	–	–	(68,425)	–
– SD Guthrie International Pasir Gudang Refinery Sdn Bhd	–	–	(385,389)	–
– New Britain Palm Oil Limited	–	–	(130,533)	–
– SD Guthrie International CleanerG B.V.	–	–	(23,263)	–
– SD Guthrie International Professional Sdn Bhd	–	–	(17,028)	–

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For the financial year ended 31 December 2024

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	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
b. Transactions with subsidiaries (continued)				
x. Tax credit utilisation				
– SD Guthrie International Trading Sdn Bhd	–	–	13,685	–
– SD Guthrie International Carey Island KCP Sdn Bhd	–	–	12,311	–
c. Transactions with related parties				
i. Purchase of asset, heavy equipment, spare parts and services				
– Sime Darby Industrial Sdn Bhd	20,779	16,863	6,411	6,208
– Kubota Malaysia Sdn Bhd	28,215	32,553	16,774	22,498
ii. Rental expenses				
– Kumpulan Sime Darby Berhad	11,063	11,785	11,063	11,785
iii. Sales consideration from land disposal				
– Sime Darby Property (Bukit Tunku) Sdn Bhd	–	618,000	–	618,000

d. Transactions with shareholders and Government

Permodalan Nasional Berhad (“PNB”) and the funds managed by its subsidiary, Amanah Saham Nasional Berhad, together owns 54.90% as at 31 December 2024 (2023: 55.29%) 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.

e. Remuneration of key management personnel

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 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	35,558	33,791	33,112	29,827
– Defined contribution pension plans	4,232	3,930	4,231	3,722
– Estimated monetary value of benefits by way of usage of the Group’s and the Company’s assets	691	307	686	300
	40,481	38,028	38,029	33,849

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.

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) and derivatives arising from ineffective portion of cash flow hedges.

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 and 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 and interest rate swaps 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 USD560.0 million (equivalent to RM2,501.7 million) (2023: USD982.5 million (equivalent to RM4,528.3 million)) are designated as a natural hedge against the net investment. The foreign currencies exchange gains of RM22.5 million (2023: foreign currencies exchange losses of RM135.7 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.

Notes to the Financial Statements

For the financial year ended 31 December 2024

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	European Union Euro RM'000	Others RM'000	Denominated in functional currencies RM'000	Total RM'000
2024					
Assets					
Investments at FVOCI (non-current)	–	–	–	32,311	32,311
Trade and other receivables (net)					
– non-current	–	4,416	1,169	56,582	62,167
– current	268,674	22,931	201,530	1,459,192	1,952,327
Bank balances, deposits and cash	82,458	11,157	21,002	510,765	625,382
Amounts due from related parties	–	–	–	340	340
Derivative assets	13,024	753	6,553	9,538	29,868
	364,156	39,257	230,254	2,068,728	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	–	–	(78,286)	(98,453)	(176,739)
– current	–	–	(3,932)	(23,987)	(27,919)
Amounts due to related parties	–	–	–	(13,732)	(13,732)
Trade and other payables					
– non-current	–	–	(39,054)	(13,687)	(52,741)
– current	(136,975)	(9,038)	(261,643)	(1,386,800)	(1,794,456)
Derivative liabilities	(6,197)	(19)	(5,857)	(34)	(12,107)
	(1,355,250)	(9,057)	(477,456)	(5,338,025)	(7,179,788)
	(991,094)	30,200	(247,202)	(3,269,297)	(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)

	GROUP				
	United States Dollar RM'000	European Union Euro RM'000	Others RM'000	Denominated in functional currencies RM'000	Total RM'000
2023					
Assets					
Investments at FVOCI (non-current)	–	–	–	23,113	23,113
Trade and other receivables (net)					
– non-current	–	–	–	58,224	58,224
– current	206,042	10,895	239,142	1,323,508	1,779,587
Bank balances, deposits and cash	229,010	9,107	67,843	524,422	830,382
Amounts due from related parties	–	–	–	124	124
Derivative assets	11,660	21	4,236	17,722	33,639
	446,712	20,023	311,221	1,947,113	2,725,069
Liabilities					
Borrowings					
– non-current	(861,865)	–	–	(2,719,821)	(3,581,686)
– current	(1,280,245)	–	–	(420,372)	(1,700,617)
Lease liabilities					
– non-current	–	–	(79,225)	(114,742)	(193,967)
– current	–	–	(4,492)	(21,110)	(25,602)
Amounts due to related parties	–	–	(1)	(13,676)	(13,677)
Trade and other payables					
– non-current	–	–	(45,326)	(11,371)	(56,697)
– current	(207,105)	(4,270)	(196,398)	(1,377,371)	(1,785,144)
Dividend payable	–	–	–	(394,196)	(394,196)
Derivative liabilities	(13,458)	(224)	(4,556)	(527)	(18,765)
	(2,362,673)	(4,494)	(329,998)	(5,073,186)	(7,770,351)
	(1,915,961)	15,529	(18,777)	(3,126,073)	(5,045,282)

Notes to the Financial Statements

For the financial year ended 31 December 2024

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)

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
2023					
Assets					
Investments at FVOCI (non-current)	–	–	–	22,966	22,966
Trade and other receivables (net)	177	–	152	94,423	94,752
Bank balances, deposits and cash	36,642	142	–	63,916	100,700
Amounts due from related parties	–	–	–	79	79
Amounts due from subsidiaries					
– non-current	60,309	–	–	62,869	123,178
– current	157,526	851	247	837,560	996,184
	254,654	993	399	1,081,813	1,337,859
Liabilities					
Borrowings					
– non-current	(861,865)	–	–	(2,196,905)	(3,058,770)
– current	(722,271)	–	–	(326,090)	(1,048,361)
Amounts due to related parties	–	–	–	(6,951)	(6,951)
Amounts due to subsidiaries	(1,262,625)	(23,364)	(15,783)	(595,857)	(1,897,629)
Trade and other payables					
– non-current	–	(29,534)	–	(10)	(29,544)
– current	(6,406)	(5,290)	(439)	(358,851)	(370,986)
Dividend payable	–	–	–	(394,196)	(394,196)
Derivative liabilities	(347)	–	–	–	(347)
	(2,853,514)	(58,188)	(16,222)	(3,878,860)	(6,806,784)
	(2,598,860)	(57,195)	(15,823)	(2,797,047)	(5,468,925)

Notes to the Financial Statements

For the financial year ended 31 December 2024

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 2024 and 31 December 2023, 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					
Major currency	Strengthened against RM by	Net monetary item RM'000	Hedged RM'000	Impact on profit after tax	
				Before hedge RM'000	After hedge RM'000
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)
European Union Euro					
– Assets	5%	39,257	5,966	1,492	1,265
– Liabilities	5%	(9,057)	(6,720)	(344)	(89)
2023					
United States Dollar					
– Assets	3%	446,712	151,363	10,185	6,734
– Liabilities	3%	(2,362,673)	(107,414)	(53,869)	(51,420)
European Union Euro					
– Assets	1%	20,023	2,254	152	135
– Liabilities	1%	(4,494)	–	(34)	(34)

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 2024 and 31 December 2023, 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					
Major currency	Strengthened against RM by	Net monetary item RM'000	Hedged RM'000	Impact on profit after tax	
				Before hedge RM'000	After hedge RM'000
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)
2023					
United States Dollar					
– Assets	3%	254,654	–	5,806	5,806
– Liabilities	3%	(2,853,514)	–	(65,060)	(65,060)
European Union Euro					
– Assets	1%	993	–	8	8
– Liabilities	1%	(58,188)	–	(442)	(442)

Notes to the Financial Statements

For the financial year ended 31 December 2024

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. Derivative financial instruments are used, where appropriate, to generate the desired interest rate profile.

