

HEALTHIER PLANET

CIRCULAR PRACTICES

W WHY IT MATTERS

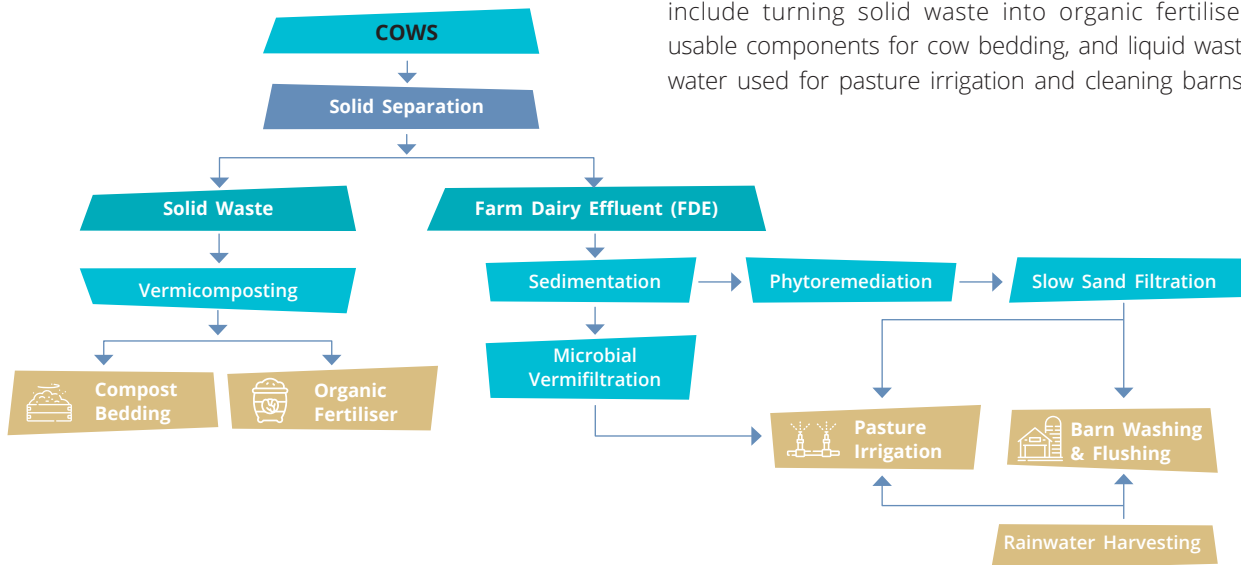
Implementing circular farming practices is crucial for reducing the environmental impact of our operations, a concern magnified due to the proximity of many of our farms and land banks to protected natural environments and local communities. Through waste minimisation, resource recycling and by-product reuse, we lower our carbon footprint, mitigate greenhouse gas (GHG) emissions and conserve water and land resources. These combined efforts deliver benefits across the value chain, improving livestock health, safeguarding the nutritional value of our products and preserving the fertility and integrity of our farmland.

O OUR ACTIONS AND INITIATIVES

Embracing Regenerative Agriculture Practices

With the bulk of our operations undertaken in farms, the majority of the waste our business produces primarily consists of organic waste generated by our herd, which can be further categorised as solid waste and farm dairy effluent (FDE). To drive circularity, our efforts have thus been focused on adopting regenerative agriculture practices to maximise the recycling of such waste and convert them into usable natural resources.

Since 2014, we have progressively increased our use of regenerative agriculture techniques at all our farms. Through the adoption of these circular practices, our farms are able to reduce our reliance on external inputs, especially chemical fertilisers, and transform animal waste into resources that fulfil essential farming functions. These include turning solid waste into organic fertiliser and usable components for cow bedding, and liquid waste into water used for pasture irrigation and cleaning barns.



Related UNSDG



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These regenerative agricultural initiatives, as further detailed below, enable us to redirect a significant volume of animal waste away from landfills and sewerage systems each year. This helps to mitigate methane emissions resulting from landfill decomposition and chemical treatments for sewerage systems, while reducing our reliance on external water sources and chemical fertilisers, the latter of which may have a negative impact on soil health.

Type of Waste Processing	Outcomes and Processes Undertaken	Benefits
<p>Solid Waste Processing</p>	<p>Organic Fertiliser</p> <p>African Nightcrawler worms are used to break down the solid waste produced by our cows into vermicompost (worm castings).</p> <p>The vermicompost produced for compost bedding is also used as an organic fertiliser for our pastures, enriching the grass that forms a significant part of the cows' feed.</p>	<ul style="list-style-type: none"> • Creates the perfect feed for vermiculture composting after five to six months • Eliminates significant waste discharge into our drainage system • Eases our reliance on chemical fertilisers • Enriches the physical characteristics of our soil, such as water-holding capacity, aeration and porosity, thereby enhancing soil fertility • Ensures more nutritious feed for our cows
<p>FDE Processing</p>	<p>After solid separation, the FDE undergoes three essential processes to ensure its safe and effective reuse in our farms:</p> <p>Sedimentation</p> <p>The effluent is allowed to settle in sedimentation ponds, where gravity helps remove any remaining solids from the liquid waste.</p> <p>Phytoremediation</p> <p>Living plants are utilised to treat the effluent, effectively eliminating contaminants and excess nutrients.</p> <p>Slow Sand Filtration</p> <p>The effluent is then passed through a slow sand filtration system, which removes turbidity and pathogenic organisms.</p> <p>Barn Washing and Flushing</p> <p>The treated water, along with recycled rainwater, is subsequently used for washing and flushing our barns.</p>	<ul style="list-style-type: none"> • Decreases our dependence on external water supplies • Eliminates significant waste discharge into our drainage system • Lowers groundwater and surface water contamination by limiting the release of toxic waste into the environment
<p>FDE Processing</p>	<p>Microbial Vermifiltration</p> <p>After undergoing solid separation and sedimentation processes, the treated FDE undergoes microbial vermifiltration, a biological wastewater treatment method using composting worms.</p> <p>Pasture Irrigation</p> <p>After this, water suitable for irrigating our pastures is developed and subsequently utilised.</p>	<ul style="list-style-type: none"> • Releases valuable nutrients for plant growth, contributing to enhanced feed quality for our cows and produce for our customers • Ensures year-round production of nutritious grass by providing sufficient water to pastures, even during the dry season

Transforming Waste into Fuel

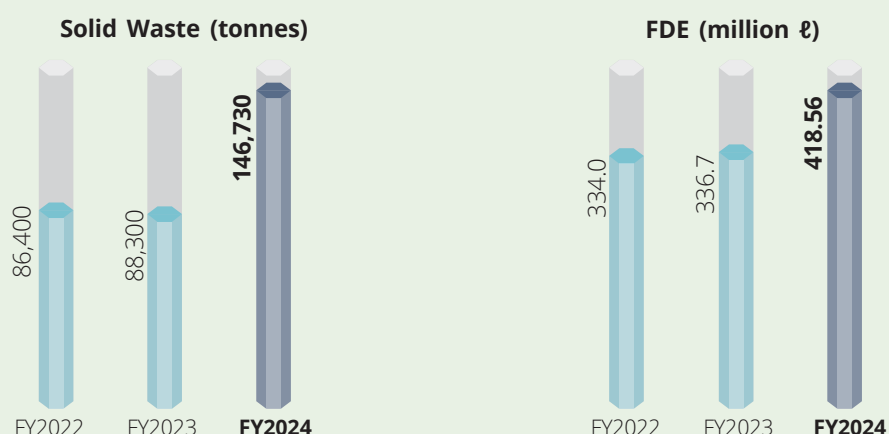
Our approach to circular farming also extends to the adoption of waste-to-fuel practices. As an agricultural entity, biogas plants provide us with a viable opportunity to turn animal and agricultural waste into clean and renewable energy.

To this end, we have partnered with Green Lagoon Technology Sdn Bhd to develop a new biogas facility in our Muadzam Shah farm, which will utilise cow manure to facilitate biofuel production. Following construction and testing throughout FY2024, our new biogas plant commenced operations in April 2024 and is targeted to have a reduction of 9,800 tonnes carbon dioxide equivalent (tCO₂e) per annum and a targeted displacement or reduction of diesel usage of 670,000 litres per annum. For more information, refer to the “Energy and Emissions” section of this statement.

OUR PERFORMANCE

All waste related data pertains to our five farms located in Malaysia and is determined by the estimated average waste produced by each cow, which includes manure and urine washdown water. Separators have been installed at each farm, and the waste collected is measured and subsequently utilised to produce organic fertiliser. All the waste we produce is recyclable and we produce zero hazardous waste in the course of our business operations.

WASTE DIVERTED FROM DISPOSAL



- 146,730 tonnes of solid animal waste extracted from waste discharge and repurposed into organic fertiliser.
- 418.56 million ℓ of FDE recycled and used for barn washing and pasture irrigation.
- 1,486,520 kg of chemical fertiliser eliminated from our production cycle.
- 369.5 acres of farmland irrigated by recycled FDE.
- Zero incidents of environmental non-compliance were recorded in FY2024.

LOOKING AHEAD

- We aim to implement regenerative agriculture practices across all our farms over the next three years.
- We aspire to increase the volume of FDE recycled and removed from waste discharge by a minimum of 8% per annum, and increase the amount of solid waste recycled and removed from waste discharge by 10% per annum.
- We will leverage on our new biogas plant, which commenced operations in April 2024, to enhance our efforts to convert waste into resources.

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RESPONSIBLE WATER STEWARDSHIP

W

WHY IT MATTERS

Responsible water management benefits both our business and local communities. Extracting and discharging water responsibly protects the health of our soil and maintains the overall quality of our products, resulting in more robust crop yields, improved product reliability and enhanced market competitiveness. Simultaneously, these practices safeguard local water resources from depletion and contamination, protecting local livelihoods, fostering stronger community relations and safeguarding our reputation.

O

OUR ACTIONS AND INITIATIVES

Advancing Water Sustainability

As an agrifood business, our farm operations heavily rely on water to manage the health of our herds and grassland, as well as for production, cleaning and other general purposes. While we do not currently possess operations location in water-stressed or water-scarce regions, we remain deeply committed to sustainable water management, encompassing efforts to recycle rainwater, mitigate water contamination and reduce our reliance on surface and municipal water sources.

To implement our holistic and proactive approach, we have made strategic investments into new technologies for collecting and utilising rainwater and groundwater, while also growing our circular agricultural practices that minimise impacts related to our water discharge. Through these collective practices, we successfully reduced our utilisation of municipal water by 618.51 million ℓ in FY2024 in our Malaysia farms.

Harnessing Groundwater and Rainwater

Groundwater, available year-round and less susceptible to droughts, serves as a reliable water source and reduces our dependence on municipal water during periods of scarcity. To minimise the impact of our withdrawal needs from surface water, we have implemented tube well pumping systems that extract groundwater from the lower levels of the water table, which is vital for preserving soil health and protecting natural resources for neighbouring farms and communities.

Concurrently, our rainwater harvesting systems also play a significant role in our water conservation efforts, enabling the capture and storage of rainwater for various farm-based tasks. From barn washing and irrigation to herd cleaning and machinery maintenance, rainwater provides a sustainable alternative to municipal sources and reduces our extraction from the natural water table.

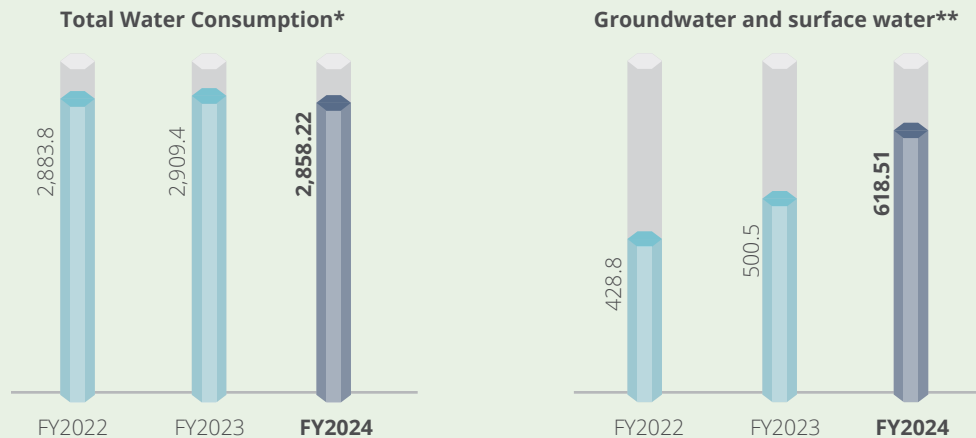
Mitigating Water Contamination

Untreated animal waste poses substantial threats to both water quality and ecosystem integrity, while also bearing the potential of contaminating our dairy production processes. To address this challenge, we adopt regenerative agriculture practices to treat and repurpose solid and liquid animal waste into valuable resources for reuse, effectively distancing animal waste from water sources and significantly diminishing the risk of cross-contamination.

Our responsible practices during FY2024 prevented 146,730 tonnes of solid waste and 418 million ℓ of liquid waste from potentially entering the water table and local waterways. For more information, refer to the "Circular Practices" section of this statement.

OUR PERFORMANCE

WATER WITHDRAWN BY SOURCE (mega ℓ)



* Includes the consumption of water at our Malaysian and Australian farms from groundwater, surface water and municipal

** Includes tube well pumping, rainwater and water from rivers

In FY2024, our tube well pumping and rainwater harvesting efforts collectively saved 618.51 million ℓ of municipal water, resulting in a 4% reduction in municipal water usage.

LOOKING AHEAD

After evaluating our current performance and progress, and considering the potential impacts of our ongoing water conservation initiatives, we have revised our water performance targets as follows:

- We aim to broaden our utilisation of rainwater harvesting and tube well pumping systems, striving to increase our utilisation of groundwater and surface water by 20% per annum
- Through these efforts, we aim to increase municipal water savings by 10% per annum.

ENERGY & EMISSIONS

W WHY IT MATTERS

With agrifood systems contributing significantly to GHG emissions, it is crucial for us to minimise our carbon footprint and effectively manage all emissions from our operations. By implementing robust energy and emission management strategies, we help mitigate the impacts of climate change, enhance the resilience of our supply chain and set an exemplary standard for environmental stewardship in the Malaysian and regional dairy farming communities. Our efforts in this area will simultaneously strengthen our reputation for sustainability among consumers and other key stakeholders, bolstering our prospects for long-term growth.

O OUR ACTIONS AND INITIATIVES

Harnessing Solar Power and Biogas

Our corporate strategy for incorporating renewable energy into our operations focuses on the two approaches considered most viable at present: solar power and biogas production. Through a phased integration, we are actively reducing our dependence on the Malaysian national power grid while concurrently expanding our contribution to the broader renewable energy ecosystem.

To date, we have successfully introduced photovoltaic (PV) technology at three locations – Muadzam Shah, Larkin and Taiping – harnessing the substantial potential of solar power in tropical climates.

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Meanwhile, we have further added to the regenerative agricultural practices at Muadzam Shah by establishing a new on-site biogas plant that will enable us to utilise our herd's manure to generate renewable energy. Following the completion of construction and testing activities during FY2024, the plant commenced operations in April 2024 and is expected to contribute towards reducing our emissions by 9,800 tonnes of carbon dioxide equivalent (tCO₂eq) per annum and reducing our diesel usage by 670,000 ℓ per annum. Looking ahead, we will explore the feasibility of implementing similar biogas projects at our other farms if the anticipated results are achieved at Muadzam Shah.

Mitigating Nitrous Oxide Emissions

Our primary focus in reducing nitrous oxide emissions is to minimise our reliance on traditional chemical fertilisers that release this potent GHG into the atmosphere. By using treated animal waste for pasture fertilisation, a key aspect of our regenerative agriculture practices, we significantly reduce chemical fertiliser usage while being able to adopt vermicomposting techniques to provide superior feed for our cows.

Besides that, our efforts to treat and repurpose animal waste also contribute to a decrease in the potential release of nitrous oxide from untreated waste, thereby further mitigating noxious emissions from our farms.

Assessing and Monitoring our GHG Emissions

To accurately assess and monitor our emissions performance, we engage an independent third party to conduct a Group-wide carbon footprint inventory. Unlike previous assessments done for each calendar year, our latest evaluation was performed by Eco-Ideal Consulting Sdn Bhd for the financial year from April 2023 to March 2024 (FY2024). This approach will allow for better alignment

of our emissions performance with each financial period of the Group moving forward.

Conducted in June 2024, Eco-Ideal Consulting used the GHG Protocol Corporate Accounting and Reporting Standard to assess emissions across our farms and processing facilities in Malaysia and Australia, including the corporate stores and manufacturing plants of our newly acquired companies, Inside Scoop and Sin Wah. The exercise covered all three of the following emission scopes:

- **Scope 1 GHG emissions:** Direct emissions from machinery, equipment and motor vehicles at our farms and processing facilities, as well as emissions from enteric fermentation, manure management and soil management at our farms.
- **Scope 2 GHG emissions:** Emissions from the electricity used to power machinery and equipment at our farms and processing facilities.
- **Scope 3 GHG emissions:** Indirect emissions not covered in Scope 2, such as those from business travel by car, train, flight as well as emissions from employee commuting.

The FY2024 emissions assessment indicated that the emissions intensity of our farms in Malaysia and Australia remain well below the average emissions levels for dairy farms in Asia and Oceania, demonstrating the effectiveness of our responsible farming and energy conservation practices.

We will continue to utilise the carbon emissions data gathered from these GHG inventory exercises to closely analyse our performance and develop emissions reduction strategies in line with our commitment to reducing our Group-wide carbon footprint.

OUR PERFORMANCE

The scope of our carbon emissions monitoring encompasses our dairy farms and manufacturing plants in Malaysia and Australia as well as the operations of our newly acquired companies, Inside Scoop and Sin Wah. Our comprehensive approach covers all three scopes of GHG monitoring, including indirect emissions from employee commuting and business travel.

Since our last assessment, our Group-wide total emissions have risen by 30%, from 68,892 tCO₂eq in CY2022 to 89,856 tCO₂eq in FY2024. This increase is largely due to the inclusion of operational assets from our new acquisitions, specifically the corporate stores of Inside Scoop and Sin Wah's factory. The uptick in emissions also reflects higher production activities, which led to increased fertiliser use at our farms and higher electricity and fuel consumption at our Muadzam Shah manufacturing plant. To offset these emissions, we are implementing carbon reduction initiatives such as increasing solar power usage and operationalising our biogas plant.

Meanwhile, our Group wide emissions intensity has increased from 0.44 tCO₂eq/tonne of milk in FY2023 to 0.48 tCO₂eq/tonne of milk in FY2024. Excluding new businesses (Inside Scoop, Sin Wah and Jom Cha), the emission intensity remains at 0.44 tCO₂eq/tonne of milk.

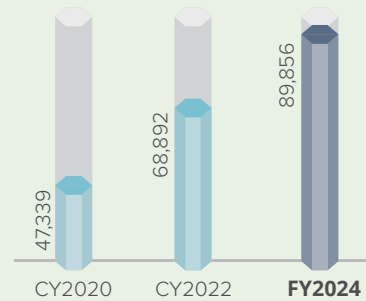
Energy Data



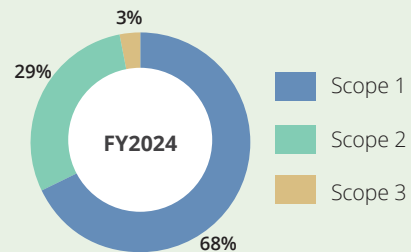
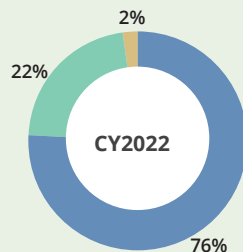
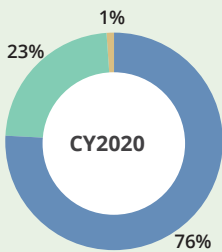
TOTAL ENERGY CONSUMED (MJ)

328,818,757 MJ

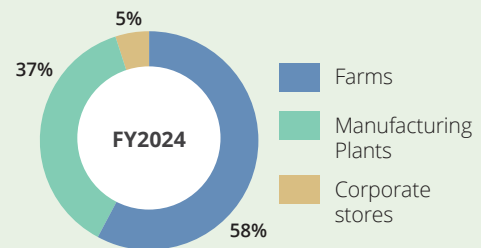
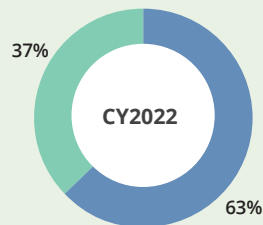
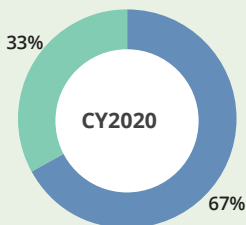
Emissions Performance (tCO₂eq)



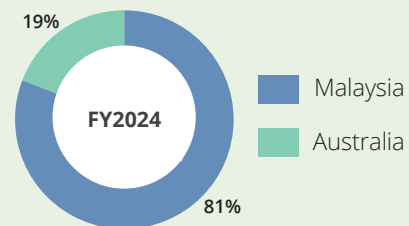
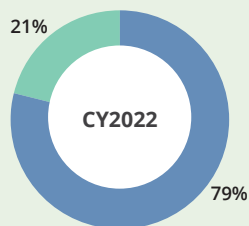
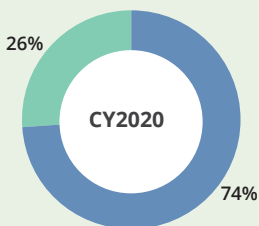
Emissions Breakdown by Scope (%)



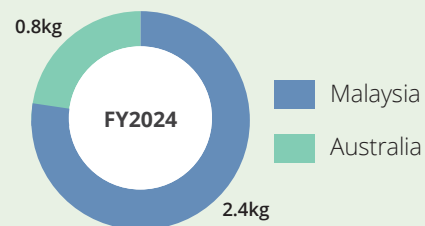
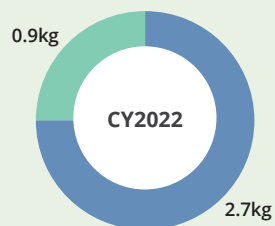
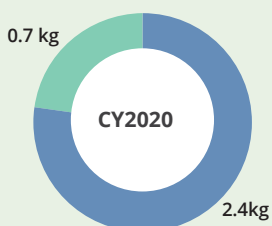
Emissions Breakdown by Operations (%)



Emissions Breakdown by Country of Operation (%)

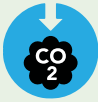


Emissions Intensity by Country (kg of CO₂eq/kg FPCM*)



Healthier Planet

Comparing our Emissions with Dairy Farms in Asia and Oceania



Our Malaysian farms currently have an emissions intensity of 2.4 kg CO₂eq/kg FPCM*. (27% lower than the 2015 average of dairy farms in Asia)



Our Australian farms currently have an emissions intensity of 0.8 kg CO₂eq/kg FPCM. (40% lower than the average of dairy farms in Oceania)

2 Based on a comparison drawn from a report issued by the Food and Agriculture Organization of the United Nations and the Global Dairy Platform Inc. in 2019

Reducing our Emissions through Manure Composting

The following table showcases the substantial reduction we have recorded in untreated manure discharged into the environment, along with the resulting decrease in GHG emissions, following our transition from daily spreading to cow manure composting.

Description	Daily Spread	Compost	Percentage Decrease
Amount of manure discharged (kg N)	75,488	35,105	-115%
GHG emissions (tCO ₂ eq/year)	498	237	-110%

LOOKING AHEAD

We have developed the following strategies for enhancing our future performance based on the insights gained from our carbon footprint inventory exercise:

- Implementing anaerobic digestion tanks to replace existing anaerobic lagoons at our Muadzam Shah farm, allowing us to convert farm-sourced manure into biofuel.
- Installing solar thermal systems to decrease diesel usage in our boiler and generator units.
- Introducing biogas and solar energy generation systems across our other farms and processing facilities.

While we acknowledge the rise in our emissions intensity since our last assessment, we recognise that our FY2024 performance was impacted by the operations of our new acquisitions and a significant increase in production activities. Nevertheless, our commitment to managing our carbon footprint amid business growth is evident through our strategies to offset emissions, including via the adoption of renewable energy sources such as solar energy and biofuel. Supported by these and other initiatives, we remain dedicated to achieving a 5% reduction in our Group-wide emissions intensity annually.

SUSTAINABLE PACKAGING



WHY IT MATTERS

Addressing the environmental concerns of our packaging is crucial due to the large quantities of packaged goods we produce yearly. Switching to sustainable packaging helps minimise our landfill waste, conserve raw materials and reduce GHG emissions. By embracing sustainable packaging, we not only improve our environmental footprint but also enhance our reputation as an eco-conscious company, attracting modern consumers who increasingly prefer sustainable fast-moving consumer goods (FMCG) brands, with packaging playing a key role in their choices.



OUR ACTIONS AND INITIATIVES

Ensuring Responsible Sourcing for Products and Suppliers

Since 2018, we have upheld a commitment to sourcing all our packaging materials from sustainably managed forests, as part of our efforts to lessen our impact on natural resources and bolster their conservation efforts. This pledge is exemplified through our adoption of Tetra Pak paper packaging for our UHT products.

This unique packaging, comprising 75% paper, 20% plastic and 5% aluminium, is fully recyclable and proudly bears the FSC® Forest Management certification from the Forest Stewardship Council (FSC), affirming its responsibly sourced materials. By choosing Tetra Pak, we actively support sustainable forest ecosystem management, while contributing towards the protection of indigenous rights, community welfare and environmental preservation.

In striving to make a positive impact beyond our own operations, we endeavour to ensure our packaging supply chain upholds similar standards of responsibility. To this end, we will consider expanding our oversight of sustainability practices amongst our suppliers to include evaluation of their use of sustainable packaging in future.

Spearheading Milk on Tap with Reusable Glass Bottles

We remain committed to reducing the environmental footprint of our products after use. Since September 2022, we made history with our Milk on Tap initiative, introducing fresh milk sold in reusable glass bottles. A collaboration with Jaya Grocer, this innovative and eco-friendly approach aims to reduce the environmental impact of single-use plastics and landfill waste.

With 11 Milk on Tap locations having been established across Peninsular Malaysia, the success of this initiative is demonstrated by its growing popularity among our consumers. Since its launch in September 2022, Milk on Tap has prevented the use of 375,500 plastic bottles, eliminating over 18,700 kg of plastic packaging.

Promoting Recycling Habits

Recognising the importance of ensuring our recyclable packaging is actually recycled, we actively engage in promoting recycling practices among Malaysians, especially the younger generation, to raise awareness on the importance of recycling and encourage proper disposal of our packaging materials.

Since 2022, we partnered with Tetra Pak to establish a recycling education centre at our UPM farm. The centre focuses on educating consumers about the recyclability of our packaging and fosters the adoption of simple, impactful recycling habits in their daily lives, both at home and at work. Through this initiative, we aim to empower people with the knowledge and tools required to contribute to a more sustainable future through proper recycling practices.

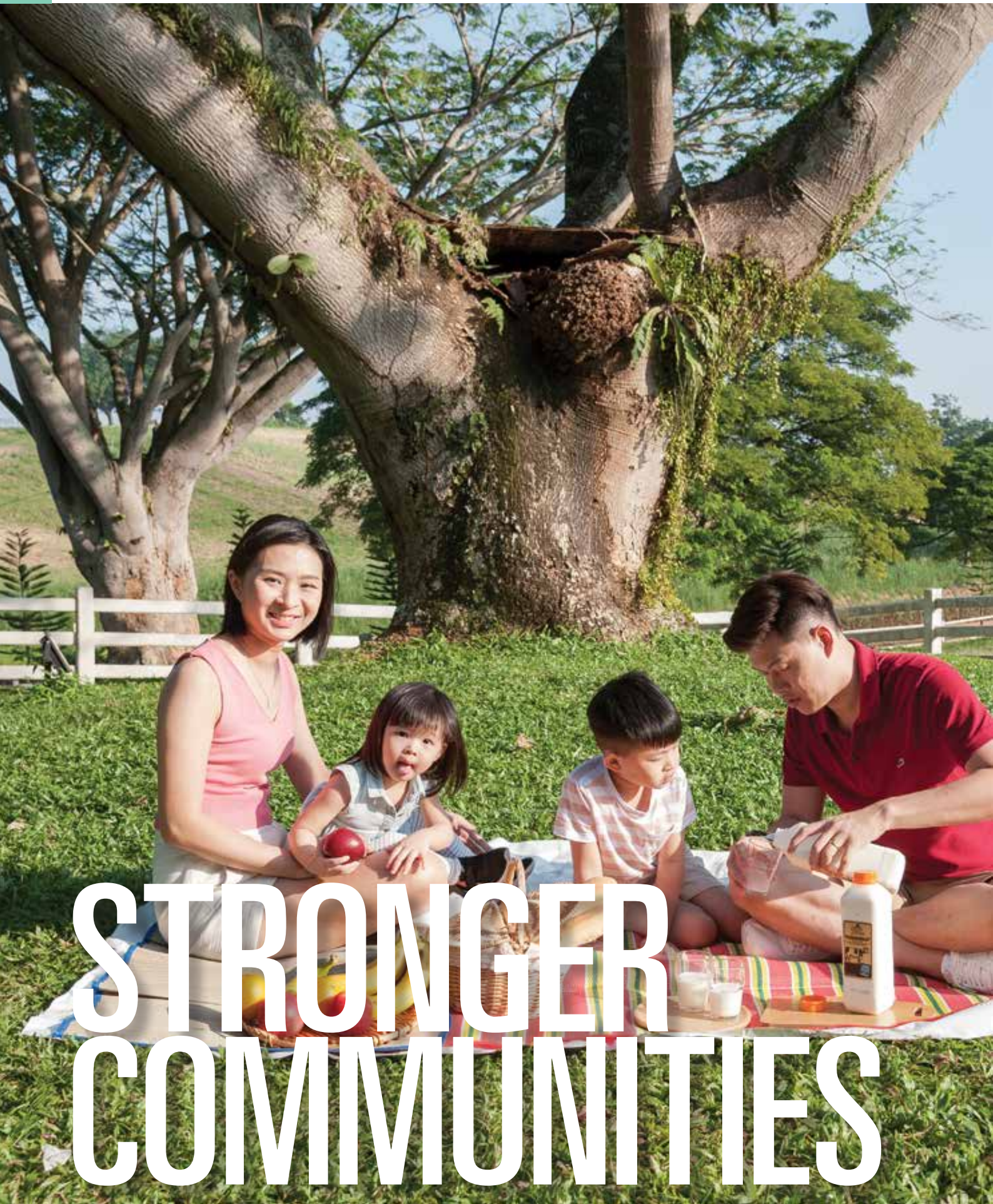
OUR PERFORMANCE

- Sales of finished goods utilising fully recyclable and FSC®-certified Tetra Pak packaging rose by 29% in FY2024, increasing from RM209.9 million to RM271.4 million sales during the year.

LOOKING AHEAD

- Working with Tetra Pak, we will continue to increase our use of fully recyclable packaging across our product portfolio.
- We plan to extend our Milk on Tap initiative to additional retail outlets and increase our public education efforts aimed at reducing plastic usage and promoting the adoption of reusable glass bottles.
- Our commitment also involves ongoing engagement with youth through school-based campaigns to emphasise the significance of recycling.





STRONGER COMMUNITIES

LOCAL ECONOMY CONTRIBUTION

W WHY IT MATTERS

Many suburban and rural areas in Malaysia face limited economic opportunities and receive less support than urban centres. Cognisant of this, we utilise our presence in various such regions across the country to empower socioeconomic progress in surrounding communities, providing locals with sustainable jobs opportunities, skills training and educational initiatives that promote professional development and social mobility. Through this commitment, we generate shared value that uplifts these communities while simultaneously furthering our business objectives.

Q OUR ACTIONS AND INITIATIVES

Investing in Local Hiring and Education

To ensure we bolster community bonds and achieve workforce diversity that mirrors the regions we serve, our “local first” policy prioritises recruiting from local communities before resorting to talent procured from urban markets. Driven by this focus, we currently have a large proportion of local talent in our workforce, with 67% of our workers in farms and processing facilities hailing from rural areas in Malaysia, including 14 individuals from indigenous Orang Asli communities.

We also prioritise local vendors for the procurement of raw materials and other products and services required by

our operations, ensuring that we contribute positively to the socioeconomic development of the regions surrounding our farms. In FY2024, 68% of our total procurement outlay by Farm Fresh Malaysia was spent on local suppliers.

Fostering Sustainable, Win-Win Farmer Partnerships

The network of rural partner farmers we established in 2011 has been crucial in allowing us to cost-effectively fulfil our external dairy sourcing requirements and price our products competitively. Equally importantly, our direct dealings with these farmers ensure that they, too, receive fair market prices for raw milk, which contributes to uplifting their livelihoods and bolstering local agriculture, key factors that support the Malaysian government’s objective of achieving self-sufficiency in domestic fresh milk production by 2025.

Beyond milk procurement, we have strengthened our partnership with these partner farmers by offering mentorship programmes and technical support to facilitate knowledge transfer throughout the production process. This disseminates sustainable farming practices across our value chain, promoting environmental stewardship and safeguarding the long-term viability of our business.

Empowering Rural Distribution and Entrepreneurship

Introduced in 2016, our innovative home dealer programme revolutionises our distribution networks in rural Malaysia, providing access to Farm Fresh and Yarra Farm products in areas without major grocery stores or supermarkets. With 58 stockists, 762 home dealers and 971 agents nationwide, this initiative extends our product reach while creating sustainable income opportunities for micro-entrepreneurs.



Related UNSDG



Stronger Communities

Through this first-of-its-kind programme, we empower independent entrepreneurs to earn commissions by distributing our products within their communities, while simultaneously advocating the nutritional benefits of dairy products to their network. To support them in their endeavours, we consistently invest in the professional development of our home dealers, offering regular seminars and courses on products, prices, and sales and distribution strategies.

The dealers in our home network stand to earn income above and beyond average salaries in their region, with stockists capable of earning up to RM25,000 monthly and home dealers up to RM5,000. Supporting our home dealer distribution network, we have adopted the use of e-commerce platforms that facilitate online purchases and conveniently connect customers with our home dealers and agents.

The success of our home dealer programme is evidenced by its influence on our financial performance, with direct sales to stockists and distribution support from our network partners contributing 17% of our total revenue in FY2024. The social benefits of this programme has also been recognised at the regional level, as it claimed the ASEAN Inclusive Business Award in 2020.

OUR PERFORMANCE

- 67% of our workforce across farms and processing facilities originates from rural and underserved communities.
- 68% of our total procurement during FY2024 was spent on local suppliers.
- Within our home dealer programme, we have 58 stockists, 762 home dealers and 971 agents.
- RM2.7 million in income was generated for our partner farmers in FY2024.

LOOKING AHEAD

- In tandem with our product range expansion, we will improve our home dealer programme via roadshows and other outreach efforts, offering this income-generating opportunity to more entrepreneurs across Malaysia.
- We are also crafting strategies to encourage greater female involvement in the home dealer network, empowering more housewives to attain economic independence and financial freedom.



COMMUNITY DEVELOPMENT

W WHY IT MATTERS

As Malaysia's leading homegrown dairy company, we embrace our duty to create a positive and lasting impact on the nation. By supporting the health of the younger generation through the provision of nutritional dairy products and investing in the education of underprivileged students, we achieve the dual objectives of instilling better dietary practices while enhancing career prospects. These efforts contribute towards a healthier and more empowered future generation, while growing our appeal to socially conscious consumers and investors.

O OUR ACTIONS AND INITIATIVES

Providing Comprehensive Support for Underprivileged Students

As part of our efforts to uplift hardcore poor students with education, nutrition and living standards, we have launched the Multidimensional Human Capital Development Programme (*Program Pembangunan Insan Multidimensi*) in June 2023, committing nearly RM2 million to set up and run special community centres in areas with high numbers of hardcore poor students.

In collaboration with the Malaysian Ministries of Education and Health, and Yayasan Didik Negara, we have now established ten (10) special community centres in Peninsular Malaysia, providing more than 500 students with extra classes, tuition, religious classes, motivational sessions and nutritious meals, including Farm Fresh milk.

By pioneering this effort, we aim to pave the way for other large corporations, multinationals and government-linked companies to join this noble cause and make a meaningful impact in underprivileged communities nationwide.

Internships and Scholarship Programme

Concurrently, we nurture local talent through development programmes, such as internships in collaboration with esteemed universities and colleges in Malaysia. This year we have provided internship placements to 192 high-achieving students, facilitating the opportunity for many of these participants to transition into full-time positions within our company.

We also aim to remove barriers to higher education for Orang Asli students, empowering them to pursue their academic dreams through the Farm Fresh Scholarship Programme. Launched in 2021 in partnership with the East Coast Economic Region Development Council (ECERDC), this programme provides life-changing opportunities for disenfranchised students through the provision of financial support for their primary, secondary and tertiary education.

To date, the Farm Fresh Scholarship Programme has supported 20 Orang Asli students in the Rompin district of Pahang, with RM36,250 invested thus far in their education. We aim to encourage all of them to pursue university studies, offering these students the opportunity to join our workforce upon graduation.

Stronger Communities

A Rompin-Born Boy Aspires to Be a Manager at Farm Fresh

Muhamad Atha'ullah NG Bin Muhamad Redzuan, a form 2 student at SMA Bukit Ibam and a Farm Fresh scholarship recipient, dreams of joining Farm Fresh's management team.

His journey began when his teacher informed him about the scholarship opportunity. "I applied for it and when I received the news that I was successful, it was an extraordinary moment that filled me with boundless joy and excitement! It marked a pivotal milestone in my life", said the 14-year-old science student, who received support to finance his studies and buy school materials such as books and stationaries.



Being a scholarship recipient has opened unique opportunities for Muhamad Atha'ullah, helping him realise the value of pursuing academic excellence and what it means to pursue tertiary education. "I'm motivated more than ever to do well in examinations as well as outside of the classroom", said Muhamad Atha'ullah who actively participates in co-curricular activities and has been nominated as a potential high achiever for his age.

Muhamad Atha'ullah's story exemplifies the positive impact of scholarships, and he encourages his peers to apply for such opportunities as well. "Don't be afraid to try and apply for any scholarships. This opportunity does not only lift the financial burden, but it provides the motivation factor to pursue higher academic education," he added.

With the scholarship supporting him financially, Muhamad Atha'ullah has set his sights on furthering his studies overseas and returning to serve his country and Farm Fresh. We certainly wish him the best of luck and look forward to welcoming him to the Farm Fresh family in future.

Name : Muhamad Atha'ullah NG Bin Muhamad Redzuan
Age : 14 years old (Form 2)
Address : Kedaik, Rompin Pahang
School : Sekolah Menengah Agama Bukit Ibam
Favourite subject : Science
Ambition : Manager at Farm Fresh



Promoting Healthy Development with the School Milk Programme

Recognising the crucial role that nutrition plays in a child's developmental years, we are committed to nurturing healthier milk consumption habits amongst the younger generation, whom we refer to as 'Generasi Farm Fresh'. To this end, we have collaborated with the Malaysian Ministry of Education to commence a School Milk Programme (Program Susu Sekolah) that facilitates the delivery of nutritious milk to school canteens across the Northern, Eastern and Southern regions of Peninsular Malaysia.

Through our participation in this programme, we have successfully distributed over 65 million packs of school milk to more than 3,400 schools from April 2023 to March 2024. The success of our efforts underscores the positive impact of our initiative and reaffirms our dedication to supporting the health and development of young learners.

OUR PERFORMANCE

- In FY2024, we invested RM768,564 in community programmes, which included direct donations to students and teachers, gifts and sponsorships for educational and sporting initiatives, purchases of equipment and assets for our CSR teams, and expenses for organising community-related events.
- Our collective community outreach efforts in FY2024 impacted 4,500 beneficiaries, including students, teachers and parents that benefited from our scholarship, internship and Multidimensional Human Capital Development Programme, participants who benefited from our sponsorship of school and community sporting events, attendees of the various community events we contributed to during the year, and other individuals who benefited from our outreach initiatives.
- 192 students from local universities and colleges have benefited from our internship programmes.
- Distributed over 65 million packs of school milk in FY2024.
- Inaugurated 10 special community centres to support hardcore poor students.



Stronger Communities

EMPLOYEE HEALTH, SAFETY & WELL-BEING

W WHY IT MATTERS

Ensuring strong employee health and safety measures is crucial as it provides a secure work environment where our staff can perform their duties without risking their health or safety. This is particularly important given that many of our employees work on farms and in processing facilities, where they face occupational hazards such as heavy machinery, livestock handling in high heat and humidity, and construction or repair tasks. Our dedicated efforts in this area help reduce workplace accidents and injuries, lower absenteeism and minimise potential medical costs, while also fostering a work environment that promotes job satisfaction, productivity and loyalty.

O OUR ACTIONS AND INITIATIVES

Robust Policy Commitments

At the heart of our employee health, safety and welfare strategy lies the implementation of robust occupational health and safety systems across our farms and processing facilities. In our efforts to comprehensively address the unique challenges faced by our employees in their farm-based working environments, we have developed a Safety – Best Management Practices and a Safety & Health Policy and Environmental Policy that strictly adhere to the following Malaysian regulations and laws:

- Occupational Safety and Health Act 1994
- Occupational Safety and Health (Use and Standard of Exposure Chemical Hazardous to Health) Regulation 2000
- Occupational Safety and Health (Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease) Regulation 2004
- Environmental Quality Act 1974
- Environmental Quality (Scheduled waste) regulation 2005
- Fire Services Act 1988

A Dedicated Committee and Leadership Oversight

As part of our proactive strategy to identify and respond to emerging risks, we have established a Safety, Health and Environment Committee to heighten engagement with our people and foster inclusive dialogue on health and safety matters.

Consisting of an ideal mix of employer and employee representation, the committee's primary responsibilities encompass, but are not confined to:

- Conducting regular workplace inspections, including specific assessments of machinery, equipment, substances, appliances and work processes.
- Investigating workplace accidents, near misses, dangerous occurrences, occupational poisoning and occupational diseases, and subsequently reporting significant findings and recommending corrective actions to the management
- Supporting the development of internal safety and health rules, and safe work systems.
- Assessing the effectiveness of existing safety and health policies, and proposing revisions as necessary.

Through our Safety, Health and Environment Committee, we facilitate open and direct communication with employees, enabling concerns to be promptly addressed so that a conducive and secure working environment is maintained at all times.

All health and safety issues are monitored by our HR department and Safety team, which benchmarks our performance against industry peers to strive for the highest health and safety standards. Meanwhile, leadership oversight is provided by the Audit and Risk Management Committee of our Board, which thoroughly reviews internal audit reports and management recommendations to enhance the health, safety, and well-being of our employees. This structure ensures that all material health and safety matters are brought to the attention of relevant leaders, and that continuous improvement in our practices is driven from the highest levels.

Upholding HIRARC and Training Protocols

Our Hazard Identification, Risk Assessment and Risk Control (HIRARC) procedures are fundamental for managing potentially hazardous activities within our operations. Dedicated safety staff oversee their implementation to ensure personnel safety alongside regular factory safety audits, maintaining consistently safe working environments.

These procedures include stringent protocols for machinery operation and maintenance which are uniformly enforced across all our farms and production facilities. Additionally, we implement proactive measures to identify and address emerging hazards, such as:

- Conducting regular safety audits of processing facilities.
- Monitoring, measuring and controlling our exposure to hazardous chemicals.
- Administering annual audiometric tests to employees in our processing facilities to evaluate noise exposure and its impact on their hearing.
- Establishing Internal Emergency Response Teams (ERT) responsible for evacuating employees and handling fires during emergencies.

Besides that, employee training is prioritised across all levels and job functions, with tailored programmes covering occupational first aid, confined space training, forklift and reach truck handling. Personal protective equipment (PPE) is also provided as needed to enhance safety.

To ensure new employees are well-informed about safety measures and protocols, a comprehensive safety awareness component has been integrated into our orientation programme.

Uplifting Rural Communities through Sustainable and Healthy Living

Another key practice to safeguard employee well-being is our provision of housing and resources for farm-based staff. Currently, 80% of our farm employees receive subsidised meals, while 50% enjoy complimentary accommodation. Additionally, these employees are provided with fresh vegetables and fish sourced directly from our farms, ensuring nutritious and sustainable dietary options for their daily meals.

These initiatives not only support our employees financially and enhance their job satisfaction, but also align with our commitment to fostering economic progress in rural communities. For more information, refer to the “Local Economy Contribution” section of this statement.

OUR PERFORMANCE

- Zero work-related fatalities were recorded in the last three years.
- Zero Lost Time Injuries (LTIs) were recorded in the last three years.
- 121 employees received health and safety training in FY2024, with an average of 112 hours of training provided to each employee.
- 100% of our employees are covered by our safety best management practices and Safety & Health Policy and Environmental Policy implemented throughout the organisation.
- 80% of our farm employees enjoy subsidised meals, while 50% benefit from free accommodation.



Stronger Communities

FAIR & ETHICAL EMPLOYMENT

W WHY IT MATTERS

Fair and ethical employment is fundamental to our commitment as a sustainable and honest dairy company, enshrined as one of our five core values. Our conscientious approach to training and nurturing our workforce, while providing them with an impartial and respectful work environment, ensures we retain a high-performing, committed and diverse team. By maintaining this standard, we uphold the quality and reliability of our products and services, enhancing our competitiveness in the markets we operate in and supporting our growth objectives.

O OUR APPROACH

Guided by Internal Policies and Jurisdictional Laws

To ensure responsible business conduct across our operations, we have developed a Code of Conduct & Business Ethics (CCBE) that aligns with the laws, regulations and best practices of Malaysia's dairy industry. This code upholds the principles of discipline, good faith, professionalism and integrity essential to our company's success and well-being.

In fully supporting the principles and international guidelines for human rights, we are dedicated to maintaining a safe work environment enriched by diversity and characterised by open communication, trust, shared accountability, fair treatment and respect. We treat each and every of our staff, suppliers, stakeholders and the community with the utmost respect in alignment with our core values.

Our commitment to fair recruitment and procurement practices firmly opposes discrimination of potential hiring candidates or suppliers based on their race or gender, emphasising a merit-based process that prioritises equal opportunities.

Alongside our internal policies and guidelines, we adhere to the Malaysian Employment Act 1955, ensuring compliance with workers' rights, fair working hours and adequate living wages. We consistently benchmark our pay structure against industry standards and consult with external professionals to ensure we maintain remuneration practices that uphold compliance with labour laws and enable us to attract the requisite talents.

Additionally, our Whistle Blowing Policy (read more in the 'Anti-Corruption' section of this report) enables employees and the public to confidentially report any incidents of misconduct through internal channels.

Although we have recorded no significant non-compliance incidents related to labour standards, we have established processes to manage such situations should they occur. These processes include counselling and consulting external experts to mediate and resolve incidents in accordance with the relevant labour standards.

Fostering a Diverse and Respectful Workplace

We recognise the importance of workplace diversity, which brings a wealth of experiences, expertise and perspectives to our organisation. This diversity enables informed decision-making and fosters a culture of unity and appreciation for different backgrounds.

To promote diversity, we aim for a balanced workforce, with a healthy mix of genders, particularly in management and executive roles. Our workforce also reflects Malaysia's cultural diversity, comprising various races. Employees are free to practice their cultural and religious beliefs, and we celebrate our diversity during festive seasons.

Our employees deserve a respectful work environment free from harassment or discrimination. Any form of abusive conduct, whether verbal, physical or virtual, is unacceptable. We strictly prohibit actions or unwanted comments related to gender, race, national or ethnic origin, disability, religion, age, family status or other legally protected statuses. Employees are encouraged to report any abusive, harassing or offensive behaviour they observe or experience to a supervisor or member of management.

Training and Assessment

To be a high-performing organisation that is equipped to achieve its ambitions, we place emphasis on ensuring our workforce is provided with adequate training to undertake their job functions safely and effectively (read more in the “Employee Health, Safety and Well-being” section of this statement) while also receiving additional training to upskill their personal and professional competencies.

Regular assessments are undertaken for all employees by their direct supervisor, maintaining open lines of engagement and enabling the identification of areas for improvement, alongside action plans to enhance performance. These assessments also provide us with an opportunity to identify training topics that may be required by various employee groups.

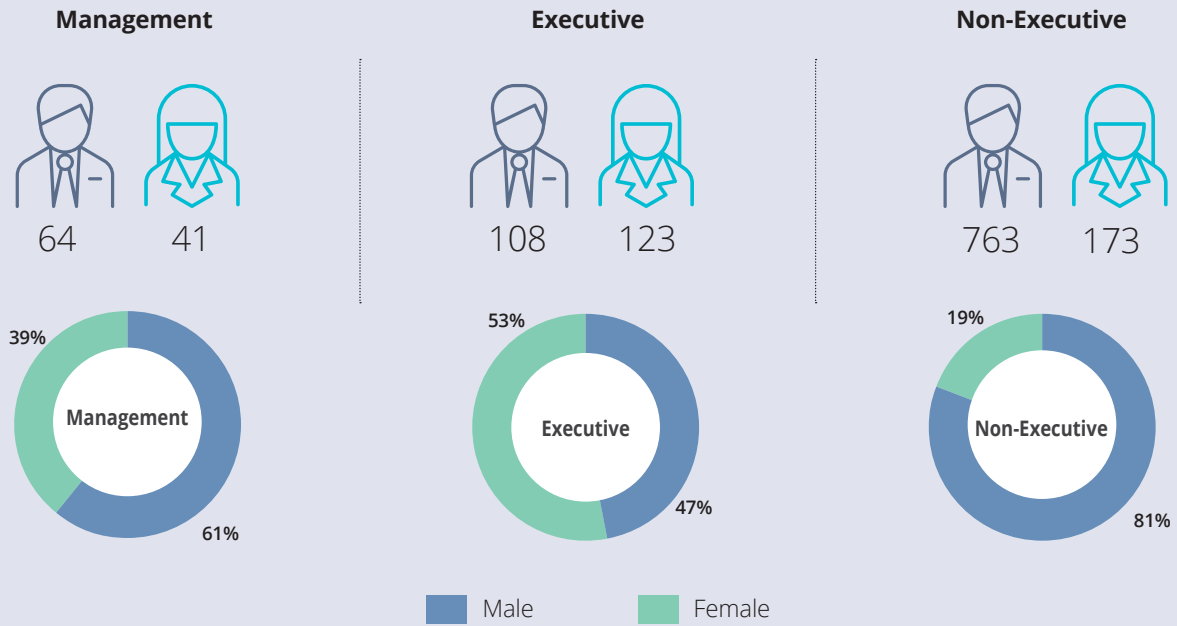


Stronger Communities

OUR PERFORMANCE

We are pleased to report that no human rights violations have been recorded in the past three years. The following represents our employee data for FY2024.

Employee Breakdown by Gender



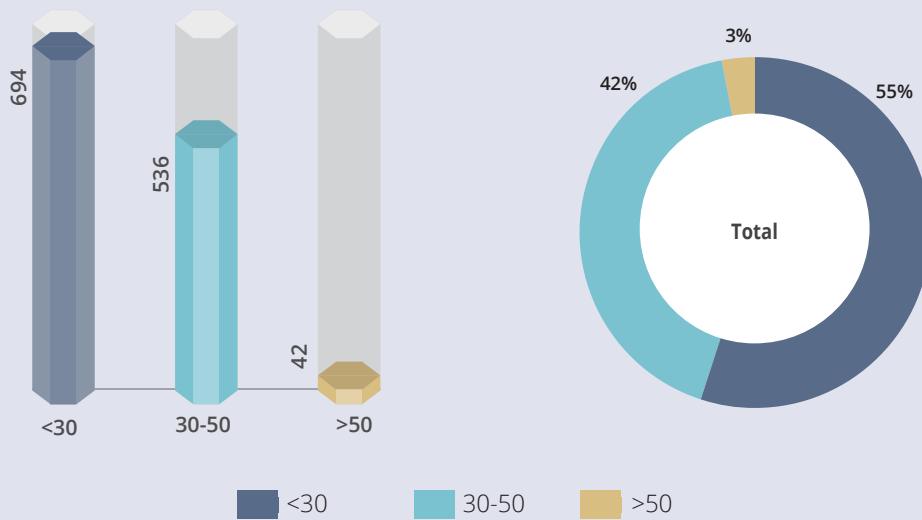
Employee Breakdown by Employment Type



Employee Breakdown by Age Group

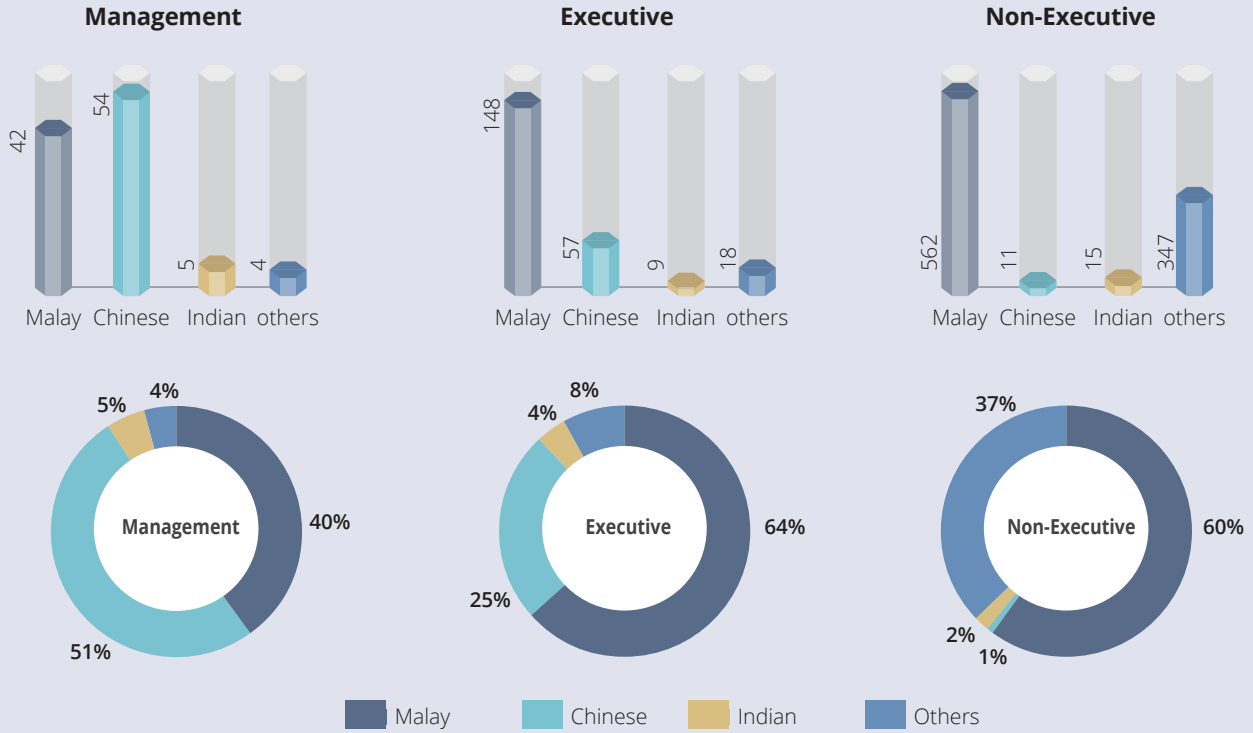


Total Employee Breakdown by Age Group



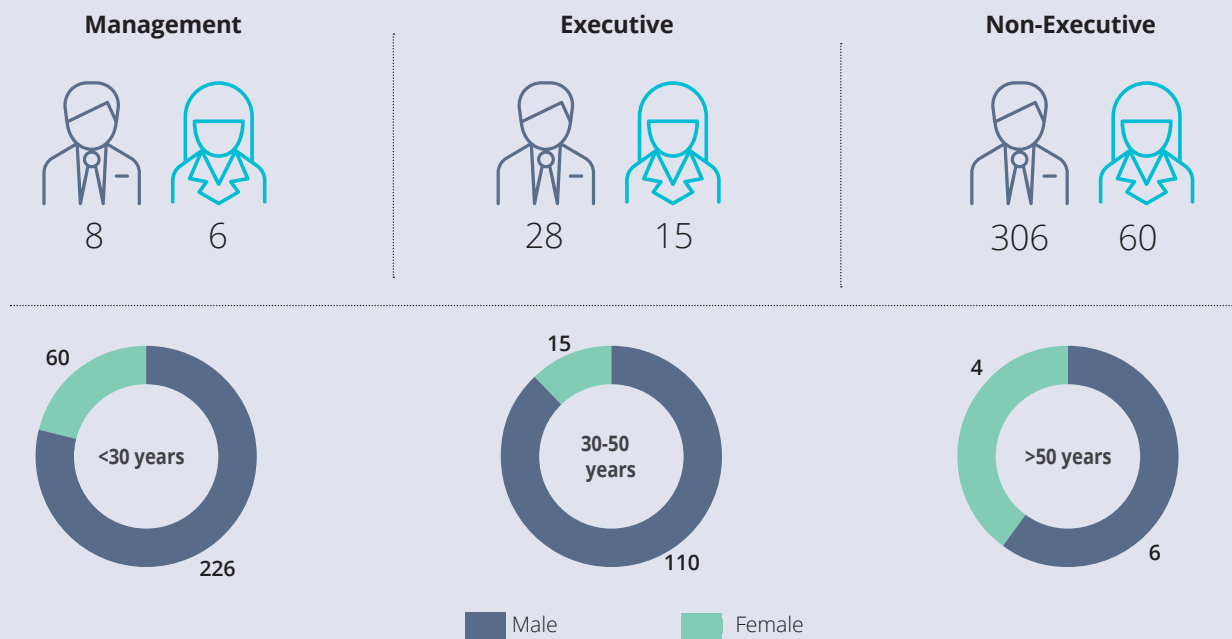
Stronger Communities

Employee Breakdown by Ethnicity



New Hires and Turnover

New Employee Hires in FY2024



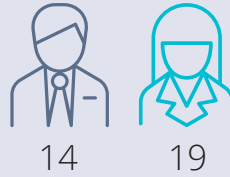
New Hires and Turnover

Employee Turnover in FY2024

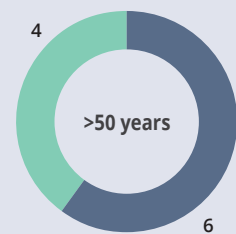
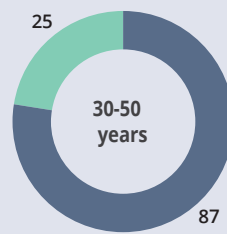
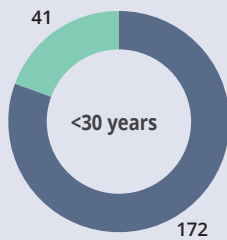
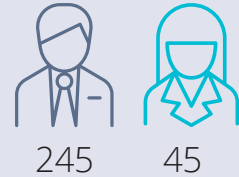
Management



Executive



Non-Executive

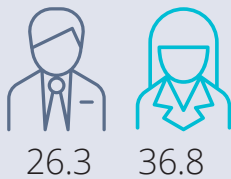


■ Male ■ Female

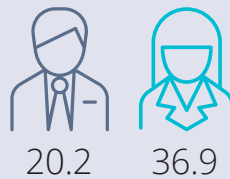
Employee Training

Average Hours of Training by Employee Category and Gender in FY2024

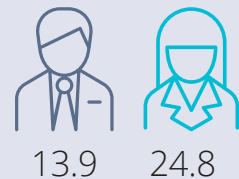
Management



Executive



Non-Executive





RESPONSIBLE GOVERNANCE

ANTI-CORRUPTION

W WHY IT MATTERS

By prioritising transparency, integrity and fairness in our operations, we ensure that our resources are invested in productive ventures that generate shared value for all stakeholders. Additionally, we reduce the risks of legal penalties and reputational harm associated with illegal and unethical practices, which bolsters our reputation as a dependable, trustworthy business. Ultimately, this commitment lays the groundwork for long-term sustainability in our business operations, ensuring operational stability and stakeholder trust as we drive towards our ambitions.