The percentages of fixed rate borrowings to the total of borrowings at the end of the financial year are as follows:

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Total of borrowings	5,102,094	5,282,303	3,904,377	4,107,131
Fixed rate borrowings	466,314	512,890	–	–

	GROUP		COMPANY	
	2024 %	2023 %	2024 %	2023 %
Percentage of fixed rate borrowings over total of borrowings	9	10	–	–

As at 31 December 2024, all of the Group's and the Company's floating rate borrowings stood at RM4,635.8 million (2023: RM4,769.4 million) and RM3,904.4 million (2023: RM4,107.1 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% (2023: 0.5%), the Group's and the Company's profit after tax will be lower by:

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Decrease in profit after tax	17,616	18,124	14,837	15,607

A 0.5% (2023: 0.5%) decrease in interest rate would have an equal but opposite effect.

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 RM91.7 million and nil (2023: RM120.4 million and nil) 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.

Notes to the Financial Statements

For the financial year ended 31 December 2024

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
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
2023						
At 1 January		18,196	7,367	52,071	24,975	102,609
Charge for the financial year	6d	4,159	1,176	–	881	6,216
Exchange differences		(421)	(245)	–	1,722	1,056
At 31 December		21,934	8,298	52,071	27,578	109,881

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
2024						
At 1 January		388	1,765	40,000	305,646	347,799
Charge for the financial year	6d	–	–	–	9,018	9,018
Reversal for the financial year	7	–	–	–	(34)	(34)
At 31 December		388	1,765	40,000	314,630	356,783
2023						
At 1 January		388	1,768	40,000	309,806	351,962
Charge for the financial year	6d	–	–	–	7,778	7,778
Write offs		–	(3)	–	–	(3)
Reversal for the financial year	7	–	–	–	(11,938)	(11,938)
At 31 December		388	1,765	40,000	305,646	347,799

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
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

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For the financial year ended 31 December 2024

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
2023				
Group				
Local customers:				
Current	448,903	0.0%	–	448,903
Past due by:				
– 1 to 30 days	289,607	0.0%	(30)	289,577
– 31 to 60 days	102,685	0.0%	–	102,685
– 61 to 90 days	39,122	0.0%	–	39,122
– 91 to 180 days	19,277	0.1%	(16)	19,261
– 181 to 360 days	2,475	45.3%	(1,122)	1,353
– more than 360 days	16,065	89.4%	(14,363)	1,702
	918,134		(15,531)	902,603
Export customers:				
Current	364,078	0.0%	–	364,078
Past due by:				
– 1 to 30 days	177,959	0.0%	(44)	177,915
– 31 to 60 days	5,383	0.0%	–	5,383
– 61 to 90 days	3,760	0.0%	(1)	3,759
– 91 to 180 days	5,607	0.0%	–	5,607
– 181 to 360 days	2,274	80.6%	(1,832)	442
– more than 360 days	4,664	97.0%	(4,526)	138
	563,725		(6,403)	557,322

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
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
2023				
Upstream				
Local customers:				
Current	20,305	0.0%	–	20,305
Past due by:				
– 1 to 30 days	473	0.0%	–	473
– 31 to 60 days	–	0.0%	–	–
– 61 to 90 days	55	0.0%	–	55
– more than 360 days	388	100.0%	(388)	–
	21,221		(388)	20,833

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For the financial year ended 31 December 2024

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 programmes 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.

- 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 RM341.3 million and RM84.4 million (2023: RM331.3 million and RM72.2 million) respectively as at 31 December 2024. 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.

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 RM1,430.3 million as at 31 December 2024 (2023: RM2,539.4 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. In addition, the Company has undrawn credit facilities of RM2.2 billion (2023: RM2.8 billion) as at 31 December 2024.

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 expenditure having considered the above factors.

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
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, 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
2023						
Trade and other payables	1,761,283	–	–	54,086	1,815,369	1,815,369
Borrowings						
– principal	1,700,617	279,023	1,989,774	1,312,889	5,282,303	5,282,303
– interest	57,559	99,445	47,355	29,748	234,107	23,125
Amounts due to related parties	13,677	–	–	–	13,677	13,677
Lease liabilities	34,544	38,395	62,511	163,017	298,467	219,569
Dividend payable	394,196	–	–	–	394,196	394,196
Derivatives						
Net-settled commodities options, futures and forward contracts						
– payments	4,707	–	–	–	4,707	4,707
Forward foreign exchange contracts	14,058	–	–	–	14,058	14,058
	3,980,641	416,863	2,099,640	1,559,740	8,056,884	7,767,004

Notes to the Financial Statements

For the financial year ended 31 December 2024

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
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
Dividend payable	–	–	–	–	–	–
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
2023						
Trade and other payables	349,531	–	–	–	349,531	349,531
Borrowings						
– principal	1,048,361	275,871	1,985,161	797,738	4,107,131	4,107,131
– interest	41,520	84,176	2,250	–	127,946	16,162
Dividend payable	394,196	–	–	–	394,196	394,196
Intra-group payables	1,904,580	–	–	–	1,904,580	1,904,580
	3,738,188	360,047	1,987,411	797,738	6,883,384	6,771,600

As at 31 December 2024, the Group's and the Company's maximum potential liabilities under financial guarantee contracts amounted to RM100.6 million and RM549.8 million respectively (2023: RM119.6 million and RM619.9 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 – 2024				
Sale contracts	348,201	Less than 12	82,725	4,209
GROUP – 2023				
Sale contracts	63,911	Less than 12	14,750	4,333

ii. Non-hedging derivatives

	Notional Amount RM'000	Maturity period Months	Tonnage Tonnes	Average contract price per tonne RM
GROUP – 2024				
Sale contracts	444,766	Less than 12	100,026	4,447
Purchase contracts	425,853	Less than 12	95,501	4,459
GROUP – 2023				
Sale contracts	367,064	Less than 12	78,896	4,653
Purchase contracts	207,942	Less than 12	59,094	3,519

There is no derivatives being entered in 2024 and 2023 to hedge the price risk of the Company.