O OUR ACTIONS AND INITIATIVES

Robust Governing Systems and Policies

We are stringently committed to conducting all business honestly and ethically, while acting professionally, fairly and with integrity in all our relationships and business dealings. At the fundamental level, we ensure our practices maintain full compliance with the Malaysian Anti-Corruption Commission Act 2009, the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and any subsequent amendments or reenactments.

Our commitments are upheld and enforced uniformly through various Group-wide codes and policies that are informed to all employees and relevant stakeholders, while also being made publicly available in the Investor Relations section of our corporate website.



Related UNSDG



Responsible Governance

The Board of Directors holds ultimate responsibility for overseeing all ethical conduct and anti-corruption matters. The Group Executive Director/Chief Executive Officer leads monitoring efforts and is supported by the Group Human Resources department, which manages these affairs on a daily basis.

Farm Fresh Berhad has not made any donations to any associations with political parties or organisations during the financial year.

An overview of each of our policies related to ethical business conduct and anti-corruption is detailed below.

Code of Conduct & Business Ethics (CCBE)

The Board, as outlined in the Board charter, has the critical responsibility of establishing and upholding the ethical standards expected of everyone within the Group. This includes directors, management, employees and, where applicable, counterparts and business partners.

To achieve this, the Board, in collaboration with management, has implemented and enforced a comprehensive CCBE that details our principles, values and duties expected from our employees, alongside rules and guidelines for workplace behaviour. The policy also puts forth our guidelines for fair market practices, including rules to ensure our employees uphold competition and antitrust laws designed to ensure fair competition for products and services in the marketplace.

Aligned with Malaysian laws, regulations and best practices of the local dairy industry, this comprehensive document serves as a roadmap for navigating ethical conduct in the Group. The CCBE is further supplemented by distinct, detailed policies that manage conflicts of interest, prevent abuse of power, corruption and insider trading, and combat money laundering.

Anti-Bribery and Anti-Corruption (ABAC) Policy

Our ABAC Policy outlines our zero-tolerance stance on bribery, corruption and gratification encountered by directors, employees and third parties associated with the Group in business dealings. The policy provides strict guidelines on accepting gifts and hospitality while prohibiting employees and third parties from offering or accepting facilitation payments at any time.

Employees at all levels must declare that they have read and understood the ABAC Policy. They must also sign a Conflict of Interest Declaration to avoid potential conflicts between company and private interests.

We have implemented an appropriate internal control system to address any corruption risks stemming from weaknesses in our governance framework, processes and procedures. To this end, we conduct regular risk assessment reviews to evaluate the performance, efficiency and effectiveness of these internal controls and enforcement measures. These reviews are carried out either by an internal function or an external party every three years, with additional reviews conducted as needed.

Employees found violating the ABAC policy will be subject to disciplinary action, as well as potential criminal investigation and prosecution. The Group remains committed to ensuring full cooperation with the relevant enforcement agencies in the event of any suspicions, allegations, or investigations related to bribery or corruption.

Whistle Blowing Policy

Our Whistle Blowing Policy provides a channel for all employees and members of the public to report any improper conduct related to our business, fostering a culture of transparency and accountability. Allegations of suspected fraud, bribery, abuse of power, conflict of interest, theft or embezzlement can be reported through the Speak Up portal at: <https://farmfresh.speakup.report/farmfreshspeakup>.

All reports are treated confidentially, and will be discussed and deliberated upon by the ARMC. Whistle-blowers will be informed of the outcome upon the completion of the process and related procedures.

As per our Terms of Reference of ARMC, the ARMC oversees the whistle-blowing function, ensuring all reported violations are properly investigated and reviewing the effectiveness of the actions taken in response to all concerns raised.

Whistle-blowers will be granted protection for the confidentiality of their identity, as far as reasonably practicable, and safeguarded from any form of retaliation for raising genuine concerns or reporting violations or suspected violations in good faith.

Ethical Trading Policy

Our Ethical Trading Policy sets out the standards we expect throughout our supply chain, aligning with our commitment to ensure our products are manufactured in conditions that are neither detrimental to the goods nor harmful to the workers. All suppliers must comply with the Ethical Trading policy, which will be automatically accepted unless advised otherwise.

The policy upholds several key principles, including freedom of employment, the right to collective bargaining, freedom of association, safe and hygienic working conditions, the right to a living wage, and regular employment. Additionally, it prohibits child labour, excessive working hours, discrimination and harsh or inhumane treatment.

Training and Awareness

To ensure continuous compliance with ethical practices, we are committed to making sure our employees understand our expectations in performing their duties and responsibilities. Employees are briefed on our Code of Conduct & Business Ethics (CCBE) and Anti-Bribery and Anti-Corruption (ABAC) Policy during their orientation program. We also regularly conduct awareness programs for employees on anti-bribery and anti-corruption.

While we aim for comprehensive training for all employees, we prioritise training based on the level of bribery and corruption risk associated with each employee's position or department.

OUR PERFORMANCE

- In FY2024, 89.26% of all employees received anti-corruption training. As of May 2024, our completion rates rose to 94.38%
- 100% of our operations have been assessed for corruption-related risks.
- Zero staff disciplined or dismissed due to ethical non-compliance
- Zero fines, penalties or settlements received in relation to corruption

Responsible Governance

CYBER SECURITY & DATA PRIVACY

W WHY IT MATTERS

In today's digital era, the importance of cybersecurity and data privacy continues to grow. Safeguarding our systems and databases from potential cyber threats and breaches of privacy is vital to maintaining business stability. Our ongoing efforts in this area also ensures compliance with evolving data protection laws, reduces legal and reputational risks, and builds trust among our stakeholders.

O OUR APPROACH

Ensuring a Holistic Approach to IT Governance

Our Information Technology (IT) Policy ensures the Group's IT resources efficiently support our primary business functions, safeguard our and members' electronic data, and comply with relevant regulations in our areas of operation. The IT Department enforces and updates this policy, covering best practices in firewall protection, security incident management, cloud computing adoption, vulnerability assessment and disaster recovery.

Crucially, the policy mandates the creation of prudent and acceptable practices for anti-virus management to prevent infection of our computers, networks and technology systems from malware and other malicious code. It also aims to prevent damage to user applications, data, files and hardware by educating individuals who use our system resources on their responsibilities regarding anti-virus protection.

To ensure that our employees, Board members and related constituents use mobile devices safely and securely to access our resources, they must accept the IT Policy by signing the Group Declaration for Security Policy on Usage of Company Mobile Devices before receiving a device and access to our resources.

All our network firewalls provide packet filtering, application proxy and stateful inspection to safeguard against Internet Protocol (IP) spoofing and Denial-of-Service (DoS) attacks, ensuring a secure operating environment for our computer

and network resources. To sustain this protection and mitigate risks to our network and information systems, our firewalls undergo regular reviews. Additionally, firewall rulesets and configurations are frequently backed up to alternate storage.

Vulnerability Assessments and Incident Management

To keep our security systems current, all operating systems and information resources must undergo regular vulnerability assessments. Our IT department is tasked with conducting periodic security risk evaluations to identify vulnerabilities and implement appropriate corrective measures, with employees expected to fully cooperate with these assessments.

Effective security incident management is also crucial for detecting threats, evaluating their severity, responding properly and informing stakeholders of any breaches when necessary. Our framework includes computer emergency response plans, incident response testing, response and recovery protocols, and data breach management.

The IT Department conducts simulated incidents at least once a year to assess the effectiveness of our response. The outcomes of these simulations are used to review and update our response plans as necessary.

Safeguarding our Digital Assets

The Group employs Datto SaaS as a backup and recovery solution, aiding in the restoration of data such as Microsoft Exchange emails, files and OneDrive data. This is crucial in the event of any incidents affecting our servers.

For ransomware protection, we rely on Bitdefender Gravityzone Business Premium, a globally recognised cybersecurity solution. Gravityzone offers advanced layered machine-learning algorithms for ransomware detection and sandboxing, ensuring ransomware protection at both the personal computer (PC) and server levels.

All data transfers undergo scanning by Bitdefender for added security. Moreover, we utilise Microsoft Defender for Office 365 to detect malware and phishing attempts early, primarily scanning emails as the primary attack medium, with extended coverage to OneDrive, Teams and Microsoft Office applications.

OUR PERFORMANCE

In FY2024:



Zero instances of **cybersecurity** or **data breaches** were recorded.



Zero substantiated complaints concerning customer **privacy breaches** and customer data losses were received.



GRI CONTENT INDEX

Statement of use	Farm Fresh Berhad has reported the information cited in this GRI content index for the period 1 April 2023 to 31 March 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Reference
GRI 2: General Disclosures 2021	2-1 Organisational details	Who We Are, pages 8-11
	2-2 Entities included in the organisation's sustainability reporting	About this Statement, page 124
	2-3 Reporting period, frequency and contact point	About this Statement, page 124
	2-4 Restatements of information	About this Statement, page 124
	2-5 External assurance	About this Statement, page 124
	2-6 Activities, value chain and other business relationships	Our Core Business Segments, pages 16-17
	2-7 Employees	Fair & Ethical Employment, pages 158-163
	2-8 Workers who are not employees	Information unavailable. Steps are being taken to include the information in future reports.
	2-9 Governance structure and composition	Corporate Governance Overview Statement, pages 100-109 Sustainability Governance, pages 130-131
	2-10 Nomination and selection of the highest governance body	Corporate Governance Overview Statement, pages 100-109 Sustainability Governance, pages 130-131
	2-11 Chair of the highest governance body	Corporate Governance Overview Statement, pages 100-109 Sustainability Governance, pages 130-131
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance Overview Statement, pages 100-109 Sustainability Governance, pages 130-131
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance, pages 130-131
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance, pages 130-131
	2-15 Conflicts of interest	Corporate Governance Overview Statement, pages 100-109
	2-16 Communication of critical concerns	Corporate Governance Overview Statement, pages 100-109
	2-17 Collective knowledge of the highest governance body	Chairman's Overview on Corporate Governance, pages 100-109 Directors' Training, pages 104-106
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Overview Statement, pages 100-109
	2-19 Remuneration policies	Remuneration, pages 106-107
	2-20 Process to determine remuneration	Remuneration, pages 106-107
	2-21 Annual total compensation ratio	Information unavailable. Steps are being taken to include the information in future reports

GRI Standard	Disclosure	Reference
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	Sustainability Statement, pages 122-123 Our Core Sustainability Pillars, page 126
	2-23 Policy commitments	Sustainability Governance, pages 130-131
	2-24 Embedding policy commitments	Sustainability Governance, pages 130-131
	2-25 Processes to remediate negative impacts	Sustainability Governance, pages 130-131
	2-26 Mechanisms for seeking advice and raising concerns	Sustainability Governance, pages 130-131
	2-27 Compliance with laws and regulations	Described within relevant topical disclosures
	2-28 Membership associations	About this Statement, page 124
	2-29 Approach to stakeholder engagement	Engaging our Stakeholders, page 127
	2-30 Collective bargaining agreements	Anti-Corruption, pages 165-167
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Determination, page 128
	3-2 List of material topics	Our Sustainability Material Matters, page 129
	3-3 Management of material topics	Our Sustainability Focus Areas, page 126 Our Sustainability Material Matters, page 129 Further described within topical disclosures
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Local Economy Contribution, pages 151-155
	203-2 Significant indirect economic impacts	Local Economy Contribution, pages 151-155
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Local Economy Contribution, page 152
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-Corruption, pages 165-167
	205-2 Communication and training about anti-corruption policies and procedures	Anti-Corruption, pages 165-167
	205-3 Confirmed incidents of corruption and actions taken	Anti-Corruption, pages 165-167
GRI 301: Materials 2016	301-2 Recycled input materials used	Sustainable Packaging, pages 148-149
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Energy & Emissions, pages 145-148
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Responsible Water Stewardship, pages 144-145
	303-2 Management of water discharge-related impacts	Responsible Water Stewardship, pages 144-145
	303-3 Water withdrawal	Responsible Water Stewardship, pages 144-145
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Energy & Emissions, pages 145-148
	305-2 Energy indirect (Scope 2) GHG emissions	Energy & Emissions, pages 145-148
GRI 305: Emissions	305-3 Other indirect (Scope 3) GHG emissions	Energy & Emissions, page 145-148
	305-4 GHG emissions intensity	Energy & Emissions, page 145-148
	305-5 Reduction of GHG emissions	Energy & Emissions, page 145-148

GRI Content Index

GRI Standard	Disclosure	Reference
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Circular Practices, pages 141-143
	306-2 Management of significant waste-related impacts	Circular Practices, pages 141-143
	306-4 Waste diverted from disposal	Circular Practices, pages 141-143
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Fair & Ethical Employment, page 163
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Employee Health, Safety & Well-being, pages 156-157
	403-2 Hazard identification, risk assessment, and incident investigation	Employee Health, Safety & Well-being, pages 156-157
	403-3 Occupational health services	Employee Health, Safety & Well-being, pages 156-157
	403-4 Worker participation, consultation, and communication on occupational health and safety	Employee Health, Safety & Well-being, pages 156-157
	403-5 Worker training on occupational health and safety	Employee Health, Safety & Well-being, pages 156-157
	403-6 Promotion of worker health	Employee Health, Safety & Well-being, pages 156-157
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee Health, Safety & Well-being, pages 156-157
	403-8 Workers covered by an occupational health and safety management system	Employee Health, Safety & Well-being, pages 156-157
	403-9 Work-related injuries	Employee Health, Safety & Well-being, pages 156-157
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Fair & Ethical Employment, page 163
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Corporate Governance Overview Statement, page 101
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Local Economy Contribution, page 155
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Food Safety and Quality, page 138
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Food Safety and Quality, page 138
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cyber Security & Data Privacy, page 169

PERFORMANCE DATA TABLE

The following table provides a summary of our FY2024 ESG performance data across all common sustainability matters, as per the requirements and format prescribed by Bursa Malaysia.

FY2024

Workplace Environment: A Diverse and Inclusive Workplace	
Employee Breakdown by Gender (Full-time Employees)	
Male	935
Female	337
Total	1,272
Employee Breakdown by Age and Management Categories	
Management - <30	16
Management - 30-50	80
Management - >50	9
Executive - <30	151
Executive - 30-50	78
Executive - >50	3
Non-Executive - <30	527
Non-Executive - 30-50	378
Non-Executive - >50	30
Employee Breakdown by Ethnicity and Management Categories	
Management - Malay/Bumiputera	42
Management - Chinese	54
Management - Indian	5
Management - Other	4
Executive - Malay/Bumiputera	148
Executive - Chinese	57
Executive - Indian	9
Executive - Other	18
Non-Executive - Malay/Bumiputera	562
Non-Executive - Chinese	11
Non-Executive - Indian	15
Non-Executive - Other	347
Total Number of New Employee Hires	
By Gender	
Male	342
Female	81

Performance Data Table

Workplace Environment: A Diverse and Inclusive Workplace	
By Age	
<30	286
30-50	126
>50	11
Workplace Environment: A Diverse and Inclusive Workplace	
Total Number of Employee Turnover	
By Gender	
Male	265
Female	70
By Age	
<30	213
30-50	112
>50	10
Workplace Environment: A Safe and Healthy Workplace	
Number of work-related fatalities	Nil
Lost time incident rate	Nil
Number of employees trained on health and safety standards	121
Learning and Development	
Total Training Hours	5,784
Average Training Hours - By Gender	
Male	34.2
Female	59.0
Average Training Hours - By Employee Category	
Management	30.1
Executive	28.6
Non-Executive	17.6
Environmental Footprint: Emissions	
GHG Emissions (tCO₂eq)	
Scope 1	61,513
Scope 2	25,829
Scope 3	2,514
Total	89,856
GHG Emissions Intensity	0.48

Environmental Footprint: Energy	
Energy Consumption	
Total energy consumption (MJ)	328,818,757.00

Environmental Footprint: Water	
Total Water Consumption (m ³)	2,858
<i>*Including both Municipal and ground water</i>	

Environmental Footprint: Waste	
Solid Waste (tonnes)	146,730.00
Farm Dairy Effluent (million litre)	418.56

Anti-Fraud, Bribery and Corruption	
Percentage of employees who have received training on anti-corruption by employee category	89%
Percentage of operations assessed for corruption-related risks	100%
Confirmed incidents of corruption and action taken	Nil

Cyber Security and Customer Privacy	
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Nil

Community Investment	
Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM768,564
Total number of beneficiaries of the investment in communities	4,500

Supply Chain Management	
Proportion of spending on local suppliers	68%

Board Diversity	
By Gender	
Total Number	
Male	5
Female	2
Percentage	
Male	71%
Female	29%

Performance Data Table

Board Diversity	
By Age	
Total Number	
46-50	1
51-55	0
56-60	2
61-65	2
66-70	1
71 and above	1

Board Diversity	
Percentage	
46-50	14%
51-55	0%
56-60	29%
61-65	29%
66-70	14%
71 and above	14%

Anti-Fraud, Bribery and Corruption	
By Ethnicity	
Total Number	
Malay/Bumiputera	3
Chinese	3
Indian	1
Others	0
Percentage	
Malay/Bumiputera	43%
Chinese	43%
Indian	14%
Others	0%

By Nationality	
Total Number	
Malaysian	7
Non-Malaysian	0
Percentage	
Malaysian	100%
Non-Malaysian	0%

INDEPENDENT ASSURANCE STATEMENT



SIRIM QAS INTERNATIONAL SDN BHD INDEPENDENT ASSURANCE STATEMENT

To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by Farm Fresh Berhad (hereafter referred to as Farm Fresh) to perform an independent verification and provide assurance of Farm Fresh Sustainability Report 2024. The main objective of the verification process is to provide assurance to Farm Fresh and its stakeholders on the accuracy and reliability of the information as presented in this statement. The verification by SIRIM QAS International applied to sustainable performance information (subject matter) within the assurance scope which is included in Farm Fresh Sustainability Report 2024.

The management of Farm Fresh was responsible for the preparation of the Sustainability Report. The objective and impartiality of this statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the Farm Fresh's Sustainability Report, and the Annual Report 2024.

The assurance engagement was designed to provide limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets or expectations on their subject matter and sustainability-related issues. The assurance process involves verification of 12 material matters as presented in the Sustainability Report within topics as follows i.e., Better Dairy, Healthier Planet, Stronger Communities, and Responsible Governance. Details are provided in Appendix 1.

The verification was carried out by SIRIM QAS International between June and July 2024, with the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources; internal and external documentation which are made available during the conduct of assessment.
- Verification of data presented in the Sustainability Report includes a detailed check of the sampled data.
- Interviewing key personnel responsible for collating information and writing various parts of the report to substantiate the veracity of the claims.

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of other information reported in Farm Fresh Annual Report 2024.
- One of the corporate offices located at Larkin, Johor Bahru was visited as part of this assurance engagement. The verification process did not include physical inspections of any of Farm Fresh's farms, operations and assets. And,
- The verification team did not verify any contractor or third-party data.

Independent Assurance Statement

Conclusion

SIRIM QAS International, a Conformity Assessment Body in Malaysia, is accredited to both ISO/IEC 17021-1:2015 and ISO/IEC 17065:2012 covering all our operational activities. The appointed assessors performing the assurance engagement were selected appropriately based on our internal qualifications, training and experience. The verification process is reviewed by management to ensure that the approach and assurance are strictly followed and operated transparently. During the verification process, issues were raised, and clarifications were sought from the management of Farm Fresh relating to the accuracy of some of the information contained in the report. In response to the raised findings, the Sustainability Report was subsequently reviewed and revised by Farm Fresh. It is confirmed that changes that have been incorporated into the final version of the report have satisfactorily addressed all issues. Based on the scope of the assessment process and evidence obtained, nothing has come to our attention that causes us to believe that Farm Fresh has not complied, in all material respects, with the referred assurance standard and guide. The following represents SIRIM QAS International's opinion:

- The level of data accuracy included in Farm Fresh Sustainability Report 2024 is fairly stated;
- The level of disclosure of the specific sustainability performance information presented in the report was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report;
- The Sustainability Report offers a reasonable and balanced presentation of Farm Fresh's sustainability performance.

List of Assessors.

1)	Ms. Aernida Abdul Kadir	:	Team Leader
2)	Ms. Kamini Sooriamorthy	:	Team Member
3)	Ms. Suzalina Kamaralarifin	:	Team Member
4)	Ms. Nur Ruzaini Ab. Razak	:	Team Member
5)	Ms. Hazwani Yob	:	Team Member

Statement Prepared by:

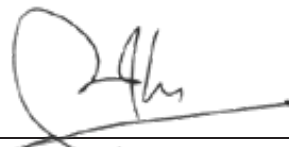


AERNIDA BINTI ABDUL KADIR

Team Leader
Management System Certification Department
SIRIM QAS International Sdn. Bhd.

Date: 15 July 2024

Statement Approved by:



Ts. MD ADHA BIN RAHMAT

Senior General Manager
Management System Certification Department
SIRIM QAS International Sdn. Bhd

Date: 18 July 2024

Appendix 1 The material matters covered in this assessment is tabulated below:	CLASSIFICATION OF DATA			
	HIGH	MEDIUM	LOW	UN SUBSTANTIATED
Materiality Determination				
Sustainability Governance				
Better Dairy				
Animal Health & Welfare				
Food Safety & Quality				
Healthier Planet				
Circular Practices				
Responsible Water Stewardship				
Energy Emissions [narrative only]				
↳ Energy & Emissions – Our Performance	PROVIDED BY INDEPENDENT THIRD PARTY			
Sustainable Packaging				
Stronger Communities				
Local Economy Contribution				
Community Development				
Employee Health, Safety & Well-being				
Fair & Ethical Employment				
Responsible Governance				
Anti-Corruption				
Cyber Security & Data Privacy				

Note 1:

This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd shall not be responsible for any changes or additions made after the referred date (12 July 2024).

Note 2:

The assurance involves activity aims to obtain sufficient appropriate evidence to express a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party, about the subject matter information. It comprises of activities carried out to assess the quality and credibility of the qualitative and quantitative information reported by the organization. This assurance is different from activities used to assess or validate the organization's performance, such as compliance assessments or the issuing of certifications against specific standards.

Note 3:

Definition of HIGH, MEDIUM, LOW and UNSUBSTANTIATED Classification of Data in this Appendix 1.

HIGH: The data and information reviewed has been confirmed with the direct owners. The source of the data origin was provided during the conduct of the assessment.

MEDIUM: Data and information have been confirmed with the direct owners. However, the source of the data has been based on secondary data, where the data origin is not accessible by the verifiers during the conduct of the assessment.

LOW: Data and information reviewed has been based on information endorsed by the data owners. Verifiers did not have access to the source of the data origin. It has been identified as one of the limitations during the conduct of the assessment.

UNSUBSTANTIATED: The sources of data and information disclosed were not made available during the assessment review period due to reasons like confidentiality, unattainable data source and unavailable data owner. It has been identified as one of the limitations during the conduct of the assessment.

FINANCIAL STATEMENTS

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DIRECTORS' REPORT

For the Year Ended 31 March 2024

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2024.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding, rearing of dairy cows and the production, marketing, sale of cow's milk and plant-based related products. The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 7 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Profit for the year attributable to:		
Owners of the Company	63,530	25,149
Non-controlling interests	(249)	-
	63,281	25,149

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

DIVIDENDS

Since the end of the previous financial year, in respect of the financial year ended 31 March 2023, a final dividend of 1.00 sen per ordinary share totalling RM18,719,200 was declared on 28 July 2023 and paid on 10 October 2023.

The Directors recommended a final dividend of 1.20 sen per ordinary share totalling RM22.5 million in respect of the year ended 31 March 2024 subject to the approval of the shareholders at the forthcoming Annual General Meeting.

These financial statements do not reflect the proposed final dividend, which will be accounted for in the statement of changes in equity as an appropriation of retained earnings in the financial year ending 31 March 2025.

DIRECTORS OF THE COMPANY

Directors who served during the financial year until the date of this report are:

Mr. Loi Tuan Ee **
 Tan Sri Dato' Seri Haji Megat Najmuddin bin Datuk Seri Dr Haji Megat Khas
 Dato' Dr. Quaza Nizamuddin bin A Hassan Nizam
 Mr. Sukanta Kumar Dutt
 Ms. Jocelyn Ng Lai Leng
 Ms. Loi Foon Kion
 Mr. Effizal Faiz bin Zulkifly

** Mr. Loi Tuan Ee is also a Director of the Company's subsidiaries.

DIRECTORS OF THE COMPANY (CONTINUED)

The name of the Directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report (not including those Directors listed above) are:

Mr. Loi Tuan Kin
 Mr. Azmi bin Zainal
 Mr. Mohd Khairul bin Mat Hassan
 Ms. Jamaliah binti Othman
 Mr. Adam Graeme Pretty
 Mr. Edmund Tan Jun Hua[#]
 Mr. Lee Chee Keong[®]
 Mr. Andrew Tong Wai Kit (appointed on 14 February 2024)
 Mr. Joseph Chua Yi Xin (appointed on 14 February 2024)

[#] Mr. Edmund Tan Jun Hua is existing director of a newly acquired subsidiary, The Inside Scoop Sdn. Bhd.

[®] Mr. Lee Chee Keong is existing director of a newly acquired subsidiary, Sin Wah Ice Cream Sdn. Bhd.

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the shares and options over shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			31.3.2024
	1.4.2023	Bought	Sold	
<i>Shareholdings in the Company which Directors have direct interests:</i>				
Mr. Loi Tuan Ee	–	6,815,400	–	6,815,400
Tan Sri Dato' Seri Haji Megat Najmuddin bin Datuk Seri Dr Haji Megat Khas	500,000	–	–	500,000
Dato' Dr Quaza Nizamuddin bin A Hassan Nizam	500,000	–	–	500,000
Ms. Jocelyn Ng Lai Leng	500,000	–	–	500,000
Ms. Loi Foon Kion	–	2,672,600	–	2,672,600

	Number of ordinary shares			31.3.2024
	1.4.2023	Dividend -in-specie	Sold	
<i>Shareholdings in the Company which the Directors have deemed interests:</i>				
Mr. Loi Tuan Ee	828,528,636	(10,545,310)	(1,130,800)	816,852,526
Ms. Loi Foon Kion	571,011,515	–	–	571,011,515

By virtue of their interests of more than 20% in the shares of the Company, Mr. Loi Tuan Ee and Ms. Loi Foon Kion are deemed to have interests in the ordinary shares of all subsidiaries during the financial year to the extent that the Company has an interest.

Directors' Report (continued)

For the Year Ended 31 March 2024

DIRECTORS' INTERESTS IN SHARES (CONTINUED)

Details of their deemed interests in non-wholly owned subsidiaries are as follows:

	Number of ordinary shares		31.3.2024
	1.4.2023	Bought/Transfer	
Held through Farm Fresh Berhad:			
The Inside Scoop Sdn. Bhd.	–	567,510	567,510
Sin Wah Ice Cream Sdn. Bhd.	–	175,000	175,000
Farm Fresh Milk Incorporated	114,632	–	114,632
The Holstein Milk Company (Australia) Pty Ltd	11,503,524	–	11,503,524
Held through The Holstein Milk Company (Australia) Pty Ltd:			
Goulburn Valley Creamery Pty Ltd	80	–	80
Henry Jones Foods Pty Ltd	80	–	80
Held through Goulburn Valley Creamery Pty Ltd:			
St David Dairy Pty Ltd	72	–	72

None of the other Directors holding office at 31 March 2024 had any interest in the shares of the Company and of its related corporations during the financial year.

None of the Directors holding office at 31 March 2024 have any entitlement under the Employees' Share Option Scheme ("ESOS") of the Company during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than disclosed in Note 33 to the financial statements.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 March 2024 are as follows:

	From the Company RM'000	From a subsidiary RM'000
Directors of the Company:		
Fees	614	–
Remuneration	–	377
	614	377

There were no arrangements during and at the end of the financial year which had the object 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.

ISSUE OF SHARES

During the financial year, the Company issued:

- a) 522,800 new ordinary shares totalling RM705,780 arising from the exercise of the employees' share options at an exercise price of RM1.35 per ordinary share.
- b) 13,158,000 new ordinary shares totalling RM17,631,720 measured at fair value as of acquisition date of RM1.34 per share as part of the purchase consideration for the 65% equity stake in The Inside Scoop Sdn. Bhd as disclosed in Note 34.1.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

There were no other changes in the issued and paid-up capital of the Company during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up any unissued shares of the Company during the financial year apart from the issue of options pursuant to the ESOS.

At an Extraordinary General Meeting held on 21 March 2022, the Company's shareholders approved the establishment of ESOS of not more than 15% of the issued and paid-up ordinary share capital of the Company to eligible Directors and employees of the Group.

The salient features of the ESOS are as follows:

- a) The ESOS is administered by a committee appointed by the Board of Directors.
- b) The aggregate number of options exercised and options offered and to be offered under the ESOS shall not exceed fifteen per centum (15%) of the issued and paid-up ordinary share capital of the Company at any point of time during the duration of the ESOS and shall not be more than ten per centum (10%) of the ordinary shares available under the ESOS shall be allocated to any eligible employee who, either singly or collectively through his or her associates, holds twenty per centum (20%) or more of the issued and paid-up ordinary share capital of the Company.
- c) The eligible employee must be at least eighteen (18) years of age, is not an undischarged bankrupt nor subject to any bankruptcy proceedings, must have been confirmed in service, and has not given any notice of resignation or received a notice of termination or has otherwise ceased or had his/her employment terminated.
- d) The subscription price for each ordinary share shall be the weighted average market price of the shares of the Company as shown in the Daily Official List issued by Bursa Securities for the five (5) market days immediately preceding the date of the offer with a discount of not more than ten per centum (10%).
- e) The option is personal to the grantee and is non-assignable.
- f) The ESOS shall be in force for a period of ten (10) years commencing from the Effective Date (21 March 2022), after which the Board shall have the sole and absolute discretion to extend in writing the tenure of the ESOS for another five (5) years, in so long that the tenure does not exceed the maximum duration of a share issuance scheme allowed by the relevant authorities.

Directors' Report (continued)

For the Year Ended 31 March 2024

OPTIONS GRANTED OVER UNISSUED SHARES (CONTINUED)

The movements in outstanding options offered to take up unissued ordinary shares and the exercise price is as follows:

	Date of offer	Exercise price	Number of options ('000)			31.3.2024
			1.4.2023	Granted	Exercised	
First grant	21 March 2022	RM1.35	22,034	-	(523)	21,511
Second grant	11 May 2023	RM1.46	-	2,171	-	2,171

INDEMNITY AND INSURANCE COSTS

During the financial year, the total amount of insurance premium effected for Directors and officers of the Group is RM27,550. There is no indemnity and insurance purchased for the auditors of the Group and of the Company.

QUALIFICATION OF SUBSIDIARIES' FINANCIAL STATEMENTS

The auditors' reports on the audited financial statements of Company's subsidiaries did not contain any qualification or any adverse comments.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision has been made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the 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, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

OTHER STATUTORY INFORMATION (CONTINUED)

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 March 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

SUBSEQUENT EVENT

Subsequent event is disclosed in Note 35 to the financial statements.

AUDITORS

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The details of remuneration paid by the Group and the Company to auditors of the Group and the Company during the financial year are as follows:

	Group RM'000	Company RM'000
Auditors' remuneration		
Statutory audit		
– KPMG PLT (recurring)	383	120
– KPMG PLT (non-recurring)	102	82
– Member firm of KPMG International Limited	37	–
– Other auditor	396	–
Non-audit fee		
– KPMG PLT		
– Review of interim financial information	248	248
– Review of Statement of Risk Management and Internal Control	10	10
– Agreed upon procedure	1	–
– Local affiliates of KPMG PLT		
– Tax services and financial due diligence	492	365
– Other auditor		
– Tax services	161	–
	1,830	825

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....
Loi Tuan Ee

Director

.....
Loi Foon Kion

Director

Date: 25 July 2024

STATEMENT BY DIRECTORS

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

In the opinion of the Directors, the financial statements set out on pages 193 to 269 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....
Loi Tuan Ee

Director

.....
Loi Foon Kion

Director

Date: 25 July 2024

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, **Mohd Khairul bin Mat Hassan**, the officer primarily responsible for the financial management of FARM FRESH BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 193 to 269 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Mohd Khairul bin Mat Hassan, NRIC: 790605-11-5353, MIA CA 40828 at Johor Bahru in the State of Johor on 25 July 2024.

.....
Mohd Khairul bin Mat Hassan

Before me:

Lau Lay Sung
Commissioner for Oaths
J-246

INDEPENDENT AUDITORS' REPORT

To the Members of Farm Fresh Berhad

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Farm Fresh Berhad, which comprise the statements of financial position as at 31 March 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 193 to 269.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

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 auditors' 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.

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 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.

a. Acquisition of subsidiaries – Group and Company

Refer to Note 7 – Investments in subsidiaries, Note 18 – Put Option Liability, and Note 34 – Acquisition of subsidiaries.

The key audit matter

The Company completed the acquisition of 65% equity interest of The Inside Scoop Sdn. Bhd. ("TISSB"), for a total consideration of RM81.61 million on 31 May 2023, and 70% equity interest of Sin Wah Ice Cream Sdn. Bhd. ("SWSB"), for a total consideration of RM28.35 million on 17 October 2023 respectively.

Based on the Purchase Price Allocation ("PPA") performed by the Company, the fair value of the net identifiable assets acquired was RM55.22 million and RM7.48 million for TISSB and SWSB respectively. The goodwill recognised amounted to RM45.72 million and RM23.12 million for TISSB and SWSB respectively. The amounts allocated to trademark was RM23.18 million for TISSB.

Pursuant to the acquisition of TISSB, the Company granted to non-controlling shareholder the right to require the Company to purchase their equity interest in TISSB in accordance to the terms of the Shareholders' Agreement ("SHA") upon occurrence of any triggering events or annually commencing from the 3rd anniversary of the SHA's completion date.

Independent Auditors' Report (continued)

To the Members of Farm Fresh Berhad

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (continued)

a. Acquisition of subsidiaries – Group and Company (continued)

The key audit matter (continued)

We have identified the acquisition of subsidiaries as a key audit matter because the transactions are complex and the determination of fair values in the identifiable assets acquired, and liabilities assumed, including the identification of intangible assets requires significant judgement.

How the matter was addressed in our audit

We performed the following audit procedures, amongst others:

- We have read the SHA to identify the completion date of transaction, the amount of consideration payable and to understand significant terms of the agreement including the put option arrangement;
- We have assessed the fair values of the acquired assets and liabilities recognised by agreeing the book value to supporting documentation;
- We have assessed the Company's valuation model used for recognising the intangible assets acquired, with a particular focus on the key assumptions therein, including discount rate and long-term growth rate with the involvement of our own valuation specialist;
- We have re-computed the goodwill arising from the business combination to determine the mathematical accuracy;
- We have assessed and challenged the key assumptions and basis of measurement of put option liability in relation to the acquisition of TISSB; and
- We have assessed the adequacy of disclosure in respect of acquisition in the financial statements as required by the relevant accounting standards.

b. Valuation of biological assets - Group and Company

Refer to Note 5 – Biological assets.

The key audit matter

The Group and Company held RM133.28 million and RM36.22 million of biological assets respectively, comprising cows, goat herds and bulls, measured at fair value less cost to sell as at 31 March 2024. In determining the fair value of the biological assets, the Group and the Company used replacement cost approach and comparison approach. We have identified the valuation of biological assets as a key audit matter because the determination of the fair values required significant judgement in determining the price per head of comparable breed, weight, age group and foreign exchange rate.

How the matter was addressed in our audit

We performed the following audit procedures, amongst others:

- We have performed physical counting of biological assets;
- We have evaluated the valuation techniques adopted in estimating the fair value with reference to the requirements of relevant accounting standards, our business understanding and industry practice;
- We have checked the key inputs used in the valuation of biological assets report as at year end;
- We have evaluated the judgement and the key assumptions pertaining to the price per biological asset of comparable breed, weight, age group, incidental costs and foreign exchange rate against market data;
- We have interviewed the component auditor with regards to their findings and conclusions with regard to their work on biological assets and reviewed the component auditor's documentation to evaluate the sufficiency and appropriateness of the audit evidence. We have also assessed the competency of the component auditor; and
- We have assessed the adequacy of disclosure in the financial statements as required by the relevant accounting standards.

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 information included in the annual report, 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 annual report 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 annual report and, in doing so, consider whether the annual report 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 the annual report, 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 financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting 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 ability of the Group and of the Company 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:

- 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.
- 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 internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Independent Auditors' Report (continued)

To the Members of Farm Fresh Berhad

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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 ability of the Group or of the Company 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.
- 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 gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance 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 relations 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 year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes the public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' 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 the Note 7 to the financial statements.

OTHER MATTER

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.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Vengadesh A/L Jogarajah
Approval Number: 03337/12/2025 J
Chartered Accountant

Johor Bahru

Date: 25 July 2024

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Assets					
Property, plant and equipment	3	494,633	413,861	135,694	118,834
Right-of-use assets	4	33,124	19,379	5,811	4,583
Biological assets	5	133,284	115,194	36,215	35,598
Intangible assets	6	112,826	19,317	4,226	3,118
Investments in subsidiaries	7	-	-	255,845	141,338
Trade and other receivables	8	563	1,130	-	-
Deferred tax assets	9	8,926	7,673	-	-
Due from subsidiaries	10	-	-	73,650	67,200
Total non-current assets		783,356	576,554	511,441	370,671
Inventories	11	156,299	173,675	57,089	90,747
Trade and other receivables	8	176,433	131,421	62,095	45,222
Due from subsidiaries	10	-	-	187,830	129,856
Current tax assets		4,509	1,541	1,070	478
Derivative financial assets	12	893	685	7	-
Other investments	13	99,944	155,790	98,865	144,999
Cash and cash equivalents	14	58,167	22,970	13,108	6,851
Total current assets		496,245	486,082	420,064	418,153
Total assets		1,279,601	1,062,636	931,505	788,824
Equity					
Share capital	15	399,555	381,071	399,555	381,071
Reserves	15	266,858	249,934	106,998	98,595
Equity attributable to owners of the Company		666,413	631,005	506,553	479,666
Non-controlling interests	7	26,558	4,897	-	-
Total equity		692,971	635,902	506,553	479,666
Liabilities					
Deferred tax liabilities	9	19,161	7,731	8,637	6,434
Deferred income	16	5,955	6,226	5,955	6,226
Loans and borrowings	17	338,365	243,318	301,473	201,891
Lease liabilities		16,742	8,124	4,074	3,941
Put option liability	18	36,955	-	-	-
Total non-current liabilities		417,178	265,399	320,139	218,492
Deferred income	16	271	271	271	271
Derivative financial liabilities	12	-	1,695	-	142
Loans and borrowings	17	67,648	92,934	7,453	21,235
Lease liabilities		8,010	2,293	63	61
Trade and other payables	19	92,875	64,142	22,183	15,887
Due to subsidiaries	10	-	-	74,843	53,070
Current tax liabilities		648	-	-	-
Total current liabilities		169,452	161,335	104,813	90,666
Total liabilities		586,630	426,734	424,952	309,158
Total equity and liabilities		1,279,601	1,062,636	931,505	788,824

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 31 March 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	20	810,411	629,691	362,969	285,978
Cost of sales		(594,368)	(480,038)	(277,405)	(227,423)
Gross profit		216,043	149,653	85,564	58,555
Other income		12,454	9,162	2,772	5,159
Selling and distribution expenses		(69,727)	(51,711)	(41,571)	(25,200)
Administrative expenses		(67,425)	(35,872)	(9,213)	(5,488)
Other expenses		(6,337)	(7,592)	(1,259)	(1,020)
Results from operating activities		85,008	63,640	36,293	32,006
Finance income	21	937	473	2,997	2,890
Finance costs	22	(16,880)	(11,939)	(11,830)	(8,843)
Net finance costs		(15,943)	(11,466)	(8,833)	(5,953)
Profit before tax		69,065	52,174	27,460	26,053
Tax expense	23	(5,784)	(2,240)	(2,311)	(1,093)
Profit for the year	24	63,281	49,934	25,149	24,960
Other comprehensive income/(expense), net of tax					
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences/ Other comprehensive income/(expense) for the year		7,023	(9,571)	-	-
Total comprehensive income for the year		70,304	40,363	25,149	24,960
Profit/(Loss) attributable to:					
Owners of the Company		63,530	50,079	25,149	24,960
Non-controlling interests		(249)	(145)	-	-
Profit for the year		63,281	49,934	25,149	24,960
Total comprehensive income/(expense) attributable to:					
Owners of the Company		70,350	40,836	25,149	24,960
Non-controlling interests		(46)	(473)	-	-
Total comprehensive income for the year		70,304	40,363	25,149	24,960
Basic earnings per ordinary share (sen)	25	3.40	2.69	-	-
Diluted earnings per ordinary share (sen)	25	3.40	2.69	-	-

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 March 2024

		← Attributable to owners of the Company →						
Group	Note	Non-distributable		Employee share-based reserve RM'000	Distributable		Non-controlling interests RM'000	Total equity RM'000
		Share capital RM'000	Translation reserve RM'000		Retained earnings RM'000	Total RM'000		
At 1 April 2022		380,607	2,609	–	222,727	605,943	5,019	610,962
Foreign currency translation differences for foreign operations/ Total other comprehensive expense for the year		–	(9,243)	–	–	(9,243)	(328)	(9,571)
Profit/(Loss) for the year		–	–	–	50,079	50,079	(145)	49,934
Total comprehensive (expense)/income for the year		–	(9,243)	–	50,079	40,836	(473)	40,363
<i>Contributions by and distributions to owners of the Company</i>								
Acquisition of a subsidiary	34	–	–	–	–	–	351	351
Dividends to owners of the Company	26	–	–	–	(19,880)	(19,880)	–	(19,880)
Issuance of shares pursuant to ESOS	15	464	–	(80)	–	384	–	384
Share-based payment	15	–	–	3,722	–	3,722	–	3,722
Total transactions with owners of the Company		464	–	3,642	(19,880)	(15,774)	351	(15,423)
At 31 March 2023		381,071	(6,634)	3,642	252,926	631,005	4,897	635,902

The accompanying notes form an integral part of the financial statements.

Statement of Changes in Equity (continued)

For the Year Ended 31 March 2024

Group	Note	← Attributable to owners of the Company →					Total RM'000	Non- controlling interests RM'000	Total equity RM'000
		Non-distributable			Distributable				
		Share capital RM'000	Translation reserve RM'000	Employee share-based reserve RM'000	Put option reserve RM'000	Retained earnings RM'000			
At 1 April 2023		381,071	(6,634)	3,642	-	252,926	631,005	4,897	635,902
Foreign currency translation differences for foreign operations/ Total other comprehensive income for the year		-	6,820	-	-	-	6,820	203	7,023
Profit/(Loss) for the year		-	-	-	-	63,530	63,530	(249)	63,281
Total comprehensive income/(expense) for the year		-	6,820	-	-	63,530	70,350	(46)	70,304
<i>Contributions by and distributions to owners of the Company</i>									
Acquisition of a subsidiary	34	-	-	-	-	-	-	21,569	21,569
Dividends to owners of the Company	26	-	-	-	-	(18,719)	(18,719)	-	(18,719)
Issuance of shares		17,632	-	-	-	-	17,632	-	17,632
Issuance of shares pursuant to ESOS	15	852	-	(146)	-	-	706	-	706
Share-based payment	15	-	-	2,119	-	-	2,119	-	2,119
Put option liability over shares held by non-controlling interests	18	-	-	-	(34,509)	-	(34,509)	-	(34,509)
Changes in put option liability	18	-	-	-	(2,446)	-	(2,446)	-	(2,446)
		18,484	-	1,973	(36,955)	(18,719)	(35,217)	21,569	(13,648)
Change in ownership interests in a subsidiary	7	-	-	-	-	275	275	138	413
Total transactions with owners of the Company		18,484	-	1,973	(36,955)	(18,444)	(34,942)	21,707	(13,235)
At 31 March 2024		399,555	186	5,615	(36,955)	298,012	666,413	26,558	692,971

The accompanying notes form an integral part of the financial statements.

Company	Note	← Attributable to owners of the Company →			
		Non-distributable		Distributable	
		Share capital RM'000	Employee share-based reserve RM'000	Retained earnings RM'000	Total equity RM'000
At 1 April 2022		380,607	-	89,873	470,480
Profit and total comprehensive income for the year		-	-	24,960	24,960
<i>Contributions by and distributions to owners of the Company</i>					
Dividends to owners of the Company	26	-	-	(19,880)	(19,880)
Issuance of shares pursuant to ESOS	15	464	(80)	-	384
Share based payment	15	-	3,722	-	3,722
Total transactions with owners of the Company		464	3,642	(19,880)	(15,774)
At 31 March 2023/1 April 2023		381,071	3,642	94,953	479,666
Profit and total comprehensive income for the year		-	-	25,149	25,149
<i>Contributions by and distributions to owners of the Company</i>					
Dividends to owners of the Company	26	-	-	(18,719)	(18,719)
Issuance of shares		17,632	-	-	17,632
Issuance of shares pursuant to ESOS	15	852	(146)	-	706
Share-based payment	15	-	2,119	-	2,119
Total transactions with owners of the Company		18,484	1,973	(18,719)	1,738
At 31 March 2024		399,555	5,615	101,383	506,553

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the Year Ended 31 March 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from operating activities					
Profit before tax		69,065	52,174	27,460	26,053
Adjustments for:					
Depreciation and amortisation:					
– property, plant and equipment		40,165	31,064	14,360	11,465
– intangible assets		263	235	16	14
– right-of-use assets		8,158	1,928	192	150
Finance income		(937)	(473)	(2,997)	(2,890)
Finance costs		16,880	11,939	11,830	8,843
Equity settled share-based payment		2,070	3,653	405	764
Impairment loss on trade receivables		1,195	269	848	111
Bad debts written off		398	-	-	-
Property, plant and equipment written off		510	8	-	-
Reversal of obsolete and slow-moving inventories		(614)	(175)	(265)	(54)
(Gain)/Loss on disposal of property, plant and equipment		(867)	(299)	6	-
Gain on derecognition of lease		(30)	-	-	-
Gain from a bargain purchase	34.3	-	(134)	-	-
Amortisation of deferred income		(271)	(271)	(271)	(271)
(Gain)/Loss arising from changes in fair value of dairy cows and goats		(502)	(110)	3,094	1,349
Fair value (gain)/loss of:					
– derivative financial instruments		(1,922)	2,486	(149)	145
– other investments		(2,367)	(2,457)	(2,139)	(2,169)
Distribution income from money market investments		(2,787)	(3,738)	(2,727)	(3,722)
Unrealised gain on foreign exchange		(13)	(488)	(18)	(91)
Operating profit before changes in working capital		128,394	95,611	49,645	39,697
Change in inventories		20,810	(53,314)	34,980	(53,675)
Change in trade and other receivables		(36,793)	(29,321)	(17,720)	(12,802)
Change in trade and other payables		25,291	(31,289)	6,313	(12,494)
Change in due from/(to) subsidiaries		-	-	15,617	46,325
Cash generated from/(used in) operations		137,702	(18,313)	88,835	7,051
Interest received		937	473	2,997	2,890
Tax paid		(3,644)	(2,089)	(700)	(811)
Net cash from/(used in) operating activities		134,995	(19,929)	91,132	9,130

The accompanying notes form an integral part of the financial statements.

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from investing activities					
Acquisition of:					
- property, plant and equipment	29	(105,966)	(111,512)	(32,737)	(24,507)
- biological assets		(23,538)	(29,658)	(6,042)	(17,254)
- intangible assets		(1,124)	(324)	(1,124)	(324)
- right-of-use assets		(1,312)	(1,964)	(1,315)	(1,465)
- subsidiaries	34	(64,143)	(3,239)	-	-
Proceeds from disposal of:					
- property, plant and equipment		3,751	9,052	1,511	491
- biological assets		5,776	8,209	1,273	13,969
Increase in investment in subsidiaries		-	-	(95,161)	(17,009)
Withdrawal from other investments		61,000	131,000	51,000	121,000
Advances to subsidiaries		-	-	(58,268)	(75,906)
Net cash (used in)/from investing activities		(125,556)	1,564	(140,863)	(1,005)
Cash flows from financing activities					
Interest paid	22	(14,802)	(11,588)	(10,684)	(8,656)
Dividend paid		(18,719)	(19,880)	(18,719)	(19,880)
Proceeds from shares issued	15	706	384	706	384
Drawdown of Sukuk		100,000	-	100,000	-
Drawdown of term loans		-	13,759	-	-
Repayment of term loans		(563)	(696)	(393)	(696)
Net (payment)/proceeds from:					
- bankers' acceptances		(12,995)	26,350	74	3,585
- revolving credits		(14,760)	14,760	(14,760)	14,760
- short-term financing		380	70	-	-
Repayment of hire purchase liabilities		(7,294)	(6,837)	-	-
Repayment of lease liabilities		(8,098)	(1,335)	(236)	(336)
Capital contributed by a non-controlling shareholder		413	351	-	-
Net cash from/(used in) financing activities		24,268	15,338	55,988	(10,839)
Exchange difference on translation of the financial statements of foreign operation		1,490	(2,106)	-	-
Net increase/(decrease) in cash and cash equivalents		35,197	(5,133)	6,257	(2,714)
Cash and cash equivalents at 1 April		22,970	28,103	6,851	9,565
Cash and cash equivalents at 31 March		58,167	22,970	13,108	6,851

The accompanying notes form an integral part of the financial statements.

Statements of Cash Flows (continued)

For the Year Ended 31 March 2024

Cash outflows for leases as a lessee

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Included in net cash from operating activities					
Payment relating to short-term leases	24	4,018	4,487	-	60
Payment relating to leases of low-value assets	24	420	130	31	12
Included in net cash from financing activities					
Payment of lease liabilities		8,098	1,335	236	336
Interest paid in relation to lease liabilities	22	1,198	351	266	187
Total cash outflows for leases		13,734	6,303	533	595

The accompanying notes form an integral part of the financial statements.

Reconciliation of movement of liabilities to cash flows arising from financing activities

Group	At 1 April 2022 RM'000	Finance costs RM'000	Net changes from financing cash flows RM'000	Acquisition of new assets RM'000	Acquisition of a business RM'000	Derecognition of lease RM'000	Exchange difference 1 April 2023 RM'000	At 31 March 2023/ 1 April 2023 RM'000	Finance costs RM'000	Net changes from financing cash flows RM'000	Acquisition of new assets RM'000	Acquisition of subsidiaries RM'000	Derecognition of lease RM'000	Exchange difference RM'000	At 31 March 2024 RM'000
Term loans	18,726	-	13,063	-	-	-	(1,352)	30,437	-	(563)	-	570	-	1,109	31,553
Bankers' acceptances	41,889	-	26,350	-	-	-	(835)	67,404	-	(12,995)	-	-	-	574	54,983
Revolving credits	-	-	14,760	-	-	-	-	14,760	-	(14,760)	-	-	-	-	-
Hire purchase liabilities	20,545	-	(6,837)	6,229	1,355	-	(1,109)	20,183	-	(7,294)	-	1,263	-	554	14,706
Lease liabilities	6,879	351	(1,335)	4,924	-	(368)	(34)	10,417	1,198	(8,098)	10,640	11,437	(901)	59	24,752
Short term financing	971	-	70	-	-	-	(60)	981	-	380	-	-	-	44	1,405
Sukuk	202,487	-	-	-	-	-	-	202,487	879	100,000	-	-	-	-	303,366
Total liabilities from financing activities	291,497	351	46,071	11,153	1,355	(368)	(3,390)	346,669	2,077	56,670	10,640	13,270	(901)	2,340	430,765

Company	At 1 April 2022 RM'000	Finance costs RM'000	Net changes from financing cash flows RM'000	Derecognition of lease RM'000	At 31 March 2023/ 1 April 2023 RM'000	Acquisition of new lease RM'000	At 31 March 2023/ 1 April 2023 RM'000	Finance costs RM'000	Net changes from financing cash flows RM'000	At 31 March 2024 RM'000
Bankers' acceptances	-	-	3,585	-	3,585	-	3,585	-	74	3,659
Lease liabilities	4,519	187	(336)	(368)	4,002	105	4,002	266	(236)	4,137
Revolving credits	-	-	14,760	-	14,760	-	14,760	-	(14,760)	-
Term loans	2,990	-	(696)	-	2,294	-	2,294	-	(393)	1,901
Sukuk	202,487	-	-	-	202,487	-	202,487	879	100,000	303,366
Total liabilities from financing activities	209,996	187	17,313	(368)	227,128	105	227,128	1,145	84,685	313,063

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Farm Fresh Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business

Plot D, KM6
Jalan Muadzam – Rompin
26700 Muadzam Shah
Pahang Darul Makmur

Registered office

E-10-4, Megan Avenue 1
189, Jalan Tun Razak
50400 Kuala Lumpur
Wilayah Persekutuan

The consolidated financial statements of the Company as at and for the financial year ended 31 March 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”). The financial statements of the Company as at and for the financial year ended 31 March 2024 do not include other entities.

The principal activities of the Company are investment holding, rearing of dairy cows and the production, marketing, sale of cow's milk and plant-based related products. The principal activities of its subsidiaries are disclosed in Note 7.

These financial statements were authorised for issue by the Board of Directors on 25 July 2024.

1. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board (“MFRS Accounting Standards”), IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

1. BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (continued)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments in the respective financial year when the above accounting standards, interpretations and amendments become effective, if applicable.

The initial application of the accounting standards, interpretations and amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and the Company upon their first adoption.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured based on the measurement bases stated below:

Items	Measurement bases
Biological assets	Fair value less cost to sell
Derivative financial instruments	Fair value
Other investments	Fair value

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (“RM”), which is the Company’s functional currency and has been rounded to the nearest thousand, unless otherwise stated.