Notes to the Financial Statements

For the financial year ended 31 December 2024

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
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)
2023				
Financial assets				
Investments at FVOCI	–	–	23,113	23,113
Derivatives				
– commodities futures contracts	16,938	–	–	16,938
– commodities forward contracts	–	5,384	–	5,384
– forward foreign exchange contracts	–	11,317	–	11,317
	16,938	16,701	23,113	56,752
Financial liabilities				
Derivatives				
– commodities futures contracts	(4,272)	–	–	(4,272)
– commodities forward contracts	–	(435)	–	(435)
– forward foreign exchange contracts	–	(14,058)	–	(14,058)
	(4,272)	(14,493)	–	(18,765)

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
2024				
Financial assets				
Investments at FVOCI	–	–	32,161	32,161
Financial liabilities				
Derivatives				
– forward foreign exchange contracts	–	3,889	–	3,889
2023				
Financial assets				
Investments at FVOCI	–	–	22,966	22,966
Financial liabilities				
Derivatives				
– forward foreign exchange contracts	–	(347)	–	(347)

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.

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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 the total of borrowings and amount due to a subsidiary (including "current and non-current" as shown in the Company's statement 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 (gross).

The ratios are as follows:

	GROUP		COMPANY	
	2024	2023	2024	2023
Gearing ratio (%)	24.1	25.9	27.8	32.0
Interest cover (times)	10.8	8.6	9.3	7.0

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 RM1,697 million (2023: RM1,711 million), the Group is required to be in compliance with externally imposed financial covenants and capital requirements for the financial year ended 31 December 2024 and 31 December 2023:

- i.

Maintain consolidated borrowings, net of cash and cash equivalent to consolidated shareholder's 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 2024 and 31 December 2023.

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 2024 are as follows:

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
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 (formerly known as 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 (formerly known as 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 (formerly known as Guthrie Industries Malaysia Sendirian Berhad)	Malaysia	100.0	100.0	1	Cultivation of oil palm and processing of palm oil and palm kernel
SD Guthrie Plantation Investment (L) Ltd (formerly known as Guthrie International Investments (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 (formerly known as Sime Darby Plantation Austral Holdings Berhad)	Malaysia	100.0	100.0	1	Investment holding
SD Guthrie International Bintulu Sdn Bhd (formerly known as Sime Darby Oils Bintulu Sdn Bhd)	Malaysia	60.0	60.0	1	Processing of palm oil and palm kernel oil
SD Guthrie International Biodiesel Sdn Bhd (formerly known as Sime Darby Oils Biodiesel Sdn Bhd)	Malaysia	100.0	100.0	1	Production and sale of biodiesel and related products
SD Guthrie Biotechnology Lab Sdn Bhd (formerly known as Sime Darby Plantation Biotechnology Lab Sdn Bhd)	Malaysia	100.0	100.0	1	Provision of oil palm tissue culture services

Notes to the Financial Statements

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47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

i. Subsidiaries which are active as at 31 December 2024 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
SD Guthrie Consulting Sdn Bhd <i>(formerly known as Sime Darby Plantation Consulting Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Investment holding
SD Guthrie International Nutrition Sdn Bhd <i>(formerly known as Sime Darby Oils Nutrition Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Manufacturing and selling of Red Palm Oils and Tocotrienol based products
SD Guthrie International North America Inc. <i>(formerly known as Sime Darby Oils North America Inc.)</i>	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 <i>(formerly known as Sime Darby Oils Pasir Gudang Refinery Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Investment holding and processing of edible oil and related products
SD Guthrie International Professional Sdn Bhd <i>(formerly known as Sime Darby Oils Professional Sdn Bhd)</i>	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 <i>(formerly known as Sime Darby Oils Trading Sdn Bhd)</i>	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 <i>(formerly known as Sime Darby Oils Trading (Labuan) Limited)</i>	Labuan, Malaysia	100.0	100.0	1	Trading of commodities
SD Guthrie Childcare Centre Sdn Bhd <i>(formerly known as Sime Darby Plantation Childcare Centre Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Operating childcare centre
SD Guthrie EcoGardens Sdn Bhd <i>(formerly known as Sime Darby Plantation EcoGardens Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Business of owning, operating and managing rest/guest house, cafeterias/canteens and renting of conventional and recreational facilities
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.

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

i. Subsidiaries which are active as at 31 December 2024 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
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 <i>(formerly known as Sime Darby Intellectual Property Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Acquiring, developing and investing in trademarks, patents and intellectual property rights
SD Guthrie Plantation Land Holding Sdn Bhd <i>(formerly known as Sime Darby Plantation Land Holding Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Investment holding
SD Guthrie Plantation Land (Bukit Pelanduk) Sdn Bhd <i>(formerly known as Sime Darby Plantation Land (Bukit Pelanduk) Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Land holding
SD Guthrie Plantation Land (Sepang) Sdn Bhd <i>(formerly known as Sime Darby Plantation Land (Sepang) Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Land holding
SD Guthrie Plantation Land (Tanah Merah) Sdn Bhd <i>(formerly known as Sime Darby Plantation Land (Tanah Merah) Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Land holding
SD Guthrie Plantation Land (Carey Island) Sdn Bhd <i>(formerly known as Sime Darby Plantation Land (Carey Island) Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Land holding
SD Guthrie Plantation Land (Scarborough) Sdn Bhd <i>(formerly known as Sime Darby Plantation Land (Scarborough) Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Land holding
SD Guthrie KIGIP Sdn Bhd	Malaysia	100.0	–	1	Land holding
SD Guthrie KIGIP Power Sdn Bhd	Malaysia	100.0	–	1	Land holding
SD Guthrie Land Ventures Sdn Bhd	Malaysia	100.0	–	1	Investment holding
SD Guthrie KIGIP Industrial Sdn Bhd	Malaysia	100.0	–	1	Land Holding
SD Guthrie Research Sdn Bhd <i>(formerly known as Sime Darby Plantation Research Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Research and development services to group companies in relation to tropical agriculture

Notes to the Financial Statements

For the financial year ended 31 December 2024

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

i. Subsidiaries which are active as at 31 December 2024 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
SD Guthrie Plantation Latex Sdn Bhd <i>(formerly known as Sime Darby Plantation Latex Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Investment property
SD Guthrie Renewable Energy Sdn Bhd <i>(formerly known as Sime Darby Plantation Renewable Energy Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Renewable energy business covering biogas, solar and biomass projects
SD Guthrie Seeds & Agricultural Services Sdn Bhd <i>(formerly known as Sime Darby Plantation Seeds & Agricultural Services Sdn Bhd)</i>	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 <i>(formerly known as Sime Darby Plantation (Sabah) Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Cultivation of oil palm and processing of palm oil and palm kernel
SD Guthrie Plantation (Sarawak) Sdn Bhd <i>(formerly known as Sime Darby Plantation (Sarawak) Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Cultivation of oil palm and processing of palm oil and palm kernel
SD Guthrie Technology Centre Sdn Bhd <i>(formerly known as Sime Darby Plantation Technology Centre Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Research and development services in biotechnology and agriculture
SD Guthrie International Thailand Sdn Bhd <i>(formerly known as Sime Darby Plantation Thailand Sdn Bhd)</i>	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
PT Bersama Sejahtera Sakti	Indonesia	91.12	91.12	2	Cultivation of oil palm and processing of palm oil and palm kernel