Notes to the Financial Statements (continued)

1. BASIS OF PREPARATION (CONTINUED)

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following:

- Note 5 – valuation of biological assets
- Note 6 – measurement of the recoverable amounts of cash-generating units
- Note 15 – employee share-based reserve
- Note 18 – measurement of liability on put option granted to non-controlling interest
- Note 28.4 – measurement of expected credit loss (“ECL”)
- Note 34 – business combination: fair value of the consideration transferred and fair value of the assets acquired and liabilities assumed

2. CHANGES IN MATERIAL ACCOUNTING POLICY

2.1 Material accounting policy information

The Group adopted amendments to MFRS 101, *Presentation of Financial Statements* and MFRS Practice Statement 2 – *Disclosures of Accounting Policies* from 1 April 2023. The amendments require the disclosure of ‘material’, rather than ‘significant’, accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

3. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land and buildings RM'000	Farm barn, building and electrical installation RM'000	Milk plant, machinery, tools and equipment RM'000	Office and shop equipment and design RM'000	Motor vehicles RM'000	Agrotourism farm RM'000	Construction -in-progress RM'000	Total RM'000
At cost								
At 1 April 2022	47,165	100,495	224,503	5,504	11,027	392	32,188	421,274
Additions	29,514	22,956	26,209	3,808	2,837	2,131	30,379	117,834
Disposals/Written off	(5,937)	(423)	(2,424)	(93)	(884)	(65)	-	(9,826)
Transfer	-	13,512	8,866	35	-	5,411	(27,824)	-
Acquisition of subsidiaries (Note 34)	-	-	2,453	184	1,356	-	34	4,027
Exchange difference	(2,733)	(315)	(5,064)	(36)	(268)	-	(474)	(8,890)
At 31 March 2023/1 April 2023	68,009	136,225	254,543	9,402	14,068	7,869	34,303	524,419
Additions	827	28,630	30,269	12,367	2,067	904	30,912	105,976
Disposals/Written off	-	(183)	(6,744)	(399)	(332)	-	(488)	(8,146)
Transfer	-	10,985	10,787	840	123	-	(22,735)	-
Acquisition of subsidiaries (Note 34)	-	-	3,603	17,311	3,799	-	26	24,739
Exchange difference	1,811	220	3,252	27	208	-	780	6,298
At 31 March 2024	70,647	175,877	295,710	39,548	19,933	8,773	42,798	653,286
Accumulated depreciation								
At 1 April 2022	875	16,358	52,352	2,913	4,658	9	-	77,165
Depreciation charge	170	5,275	21,552	1,337	2,390	340	-	31,064
Disposals/Written off	-	(12)	(628)	(17)	(404)	(4)	-	(1,065)
Exchange difference	-	(23)	(748)	(13)	(94)	-	-	(878)
At 31 March 2023/1 April 2023	1,045	21,598	72,528	4,220	6,550	345	-	106,286
Depreciation charge	170	6,984	25,978	3,993	2,587	453	-	40,165
Disposals/Written off	-	(20)	(1,223)	(212)	(203)	-	-	(1,658)
Acquisition of subsidiaries (Note 34)	-	-	1,638	8,521	1,612	-	-	11,771
Exchange difference	-	19	661	12	85	-	-	777
At 31 March 2024	1,215	28,581	99,582	16,534	10,631	798	-	157,341
Accumulated impairment loss								
At 1 April 2022	-	-	4,539	-	-	-	-	4,539
Exchange difference	-	-	(267)	-	-	-	-	(267)
At 31 March 2023/1 April 2023	-	-	4,272	-	-	-	-	4,272
Disposals	-	-	(3,094)	-	-	-	-	(3,094)
Exchange difference	-	-	134	-	-	-	-	134
At 31 March 2024	-	-	1,312	-	-	-	-	1,312
Carrying amounts								
At 1 April 2022	46,290	84,137	167,612	2,591	6,369	383	32,188	339,570
At 31 March 2023/1 April 2023	66,964	114,627	177,743	5,182	7,518	7,524	34,303	413,861
At 31 March 2024	69,432	147,296	194,816	23,014	9,302	7,975	42,798	494,633

Notes to the Financial Statements (continued)

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Farm barn, building and electrical installation RM'000	Milk plant, machinery, tools and equipment RM'000	Office and shop equipment and design RM'000	Motor vehicles RM'000	Construction -in-progress RM'000	Total RM'000
At cost						
At 1 April 2022	45,330	82,372	1,208	1,218	3,344	133,472
Additions	4,605	14,579	223	333	4,767	24,507
Disposals/Written off	-	(741)	(73)	-	-	(814)
Transfer	2,237	84	-	-	(2,321)	-
At 31 March 2023/1 April 2023	52,172	96,294	1,358	1,551	5,790	157,165
Additions	8,851	22,094	873	730	189	32,737
Disposals/Written off	(43)	(1,985)	(4)	-	(7)	(2,039)
Transfer	6	4,442	-	3	(4,451)	-
At 31 March 2024	60,986	120,845	2,227	2,284	1,521	187,863
Accumulated depreciation						
At 1 April 2022	5,970	20,212	485	522	-	27,189
Depreciation charge	2,277	8,756	205	227	-	11,465
Disposals/Written off	-	(323)	-	-	-	(323)
At 31 March 2023/1 April 2023	8,247	28,645	690	749	-	38,331
Depreciation charge	2,632	10,968	401	359	-	14,360
Disposals/Written off	(3)	(519)	-	-	-	(522)
At 31 March 2024	10,876	39,094	1,091	1,108	-	52,169
Carrying amounts						
At 1 April 2022	39,360	62,160	723	696	3,344	106,283
At 31 March 2023/1 April 2023	43,925	67,649	668	802	5,790	118,834
At 31 March 2024	50,110	81,751	1,136	1,176	1,521	135,694

	Group	
	2024 RM'000	2023 RM'000
Carrying amounts of land and buildings		
Land	60,341	58,759
Buildings	9,091	8,205
	69,432	66,964

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

3.1 Impairment loss – Australia’s operation

In the previous financial years, the Group assessed the recoverable amount of plant and machineries under the fruit jam and sauces divisions and recognised a full impairment loss of RM4,272,000 on certain plant and machineries due to loss incurred in fruit jam and sauces divisions. During the year, the Group has disposed of certain plants and machineries which were previously impaired.

The net gain on disposal of impaired assets of RM802,000 was recognised as other income in the statement of profit or loss and other comprehensive income.

3.2 Assets under hire purchase

Included in property, plant and equipment of the Group is motor vehicles and plant machineries acquired under hire purchase with carrying amount of RM35,397,000 (2023: RM38,808,000).

3.3 Security

Certain land and buildings of the Group with carrying amount of RM48,940,000 (2023: RM47,221,000) are charged to banks as security for banking facilities granted to its subsidiary (see Note 17).

3.4 Properties subject to operating lease

The Group leases one of its warehouses to a third party under a short-term lease arrangement.

The Group generally does not require a financial guarantee on the lease arrangement. The rental income is recognised as other income in the statement of profit or loss and other comprehensive income as disclose in Note 24.

3.5 Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses except for freehold land which is stated at cost less any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(b) Depreciation

Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current period and comparative periods are as follows:

Buildings	14 - 25 years
Farm barn, building and electrical installation	5 - 33 years
Milk plant, machinery, tools and equipment	5 - 10 years
Office and shop equipment and design	5 - 10 years
Agrotourism	5 - 30 years
Motor vehicles	5 - 10 years

Notes to the Financial Statements (continued)

3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

3.6 Others

Included in farm barn, building and electrical installation and construction-in-progress are the following expenses capitalised:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Staff costs	1,839	2,795	389	492
Interest expense capitalised	735	509	-	-

Included in staff costs capitalised of the Group are share-based payment amounting to RM10,000 (2023: RM94,000).

Interest expense capitalised is at 3.94% (2023: 5.5%).

4. RIGHT-OF-USE ASSETS

	Note	Land RM'000	Buildings RM'000	Total RM'000
Group				
At cost				
At 1 April 2022		13,889	932	14,821
Addition		2,714	4,174	6,888
Depreciation		(1,123)	(805)	(1,928)
Derecognition		--	(368)	(368)
Exchange difference		--	(34)	(34)
At 31 March 2023/1 April 2023		15,480	3,899	19,379
Addition		1,407	10,545	11,952
Acquisition of subsidiaries	34	--	10,765	10,765
Depreciation		(1,223)	(6,935)	(8,158)
Derecognition		--	(871)	(871)
Exchange difference		--	57	57
At 31 March 2024		15,664	17,460	33,124
Company				
At cost				
At 1 April 2022		3,036	600	3,636
Addition		1,465	--	1,465
Depreciation		(120)	(30)	(150)
Derecognition		--	(368)	(368)
At 31 March 2023/1 April 2023		4,381	202	4,583
Addition		1,408	12	1,420
Depreciation		(181)	(11)	(192)
At 31 March 2024		5,608	203	5,811

The Group and the Company lease a number of land and buildings that run between one year and thirty-three years, with an option to renew the lease after that date.

4. RIGHT-OF-USE ASSETS (CONTINUED)

4.1 Security

Included in right-of-use assets of the Group with carrying amount of RM1,011,000 (2023: RM1,069,000) charged to banks as security for banking facilities granted to the subsidiary (see Note 17).

4.2 Material accounting policy information

(a) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

(b) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

Notes to the Financial Statements (continued)

5. BIOLOGICAL ASSETS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Dairy cows and goats				
At fair value				
At 1 April	111,503	91,995	35,598	34,205
Additions	23,538	29,364	6,042	17,254
Disposals	(5,776)	(8,209)	(1,273)	(13,969)
Net gain/(loss) arising from changes in fair value of dairy cows and goats	502	110	(3,094)	(1,349)
Transfer to inventories	(1,058)	(543)	(1,058)	(543)
Transfer from semen and embryos	-	298	-	-
Exchange difference	872	(1,512)	-	-
At 31 March	129,581	111,503	36,215	35,598
Semen and embryos				
At cost				
At 1 April	3,691	3,715	-	-
Addition	-	294	-	-
Transfer to dairy cows and goats	-	(298)	-	-
Exchange difference	12	(20)	-	-
At 31 March	3,703	3,691	-	-
	133,284	115,194	36,215	35,598

The quantity of dairy cows and dairy goats owned by the Group and the Company at the end of the reporting period is shown below.

	Group		Company	
	2024 Heads	2023 Heads	2024 Heads	2023 Heads
Goat herds	217	239	-	-
Dairy herds	11,852	10,355	2,915	2,841
Bulls	1,958	1,570	765	682
	14,027	12,164	3,680	3,523

The raw milk quantity produced from dairy herds and goat herds owned by the Group and the Company during the financial year is shown below.

	Group		Company	
	2024 Litres	2023 Litres	2024 Litres	2023 Litres
Goat herds	17,778	22,487	-	-
Dairy herds	32,200,395	26,472,834	6,532,066	5,909,189
	32,218,173	26,495,321	6,532,066	5,909,189

5. BIOLOGICAL ASSETS (CONTINUED)

5.1 Significant judgements and assumptions in relation to biological assets

The Group and the Company applied judgement and assumptions in determining the valuation of biological assets. The Group and the Company first determine the import price before using significant judgement to determine the adjustments required to reflect the breed, weight and age group of the respective dairy cows.

Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
<u>Malaysian Farm</u>		
(a) <u>Replacement cost approach</u>		
Reference to expected cost of purchase of cows by other farms in Malaysia and overseas, adjusted for differences in breed, weight and age group.	Price per head of comparable breed and age group.	The estimated fair value would increase/(decrease) if the price per head is higher/(lower).
The table below summarises the price range per head:		
<u>Cows</u>		
Calves and heifers: RM6,230 to RM8,970 (2023: RM6,200 to RM8,870)		
Milkable cows: RM10,910 to RM12,840 (2023: RM10,760 to RM12,640)		
(b) <u>Comparison approach</u>		
Reference to sale price of comparable goat herds and bulls and adjusted for differences in key attributes such as breed and age.		
The table below summarises the price range per head:		
<u>Goat herds</u>		
RM500 to RM3,800 (2023: RM500 to RM3,800)		
<u>Bulls</u>		
RM2,000 to RM5,000 (2023: RM2,000 to RM5,000)		
<u>Australian Farm</u>		
Comparison approach: Reference to sale price of comparable dairy herds and bulls and adjusted for differences in key attributes such as breed and age.	Price per head of comparable breed and age group.	The estimated fair value would increase/(decrease) if the price per head is higher/(lower).
The table below summarises the price range per head:		
<u>Cows</u>		
Calves and heifers: RM3,080 to RM5,390 (2023: RM3,058 to RM5,351)		
Milkable cows: RM8,470 (2023: RM7,950)		

Notes to the Financial Statements (continued)

5. BIOLOGICAL ASSETS (CONTINUED)

5.1 Significant judgements and assumptions in relation to biological assets (continued)

Level 3 fair value (continued)

The fair value of semen and embryos cannot be measured reliably as there is no active market and transaction data available. The semen and embryos were bought for own use to improve the genetic quality of the dairy cows and transferred to dairy cows based on the consumption.

No amortisation is recognised for the semen and embryos due to the fact that there is no expiration date on frozen semen and embryos as these are properly stored.

The Directors monitor on the key factors in determining the fair value such as comparable sales price and foreign exchange rate affecting import price as part of their financial risk management on biological assets.

5.2 Material accounting policy information

(a) Dairy cows and goats

The Group's biological assets comprise dairy herds, bulls and dairy goats. The biological assets are measured at cost on initial recognition and subsequently at the end of the reporting period at their fair value less costs to sell, with any resulting gain or loss recognised in profit or loss for the year in which it arises.

The feeding costs, incurred for raising of heifers and calves are capitalised, until such time as the heifers and calves begin to produce milk.

The Group determines whether an active or other effective market exists for a biological asset in its present location and condition, and whether there is a quoted price in that market as the appropriate basis for determining the fair value of that asset. If an active market does not exist then the Directors use one of the following valuation methods, when available, in determining fair value:

- the most recent market transaction price, provided that there has not been a significant change in economic circumstances between the date of that transaction and the end of the reporting period; or
- market prices, in markets accessible to the entity, for similar assets with adjustment to reflect differences.

(b) Semen and embryos

Semen and embryos are stated at cost less any accumulated amortisation and any accumulated impairment losses, where applicable.

Cost includes expenditure that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the assets for its intended use.

6. INTANGIBLE ASSETS

	Water-use license RM'000	Goodwill RM'000	Trademark/ Brand RM'000	Software RM'000	Total RM
Group					
At cost					
At 1 April 2022	11,543	4,949	107	3,402	20,001
Addition of a subsidiary (Note 34)	-	-	236	-	236
Addition	-	-	26	298	324
Amortisation	-	-	(14)	(221)	(235)
Exchange difference	(678)	(291)	(7)	(33)	(1,009)
At 31 March 2023/1 April 2023	10,865	4,658	348	3,446	19,317
Acquisition of a subsidiary (Note 34)	-	68,839	23,182	-	92,021
Addition	-	-	32	1,092	1,124
Amortisation	-	-	(43)	(220)	(263)
Exchange difference	428	183	-	16	627
At 31 March 2024	11,293	73,680	23,519	4,334	112,826
Company					
At cost					
At 1 April 2022	-	-	107	2,701	2,808
Addition	-	-	26	298	324
Amortisation	-	-	(14)	-	(14)
At 31 March 2023/1 April 2023	-	-	119	2,999	3,118
Addition	-	-	32	1,092	1,124
Amortisation	-	-	(16)	-	(16)
At 31 March 2024	-	-	135	4,091	4,226

6.1 Water-use license

Water-use license is an entitlement to irrigate a specific parcel or parcels of land. The useful lives of the water-use license are estimated to be indefinite as the water-use license is always attached to the owner of the land.

The recoverable amount of water-use license was determined based on the fair value less to costs of disposal. The fair value of water-use license is based on market comparison technique within Level 2. The valuation model is based on market transaction prices published on the relevant authority website. For the purpose of impairment testing, the management has compared the carrying amount against the transaction price published on the relevant authority website as at the financial year end.

Based on the management assessment, no impairment is required as the recoverable amount was higher than carrying amount.

Notes to the Financial Statements (continued)

6. INTANGIBLE ASSETS (CONTINUED)

6.2 Impairment testing for cash-generating units containing intangible assets

For the purpose of impairment testing, goodwill, trademark/brand, the aggregated carrying amount were allocated to the following cash-generating units:

	Goodwill		Trademark/Brand	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Inside Scoop Sdn. Bhd. ("TISSB")	45,722	–	23,182	–
Sin Wah Ice Cream Sdn. Bhd. ("SWSB")	23,117	–	–	–
Australia's Kyabram facilities and fruit jam and sauces divisions	4,841	4,658	–	–
	73,680	4,658	23,182	–

(i) Cash-generating unit of TISSB

The recoverable amount is determined based on fair value less cost to sell (FVLCTS) calculation for both the retail and consumer packaged goods (CPG) business of TISSB.

Intangible assets are allocated for impairment testing purposes to the individual entity which is also the CGU. The FVLCTS calculations apply a discounted cash flows model using cash flow projections based on financial budgets approved by management covering five-year period.

The key assumptions used in the FVLCTS calculations are as follows:

- Revenue growth – the basis used to determine future earnings potential are historical sales and expected growth in the CPG business and new retail TISSB outlets;
- Projected gross margins – gross margins are projected based on the historical margin achieved or predetermined profit margin for the products;
- Discount rates – the pre-tax discount rates of 13% applied to the cash flow projections are derived from the cost of capital plus a reasonable risk premium at the date of assessment of the respective CGUs;
- Terminal growth rate – the terminal growth rate of 0.5% used does not exceed the long-term average growth rate of the respective industry; and
- Capital expenditure – projected capital expenditure for the new retail outlets and CPG business plant and machineries.

Based on the management assessment, no impairment loss is required as the recoverable amount was higher than carrying amount. Management believes that any reasonably possible change in any of these key assumptions would not cause the aggregate carrying amount of the CGUs to exceed the aggregate recoverable amount.

The fair value measurement was categorised as a Level 3 fair value based on inputs in the valuation techniques used.

6. INTANGIBLE ASSETS (CONTINUED)

6.2 Impairment testing for cash-generating units containing intangible assets (continued)

(ii) Cash-generating unit of SWSB

The recoverable amount is determined based on value in use (VIU) calculation.

Goodwill is allocated for impairment testing purposes to the individual entity which is also the CGU. The VIU calculations apply a discounted cash flows model using cash flow projections based on financial budgets approved by management covering five-year period.

The key assumptions used in the value in use calculations are as follows:

- (a) Revenue growth – the basis used to determine future earnings potential are historical sales and expected growth in the ice-cream products;
- (b) Projected gross margins – gross margins are projected based on the historical margin achieved or predetermined profit margin for the products;
- (c) Discount rates – the pre-tax discount rates of 13% applied to the cash flow projections are derived from the cost of capital plus a reasonable risk premium at the date of assessment of the respective CGUs; and
- (d) Terminal growth rate – the terminal growth rate of 0.5% used does not exceed the long-term average growth rate of the respective industry.

Based on the management assessment, no impairment loss is required as the recoverable amount was higher than carrying amount. Management believes that any reasonably possible change in any of these key assumptions would not cause the aggregate carrying amount of the CGUs to exceed the aggregate recoverable amount.

6.3 Material accounting policy information

(a) Recognition and measurement

Intangible assets, other than goodwill, trademark/brand of TISSB with indefinite useful lives, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

(b) Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

The estimated useful lives for the current are as follows:

"Farm Fresh" trademark	10 years
"St David Dairy" brand name	10 years
Software	5 years

Notes to the Financial Statements (continued)

7. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
Cost of investment	178,927	64,749
Loans to subsidiaries	76,918	76,589
	255,845	141,338

Included in investment in subsidiaries is an amount of RM4,672,000 (2023: RM2,958,000) arising from the ESOS granted to the subsidiaries' employees.

The loans to subsidiaries are interest-free and unsecured. The settlement of the loans is neither planned nor likely to occur in the foreseeable future. As these loans, in substance, form part of the Company's net investment in the subsidiary, they are stated at cost.

Details of the subsidiaries are as follows:

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Farm Fresh Milk Sdn. Bhd.	Malaysia	Rearing of dairy cows and goats and production and sales of cow's and goat's milk, yogurt and plant-based products	100	100
GEM Organics (M) Sdn. Bhd.	Malaysia	Property holding	100	100
AFS Dairy Company Australia Pty Ltd	Australia	Holding of the semen and embryos of Australian Fresian Sahiwal dairy cattle	100	100
Holstein Dairy (Desaru) Sdn. Bhd.	Malaysia	Rearing of dairy cows and sale of cow's milk	100	100
Holstein Selama Dairy Sdn. Bhd.	Malaysia	Rearing of dairy cows and the production and sale of cow's milk products	100	100
Serdang Dairy Sdn. Bhd.	Malaysia	Rearing of dairy cows and sale of cow's milk; and agrotourism	100	100
The Holstein Milk Company (M) Sdn. Bhd.	Malaysia	Dormant	100	100
Farm Fresh Jomcha Sdn. Bhd.	Malaysia	Operation of "Jomcha" chains of beverage outlets as well as providing licensing of "Jomcha" beverage outlets	100	100
Farm Fresh Digital Sdn. Bhd.®	Malaysia	Sale of food and beverage via e-commerce	100	-
The Inside Scoop Sdn. Bhd.⁹	Malaysia	Production, sale and trading of ice-cream, operation of café outlets, as well as providing licensing of Inside Scoop" café outlets	65	-

7. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Sin Wah Ice Cream Sdn. Bhd. [§]	Malaysia	Production and sale of ice-cream	70	–
Farm Fresh Milk Incorporated*	Philippines	Production and sale of milk products	70	100
The Holstein Milk Company (Australia) Pty Ltd [#]	Australia	Investment holding	80	80
Farm Fresh Milk (HK) Limited ^{#/®}	Hong Kong	Dormant	100	100
The Provenance Creamery Pte Ltd ^{#/®}	Singapore	Distribution and retail of dairy product	100	100
<i>Subsidiaries of The Holstein Milk Company (Australia) Pty Ltd</i>				
Goulburn Valley Creamery Pty Ltd [#]	Australia	Rearing of dairy cows and the production, marketing and sale of cow's milk	80	80
Henry Jones Foods Pty Ltd [#]	Australia	Production of jam and sauces	80	80
<i>Subsidiary of Goulburn Valley Creamery Pty Ltd</i>				
St David Dairy Pty Ltd [#]	Australia	Sale of cow's milk, butter, yogurt, cream and cheese	72	72

Not audited by KPMG PLT

* Audited by other member firm of KPMG

@ Incorporated during the year

§ Acquired during the year (see Note 34)

® Qualifies for audit exemption and is not audited

On 31 January 2024, the Company's equity interest in Farm Fresh Milk Incorporated ("FFI"), decreased from 100% to 70% following the issuance of 49,128 ordinary shares at a consideration of RM413,000 by FFI to its new shareholder, Strong Alliance Holdings Limited Corporation. The Group recognised an increase in non-controlling interests of RM138,000 and an increase in retained earnings of RM275,000

Notes to the Financial Statements (continued)

7. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

7.1 Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

	The Holstein Milk Company (Australia) Pty Ltd and its subsidiaries	The Inside Scoop Sdn. Bhd.	Sin Wah Ice Cream Sdn. Bhd.	Other immaterial subsidiary	Total
NCI percentage of ownership interest and voting interest	20%	35%	30%		
	RM'000	RM'000	RM'000	RM'000	RM'000
Carrying amount of NCI	4,163	20,522	2,763	(890)	26,558
(Loss)/Profit allocated to NCI	(1,710)	1,196	520	(255)	(249)
Total comprehensive (expense)/income allocated to NCI	(1,507)	1,196	520	(255)	(46)

	2024		
	The Holstein Milk Company (Australia) Pty Ltd and its subsidiaries RM'000	The Inside Scoop Sdn. Bhd. RM'000	Total RM'000
Summarised financial information before intra-group elimination			
As at 31 March			
Non-current assets	171,594	25,063	4,353
Current assets	67,627	32,597	8,121
Non-current liabilities	(103,621)	(9,312)	(813)
Current liabilities	(112,834)	(7,308)	(2,449)
Net assets	22,766	41,040	9,212
Year ended 31 March			
Revenue	203,199	40,160	10,275
(Loss)/ Profit for the year	(7,393)	3,418	1,736
Total comprehensive income	-	3,418	1,736
Cash flows from operating activities	12,144	5,211	2,469
Cash flows used in investing activities	(2,727)	(6,314)	(904)
Cash flows used in financing activities	(11,026)	(4,354)	(242)
Net (decrease)/increase in cash and cash equivalents	(1,609)	(5,457)	1,323

7. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

7.1 Non-controlling interests in subsidiaries (continued)

	← 2023 →		
	The Holstein Milk Company (Australia) Pty Ltd and its subsidiaries	Other immaterial subsidiary	Total
NCI percentage of ownership interest	20%		
	RM'000	RM'000	RM'000
Carrying amount of NCI	5,670	(773)	4,897
Profit/(Loss) allocated to NCI	651	(796)	(145)
Total comprehensive income/(expense) allocated to NCI	323	(796)	(473)
			2023 RM'000

The Holstein Milk Company (Australia) Pty Ltd and its subsidiaries

Summarised financial information before intra-group elimination

As at 31 March

Non-current assets	167,789
Current assets	66,309
Non-current liabilities	(99,241)
Current liabilities	(106,105)
Net assets	28,752

Year ended 31 March

Revenue	224,648
Profit for the year	4,311
Total comprehensive income	5,915
Cash flows from operating activities	9,462
Cash flows used in investing activities	(15,931)
Cash flows from financing activities	9,451
Net increase in cash and cash equivalents	2,982

7.2 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

Notes to the Financial Statements (continued)

8. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current					
Net investment in lease	8.1	410	759	-	-
Other receivables		153	371	-	-
		563	1,130	-	-
Current					
Trade receivables	8.2	139,599	101,964	55,934	31,955
Other receivables	8.2	6,725	5,536	2,230	3,310
Deposits		9,326	3,118	927	1,023
Prepayments		9,958	7,534	1,662	4,369
Advance payments	8.2 & 8.3	10,520	12,953	1,342	4,565
Net investment in lease	8.1	305	316	-	-
		176,433	131,421	62,095	45,222
		176,996	132,551	62,095	45,222

8.1 Net investment in lease

	Group	
	2024 RM'000	2023 RM'000
At 1 April	1,075	1,088
Acquisition of a subsidiary	100	-
Addition	-	442
Interest income	42	57
Lease payments received	(435)	(338)
Derecognition	(67)	(174)
At 31 March	715	1,075

The Group leases several motor vehicles to third parties. Each of the leases contains an initial non-cancellable period of three to five years, with a fixed rent.

These leases transfer substantially all the risk and rewards incidental to ownership of the motor vehicles. The Group expects the residual value of the motor vehicles at the end of the lease term to be minimal. These leases do not include buy-back agreements or residual value guarantees.

8. TRADE AND OTHER RECEIVABLES (CONTINUED)

8.1 Net investment in lease (continued)

The lease payments to be received are as follows:

	Group	
	2024 RM'000	2023 RM'000
Less than one year	331	364
One to two years	191	326
Two to three years	75	224
Three to four years	75	86
Four to five years	106	180
Total undiscounted lease payments	778	1,180
Unearned interest income	(63)	(105)
Net investment in lease	715	1,075

The following are recognised in profit or loss:

	Group	
	2024 RM'000	2023 RM'000
Gain for new finance lease entered into	-	124

8.2 Included in trade and other receivables are amounts due from companies in which certain Directors of the Group have substantial financial interests:

	Group	
	2024 RM'000	2023 RM'000
Other receivables	358	11
Advance payment for acquisition of biological assets	-	1,854
	358	1,865

8.3 The advance payments other than those mentioned in Note 8.2 above are paid to suppliers for raw materials and services to be performed. These advances were unsecured, interest free and expected to set off against future billings.

Notes to the Financial Statements (continued)

9. DEFERRED TAX ASSETS/(LIABILITIES)

9.1 Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Group						
Intangible asset	-	-	(5,564)	-	(5,564)	-
Property, plant and equipment	-	-	(20,532)	(13,677)	(20,532)	(13,677)
Change in fair value of biological assets	-	-	(10,844)	(7,661)	(10,844)	(7,661)
Fair value gain of derivative assets	-	-	(253)	(206)	(253)	(206)
Fair value loss of derivative liabilities	-	407	-	-	-	407
Allowance for impairment in respect of trade receivables	444	81	-	-	444	81
Slow-moving inventories	226	322	-	-	226	322
Unabsorbed capital allowances	8,557	6,200	-	-	8,557	6,200
Unutilised tax losses	14,990	11,892	-	-	14,990	11,892
Others	2,741	3,165	-	(581)	2,741	2,584
Deferred tax assets/(liabilities)	26,958	22,067	(37,193)	(22,125)	(10,235)	(58)
Set off of tax	(18,032)	(14,394)	18,032	14,394	-	-
Net deferred tax assets/(liabilities)	8,926	7,673	(19,161)	(7,731)	(10,235)	(58)

	Company	
	2024 RM'000	2023 RM'000
Property, plant and equipment	(9,135)	(6,238)
Fair value loss of derivative assets	(2)	-
Fair value gain of derivative liabilities	-	34
Allowance for impairment in respect of trade receivables	230	27
Unabsorbed capital allowances	17	5
Others	253	(262)
	(8,637)	(6,434)

The Company has been granted approval of East Coast Economic Region Incentive ("ECER incentive") under Income Tax Act, 1967 for milk and cheese processing projects. Under the incentives, the Company is allowed to claim income tax exemption on its statutory income arising from qualifying projects for 10 (5+5) years commencing from the first year the Company derives statutory income. The ECER incentive expires in YA2029. Losses incurred before the exemption period and during the exemption period are allowed to be carried forward for utilisation during the post exemption period.

9. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

9.1 Recognised deferred tax assets/(liabilities) (continued)

A subsidiary has been granted Agricultural Tax Incentive under Section 127 of Income Tax Act, 1967 for rearing of cows/goats and cows/goats milk processing projects. Under the incentives, the subsidiary is allowed to claim income tax exemption on its statutory income arising from qualifying projects for 10 years commencing from the first year the subsidiary derives statutory income. The Agricultural Tax incentive expires in YA2030. Losses incurred before the exemption period and during the exemption period are allowed to be carried forward for utilisation during the post exemption period.

Unutilised tax losses of RM12,258,000 (2023: RM9,850,000) are relating to The Holstein Milk Company (Australia) Pty Ltd Group which has no expiry.

9.2 Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items in certain subsidiaries (stated at gross):

	Group	
	2024 RM'000	2023 RM'000
Property, plant and equipment	(10,566)	(9,012)
Unabsorbed capital allowances	11,146	9,067
Unutilised tax losses	15,986	15,986
Change in fair value of biological assets	(4,364)	(3,653)
Others	(60)	(260)
	12,142	12,128

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

The comparative figures have been restated to reflect the revised deductible temporary differences, unabsorbed capital allowances and unutilised tax losses available to the Group.

The unrecognised unutilised tax losses will expire in the following years of assessment:

	Group	
	2024 RM'000	2023 RM'000
2028	6,097	6,097
2029	788	788
2030	1,038	1,038
2031	2,065	2,065
2032	2,579	2,579
2033	3,419	3,419
	15,986	15,986

The unabsorbed capital allowances do not expire under the current tax legislation.

Notes to the Financial Statements (continued)

9. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

9.3 Movement in temporary differences during the year

	At 1 April 2022 RM'000	Recognised in profit or loss (Note 23) RM'000	Exchange differences RM'000	At 31 March 2023/ 1 April 2023 RM'000	Recognised in profit or loss (Note 23) RM'000	Acquisition of subsidiaries (Note 34) RM'000	Exchange differences RM'000	At 31 March 2024 RM'000
Group								
Intangible asset	-	-	-	-	-	(5,564)	-	(5,564)
Property, plant and equipment	(11,635)	(2,109)	67	(13,677)	(5,814)	(1,021)	(20)	(20,532)
Change in fair value of biological assets	(6,636)	(1,122)	97	(7,661)	(3,141)	-	(42)	(10,844)
Fair value gain of derivative assets	(409)	197	6	(206)	(45)	-	(2)	(253)
Fair value loss of derivative liabilities	-	407	-	407	(407)	-	-	-
Allowance for impairment in respect of trade receivables	43	38	-	81	363	-	-	444
Slow-moving inventories	364	(35)	(7)	322	(97)	-	1	226
Unabsorbed capital allowances	3,632	2,568	-	6,200	2,357	-	-	8,557
Unutilised tax losses	15,243	(3,035)	(316)	11,892	2,963	-	135	14,990
Others	1,156	1,792	(364)	2,584	(748)	-	905	2,741
	1,758	(1,299)	(517)	(58)	(4,569)	(6,585)	977	(10,235)

	At 1 April 2022 RM'000	Recognised in profit or loss (Note 23) RM'000	At 31 March 2023/ 1 April 2023 RM'000	Recognised in profit or loss (Note 23) RM'000	At 31 March 2024 RM'000
Company					
Property, plant and equipment	(5,964)	(274)	(6,238)	(2,897)	(9,135)
Fair value gain/(loss) of derivative asset	(1)	1	-	(2)	(2)
Fair value gain/(loss) of derivative liabilities	-	34	34	(34)	-
Allowance for impairment in respect of trade receivables	-	27	27	203	230
Unabsorbed capital allowances	6	(1)	5	12	17
Others	261	(523)	(262)	515	253
	(5,698)	(736)	(6,434)	(2,203)	(8,637)

10. DUE FROM/(TO) SUBSIDIARIES

	Company	
	2024 RM'000	2023 RM'000
Non-current		
Due from subsidiaries		
– non-trade	73,650	67,200
Current		
Due from subsidiaries		
– trade	12,036	5,880
– non-trade	175,794	123,976
	187,830	129,856
	261,480	197,056
Current		
Due to subsidiaries		
– trade	(74,843)	(53,070)

The non-current amounts due from subsidiaries are unsecured, subject to an interest from 4.13% to 4.95% (2023: 4.13%) per annum on the monthly outstanding balances which RM67,200,000 is receivable by 23 April 2026 and RM6,450,000 is receivable by 28 February 2029.

The remaining current non-trade portion of amounts due from/(to) subsidiaries are unsecured, interest free and repayable on demand while the trade portion is subject to normal trade terms.

Notes to the Financial Statements (continued)

11. INVENTORIES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Raw material	56,664	86,691	29,022	54,272
Raw milk	39,407	57,649	11,423	28,320
Consumables	16,657	11,476	2,426	1,374
Goods-in-transit	25,501	6,226	-	310
Finished goods	17,386	11,141	13,750	6,009
Work-in-progress	684	492	468	462
	156,299	173,675	57,089	90,747
Recognised in profit or loss:				
– Inventories recognised as cost of sales	435,701	345,499	220,910	180,684
– Reversal of obsolete and slow-moving inventories	11.1 (614)	(175)	(265)	(54)
	435,087	349,324	220,645	180,630

11.1 Reversal of obsolete and slow-moving inventories

The reversal of obsolete and slow-moving inventories in both current and prior year are mainly due to change in estimates.

11.2 Material accounting policy information

(a) Recognition and measurement

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the first-in first-out method.

(b) Raw milk

Raw milks are measured at fair value less cost to sell. The fair values of the raw milks are determined based on the observable market prices in active market, less the necessary transportation cost at the point of sale. Changes in fair value of agriculture produce are recognised in profit or loss.

12. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

	Group		Company	
	2024		2024	
	Nominal value RM'000	Asset RM'000	Nominal value RM'000	Asset RM'000
Derivatives at fair value through profit or loss				
Commodity future contracts	33,506	425	-	-
Forward exchange contracts	217	7	217	7
Interest rate swap	15,396	461	-	-
	49,119	893	217	7
	Group		Company	
	2023		2023	
	Nominal value RM'000	Asset/ liabilities RM'000	Nominal value RM'000	Asset/ liabilities RM'000
Derivatives at fair value through profit or loss				
Forward exchange contracts	55,126	(1,695)	5,075	(142)
Interest rate swap	14,812	685	-	-
	69,938	(1,010)	5,075	(142)

The commodity future contracts were entered into with the objective of managing and hedging the Group's exposure to adverse commodity price movements. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with fair value changes exposure.

Forward exchange contracts are used to manage the foreign currency exposures arising from the Group's payables denominated in currencies other than the functional currencies of Group entities. Most of the forward exchange contracts have maturities of less than one year after the year end of the reporting period. Where necessary, the forward exchange contracts are rolled over at maturity.

Interest rate swap is used to achieve an appropriate mix of fixed and floating interest rate exposure. In the current financial year, the Group entered into an interest rate swap with nominal value of RM15,396,000 (2023: RM14,812,000) to hedge the cash flow risk in relation to the floating interest rate of a bank loan.

12.1 Material accounting policy information

Derivatives are classified as fair value through profit or loss, and subsequently remeasured to fair value with changes in fair value being recognised in profit or loss.

Notes to the Financial Statements (continued)

13. OTHER INVESTMENTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial assets at fair value through profit or loss:				
Money market fund	99,944	155,790	98,865	144,999

14. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	56,826	22,920	13,108	6,851
Deposits placed with licensed banks	1,341	50	-	-
	58,167	22,970	13,108	6,851

15. CAPITAL AND RESERVES

Share capital

	Note	Group/Company		Group/Company Number of ordinary shares	
		2024 RM'000	2023 RM'000	2024	2023
Issued and fully paid shares with no par value classified as equity instruments:					
Ordinary shares:					
At 1 April		381,071	380,607	1,858,239,237	1,857,954,837
Shares issued under business acquisition	15.1	17,632	-	13,158,000	-
Shares issued under ESOS		852	464	522,800	284,400
At 31 March		399,555	381,071	1,871,920,037	1,858,239,237

15. CAPITAL AND RESERVES (CONTINUED)

Reserves

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-distributable				
Translation reserve	186	(6,634)	–	–
Employee share-based reserve	5,615	3,642	5,615	3,642
Other reserve	(36,955)	–	–	–
	(31,154)	(2,992)	5,615	3,642
Distributable				
Retained earnings	298,012	252,926	101,383	94,953
	266,858	249,934	106,998	98,595

15.1 Shares issued under business acquisition

On 31 May 2023, the Company has issued 13,158,000 ordinary shares as part of the purchase considerations for acquisition of the ordinary shares in The Inside Scoop Sdn. Bhd. ("TISSB") ("TISSB shares") at the fair value of consideration of RM1.34 per ordinary share.

15.2 Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In respect of the Company's treasury shares that are held by the Group, all rights are suspended until those shares are reissued.

15.3 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the Group entities with functional currencies other than RM.

15.4 Employee share-based reserve

Employee share-based reserve represents cumulative value of employee services received for the issue of share options.

When the option is exercised, the amount from the share option reserve is transferred to share capital. When the share options expire, the amount from the share option reserve is transferred to retained earnings.

Notes to the Financial Statements (continued)

15. CAPITAL AND RESERVES (CONTINUED)

15.5 Equity settled share-based transaction

At an Extraordinary General Meeting held on 21 March 2022, the Company's shareholders approved the establishment of an Employees' Share Option Scheme (ESOS) of not more than 15% of the issued and paid-up ordinary share capital of the Company to eligible Directors and employees of the Group.

The terms and conditions relating to the grants of new share option programme are as follows; all options are to be settled by physical delivery of shares:

	Grant date	Number of options ('000)	Vesting conditions	Contractual life of options
First grant	21 March 2022	33,380	Malaysian employees Vest over 3 years Australian employees 25% of the options for first and second calendar year 50% of the options issued for third calendar year	10 years
Second grant	11 May 2023	4,482	Vest over 3 years	10 years

The number and weighted average exercise prices of the share options are as follows:

	Date of offer	Exercise price	Number of options ('000)			Outstanding as at end of the financial year
			Balance as at beginning of the financial year	Granted	Exercised	
31 March 2024						
First grant	21 March 2022	RM1.35	22,034	-	(523)	21,511
Second grant	11 May 2023	RM1.46	-	2,171	-	2,171
31 March 2023						
First grant	21 March 2022	RM1.35	-	22,318	(284)	22,034

The options outstanding at 31 March 2024 have an exercise price for first grant of RM1.35 (2023: RM1.35) and second grant of RM1.46 (2023: Not applicable) and a weighted average contractual life of first grant is 8 years (2023: 9 years) and second grant is 9 years (2023: Not applicable) respectively.

15. CAPITAL AND RESERVES (CONTINUED)

15.6 Fair value of share options and assumptions

The fair value of services received in return for share options granted is based on the fair value of share options granted, measured based on a binomial lattice model with the following inputs:

	First grant Granted on 21 March 2022	Second grant Granted on 11 May 2023
Fair value at grant date	RM0.28	RM0.30
Share price at grant date	RM1.35	RM1.46
Expected volatility (weighted average volatility)	12.12%	12.46%
Option life (expected weighted average life)	10 years	10 years
Expected dividends	2.50%	2.50%
Risk-free interest rate (based on Malaysian Government Securities)	3.735%	3.724%

15.7 Value of employee services received for issue of share options

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
First grant	1,755	3,722	347	764
Second grant	364	-	58	-
Total expense recognised as equity settled share-based transactions	2,119	3,722	405	764

15.8 Put option reserve

Put option reserve relates to Shareholders' Agreement ("SHA") entered by the Company with the non-controlling shareholder of TISSB which give rise to an obligation by the Company to purchase TISSB's equity interest held by non-controlling shareholder as detailed in Note 18.

Notes to the Financial Statements (continued)

16. DEFERRED INCOME

	Group/Company	
	2024 RM'000	2023 RM'000
Government grant received		
At 1 April/31 March	8,011	8,011
Less: Amortisation		
At 1 April	(1,514)	(1,243)
Charge for the year	(271)	(271)
At 31 March	(1,785)	(1,514)
	6,226	6,497
Carrying amounts of government grant		
Non-current	5,955	6,226
Current	271	271
	6,226	6,497

The balances consist of government grants as follow:

- For the project of rehabilitation and replanting of pasture and fodder at the farm in Muadzam Shah. The grant is being amortised over useful life of the paddock;
- For the construction of the building and related infrastructure for milk processing plant at the plant in Muadzam Shah. The grant is being amortised over useful life of the milk processing plant; and
- For the implementation of Napier production projects as a sub-project to national dairy industry development project at Muadzam Shah. The grant is being amortised over useful life of the milk plant.

16.1 Material accounting policy information

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant; they are then recognised in profit or loss as other income on a systematic basis over the useful life of the asset.

17. LOANS AND BORROWINGS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current				
Unsecured				
Sukuk	300,000	200,000	300,000	200,000
Secured				
Hire purchase liabilities	7,452	13,284	-	-
Term loans	30,913	30,034	1,473	1,891
	338,365	243,318	301,473	201,891
Current				
Unsecured				
Sukuk	3,366	2,487	3,366	2,487
Secured				
Hire purchase liabilities	7,254	6,899	-	-
Short-term financing	1,405	981	-	-
Term loans	640	403	428	403
Bankers' acceptances	54,983	67,404	3,659	3,585
Revolving credits	-	14,760	-	14,760
	67,648	92,934	7,453	21,235
	406,013	336,252	308,926	223,126

Security

All the term loans, bankers' acceptance and revolving credits are secured by:

- i) Group's land and buildings and right-of-use assets as disclosed in Notes 3 and 4 respectively; and
- ii) Corporate guarantee by the Company and a subsidiary.

Significant covenants

Certain borrowings are subject to the following covenants:

- i) Debt-to-equity ratio of the Group shall not exceed 1.0 times.
- ii) External total borrowed funds against EBITDA of the Group shall not exceed 4.50 times.
- iii) Debt-to-capitalisation ratio of the Australian's subsidiaries shall not exceed 0.50 times.
- iv) EBITDA interest cover ratio of the Australian's subsidiaries shall not less than 2.50 times.
- v) Debt-to-equity ratio of a subsidiary shall not exceed 1.25 times.

Notes to the Financial Statements (continued)

17. LOANS AND BORROWINGS (CONTINUED)

Sukuk

The Group and the Company have established a Sukuk Wakalah Programme (“Sukuk”) of RM1.0 billion in nominal value on 18 May 2021, pursuant to which it has issued a RM200 million Sukuk (Sukuk 1) on 28 May 2021 with a maturity date of 28 May 2026. During the financial year, the Group and the Company issued RM100 million Sukuk (Sukuk 2) on 27 June 2023 with a maturity date on 27 June 2028. The profit rate of Sukuk 1 and Sukuk 2 is 3.72% (2023: 3.72%) and 4.46% (2023: Not applicable) per annum respectively, and payable semi-annually.

Hire purchase liabilities

Hire purchase liabilities are payable as follows:

Group	Future minimum lease payments RM'000	Interest RM'000	Present value of minimum lease payments RM'000
2024			
Less than one year	7,894	640	7,254
Between one and five years	7,657	205	7,452
	15,551	845	14,706
2023			
Less than one year	7,329	430	6,899
Between one and five years	13,559	275	13,284
	20,888	705	20,183

18. PUT OPTION LIABILITY

	Group
	2024 RM'000
At 1 April	–
Initial recognition at put option date	34,509
Changes in put option liability	2,446
At 31 March	36,955

As disclosed in Note 15, the Company entered into a Shareholders' Agreement (“SHA”) with the non-controlling interests of The Inside Scoop Sdn. Bhd. (“TISSB”) which grants the non-controlling shareholder the right to require the Company to purchase their equity interest in TISSB in accordance to the terms of the SHA upon occurrence of any triggering events or annually commencing from the 3rd anniversary of the SHA's completion date.

18. PUT OPTION LIABILITY (CONTINUED)

Significant judgements and assumptions in relation to put option liability

The present value of the provision for put liability is estimated based on the expected equity value of TISSB, which can be executed by a non-controlling shareholder over its equity interest on the 3rd anniversary of the SHA's completion date.

While the provision is based on the best estimate on anticipated earnings, there is uncertainty regarding the consideration payable to the non-controlling shareholder. The estimates are reviewed on an annual basis or when there is an indication of a material change in circumstances.

Material accounting policy information

The Group granted put option to the non-controlling interest in certain subsidiary over its equity interests in the subsidiary which provide settlement in cash by the Group. The Group recognises a liability for the present value of the exercise price of the options. Subsequent to the initial recognition, the Group recognises the changes in the carrying amount in the financial liability in equity.

19. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Trade payables	31,988	24,428	6,624	3,603
Other payables	32,854	20,668	7,759	6,226
Accrued expenses	27,174	18,212	7,800	6,058
Due to Directors	859	834	-	-
	92,875	64,142	22,183	15,887

The amounts due to Directors are non-trade in nature, interest free, unsecured and repayable on demand.

20. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers				
- Sales of goods	801,431	621,607	362,969	285,978
- Revenue from agrotourism	8,488	8,084	-	-
- Royalty and franchise fees	492	-	-	-
	810,411	629,691	362,969	285,978

Notes to the Financial Statements (continued)

20. REVENUE (CONTINUED)

20.1 Disaggregation of revenue

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Timing of recognition				
- At a point in time	809,919	629,691	362,969	285,978
- Over time	492	-	-	-
	810,411	629,691	362,969	285,978

20.2 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable elements in consideration
Manufacturing and distribution of cow's and goat's milk related products, yogurt and plant-based ice-cream and other related products	Revenue is recognised when the goods are delivered and accepted by the customers	Credit period ranging from 7 to 75 days from invoice date or month-end date Cash term for certain beverage and ice-cream products	Sales incentives and other sales related expenses are given to customers where the customers meet sales target or based on the agreed advertising and promotional activities
Revenue from agrotourism	Revenue is recognised when the goods are delivered and accepted by the customers	Cash term	Not applicable
Royalty fees charged from licensing the "Jomcha" and "Inside Scoop" brand for sale and distribution of the products as defined in the licensee agreement; whereas the franchise fee charged from rendered of "Jomcha"'s licensing for a term of 5 years	Revenue is recognised on an accrual basis based on the contractual royalty rate applied to the licensee's underlying product sales, whereas franchise fee is amortised for 5 years on monthly basis	Credit period of 30 days from invoice date	Not applicable

The revenue from contracts with customers of the Group are not subject to obligation for returns or refunds and warranty.

The Group applies the practical expedients for exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.

The revenue generated by the Group is predominantly from Malaysia.

21. FINANCE INCOME

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest income on net investment in lease	42	57	-	-
Other finance income	895	416	2,997	2,890
	937	473	2,997	2,890

22. FINANCE COSTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest expense on lease liabilities	1,199	351	267	187
Other finance costs	15,681	11,588	11,563	8,656
Total finance costs	16,880	11,939	11,830	8,843
Less: Accrual of profit/finance costs	(4,565)	(2,838)	(3,633)	(2,674)
Add: Accrual of profit/finance costs brought forward paid in current year	2,487	2,487	2,487	2,487
Interest paid	14,802	11,588	10,684	8,656

23. TAX EXPENSE

23.1 Recognised in profit or loss

Major components of income tax expense include:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current tax expense				
- Current year	1,770	670	222	214
- (Over)/Under provision in prior years	(555)	271	(114)	143
	1,215	941	108	357
Deferred tax expense				
- Origination and reversal of temporary differences	4,883	1,446	2,281	764
- Over provision in prior years	(314)	(147)	(78)	(28)
	4,569	1,299	2,203	736
	5,784	2,240	2,311	1,093

Notes to the Financial Statements (continued)

23. TAX EXPENSE (CONTINUED)

23.2 Reconciliation of tax expense

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax		69,065	52,174	27,460	26,053
Income tax calculated using Malaysian tax rate of 24%		16,576	12,522	6,590	6,253
Non-deductible expenses		3,991	1,486	502	232
Non-taxable income		(1,764)	(911)	(1,576)	(893)
Tax incentive	9	(11,609)	(12,236)	(3,013)	(4,614)
Effect of unrecognised deferred tax assets		3	1,001	-	-
Effect of different tax rate in foreign jurisdictions		(544)	254	-	-
		6,653	2,116	2,503	978
(Over)/Under provided in prior years		(869)	124	(192)	115
Tax expense		5,784	2,240	2,311	1,093

24. PROFIT FOR THE YEAR

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit for the year is arrived at after charging/(crediting)					
Audit fees:					
– KPMG PLT (recurring)		383	277	120	110
– KPMG PLT (non-recurring)		102	–	82	–
– Member firm of KPMG International Limited		37	–	–	–
– Other auditor		396	222	–	–
Non-audit fees:					
– KPMG PLT					
– Review of interim financial information		248	248	248	248
– Review of Statement of Risk Management and Internal Control		10	10	10	10
– Agreed upon procedure		1	–	–	–
– Local affiliates of KPMG PLT					
– Tax services and financial due diligence		492	314	365	20
– Other auditor					
– Tax services		161	135	–	–
Depreciation and amortisation:					
– property, plant and equipment		40,165	31,064	14,360	11,465
– intangible assets		263	235	16	14
– right-of-use assets		8,158	1,928	192	150
Equity settled share-based payment		2,070	3,653	405	764
Impairment loss on trade receivables		1,195	269	848	111
Bad debts written off		398	–	–	–
Property, plant and equipment written off		510	8	–	–
Reversal of obsolete and slow-moving inventories		(614)	(175)	(265)	(54)
Gain/(Loss) on disposal of property, plant and equipment		(867)	(299)	6	–
Gain on derecognition of lease		(30)	–	–	–
Gain from a bargain purchase		–	(134)	–	–
Amortisation of deferred income		(271)	(271)	(271)	(271)
Net foreign exchange (gain)/loss		(318)	(580)	(18)	54
Personnel expenses (including key management personnel):					
– contribution to state plans		6,510	4,729	1,240	1,053
– wages, salaries and others		82,864	57,722	17,737	14,100
Rental income from subleasing of property	3	(1,713)	(1,347)	–	–
Expenses relating to short-term leases	a	4,018	4,487	–	60
Expenses relating to leases of low-value assets	a	420	130	31	12

Notes to the Financial Statements (continued)

24. PROFIT FOR THE YEAR (CONTINUED)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit for the year is arrived at after charging/(crediting) (continued)				
Fair value (gain)/loss of:				
– derivatives financial instruments	(1,922)	2,486	(149)	145
– other investments	(2,367)	(2,457)	(2,139)	(2,169)
Distribution income from money market investments	(2,787)	(3,738)	(2,727)	(3,722)
Loss/(Gain) arising from changes in fair value of dairy cows and goats:				
– Malaysian Farm	388	718	3,094	1,349
– Australian Farm	(890)	(828)	-	-

Note a Short-term and/or leases of low-value items

The Group and the Company lease office and office equipment with contract terms of 1 to 2 years. These leases are short-term and/or leases of low-value items. The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for these leases.

25. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at 31 March 2024 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	2024 RM'000	2023 RM'000
Profit for the year attributable to owners	63,530	50,079

Weighted average number of ordinary shares are determined as follows:

	2024	2023
Weighted average number of ordinary shares ('000)	1,869,695	1,858,239
Basic earnings per ordinary share (sen)	3.40	2.69

25. EARNINGS PER ORDINARY SHARE (CONTINUED)

Diluted earnings per ordinary share

The calculation of diluted earnings per ordinary share at 31 March 2024 was based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	2024 RM'000	2023 RM'000
Profit for the year attributable to owners (diluted)	63,530	50,079
	2024 '000	2023 '000
Weighted average number of ordinary shares (basic)	1,869,695	1,858,239
Effect of share options in issue	-	3,673
Weighted average number of ordinary shares (diluted)	1,869,695	1,861,912
Diluted earnings per ordinary share (sen)	3.40	2.69

The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on the quoted market prices for the period during which the options are outstanding.

26. DIVIDENDS

Dividends recognised by the Group/Company are:

	Sen per share	Total amount RM'000	Date of payment
2024			
Final 2023	1.00	18,719	10 October 2023
2023			
Final 2022	1.07	19,880	15 September 2022

After the end of the reporting period, the following dividend was proposed by the Directors. This dividend will be recognised in subsequent financial period:

	Sen per share RM	Total amount RM
Final dividend 2024	1.20	22.5 million

The final dividend will be recognised in the subsequent financial period upon approval by the shareholders of the Company at the forthcoming Annual General Meeting.

Notes to the Financial Statements (continued)

27. OPERATING SEGMENTS

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units are in different geographies and are managed separately because they require different marketing strategies. For each of the strategic business units, the Chief Operating Decision Maker ("CODM") (i.e. the Group's Managing Director and Group Chief Executive Officer) reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

- Malaysia's operation Includes rearing of dairy cows and goats; and production, marketing and sale of cow's and goat's milk, yogurt, plant-based, ice-cream and other related products; and agrotourism.
- Australia's operation Includes rearing of dairy cows, production and marketing and sale of cow's milk, jam, sauces, butter and yogurt.

Performance is measured based on segment profit or loss before tax, finance income, finance costs, depreciation and amortisation, as included in the internal management reports that are reviewed by CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets and liabilities information is neither included in the internal management reports nor provided regularly to the Group Managing Director. Hence, no disclosure is made on segment assets and liabilities.

	Malaysia's operation RM'000	Australia's operation RM'000	Total RM'000
2024			
Segment profit/(loss)	77,928	(8,863)	69,065
<i>Included in the measure of segment profit are:</i>			
Revenue from external customers	700,576	109,835	810,411
Depreciation and amortisation	(39,747)	(8,839)	(48,586)
Finance costs	(13,628)	(3,252)	(16,880)
Finance income	937	-	937
<i>Information provided to Group Managing Director</i>			
Additions to non-current assets other than financial instruments and deferred tax assets*	108,202	34,388	142,590
2022			
Segment profit/(loss)	56,372	(4,198)	52,174
<i>Included in the measure of segment profit are:</i>			
Revenue from external customers	537,930	91,761	629,691
Depreciation and amortisation	(25,043)	(8,184)	(33,227)
Finance costs	(9,527)	(2,412)	(11,939)
Finance income	281	192	473
<i>Information provided to Group Managing Director</i>			
Additions to non-current assets other than financial instruments and deferred tax assets*	123,509	31,196	154,705

* Excluding acquisition of subsidiaries during the year

27. OPERATING SEGMENTS (CONTINUED)

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers.

	Revenue	
	2024 RM'000	2023 RM'000
Malaysia	670,960	517,913
Australia	109,835	91,761
Singapore	28,973	19,320
Brunei	643	697
Total	810,411	629,691

Major customers

There is no individual customer with revenue equal to or more than 10% of the Group's total revenue during the year and prior year.