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

i. Subsidiaries which are active as at 31 December 2024 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
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 <i>(formerly known as PT Sime Darby Oils Pulau Laut Refinery)</i>	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 Indotruba Tengah	Indonesia	50.0	50.0	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

Notes to the Financial Statements

For the financial year ended 31 December 2024

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

i. Subsidiaries which are active as at 31 December 2024 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
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 (formerly known as PT Sime Darby Oils International Indonesia)	Indonesia	100.0	100.0	2	Investment holding, trade and services
PT Guthrie International Lestari Utama Indonesia (formerly known as PT Sime Darby Oils Utama Indonesia)	Indonesia	100.0	100.0	2	Investment holding, trade and services
PT Guthrie Agri Bio (formerly known as PT Sime Darby Plantation Agri Bio)	Indonesia	100.0	100.0	2	Trading of agricultural related products
PT Guthrie International Pratama Indonesia (formerly known as PT Sime Darby Oils Indonesia)	Indonesia	100.0	100.0	2	Provision of procurement, marketing and sale of edible oils
PT Sedjahtera Indo Agro	Indonesia	100.0	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

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

i. Subsidiaries which are active as at 31 December 2024 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
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
SD Guthrie International Carey Island KCP Sdn Bhd (formerly known as Sime Darby Oils 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 (formerly known as Sime Darby Oils 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 (formerly known as Sime Darby Oils Langat Refinery Sdn Bhd)	Malaysia	100.0	100.0	1	Processing and sales of edible oil and related products
SD Guthrie International (PNG) Limited (formerly known as Sime Darby Oils (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 (formerly known as Sime Darby Oils Port Klang Refinery Sdn Bhd)	Malaysia	100.0	100.0	1	Processing of edible oil and related products
SD Guthrie International Trading Private Limited (formerly known as Sime Darby Oils Trading Private Limited)	Singapore	100.0	100.0	2	Trading of palm oil, coconut oil and other edible oils
Ultra Oleum Pte. Ltd.	Singapore	100.0	100.0	2	Investment holding
SD Guthrie International Liverpool Refinery Limited (formerly known as Sime Darby Oils Liverpool Refinery Limited)	United Kingdom	100.0	100.0	3	Refining of crude palm oil

Notes to the Financial Statements

For the financial year ended 31 December 2024

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

i. Subsidiaries which are active as at 31 December 2024 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
SD Guthrie International Limited <i>(formerly known as Sime Darby Oils International Limited)</i>	Singapore	100.0	100.0	2	Management consultancy services and investment holding
SD Guthrie International Singapore Limited <i>(formerly known as Sime Darby Oils Singapore Limited)</i>	Singapore	100.0	100.0	2	Investment holding
SD Guthrie Investment (Liberia) Private Limited <i>(formerly known as Sime Darby Plantation (Liberia) Private Limited)</i>	Singapore	100.0	100.0	2	Investment holding
SD Guthrie International China Oils And Fats Company Limited <i>(formerly known as Sime Darby Plantation China Oils And Fats Company Limited)</i>	Hong Kong SAR	100.0	100.0	2	Investment holding
SD Guthrie International Hong Kong Nominees Limited <i>(formerly known as Sime Darby Plantation Hong Kong Nominees Limited)</i>	Hong Kong SAR	100.0	100.0	2	Investment holding
SD Guthrie International Nonthaburi Co., Ltd <i>(formerly known as Sime Darby Oils Nonthaburi Co., Ltd)</i>	Thailand	99.9	99.9	2	Processing of soya bean oil and related products
SD Guthrie International Morakot Public Company Limited <i>(formerly known as Sime Darby Oils Morakot Public Company Limited)</i>	Thailand	99.9	99.9	2	Processing and marketing of edible oil and related products
SD Guthrie International Holdings (Thailand) Limited <i>(formerly known as Sime Darby Oils Holdings (Thailand) Limited)</i>	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 <i>(formerly known as SD Plantation International Investments Limited)</i>	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. <i>(formerly known as Sime Darby Oils Netherlands B.V.)</i>	Netherlands	100.0	100.0	4	Investment holding

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

i. Subsidiaries which are active as at 31 December 2024 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
SD Guthrie International Zwijndrecht Refinery B.V. <i>(formerly known as Sime Darby Oils Zwijndrecht Refinery B.V.)</i>	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. <i>(formerly known as Sime Darby Oils Europe B.V.)</i>	Netherlands	100.0	100.0	2	Trading of crude and processed vegetable oils, raw material procurement, logistics and management of operational risk within the Group
SD Guthrie International Speciality Ingredients B.V. <i>(formerly known as Sime Darby Oils Speciality Ingredients B.V.)</i>	Netherlands	100.0	100.0	2	Acquiring, processing, producing and selling of special ingredients for use in food, feed, nutritional, pharmaceutical and cosmetic industry and consumer market
SDGI Den Haag B.V.	Netherlands	100.0	-	2	Investment holding
SD Guthrie International South Africa (Pty) Ltd <i>(formerly known as Sime Darby Oils South Africa (Pty) Ltd.)</i>	South Africa	100.0	100.0	2	Refining and marketing of edible oil related products
PT Guthrie International Sei Mangkei Refinery <i>(formerly known as PT Sime Darby Oils Sei Mangkei Refinery)</i>	Indonesia	100.0	100.0	2	Industry Separation/ Fractionation Crude Oil
PT Guthrie Plantation Commodities Trading <i>(formerly known as PT Sime Darby Plantation Commodities Trading)</i>	Indonesia	100.0	100.0	2	Wholesale trade of fruit-containing oil

ii. Joint ventures which are active as at 31 December 2024 are as follows:

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
Emery Oleochemicals UK Limited	United Kingdom	50.0	50.0	3	Distribution of specialty chemical products
SD Guthrie TNB Renewables Sdn Bhd <i>(formerly known as SD Plantation TNB Renewables Sdn Bhd)</i>	Malaysia	51.0	51.0	1	Production and sale of renewable energy using palm oil effluents
Guangzhou Keylink Chemicals Co. Ltd.	China	49.0	49.0	3	Manufacturing of surface active agents
Rizhao Sime Darby Oils & Fats Co. Ltd.	China	45.0	45.0	4	Storage and marketing of palm oil related products

Notes to the Financial Statements

For the financial year ended 31 December 2024

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

iii. Associates which are active as at 31 December 2024 are as follows:

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
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 2024 are as follows:

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
Derawan Sdn Bhd	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
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 (formerly known as Sime Darby 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

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTINUED)

iv. Subsidiaries which are dormant/inactive as at 31 December 2024 are as follows: (continued)

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
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
SD Guthrie International CleanerG B.V. (formerly known as Sime Darby Oils CleanerG B.V.)	Netherlands	-	100.0	4	Legally merged with SD Guthrie International Netherlands B.V. during the financial year
SD Guthrie Global Berhad (formerly known as Sime Darby Plantation Global Berhad)	Malaysia	100.0	100.0	1	Dormant

v Associates which are dormant/inactive as at 31 December 2024 are as follows:

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
Dongguan Sime Darby Sinograin Oils and Fats Co., Ltd	China	37.0	37.0	3	Dormant

vi Subsidiaries placed under members' voluntary liquidation/deregistered are as follows:

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
Eminent Platform Sdn Bhd	Malaysia	100.0	100.0	4	In members' voluntary liquidation
Golden Hope Agrotech Consultancy Sdn Bhd	Malaysia	100.0	100.0	4	In members' voluntary liquidation
Golden Hope Fruit Industries Sdn Bhd	Malaysia	100.0	100.0	4	In members' voluntary liquidation
Sime Darby Plantation Cameroon Ltd.	Cameroon	100.0	100.0	4	In members' voluntary liquidation

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.
- + Notwithstanding that the Group holds more than 50% equity interest in SD Guthrie TNB Renewables Sdn Bhd (formerly known as SD Plantation 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.

@ Yayasan Sime Darby is a company without share capital, limited by guarantee.

Notes to the Financial Statements

For the financial year ended 31 December 2024

48. SUBSEQUENT EVENT

SD Guthrie International Limited (“SDGI”), formerly known as Sime Darby Oils International Limited, a wholly owned subsidiary of SD Guthrie Berhad, had on 31 January 2025 completed the acquisition of a 48% equity interest in Marvesa Supply Chain Services B.V. (“Marvesa”) from Dutch private equity firm, Parcom for a total cash consideration of EUR54.0 million (equivalent to approximately RM249.4 million).

Marvesa specialises in the sourcing, blending, and distribution of oils and fats to the animal feed and biofuel industries primarily in the European market.

The acquisition of Marvesa will be accounted for as Investment in Joint Venture. An external valuer has been engaged to perform a Purchase Price Allocation (“PPA”) exercise, whereby a fair value assessment will be 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.

In accordance to MFRS 3 Business Combinations, a one-year period from acquisition date is allowed for the Group to obtain the information necessary to identify and measure the identifiable assets acquired, liabilities assumed and the resulting goodwill.

49. APPROVAL OF FINANCIAL STATEMENTS

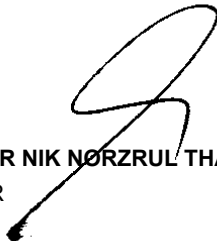
The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 17 April 2025.

Statement by Directors

pursuant to Section 251(2) of the Companies Act 2016

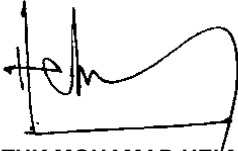
We, Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani and Datuk Mohamad Helmy Othman Basha, two of the Directors of SD Guthrie Berhad (*formerly known as Sime Darby Plantation Berhad*), do hereby state that, in the opinion of the Directors, the financial statements set out on pages 104 to 212 are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 December 2024 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 17 April 2025.



TAN SRI DR NIK NORZRUL THANI NIK HASSAN THANI
DIRECTOR

Selangor
17 April 2025



DATUK MOHAMAD HELMY OTHMAN BASHA
DIRECTOR

Statutory Declaration

pursuant to Section 251(1) of the Companies Act 2016

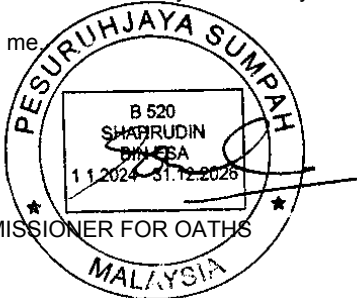
I, Renaka Ramachandran, the Officer primarily responsible for the financial management of SD Guthrie Berhad (*formerly known as Sime Darby Plantation Berhad*), do solemnly and sincerely declare that the financial statements set out on pages 104 to 212 are, to the best of my knowledge and belief, correct 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 17 April 2025.

Before me



COMMISSIONER FOR OATHS
MALAYSIA

A-7-05, Dlok A, Oasis Square,
Jalan PJU 1A/7A, Ara Damansara,
47301 Petaling Jaya, Selangor.

Independent Auditors’ Report

to the members of SD Guthrie Berhad
(Formerly known as Sime Darby Plantation 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”) (*formerly known as Sime Darby Plantation Berhad*) 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 2024, 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 2024 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 104 to 212.

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”), 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 the carrying value of the goodwill arising from the New Britain Palm Oil (“NBPOL”) acquisition allocated to NBPOL cash generating unit (“CGU”) Refer to Notes 4a and 21i to the financial statements. The intangible assets of the Group include goodwill of RM2,274.9 million which arose from the acquisition of NBPOL group. The goodwill was allocated to two CGUs within the Group, namely NBPOL CGU (RM1,643.9 million) and PT Minamas Gemilang and its subsidiaries (“Minamas Group”) CGU (RM631.0 million). In accordance with the Group’s accounting policy, the Group undertakes an impairment assessment of goodwill on an annual basis or more frequently whenever events or circumstances indicate that an impairment may exist. Management performed impairment assessments of the CGUs based on the value-in-use (“VIU”) determined using discounted cash flow models, which were approved by the Directors. A range of sensitivity analysis was also performed by management. We focused on the recoverability of the carrying value of goodwill allocated to NBPOL CGU, due to the significance of the amount, and significant judgment involved in determining the key assumptions used to derive the recoverable amount of the CGU, comprising the projection period, fresh fruit bunches (“FFB”) yields, crude palm oil (“CPO”) selling prices and the discount rate as disclosed in Note 21i to the financial statements. Based on management’s assessment, no impairment was required as the recoverable amount exceeded the carrying value of goodwill in the NBPOL CGU as at 31 December 2024.	We performed the following audit procedures in relation to the impairment assessment of the carrying value of goodwill allocated to NBPOL CGU: 1. Evaluated the reasonableness of the key assumptions used by management in the approved 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. 2. Assessed the reliability of management’s cash flow projections by comparing the Group’s previous years’ forecasted results against past trends of actual results. 3. 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 previous financial year is reasonable. 4. 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. 5. Checked the mathematical accuracy of the VIU cash flows. Based on the above procedures, we did not note any material exception to management’s assessment of the recoverability of the Group’s carrying value of goodwill arising from the acquisition of NBPOL as at 31 December 2024.