Notes to the Financial Statements (continued)

28. FINANCIAL INSTRUMENTS

28.1 Categories of financial instruments

The table below provides an analysis of financial instruments of the Group and the Company categorised as follows:

- (a) Amortised cost ("AC")
- (b) Fair value through profit or loss ("FVTPL")
 - Mandatorily required by MFRS 9

Group	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000
2024			
Financial assets			
Trade and other receivables (excluding prepayments and advance payment)	156,518	156,518	-
Cash and cash equivalents	58,167	58,167	-
Derivative financial assets	893	-	893
Other investments	99,944	-	99,944
	315,522	214,685	100,837
Financial liabilities			
Loans and borrowings	(406,013)	(406,013)	-
Trade and other payables	(92,875)	(92,875)	-
	(498,888)	(498,888)	-
2023			
Financial assets			
Trade and other receivables (excluding prepayments and advance payment)	112,064	112,064	-
Cash and cash equivalents	22,970	22,970	-
Derivative financial assets	685	-	685
Other investments	155,790	-	155,790
	291,509	135,034	156,475
Financial liabilities			
Loans and borrowings	(336,252)	(336,252)	-
Trade and other payables	(64,142)	(64,142)	-
Derivative financial liabilities	(1,695)	-	(1,695)
	(402,089)	(400,394)	(1,695)

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.1 Categories of financial instruments (continued)

Company	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000
2024			
Financial assets			
Trade and other receivables (excluding prepayments and advance payment)	59,091	59,091	-
Due from subsidiaries	261,480	261,480	-
Cash and cash equivalents	13,108	13,108	-
Derivative financial assets	7	-	7
Other investments	98,865	-	98,865
	432,551	333,679	98,872
Financial liabilities*			
Loans and borrowings	(308,926)	(308,926)	-
Trade and other payables	(22,183)	(22,183)	-
Due to subsidiaries	(74,843)	(74,843)	-
	(405,952)	(405,952)	-
2023			
Financial assets			
Trade and other receivables (excluding prepayments and advance payment)	36,288	36,288	-
Due from subsidiaries	197,056	197,056	-
Cash and cash equivalents	6,851	6,851	-
Other investments	144,999	-	144,999
	385,194	240,195	144,999
Financial liabilities			
Loans and borrowings	(223,126)	(223,126)	-
Trade and other payables	(15,887)	(15,887)	-
Due to subsidiaries	(53,070)	(53,070)	-
Derivative financial liabilities	(142)	-	(142)
	(292,225)	(292,038)	(142)

* Excludes liabilities on put option granted to non-controlling interest

Notes to the Financial Statements (continued)

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.2 Net gains and losses arising from financial instruments

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net gains/(losses) on:				
Financial assets at fair value through profit or loss				
– Mandatorily required by MFRS 9	7,076	6,187	5,015	5,891
Financial liabilities at fair value through profit or loss				
– Mandatorily required by MFRS 9	–	(2,478)	–	(145)
Financial assets at AC	(340)	692	2,167	2,779
Financial liabilities at AC	(15,505)	(11,489)	(11,564)	(8,710)
	(8,769)	(7,088)	(4,382)	(185)

28.3 Financial risk management

The Group has exposure to the following risks from its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

28.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arises principally from its receivables from customers. In addition, the Company has exposure to credit risk arising from advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no significant changes as compared to prior period.

Trade receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting period, the Group and the Company assess whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to prior period.

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.4 Credit risk (continued)

Trade receivables (continued)

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, there was no significant concentrations of credit risk and maximum exposure to credit risk arising from trade receivables, amounts due from subsidiaries are represented by the carrying amounts in the statements of financial position.

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group maintains separate ageing analysis in respect of trade receivables.

The management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are measured at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group and the Company. The Group and the Company use ageing analysis to monitor the credit quality of the receivables. The Group and the Company grant credit period ranging from 7 to 75 days from invoice date or month-end date. Hence, any receivables having significant balances past due more than 90 days, shall be considered as credit impaired and monitored individually.

The Group and the Company use an allowance matrix to measure expected credit losses ("ECLs") of trade receivables.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to 90 days past due.

Loss rates are based on actual credit loss experience over the past three years. The Group and the Company also consider differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's and the Company's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group and the Company believe that these factors are immaterial for the purpose of impairment calculation for the year.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at the end of the reporting period which are grouped together as they are expected to have similar risk nature.

Notes to the Financial Statements (continued)

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment loss (continued)

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
2024			
Current (not past due)	88,926	337	88,589
1 – 30 days past due	34,303	135	34,168
31 – 60 days past due	7,612	38	7,574
61 – 90 days past due	3,447	15	3,432
More than 90 days past due	5,853	17	5,836
	140,141	542	139,599
Credit impaired			
Individually impaired	1,555	1,555	–
	141,696	2,097	139,599
2023			
Current (not past due)	65,623	–	65,623
1 – 30 days past due	21,227	–	21,227
31 – 60 days past due	9,293	–	9,293
61 – 90 days past due	3,663	–	3,663
More than 90 days past due	2,230	72	2,158
	102,036	72	101,964
Credit impaired			
Individually impaired	584	584	–
	102,620	656	101,964

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment loss (continued)

Company	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
2024			
Current (not past due)	30,875	184	30,691
1 – 30 days past due	15,894	94	15,800
31 – 60 days past due	5,400	32	5,368
61 – 90 days past due	1,858	11	1,847
More than 90 days past due	2,241	13	2,228
	56,268	334	55,934
Credit impaired			
Individually impaired	625	625	-
	56,893	959	55,934
2023			
Current (not past due)	18,490	-	18,490
1 – 30 days past due	7,404	-	7,404
31 – 60 days past due	2,972	-	2,972
61 – 90 days past due	1,581	-	1,581
More than 90 days past due	1,508	-	1,508
	31,955	-	31,955
Credit impaired			
Individually impaired	111	111	-
	32,066	111	31,955

The movements in the allowance for impairment in respect of trade receivables during the year are shown below.

Group	Lifetime ECL RM'000	Credit impaired RM'000	Total RM'000
At 1 April 2022	181	1	182
Acquisition of a subsidiary	-	333	333
Net remeasurement of loss allowance	(109)	378	269
Written off	-	(63)	(63)
Exchange differences	-	(65)	(65)
At 31 March 2023/1 April 2023	72	584	656
Acquisition of a subsidiary	-	240	240
Net remeasurement of loss allowance	470	725	1,195
Exchange differences	-	6	6
At 31 March 2024	542	1,555	2,097

Notes to the Financial Statements (continued)

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment loss (continued)

Company	Lifetime ECL RM'000	Credit impaired RM'000	Total RM'000
At 1 April 2022	-	-	-
Net remeasurement of loss allowance	-	111	111
At 31 March 2023/1 April 2023	-	111	111
Net remeasurement of loss allowance	334	514	848
At 31 March 2024	334	625	959

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance are not material and hence, it is not provided for.

Other receivables

Credit risks on other receivables include the deposits paid to suppliers and for utilities. The Group and the Company monitor the exposure to credit risk on individual basis.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position. There is no history of default on other receivables and there is no indicator these other receivables may default. The Group and the Company also consider differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's and the Company's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.4 Credit risk (continued)

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM36,851,000 (2023: RM49,007,000) representing the outstanding banking facilities of a subsidiary as at the end of the reporting period.

As at the end of the reporting period, there was no indication that the subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when subsidiaries' financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when the subsidiaries are unlikely to repay their credit obligation to the bank in full.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

As at the end of the reporting period, the Company does not recognise any allowance as they are categorised as low risk.

Inter-company balances

Risk management objectives, policies and processes for managing the risk

The Company trades and provides unsecured advances to subsidiaries. The advances are repayable on demand, except for advances of RM73,650,000 (2023: RM67,200,000) subject to an interest from 4.13% to 4.95% (2023: 4.13%) per annum on the monthly outstanding balances. The Company monitors the results of the subsidiaries regularly.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Notes to the Financial Statements (continued)

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.4 Credit risk (continued)

Inter-company balances (continued)

Recognition and measurement of impairment loss

The Company considers amounts due from subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when the subsidiaries' financial position deteriorates significantly. The Company considers amounts due from subsidiaries to be credit impaired when the subsidiaries are unlikely to repay its amount due to the Company in full.

As at the end of the reporting period, the Company does not recognise any loss allowance as they are categorised under low risk.

Net investment in a lease

Risk management objectives, policies and processes for managing the risk

The Group manages credit risk on net investment in a lease together with its leasing arrangements.

At the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

There is no history of default on the investment in lease and there is no indicator this lease may default. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group is of the view that the loss allowance is not material and hence, it is not provided for.

28.5 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities and lease liabilities as at the end of the reporting period based on undiscounted contractual payments:

Group	Carrying amount RM'000	Contractual interest rate/ coupon/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2024							
<i>Non-derivative financial liabilities</i>							
Sukuk	303,366	3.72 - 4.46	338,318	11,852	11,844	314,622	-
Secured bankers' acceptances	54,983	3.81 - 5.53	54,983	54,983	-	-	-
Secured hire purchase liabilities	14,706	1.96 - 5.67	15,551	7,894	6,748	909	-
Secured term loans	31,553	3.50 - 6.85	31,786	764	732	30,290	-
Trade and other payables	92,875	-	92,875	92,875	-	-	-
Lease liabilities	24,752	3.90 - 5.00	29,668	8,999	6,361	7,048	7,260
Short-term financing	1,405	0.00 - 6.15	1,405	1,405	-	-	-
Put option liability	36,955	9.45	45,247	-	-	45,247	-
	560,595		609,833	178,772	25,685	398,116	7,260
<i>Derivative financial liabilities</i>							
Commodity future contracts (gross settled):							
- Outflow	-	-	33,506	33,506	-	-	-
- Inflow	(425)	-	(33,931)	(33,931)	-	-	-
Forward exchange contracts (gross settled):							
- Outflow	-	-	217	217	-	-	-
- Inflow	(7)	-	(224)	(224)	-	-	-
Interest rate swap	(461)	-	(461)	(461)	-	-	-
	559,702		608,940	177,879	25,685	398,116	7,260
2023							
<i>Non-derivative financial liabilities</i>							
Sukuk	202,487	3.72	226,009	7,420	7,460	211,129	-
Secured bankers' acceptances	67,404	3.83 - 4.68	67,404	67,404	-	-	-
Secured hire purchase liabilities	20,183	1.96 - 5.67	20,888	7,329	6,687	6,872	-
Secured term loans	30,437	5.38 - 6.60	30,814	535	535	29,744	-
Revolving credit	14,760	6.60	14,760	14,760	-	-	-
Trade and other payables	64,142	-	64,142	64,142	-	-	-
Lease liabilities	10,417	3.90 - 5.00	14,243	2,710	2,277	2,283	6,973
Short-term financing	981	0.00 - 4.39	981	981	-	-	-
	410,811		439,241	165,281	16,959	250,028	6,973
<i>Derivative financial liabilities</i>							
Forward exchange contracts (gross settled):							
- Outflow	(1,695)	-	55,126	55,126	-	-	-
- Inflow	-	-	(53,431)	(53,431)	-	-	-
Interest rate swap	685	-	(685)	(685)	-	-	-
	411,821		440,251	166,291	16,959	250,028	6,973

Notes to the Financial Statements (continued)

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.5 Liquidity risk (continued)

Maturity analysis (continued)

Company	Carrying amount RM'000	Contractual interest rate/ coupon/ Discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2024							
<i>Non-derivative financial liabilities</i>							
Sukuk	303,366	3.72 - 4.46	338,318	11,852	11,844	314,622	-
Due to subsidiaries	74,843	-	74,843	74,843	-	-	-
Trade and other payables	22,183	-	22,183	22,183	-	-	-
Lease liabilities	4,137	5.00	7,462	268	243	772	6,179
Secured bankers' acceptances	3,659	3.81 - 3.85	3,659	3,659	-	-	-
Secured term loans	1,901	6.85	2,121	542	541	1,038	-
Financial guarantee*	-	-	36,851	36,851	-	-	-
	410,089		485,437	150,198	12,628	316,432	6,179
<i>Derivative financial liabilities</i>							
Forward exchange contracts (gross settled):							
- Outflow	-	-	217	217	-	-	-
- Inflow	(7)	-	(224)	(224)	-	-	-
	410,082		485,430	150,191	12,628	316,432	6,179
2023							
<i>Non-derivative financial liabilities</i>							
Sukuk	202,487	3.72	226,009	7,420	7,460	211,129	-
Due to subsidiaries	53,070	-	53,070	53,070	-	-	-
Trade and other payables	15,887	-	15,887	15,887	-	-	-
Lease liabilities	4,002	5.00	7,388	258	234	728	6,168
Secured bankers' acceptances	3,585	3.83 - 4.05	3,586	3,586	-	-	-
Secured term loans	2,294	6.60	2,671	535	535	1,601	-
Revolving credit	14,760	6.60	14,760	14,760	-	-	-
Financial guarantee*	-	-	49,007	49,007	-	-	-
	296,085		372,378	144,523	8,229	213,458	6,168
<i>Derivative financial liabilities</i>							
Forward exchange contracts (gross settled):							
- Outflow	142	-	5,075	5,075	-	-	-
- Inflow	-	-	(4,933)	(4,933)	-	-	-
	296,227		372,520	144,665	8,229	213,458	6,168

* The disclosure represents the maximum amount that is required to be settled in the event of a default and the lenders, where applicable call on the Company to pay for a subsidiary.

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other price risk that will affect the Group's and the Company's financial position or cash flows.

Currency risk

The Group and the Company are exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily US Dollar ("USD"), Singapore Dollar ("SGD"), Euro ("EUR") and Australian Dollar ("AUD").

Risk management objectives, policies and processes for managing the risk

The Group and the Company use forward exchange contracts from time to time to hedge its foreign currency risk. Most of the forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward contracts are rolled over at maturity. The Group and the Company entered forward exchange contracts with notional contract amount of RM217,000 (2023: RM55,126,000) and RM217,000 (2023: RM5,075,000) respectively in order to manage the foreign currency exposures.

Foreign exchange exposures in transactional currencies other than the functional currency of the Group and the Company are kept to an acceptable level.

Notes to the Financial Statements (continued)

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.6 Market risk (continued)

Currency risk (continued)

Exposure to foreign currency risk

The Group's and the Company's exposure to foreign currencies (a currency which is other than the functional currency of Group entities) risk, based on carrying amounts as at the end of the reporting period was:

	Denominated in			
	USD RM'000	SGD RM'000	EUR RM'000	AUD RM'000
Group				
2024				
Cash and cash equivalents	681	532	2	3
Trade and other receivables	309	5,248	-	-
Trade and other payables	(1,448)	(33)	(214)	-
	(458)	5,747	(212)	3
2023				
Cash and cash equivalents	540	420	2	3
Trade and other receivables	817	4,271	-	-
Trade and other payables	(471)	(47)	(76)	-
	886	4,644	(74)	3
Company				
2024				
Cash and cash equivalents	252	2	-	-
Trade and other receivables	309	185	-	-
Trade and other payables	(1,322)	(33)	(32)	-
Due from subsidiaries	-	228	-	36
	(761)	382	(32)	36
2023				
Cash and cash equivalents	13	2	-	-
Trade and other receivables	631	201	-	-
Trade and other payables	(362)	(21)	(56)	-
Due from a subsidiary	-	178	-	-
	282	360	(56)	-

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.6 Market risk (continued)

Currency risk (continued)

Currency risk sensitivity analysis

A 10% (2023: 10%) strengthening of the Ringgit Malaysia against the following currencies at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group and the Company considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted shares and purchases.

	Profit or loss			
	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
USD	35	(67)	58	(21)
SGD	(437)	(353)	(29)	(27)
EUR	16	6	2	4
AUD	-	-	(3)	-

A 10% (2023: 10%) weakening of Ringgit Malaysia against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

Interest rate risk

The Group's and Company's investments in fixed rate deposits and borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

Risk management objectives, policies and processes for managing the risk

The Group has entered into interest rate swap with a notional contract amount of RM15,396,000 (2023: RM14,812,000) in order to achieve an appropriate mix of fixed and floating rate exposure at 31 March 2024, the swap matures over the next five years following the maturity of a fixed rate bank loan of 1.05% and has a floating swap rate of AUD Bank Bill Swap Rate ("BBSY") - 1 month.

The Group does not design the interest rate swap as the hedge instrument.

Notes to the Financial Statements (continued)

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.6 Market risk (continued)

Interest rate risk (continued)

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments and lease liabilities, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed rate instruments				
Financial assets	2,056	1,125	73,650	67,200
Financial liabilities	(365,143)	(277,599)	(307,025)	(206,072)
Lease liabilities	(24,752)	(10,417)	(4,137)	(4,002)
	(387,839)	(286,891)	(237,512)	(142,874)
Floating rate instruments				
Financial liabilities	(40,870)	(58,653)	(1,901)	(17,054)

Interest rate risk sensitivity analysis

(a) Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

(b) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis point ("bp") in interest rate at the end of the reporting period would have decreased equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or loss			
	Group		Company	
	100 bp increase RM'000	100 bp decrease RM'000	100 bp increase RM'000	100 bp decrease RM'000
2024				
Floating rate instruments	(311)	311	(14)	14
2023				
Floating rate instruments	(446)	446	(130)	130

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.6 Market risk (continued)

Commodity price risk

The Group is exposed to price fluctuation risk on commodities mainly of milk powder.

Risk management objectives, policies and processes for managing the risk

The prices of the commodities are subject to fluctuations due to uncontrollable factors such as weather, global demand and global production of similar and competitive crops. The Group mitigates the risk to the price volatility through hedging in the futures market.

Commodity price risk sensitivity analysis

A change of 10% on the commodities price at the end of the reporting period would have decreased equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss Group	
	10% increase RM'000	10% decrease RM'000
2024		
Commodity future contracts	(32)	32

Other price risk

Price risk arises from the Group's and the Company's investments money market funds.

Risk management objectives, policies and processes for managing the risk

Management of the Group and the Company monitor the other investments on portfolio basis.

The Group and the Company invest in money market funds which seek to invest in money market instruments and deposit with licensed financial institution for reasonable rate of return on income while maintaining capital stability.

Notes to the Financial Statements (continued)

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.6 Market risk (continued)

Other price risk

Price risk sensitivity analysis

Money market funds

The fund is invested in money market instruments and deposited with licensed financial institution. The net asset value ("NAV") of the money market mainly depends on the performance of the financial instruments which is affected by changes in the market interest rate.

At the end of the reporting period, with all the variables held constant, a change of 100 basis points ("bp") in the interest rate would have increased/(decreased) equity for investments classified as post-tax profit or loss for investment classified as fair value through profit or loss by the amounts shown below.

	Profit or loss	
	Group RM'000	Company RM'000
2024		
100bp increase	999	987
100bp decrease	(999)	(987)
2023		
100bp increase	1,558	1,450
100bp decrease	(1,558)	(1,450)

28.7 Fair value information

The carrying amounts of cash and cash equivalents, short term receivables, payables, short term borrowings and put option liability approximate fair values due to the relatively short term nature of these financial instruments.

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.7 Fair value information (continued)

The table below analyses other financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

Group	Fair value of financial instruments carried at fair value		Fair value of financial instruments not carried at fair value	Total fair value	Carrying amount
	Level 2 RM'000	Level 3 RM'000	Level 3 RM'000	RM'000	RM'000
2024					
Financial assets					
Commodity future contracts	425	-	-	425	425
Forward exchange contracts	7	-	-	7	7
Interest rate swap	461	-	-	461	461
Other investments	99,944	-	-	99,944	99,944
	100,837	-	-	100,837	100,837
Financial liabilities					
Hire purchase liabilities	-	-	(14,916)	(14,916)	(14,706)
Term loans	-	-	(31,734)	(31,734)	(31,553)
Sukuk	-	-	(303,366)	(303,366)	(303,366)
Put option liability	-	(36,955)	-	(36,955)	(36,955)
	-	(36,955)	(350,016)	(386,971)	(386,580)

Group	Fair value of financial instruments carried at fair value	Fair value of financial instruments not carried at fair value	Total fair value	Carrying amount
	Level 2 RM'000	Level 3 RM'000	RM'000	RM'000
2023				
Financial assets				
Interest rate swap	685	-	685	685
Other investments	155,790	-	155,790	155,790
	156,475	-	156,475	156,475
Financial liabilities				
Forward exchange contracts	(1,695)	-	(1,695)	(1,695)
Hire purchase liabilities	-	(19,204)	(19,204)	(20,183)
Term loans	-	(30,777)	(30,777)	(30,437)
Sukuk	-	(202,487)	(202,487)	(202,487)
	(1,695)	(252,468)	(254,163)	(254,802)

Notes to the Financial Statements (continued)

28. FINANCIAL INSTRUMENTS (CONTINUED)

28.7 Fair value information (continued)

Company	Fair value of financial instruments carried at fair value	Fair value of financial instruments not carried at fair value	Total fair value	Carrying amount
	Level 2 RM'000	Level 3 RM'000	RM'000	RM'000
2024				
Financial assets				
Forward exchange contracts	7	-	7	7
Other investments	98,865	-	98,865	98,865
	98,872	-	98,872	98,872
Financial liabilities				
Term loans	-	(2,083)	(2,083)	(1,901)
Sukuk	-	(303,366)	(303,366)	(303,366)
	-	(305,449)	(305,449)	(305,267)
2023				
Financial assets				
Other investments	144,999	-	144,999	144,999
Financial liabilities				
Forward exchange contracts	(142)	-	(142)	(142)
Term loans	-	(2,634)	(2,634)	(2,294)
Sukuk	-	(202,487)	(202,487)	(202,487)
	(142)	(205,121)	(205,263)	(204,923)

Level 2 fair value

Derivatives

The fair value of forward exchange contracts, commodity future contracts and interest rate swaps are estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

Money market funds

The fair value of money market funds is determined based on other data values or market price.

Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

(a) Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Term loans and hire purchase liabilities	Discounted cash flows using a rate based on the current market rate of borrowing of the respective Group entities at the reporting date.

29. ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current year's addition	105,976	117,834	32,737	24,507
Less: Property, plant and equipment acquired from hire purchase liabilities	-	(6,229)	-	-
Less: Share based payment capitalised	(10)	(93)	-	-
	105,966	111,512	32,737	24,507

30. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base to fund its growth and safeguard the Group's ability to continue as a going concern. The Group's capital is represented by its total equity in the statement of financial position.

The Directors monitor the adequacy of capital on an ongoing basis, whilst maintaining optimal debt-to-equity ratio that complies with debt covenants. The Group is required to maintain a debt-to-equity ratio of not more than 1.0 times in accordance with the specified formulas as stated in the respective facility agreement and trust deed.

The debt-to-equity ratios at 31 March 2024 and 31 March 2023 were as follows:

	2024 RM'000	2023 RM'000
Total loans and borrowings (Note 17)	406,013	336,252
Lease liabilities	24,752	10,417
Less: Cash and cash equivalents (Note 14)	(58,167)	(22,970)
Net debt	372,598	323,699
Total equity (including NCI)	692,971	635,902
Debt-to-equity ratio	0.54	0.51

There were no changes in the Group's approach to capital management during the financial year.

31. CAPITAL COMMITMENT

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Capital expenditure commitment				
Property, plant and equipment				
Contracted but not provided for	7,044	22,243	397	10,905
Intangible assets				
Contracted but not provided for	288	163	288	163
	7,332	22,406	685	11,068

Notes to the Financial Statements (continued)

32. CONTINGENT ASSETS

On 31 March 2021, the Group has filed a legal action in Australia against Shepparton Partners Collective Group for various misrepresentations to The Holstein Milk Company (Australia) Pty Ltd during the course of due diligence of the business acquisition.

As at 31 March 2024, the case is still ongoing, and in the Directors' opinion, disclosure of any further information about the above matter would be prejudicial to the interests of the Group.

33. RELATED PARTIES

Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and the Company are shown below. The balances related to the below transactions are shown in Notes 8, 10 and 19.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
A. Subsidiaries				
Sales of raw milk	-	-	1,475	-
Sales of goods	-	-	59,578	64,261
Sales of biological assets	-	-	-	11,540
Sales of property, plant and equipment	-	-	1,231	418
Purchase of goods	-	-	(10,962)	(2,437)
Purchase of property, plant and equipment	-	-	(557)	(380)
Commission payable	-	-	(644)	-
Loan to subsidiaries	-	-	6,450	-
Loan interest income	-	-	2,802	2,775
Management fee income	-	-	414	360
B. Key management personnel				
Directors				
Fees	614	629	614	629
Remuneration	377	1,087	-	-
Other key management personnel				
Remuneration	6,052	4,027	359	338
C. Non-controlling shareholder in a subsidiary				
Purchase of biological assets and other animal health related products	-	13,970	-	13,970
D. Companies connected to Directors				
Short-term lease	12	12	-	-

34. ACQUISITION OF SUBSIDIARIES

34.1 The Inside Scoop Sdn. Bhd.

On 31 May 2023, the Group had entered into a business purchase agreement to acquire 65% equity interest in The Inside Scoop Sdn. Bhd. ("TISSB") at a total purchase consideration of RM81.6 million via a cash consideration of RM64.0 million and the issuance of RM17.6 million consideration shares. The transaction was completed on 31 May 2023. The company is involved in selling ice-cream products. The acquisition of TISSB is to facilitate the Group's entry into the consumer-packaged goods ice-cream market. For the 10 months up to 31 March 2024, the subsidiary contributed revenue of RM40,160,000 and profit of RM3,418,000. If the acquisition had occurred on 1 April 2023, management estimates that consolidated revenue would have been RM47,697,000 and consolidated profit for the financial year would have been RM3,684,000. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2023.

The following summarise the consideration paid and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

	Group RM'000
Identifiable assets acquired and liabilities assumed	
Property, plant and equipment	9,489
Right-of-use assets	10,397
Inventories	1,290
Current tax assets	420
Cash and cash equivalents	26,573
Trade and other receivables	4,601
Trademark/Brand	23,182
Deferred tax liabilities	(6,238)
Loan and borrowings	(1,046)
Lease liabilities	(11,066)
Trade and other payables	(2,384)
Fair value of identifiable net assets	55,218
Purchase consideration settled in cash and cash equivalents	63,982
Cash and cash equivalents acquired	(26,573)
Net cash outflow arising from acquisition of a subsidiary	37,409

The trade and other receivables comprise gross contractual amount due of RM1,150,000 which is expected to be fully collectible at the acquisition date.

Notes to the Financial Statements (continued)

34. ACQUISITION OF SUBSIDIARIES (CONTINUED)

34.1 The Inside Scoop Sdn. Bhd. (continued)

Fair value measurement

Assets acquired	Valuation technique
Trademark/Brand	Relief from royalty method: the value of the core trademark/brand are estimated by discounting projected royalty savings from which TISSB is realised by virtue of owning the asset.

Goodwill

Goodwill was recognised as a result of the acquisition as follows:

	Group RM'000
Total consideration transferred	
– Cash	63,982
– Consideration shares	17,632
Fair value of identifiable net assets	(55,218)
Non-controlling interest, based on their proportionated interest in the recognised amounts of the assets and liabilities of the acquiree	19,326
Goodwill	45,722

The goodwill is attributable mainly to the technical know-how, ice-cream formulation expertise and the synergies expected to be achieved.

34. ACQUISITION OF SUBSIDIARIES (CONTINUED)

34.2 Sin Wah Ice Cream Sdn. Bhd.

On 27 September 2023, the Group entered into a business purchase agreement to acquire 70% equity interest in Sin Wah Ice Cream Sdn. Bhd. ("SWSB") at a total purchase consideration of RM28.5 million, satisfied in cash. The transaction was completed on 17 October 2023. The company is principally engaged in selling ice-cream products. The acquisition of SWSB is to leverage on the logistic capabilities and distribution reach of SWSB in order to facilitate the introduction of CPG ice-cream by the Group. In the 5 months to 31 March 2024, the subsidiary contributed revenue of RM10,275,000 and profit of RM1,736,000. If the acquisition had occurred on 1 April 2023, management estimates that consolidated revenue would have been RM24,791,000 and consolidated profit for the financial year would have been RM4,133,000. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 April 2023.

The following summarise the consideration paid and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

	Group RM'000
Identifiable assets acquired and liabilities assumed	
Property, plant and equipment	3,479
Right-of-use assets	368
Inventories	472
Cash and cash equivalents	1,616
Trade and other receivables	4,645
Current tax liabilities	(530)
Deferred tax liabilities	(347)
Hire purchase liabilities	(787)
Lease liabilities	(371)
Trade and other payables	(1,069)
Fair value of identifiable net assets	7,476
Purchase consideration settled in cash and cash equivalents	28,350
Cash and cash equivalents acquired	(1,616)
Net cash outflow arising from acquisition of a subsidiary	26,734

The trade and other receivables comprise gross contractual amount due of RM4,616,000 of which RM240,000 was expected to be uncollectible at the acquisition date.