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
(Formerly known as Sime Darby Plantation 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 2024 of SD Guthrie Berhad (*formerly known as Sime Darby Plantation 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

Kuala Lumpur
17 April 2025

GAN WEE FONG
03253/01/2027 J
Chartered Accountant

Properties of the Group

As at 31 December 2024

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	18,633	1978–2006	19	Oil palm and rubber estates and a palm oil mill	442
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	36,689	1978–2001	15–31	Oil palm and rubber estates and 5 palm oil mills	1,207
Chersonese, Cluny, Kalumpong, Kamuning, Kinta Kellas, Sogomana, Sungai Samak, Tali Ayer	Leasehold expiring 2035–2897	5,446	1978–1987	–	Oil palm estates	74
Pahang Darul Makmur						
Chenor, Jabor, Jentar, Kerdau, Mentakab, Sungai Mai	Freehold	9,315	1985–2006	28	Oil palm estates and 2 palm oil mills	344
Bukit Puteri, Chenor, Kerdau, Sungai Mai	Leasehold expiring 2057–2086	10,621	1985–1992	18–28	Oil palm estates and a palm oil mill	118
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	35,047	1978–2013	7–33	Oil palm estates, 3 palm oil mills, biodiesel and kernel crushing plants, rat bait factory, laboratories, research centres, warehouse and a training centre	1,316
East Carey Island, Port Klang, Sungai Buloh, Tennamaram	Leasehold expiring 2029–2086	170	1978–2010	48	Oil palm estates and a bulking plant	56
Negeri Sembilan Darul Khusus						
Bradwall, Bukit Pelandok, Bukit Pilah, Kok Foh, Labu, P.D. Lukut, Pertang, Salak, Sengkang, Siliiau, Sungai Gemas, Sungai Sabaling, St Helier, Sua Betong, Sungai Bharu, Tampin Linggi, Tanah Merah	Freehold	35,982	1978–2009	12–27	Oil palm and rubber estates, 3 palm oil mills, laboratories and a research centre	808
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	17–25	Oil palm estates and 2 palm oil mills	326
Bukit Asahan, Diamond Jubilee, Kempas, Kemuning, Serkam	Leasehold expiring 2025–2071	470	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	54,000	1978–2012	7–28	Oil palm and rubber estates, 4 palm oil mills, laboratories and a research centre	1,545
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	28–32	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	17–38	Oil palm estates, 5 palm oil mills, a bulking plant, laboratories, a research centre and 2 biogas plants	1,577
Sarawak						
Bayu, Belian, Chartquest, Damai, Derawan, Dulang, Kelida, Lavang, Paroh, Pekaka, Rajawali, Rasan, Ruai, Sahu, Samudera, Semarak, Takau	Leasehold expiring 2045–2082	46,999	1990–2004	21–29	Oil palm estates, 3 palm oil mills, laboratories, a research centre and a biogas plant	1,094
Upstream Malaysia Properties		340,506				9,164
Indonesia						
Kalimantan – West						
Awatan, Beturus, East, Karya Palma, Kelampai, Lembiru, Pelanjau, Sei Mawang, Sungai Putih, West, Bukit Anjong	Leasehold expiring 2030–2053	36,880	2001–2013	13–22	Oil palm estates, 2 palm oil mills and a bulking plant	319
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	16–27	Oil palm estates, 3 palm oil mills, a bulking plant, a kernel crushing plant and a biogas plant	456

Properties of the Group

As at 31 December 2024

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	7–28	Oil palm estates, 6 palm oil mills, 2 bulking plants, a kernel crushing plant, and a biogas plant	1,673
Sulawesi – Central						
Ungkaya	Leasehold expiring 2024	4,712	2001–2011	12–29	Oil palm estate, a palm oil mill and a bulking plant	104
Sumatera – Jambi						
Panjang	Leasehold expiring 2038–2053	4,000	2001–2007	16	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	21,075	2001–2002	21–23	Oil palm estates and 2 palm oil mills	372
Sumatera – East Aceh						
Batang Ara, Blang Simpo 1 & 2, Tamiang	Leasehold expiring 2027–2037	8,742	2001–2008	26–41	Oil palm estates and a palm oil mill	144
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	54,835	2001–2015	10–28	Oil palm estates, 5 palm oil mills and a research centre	1,058
Upstream Indonesia Properties		242,127				4,166
Papua New Guinea						
West New Britain, Morobe, Oro, Milne Bay, New Ireland, Markham Valley	Leasehold expiring 2052–2115	138,652	2018–2024	4–51	Oil palm estates, a sugar cane plantation, grazing pastures, 2 biogas plants, a sugar factory, 12 palm oil mills, 6 kernel crushing plants, 2 abattoirs, a research centre and 4 bulking plants	3,208
Solomon Islands						
Guadalcanal	Leasehold expiring 2043–2065	8,426	2015–2024	8–18	Oil palm estates, a palm oil mill, a kernel crushing plant and a bulking plant	287
Upstream Properties		729,711				16,825

Location	Tenure	Land area (Hectares)	Year of acquisition	Age of building (Years)+	Description	Net book value (RM million)
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	13–15	Refineries	130
Johor Darul Takzim						
Pasir Gudang	Leasehold expiring 2035–2043	6	1974–1985	48	Refinery	14
Sarawak						
Kawasan Perindustrian Kidurong, Bintulu	Leasehold expiring 2072	14	2004	10–16	Refinery and a kernel crushing plant	24
Downstream and Others Properties – Malaysia		39				172
Overseas						
Indonesia						
Desa Sei Taib, Kecamatan Pulau Laut, Kalimantan	Leasehold expiring 2044	32	2014	9–10	Refinery	116
Sumatera North	Leasehold expiring 2052	16	2022	–	Refinery	39
Thailand						
Sukhumvit Road, Bangkok	Freehold	–	1986–2011	6–35	Office buildings	5
Poochaosamingprai Road, Samut Prakan	Freehold	5	1986	4–35	2 Refineries	27
Tiwanon Road, Nonthaburi	Freehold	13	2014	38–43	Crushing and refining plant and office building	88
The Netherlands						
Lindtsedijk, Zwijndrecht	Freehold	11	2002	10–92	Refinery and a research centre	136
South Africa						
Boksburg	Leasehold expiring 2026	1	2004	12	Refinery and a research centre	1
United Kingdom						
Liverpool	Leasehold expiring 2034	3	2015	9–14	Refinery and office building	84
Papua New Guinea						
Markham Valley, Madang, Buka	Leasehold expiring 2083	1	2018	7–14	2 copra mills and a refinery	180
Downstream and Others Properties – Overseas		82				676
Downstream and Others Properties		121				848

Properties of the Group

As at 31 December 2024

Location	Tenure	Land area (Hectares)	Year of acquisition	Age of building (Years)+	Description	Net book value (RM million)
GENERAL						
Malaysia						
Selangor Darul Ehsan						
SD Guthrie Tower Oasis, Ara Damansara	Freehold	2	2012	10	Office complex	230
Negeri Sembilan Darul Khusus						
Port Dickson	Freehold	3	2018	29–65	Holiday bungalow	22
Pahang Darul Makmur						
Cameron Highlands	Leasehold expiring 2026–2082	2	2018	37–94	Holiday bungalow	3
Properties - General		7				255
Total Properties		729,839				17,928

+ The age of building is in respect of the building, mill and plant
^ NBV less than RM1 million

Analysis of Shareholdings

As at 17 March 2025

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	3,173	13.60	70,515	0.00
100 to 1,000	5,641	24.19	3,323,754	0.05
1,001 to 10,000	10,765	46.16	35,789,017	0.52
10,001 to 100,000	2,844	12.20	78,942,830	1.14
100,001 to less than 5% of issued capital	895	3.84	2,503,523,224	36.20
5% and above of issued capital	3	0.01	4,294,065,261	62.09
Total	23,321	100.00	6,915,714,601	100.00

Classification of Shareholders	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Shares
Individuals	19,111	81.95	108,154,779	1.56
Banks/Finance Companies	51	0.22	4,394,071,837	63.54
Investment Trusts/Foundations/Charities	20	0.08	1,771,175	0.03
Industrial and Commercial Companies	494	2.12	63,110,413	0.91
Government Agencies/Institutions	2	0.01	1,168,890	0.02
Nominees	3,641	15.61	2,347,332,232	33.94
Others	2	0.01	105,275	0.00
Total	23,321	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 100, 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	3,154,361,077	45.611	0.000	0.000
2	Employees Provident Fund Board	671,568,332	9.711	468,497,747	6.774
3	Kumpulan Wang Persaraan (Diperbadankan)	468,367,078	6.773	31,851,200	0.461

Analysis of Shareholdings

As at 17 March 2025

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	3,154,361,077	45.61
2	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	671,568,332	9.71
3	Kumpulan Wang Persaraan (Diperbadankan)	468,135,852	6.77
4	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Islamic)	300,658,535	4.35
5	AmanahRaya Trustees Berhad Amanah Saham Malaysia 2 – Wawasan	162,023,064	2.34
6	AmanahRaya Trustees Berhad Amanah Saham Malaysia	156,966,854	2.27
7	Permodalan Nasional Berhad	105,497,723	1.53
8	AmanahRaya Trustees Berhad Amanah Saham Bumiputera 2	94,041,237	1.36
9	Lembaga Tabung Haji	71,830,500	1.04
10	Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for AIA Bhd	67,969,217	0.98
11	AmanahRaya Trustees Berhad Amanah Saham Malaysia 3	63,085,937	0.91
12	AmanahRaya Trustees Berhad Amanah Saham Bumiputera 3 – Didik	53,650,000	0.78
13	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Total International Stock Index Fund	51,120,069	0.74
14	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Emerging Markets Stock Index Fund	46,598,079	0.67
15	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Nomura)	40,462,700	0.59
16	DB (Malaysia) Nominee (Asing) Sdn Bhd Exempt AN for State Street Bank & Trust Company (West CLT OD67)	39,834,128	0.58
17	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)	34,819,549	0.50
18	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (CGS CIMB)	34,578,000	0.50
19	Cartaban Nominees (Tempatan) Sdn Bhd Prudential Assurance Malaysia Berhad for Prulink Strategic Fund	28,611,500	0.41
20	HSBC Nominees (Asing) Sdn Bhd HSBC BK PLC for Kuwait Investment Office (KIO)	28,524,457	0.41

No.	Name of Shareholder	No. of Shares Held	% of Issued Shares
21	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II	26,582,700	0.38
22	AmanahRaya Trustees Berhad Public Islamic Dividend Fund	26,263,600	0.38
23	Cartaban Nominees (Tempatan) Sdn Bhd PAMB for Prulink Equity Fund	25,343,911	0.37
24	Cartaban Nominees (Tempatan) Sdn Bhd PBTB for Takafulink Dana Ekuiti	23,596,999	0.34
25	Citigroup Nominees (Asing) Sdn Bhd Exempt AN for Citibank New York (Norges Bank 14)	21,707,700	0.31
26	Citigroup Nominees (Tempatan) Sdn Bhd Urusharta Jamaah Sdn Bhd (1)	19,401,500	0.28
27	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Aberdeen)	18,054,400	0.26
28	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (CIMB Prin)	16,695,800	0.24
29	Cartaban Nominees (Asing) Sdn Bhd BNYM SA/NV for People's Bank of China (SICL Asia EM)	16,561,148	0.24
30	Cartaban Nominees (Asing) Sdn Bhd BBH and CO Boston for Fidelity SAI Emerging Markets Value Index Fund (FSST)	15,390,690	0.23
Total		5,883,935,258	85.08

Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

NOTICE IS HEREBY GIVEN that the 22nd Annual General Meeting (AGM) of SD Guthrie Berhad (*formerly known as Sime Darby Plantation Berhad*) (SD Guthrie or Company) will be held at the Ballroom, Level 3, Malaysia International Trade and Exhibition Centre (MITEC), Kompleks MITEC, No. 8, Jalan Dutamas 2, 50480 Kuala Lumpur, Malaysia (Main Venue) and virtually by way of electronic means via TIIH Online at <https://tiih.online> (Online Platform) on Monday, 26 May 2025 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 2024 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 27 May 2025 until the date of the next AGM of the Company.

(Resolution 1)
Refer to Explanatory Note 2
3.

To approve the payment of benefits payable to the Non-Executive Directors up to an amount of RM1,300,000 from 27 May 2025 until the date of the next AGM of the Company.

(Resolution 2)
Refer to Explanatory Note 2
4.

To re-elect Tan Sri Mohd Zuki Ali who retires in accordance with Rule 81.2 of the Constitution of the Company and who being eligible, offers himself for re-election.

(Resolution 3)
Refer to Explanatory Note 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.

Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani

(Resolution 4)

ii.

Datuk Mohamad Helmy Othman Basha

(Resolution 5)

iii.

Dato' Mohd Nizam Zainordin.

(Resolution 6)

Refer to Explanatory Note 3
6.

To appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2025 and to authorise the Board of Directors to determine their remuneration.

(Resolution 7)
Refer to Explanatory Note 4
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 22nd 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 15 May 2025. Only a depositor whose name appears on the Record of Depositors as at 15 May 2025 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
25 April 2025

NOTES:

Hybrid Meeting

1.

The 22nd 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 Main Venue (Physical Attendance); or
- b.

To attend virtually using the Online Platform i.e. TIIH Online at <https://tiih.online> with remote participation and voting (RPV) facilities (Virtual Attendance).

Please refer to the Administrative Details for full guide to Physical Attendance and Virtual Attendance at the 22nd AGM.

All Member(s), proxy(ies), corporate representative(s) or attorney(s) who wish to attend the 22nd AGM **must register** as a user with TIIH Online first and then **pre-register** their attendance on TIIH Online to verify their eligibility to attend the 22nd AGM based on the General Meeting Record of Depositors as at 15 May 2025 and to confirm their mode of attendance, either Physical Attendance or Virtual Attendance.

2.

The pre-registration is open from the date of the Notice of the 22nd AGM on **Friday, 25 April 2025** and the closing date and time shall be:
- a.

at **10.00 a.m.** on **Sunday, 25 May 2025** for Physical Attendance at the Main Venue; or
- b.

until such time before the voting session ends at the 22nd AGM on Monday, 26 May 2025 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 22nd AGM in advance via TIIH Online at <https://tiih.online> by selecting “e-Services” to login, post questions and submit electronically not later than **10.00 a.m.** on **Sunday, 25 May 2025**. The Board and Senior Management will endeavour to answer the questions received at the 22nd AGM.
2.

During the 22nd 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 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 22nd AGM is entitled to appoint not more than two (2) proxies to exercise all or any of his/her rights to participate at the 22nd 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 22nd 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.

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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.
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 **Sunday, 25 May 2025 at 10.00 a.m.**

b. By fax at 03-2783 9222 or email to is.enquiry@vistra.com

ii. By Tricor Online System (TIIH Online)
- The Proxy Form can be electronically lodged with the Share Registrar of the Company via TIIH Online (applicable to individual share owners only). The website to access TIIH Online is <https://tiih.online> (Kindly refer to the Administrative Details for the 22nd AGM on the “Procedure for Electronic Lodgement of the Form of Proxy” on how to submit the e-Proxy).
- ## Explanatory Notes
- ### 1. Audited Financial Statements for the Financial Year Ended 31 December 2024
- 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 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.
- The Nomination & Remuneration Committee (NRC) is responsible for ensuring that compensation policies and packages of Directors are reflective of the SD Guthrie Berhad (*formerly known as Sime Darby Plantation Berhad*) (SD Guthrie) Group’s demands, complexities and performance as a whole as well as the skills and experience required, and in line with the strategic objectives of the Company which rewards contribution to the long term success of the Company. In this regard, the NRC has performed the following reviews:
- i. Revision to the Benefits-in-Kind for SD Guthrie Berhad
- The benefits-in-kind (BIK) in the Board Remuneration Framework for the Non-Executive Directors (NEDs) of SD Guthrie was last reviewed by the Board and approved for adoption effective 1 July 2024. In 2025, the NRC reviewed and proposed for club membership/privileges to be accorded to the Chairman. The Board has approved the revision to the BIK, which is proposed to take effect on 1 June 2025.
- ii. Board Remuneration Framework of Flagship and Major Subsidiary Companies
- In 2023, the NRC commenced a review of the Board Remuneration Framework for the following companies:
- a. SD Guthrie International Limited (*formerly known as Sime Darby Oils International Limited*)

b. PT Minamas Gemilang & PT Anugerah Sumbermakmur

c. New Britain Palm Oil Limited
- (collectively Flagship and Major Subsidiary Companies).
- The review was assisted by a consultant with the aim of ensuring that the level and composition of the remuneration of the Boards of Flagship and Major Subsidiary Companies are aligned with similar businesses in the marketplace and the ongoing rate for comparable roles. The NRC viewed that the Flagship and Major Subsidiary Companies Boards need to be remunerated competitively based on their roles and responsibilities to attract the right talent and calibre taking into account the performance of the companies, the business direction, aspirations and expectations of future growth. This was also in view of the future plan to transition all Major Subsidiary Companies into Flagship Subsidiary Companies including the establishment of additional Board Committee(s). The review concluded in 2024 with the Board approving the change in remuneration across two phases i.e. first increase on 1 July 2024 and second increase on 1 July 2025.
- Approval from Shareholders have been sought at the 21st AGM held on 28 May 2024. For the 22nd AGM, the proposed resolutions are to approve the payment of Directors’ fees and benefits payable which will cover the Second Phase, to be effective 1 July 2025.
- 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 NEDs from 27 May 2025 until the date of the next AGM of the Company is based on the following fee structure:
- | Company | Board/
Board Committee | Current – First Phase
(period from 1 July 2024
to 30 June 2025) | | Second Phase
(from 1 July 2025) | |
|--|---------------------------------------|---|----------------------|------------------------------------|--------------------------|
| | | Chairman
(per year) | Member
(per year) | Chairman
(per year) | Member
(per year) |
| SD Guthrie Berhad
(formerly known as Sime Darby
Plantation Berhad) | Board | RM600,000 | RM240,000 | No change | No change |
| | Governance & Audit
Committee | RM80,000 | RM50,000 | No change | No change |
| | Other Board
Committees | RM60,000 | RM35,000 | No change | No change |
| PT Minamas Gemilang &
PT Anugerah Sumbermakmur | Board
(SD Guthrie Nominee) | RM135,000 | RM72,500 | Increase to
RM200,000 | Increase to
RM100,000 |
| | Governance, Audit &
Risk Committee | RM25,000 | RM13,500 | Increase to
RM30,000 | Increase to
RM15,000 |
| | Other Board
Committee(s) | RM22,500 | RM11,250 | No change | No change |
| SD Guthrie International Limited
(formerly known as Sime Darby Oils
International Limited) | Board
(SD Guthrie Nominee) | SGD40,000 | SGD25,000 | Increase to
SGD58,000 | Increase to
SGD30,000 |
| | Governance &
Audit Committee | SGD8,000 | SGD5,000 | Increase to
SGD9,000 | No change |
| | Other Board
Committee(s) | SGD6,500 | SGD3,250 | No change | No change |
| New Britain Palm Oil Limited | Board
(SD Guthrie Nominee) | PGK110,000 | PGK85,250 | Increase to
PGK162,000 | No change |
| | Audit Committee | PGK20,000 | PGK10,000 | Increase to
PGK25,000 | Increase to
PGK12,500 |
| | Other Board
Committee(s) | PGK18,000 | PGK9,000 | No change | No change |
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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 27 May 2025 until the date of the next AGM in accordance with the benefits structure, set out below:

			Flagship/Major Subsidiary Companies		
			PT Minamas Gemilang & PT Anugerah Sumbermakmur	SD Guthrie International Limited (formerly known as Sime Darby Oils 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	1. Company car, petrol, electric EV vehicle (EV) charging and driver. 2. Telecommunication devices/facilities, medical and insurance coverage. 3. Club Membership/ Privileges (effective from 1 June 2025).	4. Telecommunication devices/facilities, medical and insurance coverage.	5. 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 on the Board, Board Committees and boards of subsidiary companies.

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 its 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 22nd AGM of the Company.

3. Resolutions 3 to 6 – 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.

Tan Sri Mohd Zuki Ali who was appointed on 15 January 2025 being eligible, has offered himself for re-election at the 22nd 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.

Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani, Datuk Mohamad Helmy Othman Basha and Dato’ Mohd Nizam Zainordin being eligible, have offered themselves for re-election at the 22nd AGM in accordance with Rule 104 of the Constitution.

- iii. The 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 2024, 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.

4. Resolution 7 – Re-appointment of Auditors

The Governance & Audit Committee (GAC), at its meeting held on 15 April 2025, 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 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 Group as prescribed under Paragraph 15.21 of the MMLR. 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 2024 did not in any way impair their objectivity and independence as the external auditors of the Company.

The Board has, at its meeting held on 17 April 2025, agreed with the GAC’s recommendation that shareholders’ approval be sought at the 22nd AGM on the appointment of PwC as the external auditors of the Company for the financial year ending 31 December 2025 as set out under **Resolution 7**. The present external auditors, PwC, have indicated their willingness to continue their services for the financial year ending 31 December 2025.

Overview of SD Guthrie	Key Messages	Value Creation at SD Guthrie	Management Discussion and Analysis	Sustainability Statement	Leadership	Governance	Financial Statements	Additional Information
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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 6 above at the 22nd Annual General Meeting of SD Guthrie Berhad (*formerly known as Sime Darby Plantation Berhad*) are set out in the “Directors’ Profiles” section on pages 66 to 69 of the Company’s Integrated Report 2024.

The details of any interest in securities held by the said Directors are set out in the “Directors’ Report” section on page 100 of the Company’s Integrated Report 2024.



SD Guthrie Berhad

(formerly known as Sime Darby Plantation Berhad)
Registration No. 200401009263 (647766-V)

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