Goodwill

Goodwill was recognised as a result of the acquisition as follows

	Group RM'000
Total consideration transferred	28,350
Fair value of identifiable net assets	(7,476)
Non-controlling interest, based on their proportionated interest in the recognised amounts of the assets and liabilities of the acquiree	2,243
Goodwill	23,117

The goodwill is attributable to the logistic capabilities and distribution reach of SWSB in order to facilitate the introduction of CPG ice-cream by the Group and the synergies expected to be achieved.

Notes to the Financial Statements (continued)

34. ACQUISITION OF SUBSIDIARIES (CONTINUED)

34.3 The Provenance Creamery Pte Ltd

On 24 May 2022, the Company exercised the call option in respect of the entire issued and paid up share capital of The Provenance Creamery Pte Ltd ("Provenance Creamery") granted by Loh Ngat Mui at a consideration of SGD1.00. Following the exercise of the call option, Provenance Creamery becomes the Company's wholly owned subsidiary. The company is involved in distribution and retail of dairy products. The acquisition of The Provenance Creamery Pte Ltd has further expanded the Group's operation into Singapore. In the 10 months to 31 March 2023, the subsidiary contributed revenue of RM183,000 and loss of RM71,000.

The following summarise the consideration paid and the recognised amounts of assets acquired and liabilities assumed at the call option date:

	Group RM'000
Identifiable assets acquired and liabilities assumed	
Property, plant and equipment	6
Cash and cash equivalents	17
Other receivables	121
Other payables	(10)
Fair value of identifiable net assets	134
Purchase consideration settled in cash and cash equivalents	
Cash and cash equivalents acquired	(17)
Net cash inflow arising from acquisition of a subsidiary	(17)
Total consideration transferred	-
Fair value of identifiable net assets	(134)
Gain on a bargain purchase	(134)

34. ACQUISITION OF SUBSIDIARIES (CONTINUED)

34.4 St David Dairy Pty Ltd

On 31 August 2022, the Group had entered into a business purchase agreement with Maggie Beer Holdings Ltd to acquire 90% equity interest in St David Dairy Pty Ltd at a total purchase consideration of RM3.2 million via Goulburn Valley Creamery Pty Ltd. The transaction was completed on 31 August 2022. The company is involved in selling cow's milk, butter, yogurt, cream and cheese. The acquisition of St David Dairy Pty Ltd has further expanded the Group's operation into Australia. In the 7 months to 31 March 2023, the subsidiary contributed revenue of RM12,743,000 and loss of RM2,647,000.

The following summarise the consideration paid and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

	Group RM'000
Identifiable assets acquired and liabilities assumed	
Property, plant and equipment	4,021
Inventories	797
Cash and cash equivalents	255
Trade and other receivables	2,390
Brand	236
Trade and other payables	(2,833)
Hire purchase liabilities	(1,355)
Fair value of identifiable net assets	3,511
Net cash outflow arising from acquisition of a subsidiary	
Purchase consideration paid by the Company	3,160
Capital contributed by a non-controlling shareholder	351
Purchase consideration settled in cash and cash equivalents	3,511
Cash and cash equivalents acquired	(255)
Net cash outflow arising from acquisition of a subsidiary	3,256

The trade and other receivables comprise gross contractual amount due of RM2,723,000 of which RM333,000 was expected to be uncollectible at the acquisition date.

35. SUBSEQUENT EVENT

- (a) On 9 July 2024, FFB has offered 8,280,000 Employees' Share Option Scheme (ESOS) options to eligible employees of the Group with the terms and conditions as follows:

Grant date	Number of options ('000)	Vesting conditions	Contractual life of options
9 July 2024	8,280	Vest over 3 years	10 years

ANALYSIS OF SHAREHOLDINGS

As at 3 July 2024

Total Number of Issued Shares	: 1,872,742,037
Class of Shares	: Ordinary Shares
Number of Holders	: 17,867
Voting Rights	: One vote per share

DISTRIBUTION OF SHAREHOLDERS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
Less than 100	151	0.8451	1,981	0.0001
100 to 1,000	5,965	33.3856	3,522,975	0.1881
1,001 to 10,000	9,277	51.9225	39,968,511	2.1342
10,001 to 100,000	2,145	12.0054	59,570,472	3.1809
100,001 to 93,637,101*	325	1.8190	797,303,931	42.5741
93,637,102 and above**	4	0.0224	972,374,167	51.9225
TOTAL	17,867	100.000	1,872,742,037	100.000

Notes:

* Less than 5% of issued shares

** 5% and above of issued shares

LIST OF SUBSTANTIAL SHAREHOLDERS

No.	Name	No. of Ordinary Shares			
		Direct Interest	%	Indirect Interest	%
1.	Rainforest Capital Sdn. Bhd.	544,122,694	29.0549	-	-
2.	Agrifood Resources Holdings Sdn. Bhd.	219,238,600	11.7068	-	-
3.	Khazanah Nasional Berhad	-	-	219,238,600 ^[1]	11.7068
4.	Employees Provident Fund Board	210,209,958	11.2247	-	-
5.	Farmchoice Foods Sdn. Bhd.	209,012,873	11.1608	-	-
6.	Kumpulan Wang Persaraan (Diperbadankan)	63,585,400	3.3953	50,287,400 ^[2]	2.6852
7.	Loi Tuan Ee	-	-	753,135,567 ^[3]	40.2157
8.	Loi Foon Kion	2,672,600	0.1427	544,122,694 ^[4]	29.0549
9.	Abrdn Holdings Limited (formerly known as Aberdeen Asset Management PLC)	-	-	124,109,100 ^[5]	6.6271
10.	Abrdn PLC	-	-	124,109,100 ^[6]	6.6271
11.	Abrdn Malaysia Sdn. Bhd.	-	-	122,709,500 ^[7]	6.5524

Notes:

[1] Deemed interest by virtue of their shareholding in Agrifood Resources Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 ("the Act")

[2] Deemed interest via KWAP's Fund Manager

[3] Deemed interest by virtue of his shareholdings in Farmchoice Foods Sdn. Bhd. and Rainforest Capital Sdn. Bhd. pursuant to Section 8 of the Act.

[4] Deemed interest by virtue of her shareholdings in Rainforest Capital Sdn. Bhd. pursuant to Section 8 of the Act.

[5] Deemed interest through shares held by the registered holder who is a custodian appointed by one or more funds managed by one or more subsidiaries of Abrdn Holdings Limited (formerly known as Aberdeen Asset Management PLC) pursuant to Section 8 of the Act.

[6] Deemed interest through shares held by the registered holder who is a custodian appointed by one or more funds managed by one or more subsidiaries of Abrdn PLC pursuant to Section 8 of the Act.

[7] Deemed interest through shares held by the registered holder which is a custodian appointed by one or more funds managed by Abrdn Malaysia Sdn Bhd.

LIST OF DIRECTORS' SHAREHOLDINGS

No.	Name	No. of Ordinary Shares			
		Direct Interest	%	Indirect Interest	%
1.	Tan Sri Dato' Seri Haji Megat Najmuddin Bin Datuk Seri Dr Haji Megat Khas	500,000	0.0267	-	-
2.	Loi Tuan Ee	-	-	753,135,567 ^[1]	40.2157
3.	Loi Foon Kion	2,672,600	0.1427	544,122,694 ^[2]	29.0549
4.	Dato' Dr. Quaza Nizamuddin Bin A. Hassan Nizam	500,000	0.0267	-	-
5.	Jocelyn Ng Lai Leng	500,000	0.0267	-	-
6.	Sukanta Kumar Dutt	-	-	-	-
7.	Effizal Faiz Bin Zulkify	-	-	-	-

Notes:

[1] Deemed interest by virtue of his shareholdings in Farmchoice Foods Sdn. Bhd. and Rainforest Capital Sdn. Bhd. pursuant to Section 8 of the Act.

[2] Deemed interest by virtue of her shareholdings in Rainforest Capital Sdn. Bhd. pursuant to Section 8 of the Act.

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Holders	No. of Shares	%
1.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR RAINFOREST CAPITAL SDN BHD (PB)	400,000,000	21.3591
2.	AGRIFOOD RESOURCES HOLDINGS SDN. BHD.	219,238,600	11.7068
3.	FARMCHOICE FOODS SDN BHD	209,012,873	11.1608
4.	RAINFOREST CAPITAL SDN BHD	144,122,694	7.6958
5.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	73,540,990	3.9269
6.	LEMBAGA TABUNG HAJI	72,378,000	3.8648
7.	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	61,904,400	3.3055
8.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ABERDEEN)	49,070,600	2.6203
9.	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA	46,380,100	2.4766
10.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (ABERDEEN)	38,122,000	2.0356
11.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	30,217,368	1.6135
12.	MAYBANK SECURITIES NOMINEES (ASING) SDN BHD PLEGDED SECURITIES ACCOUNT FOR CAHAYA BINTANG LTD	23,633,900	1.2620
13.	CARTABAN NOMINEES (TEMPATAN) SDN BHD PAMB FOR PRULINK EQUITY FUND	21,559,800	1.1512

Analysis of Shareholdings As at 3 July 2024

No.	Name of Holders	No. of Shares	%
14.	CARTABAN NOMINEES (TEMPATAN) SDN BHD PRUDENTIAL ASSURANCE MALAYSIA BERHAD FOR PRULINK STRATEGIC FUND	17,299,600	0.9238
15.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN BHD (2)	16,073,000	0.8583
16.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ABERISLAMIC)	15,840,100	0.8458
17.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (ABERDEEN 2)	12,219,900	0.6525
18.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (NOMURA)	11,000,000	0.5874
19.	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA 3 – DIDIK	11,000,000	0.5874
20.	PERMODALAN NASIONAL BERHAD	10,000,000	0.5340
21.	CARTABAN NOMINEES (TEMPATAN) SDN BHD TMF TRUSTEES MALAYSIA BERHAD FOR AFFIN HWANG WHOLESALE EQUITY FUND 2	9,500,000	0.5073
22.	CGS INTERNATIONAL NOMINEES MALAYSIA (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MERIT GLORY PTE LTD	9,000,000	0.4806
23.	AMANAHRAYA TRUSTEES BERHAD PUBLIC ISLAMIC ASEAN GROWTH FUND	8,519,600	0.4549
24.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (BNP NAJMAH EQ)	8,166,500	0.4361
25.	CARTABAN NOMINEES (TEMPATAN) SDN BHD PBTB FOR TAKAFULINK DANA EKUITI	8,066,000	0.4307
26.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (CGS CIMB)	7,641,500	0.4080
27.	AMANAH RAYA BERHAD KUMPULAN WANG BERSAMA SYARIAH	7,540,100	0.4026
28.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (ABDN EQ ABSR FD)	7,456,900	0.3982
29.	EDMUND TAN JUN HUA	6,579,000	0.3513
30.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (F TEMPLETON)	6,518,100	0.3481

LIST OF TOP 10 PROPERTIES

Location	Description	Current Use	Tenure	Remaining Lease Period (Expiry Date)	Age of Building	Approximate Land Area (sq.m.)	Net Book Value RM'000
11& 11-1, Jalan Petaling, Kawasan Perindustrian Larkin, 80300 Johor Bahru, Johor	One single-storey factory building and two storey office building	Processing facility and Office	Leasehold 99 years	17 years (expiring 23.10.2041)	37 years	3,836	2,922
Lot PT 12802, Mukim Batu Kurau, Daerah Larut, Matang, 34010 Perak	Dairy farm, One single-storey factory building and two storey office building	Farming, Processing facility, Warehouse and Office	Leasehold 3 years	1.5 years (expiring 14.10.2025)	2 years	3,350,800	21,787
Plot D, KM6, Muadzam Shah, Jalan Muadzam – Rompin, 26700, Pahang Darul Makmur	Dairy farm, One single-storey factory building and two storey office building	Farming, Processing facility, Warehouse and Office	Leasehold 33 years	23 years (expiring 04.04.2047)	6 years	4,472,550	21,088
PTD 2975, Batu 13, Jalan Mersing, 81900 Kota Tinggi, Johor	Dairy farm	Farming	Leasehold 99 years	11 years (expiring 04.01.2035)	-	1,905,890	8,666
PTD 1721, KM10, Jalan Sedili Kecil, Mukim Sedili Kecil, 81900 Kota Tinggi, Johor	Dairy farm	Farming	Leasehold 30 years	24 years (expiring 27.03.2048)	-	1,315,228	4,029
Lot 61314, Bandar Baru Enstek, Seremban, Negeri Sembilan	Land	Establishment of a new manufacturing hub	Freehold	-	-	32,590	19,855
315 Fidge Road, Undera VIC 3629	Dairy farm	Farming	Freehold	-	-	6,114,178	28,037
490 Neal Road & 515 Norton Road & 695 Norton Road, Undera VIC 3629	Dairy farm	Farming	Freehold	-	-	2,950,849	7,500
947 & 999 McEwan Road, Kyabram, Victoria	Dairy farm	Farming	Freehold	-	-	1,204,900	11,406
85 McCormick Road, Kyabram VIC 3620	Single storey factory building	Processing facility, Warehouse and Office	Freehold	-	3 years	69,978	28,787

GROUP CORPORATE DIRECTORY

As at 30 June 2024

Legends:



HQ Office and Processing Facility



Farm and Processing Facility



Processing Facility



Farm

MALAYSIA



LARKIN, JOHOR

No. 11-1, Jalan Petaling,
Kawasan Perindustrian Larkin,
80350 Johor Bahru, Johor, Malaysia
Tel : +607 232 3463, +607 232 8771
Fax : +607 232 7622



DESARU, JOHOR

PTD 1721, KM 10,
Jalan Sedili Kecil,
Mukim Sedili Kecil,
81900 Kota Tinggi, Johor



MUADZAM SHAH, PAHANG

Plot D, KM6, Jalan Rompin,
26700 Muadzam Shah, Pahang



MAWAI, JOHOR

PTD 2975,
Mukim Ulu Sungai Sedili Besar,
81900 Kota Tinggi, Johor



UPM SERDANG, SELANGOR

Ladang 16, Bahagian Ternakan,
Taman Pertanian Universiti,
Universiti Putra Malaysia,
43400 Serdang, Selangor



TAIPING, PERAK

PT 12802,
Mukim Batu Kurau,
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34010 Daerah Larut Matang, Perak

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KYABRAM, VICTORIA

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Tel : +61(0)3 5852 1111



FITZROY, VICTORIA

16-18 St David St, Fitzroy,
Victoria 3065



GREATER SHEPPARTON, VICTORIA

315 Fidge Road, Undera,
Victoria 3629

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirteenth Annual General Meeting ("**13th AGM**") of Farm Fresh Berhad ("**Company**") will be conducted virtually through remote participation and electronic voting via the online meeting platform at <https://conveneagm.my/farmfreshagm2024> (Domain Registration Number registered with MYNIC - D6A475992) on Wednesday, 25 September 2024 at 2.30 p.m., and at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:

AGENDA

ORDINARY BUSINESS

- | | |
|--|---|
| 1. To receive the Audited Financial Statements for the financial year ended 31 March 2024 together with Reports of the Directors' and the Auditors' thereon. | Please refer to Explanatory Note 1 |
| 2. To note the retirement of Mr. Sukanta Kumar Dutt as Director who is not seeking for re-election in accordance with Clause 76(3) of the Constitution of the Company. | Please refer to Explanatory Note 2 |
| 3. To re-elect Dato' Dr. Quaza Nizamuddin Bin A. Hassan Nizam as Director in accordance with Clause 76(3) of the Constitution of the Company. | Ordinary Resolution 1 |
| 4. To approve the payment of a final single-tier dividend of 1.20 per ordinary share for the financial year ended 31 March 2024. | Ordinary Resolution 2 |
| 5. To approve the payment of Directors' fees of up to RM550,000.00 per annum for the period from 1 April 2024 to the next Annual General Meeting of the Company to be held in 2025. | Ordinary Resolution 3 |
| 6. To approve the payment of Directors' benefits of up to RM80,000.00 per annum to Non-Executive Chairman and Non-Executive Directors for the period from 1 April 2024 to the next AGM of the Company to be held in 2025 | Ordinary Resolution 4 |
| 7. To re-appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 5 |

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions:

- | | |
|--|------------------------------|
| 8. AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 FOR THE DIRECTORS TO ALLOT SHARES OR GRANT RIGHTS | Ordinary Resolution 6 |
|--|------------------------------|

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, the Directors be and are hereby empowered to allot and issue shares in the Company, at any time, at such price, upon such terms and conditions, for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total issued shares/total number of voting shares of the Company (excluding treasury shares) at the time of issue.

THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad ("**Bursa Securities**") and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

- | | |
|---|--|
| 9. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company | |
|---|--|

BY ORDER OF THE BOARD

CHIN WAI YI (MAICSA 7069783) (SSM PC NO. 202008004409)
Company Secretary

Kuala Lumpur
Dated: 31 July 2024

Notice of Annual General Meeting

Explanatory Notes on Ordinary Businesses:

1. Item 1 of the Agenda

Agenda item no. 1 is meant for discussion only as the provisions of Section 340 of the Companies Act 2016 does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is **not put forward for voting**.

2. Item 2 of the Agenda

Mr. Sukanta Kumar Dutt is due to retire at the 13th AGM pursuant to Clause 76(3) of the Constitution of the Company. Mr. Sukanta Kumar Dutt has informed the Board of his intention not to seek for re-election at the 13th AGM, hence he will retain office until the conclusion of the 13th AGM and retire in accordance with Clause 76(3) of the Constitution of the Company.

3. Item 3 of the Agenda

The Nomination and Remuneration Committee ("**NRC**") have considered the performance and contribution of the retiring Directors and have also assessed the independence of the Independent Non-Executive Director seeking for re-election.

Based on the results of the Board Evaluation conducted for the financial year ended 31 March 2024, the performance of the retiring Director was found to be satisfactory. In addition, the retiring Director had provided his annual declaration/confirmation on his fitness and propriety as well as independence, where applicable.

Based on the recommendation of the NRC, the Board supports the re-election of the Director based on the following justifications:

Dato' Dr. Quaza Nizamuddin Bin A. Hassan Nizam

: Dato' Dr. Quaza Nizamuddin Bin A. Hassan Nizam fulfils the requirements of independence set out in the MMLR of Bursa Securities. He remains objective and independent in expressing his views and participating in Board's deliberations and decision-making process.

Dato' Dr. Quaza Nizamuddin Bin A. Hassan Nizam has exercised his due care and carried out his professional duties proficiently during his tenure as an Independent Non-Executive Director of the Company.

4. Item 8 of the Agenda

The Ordinary Resolution 6 proposed under item 8 of the Agenda is to seek the shareholders' approval of a new general mandate for the issuance of shares by the Company under Sections 75 and 76 of the Companies Act 2016. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total ten per centum (10%) of the issued share capital of the Company for purpose of funding the working capital or strategic development of the Group. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting of the Company.

Notes:

1. The 13th AGM of the Company will be conducted as a virtual meeting through live streaming and online remote voting via Remote Participation and Voting ("**RPV**") facilities. The Company has appointed KPMG Management & Risk Consulting Sdn. Bhd. as the Poll Administrator for the 13th AGM to facilitate the RPV facilities via ConveneAGM at <https://conveneagm.my/farmfreshagm2024>. Shareholders of the Company are required to register for the 13th AGM not less than forty eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof. **(Please follow the procedures as stipulated in the Administrative Details).**
2. A member of the Company who is entitled to attend, speak and vote at this 13th AGM may appoint a proxy to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his(her) proxy without limitation.
3. Where a member appoints more than one (1) proxy to attend and vote at the 13th AGM, the appointment shall be invalid unless he(he) specifies the proportion of his(her) holdings to be represented by each proxy.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("**SICDA**"), he(he) may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.
5. Where a member of the Company is an exempt authorised nominee holding 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.
An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
6. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.
7. The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited at the following manner and must be received by the Company not less than forty eight (48) hours before the time appointed for holding the 13th AGM (no later than Monday, 23 September 2024 at 2.30 p.m.) or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid:
 - (a) **In hard copy form**
The original instrument appointing a proxy ("Proxy form") must be deposited at KPMG Management & Risk Consulting Sdn. Bhd. at Concourse, KPMG Tower, No. 8, First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
 - (b) **By electronic means**
The Proxy form can also be lodged electronically via ConveneAGM Meeting Platform at <https://conveneagm.my/farmfreshagm2024> or by email to support_conveneagm@kpmg.com.my. Please follow the procedures provided in the Administrative Guide for the 13th AGM in order to deposit the Proxy Form electronically.
8. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.
9. In respect of deposited securities, only members whose names appear in the Record of Depositors on 13 September 2024 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 13th AGM.
10. Any alteration in the Proxy Form must be initialed.
11. Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all the resolution set out in the Notice of 13th AGM will be put to the vote by poll.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 13th AGM and/or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 13th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 13th AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies), and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty

ADMINISTRATIVE GUIDE FOR THE THIRTEENTH ANNUAL GENERAL MEETING ("13TH AGM")

Meeting Date	: Wednesday, 25 September 2024
Time	: 2.30 p.m.
Meeting Platform	: ConveneAGM at https://conveneagm.my/farmfreshagm2024
Mode of Communication	: i. Submit questions to the Board prior to the 13th AGM via ConveneAGM at https://conveneagm.my/farmfreshagm2024 or emailing to support.conveneagm@kpmg.com.my not later than 2.30 p.m., Monday, 23 September 2024 ii. Pose questions to the Board via real time submission of typed texts at ConveneAGM at https://conveneagm.my/farmfreshagm2024 during live streaming of the 13th AGM
Online meeting platform	: https://conveneagm.my/farmfreshagm2024 (Domain Registration Number registered with MYNIC - D6A475992)

MODE OF MEETING

The Company will be conducting its forthcoming 13th AGM on a virtual basis through remote participation and electronic voting ("RPEV") facilities.

In line with the Practice 13.3 of the Malaysian Code on Corporate Governance, by conducting a virtual Annual General Meeting ("AGM"), this would facilitate greater shareholder participation as it facilitates electronic voting and remote shareholders' participation. With the RPEV facilities, you may exercise your right as a member of the Company to participate (including the right to pose questions to the Board of Directors and/or Management of the Company) and vote at the 13th AGM. Alternatively, you may also appoint the Chairman of the Meeting as your proxy to attend and vote on your behalf at the 13th AGM.

ENTITLEMENT TO PARTICIPATE AND VOTE

In respect of deposited securities, only members whose names appear in the Record of Depositors on 13 September 2024 (General Meeting Record of Depositors) shall be eligible to participate the 13th AGM or appoint proxy(ies) to participate and/or vote on his/her behalf.

FORM(S) OF PROXY

Shareholders who are unable to participate in our online AGM are encouraged to appoint the Chairman of the Meeting as your proxy and indicate the voting instructions in the proxy form. Please take note that you must complete the proxy form for the AGM should you wish to appoint proxy(ies).

The proxy form may be made in hard copy or by electronic means, not less than forty-eight (48) hours before the time appointed for holding the meeting, i.e. latest by **2.30 p.m., Monday, 23 September 2024** as follows:

(i) In hard copy form

The proxy form must be deposited at the office of our Administration and Polling Agent:

KPMG Management & Risk Consulting Sdn Bhd

Concourse, KPMG Tower,
No. 8, First Avenue, Bandar Utama,
47800 Petaling Jaya,
Selangor Darul Ehsan, Malaysia

(ii) By electronic means

The proxy form can also be lodged electronically through ConveneAGM Meeting Platform at <https://conveneagm.my/farmfreshagm2024> or email to support_conveneagm@kpmg.com.my.

You may follow the steps below to lodge electronic proxy via ConveneAGM Meeting Platform:-

- Go to <https://conveneagm.my/farmfreshagm2024>.
- Select **"Register as Shareholder"**.
- Fill out the form with the required information and select **"Submit Registration"**.
- A confirmation will be displayed after a successful registration.
- Check your email for the next step.
- Open the email from AGM@Convene (agmaccounts@conveneagm.com)
- Select **"Verify Your Email"**.
- After the email verification, you will be redirected to create your own personalised password.
- Sign in to <https://conveneagm.my/farmfreshagm2024>.
- Select **"Fill Out proxy form"**.

REVOCAION OF PROXY

If you have submitted your proxy form prior to the meeting and subsequently decide to participate at the meeting yourself, please write in to support_conveneagm@kpmg.com.my to revoke the appointment of your proxy(ies) at least forty-eight (48) hours before the 13th AGM.

Alternatively, you may register for RPEV facility or appoint another proxy. In such an event, your earlier appointment of proxy shall be revoked.

Please advise your proxy accordingly.

VOTING PROCEDURE

The voting procedure will be conducted by poll in accordance with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed KPMG Management & Risk Consulting Sdn. Bhd. (**"KPMG"**) as Poll Administrator to conduct the poll by way of electronic voting (**"e-voting"**) and TGS TW PLT as Independent Scrutineer to verify and validate the poll results.

During the AGM, the Chairman of the meeting will invite the poll Administrator to brief on the e-voting housekeeping rules. The e-voting session will commence as soon as the Chairman call for the poll to be opened and until such time when the Chairman announces the closure of the poll.

For the purposes of the virtual AGM, e-voting will be carried out via personal smart phones, tablets, or personal computers/laptops.

Upon the conclusion of the e-voting session, the Independent Scrutineer will verify the poll results followed by declaration by the chairman of the meeting whether the resolutions put to vote were successfully carried or not.

PROCEDURES FOR RPEV FACILITIES

All shareholders including (i) individual shareholders; (ii) corporate shareholders; (iii) authorised nominees; and (iv) exempt authorised nominees shall use the RPEV facility at <https://conveneagm.my/farmfreshagm2024> to participate and vote remotely at the 13th AGM.

Administrative Guide for the Thirteenth Annual General Meeting ("13th AGM")

All shareholders who wish to participate at the 13th AGM are required to register online at ConveneAGM Meeting Platform (<https://conveneagm.my/farmfreshagm2024>).

Registration for remote access will open from Wednesday, 31 July 2024 until the day of the 13th AGM on Wednesday, 25 September 2024.

Shareholders are encouraged to register at least forty eight (48) hours before the commencement of the 13th AGM to allow some time for the Company to verify the shareholder status and to avoid any delay in registration.

Kindly follow the steps below or provided in the AGM User Guide at <https://cdn.azeusconvene.com/wp-content/uploads/brochures/Getting-Started-with-ConveneAGM.pdf> on how to register online:-

Pre Meeting Day -

Registration for Shareholders and/or Corporate Representatives

- Go to <https://conveneagm.my/farmfreshagm2024>.
- Select **"Register as Shareholder"**.
- Fill out the form with the required information and click to **"Submit Registration"**.
- A confirmation will be displayed after a successful registration.
- Check your email for the next step.
- Open the email from AGM@Convene (agmaccounts@conveneagm.com).
- Select **"Verify Your Email"**.
- After the email verification, you will be redirected to create your own personalised password.
- Upon system verification against the Record of Depositors and Register of Members as at 18 September 2024, you will receive email from AGM@Convene indicating that your registration is approved or rejected.

Please note that the corporate shareholders who require their corporate representative to participate and vote at the AGM must deposit their certificate of appointment of corporate representative to KPMG not later than Monday, 23 September 2024 at 2.30 p.m.

Pre Meeting Day -

Registration for Proxyholders

- As Proxy, you will receive an email from AGM@Convene (agmaccounts@conveneagm.com) once you are appointed by your shareholder.
- Open the email from AGM@Convene (agmaccounts@conveneagm.com).
- Select **"Verify Your Email"**.
- After the email verification, you will be redirected to create your own personalised password.

Please note that in the event the shareholder who appointed you cannot be authenticated against the Record of Depositors and Register of Members as at 18 September 2024, your registration will not be valid.

Meeting Day -

Participation by Shareholders, Proxies and/or Corporate Representatives during AGM

- Login to <https://conveneagm.my/farmfreshagm2024>.
 - Click to start live webcast.
 - Proceed to ask question and/or vote when permissible.
-

NO VOUCHERS/DOOR GIFTS

There will be **NO VOUCHER(S) OR ANY DOOR GIFT(S)** for shareholders/proxies who participate in the AGM.

PRE-MEETING SUBMISSION OF QUESTIONS TO THE BOARD OF DIRECTORS

The shareholders may submit questions to the Company via ConveneAGM at <https://conveneagm.my/farmfreshagm2024> or e-mail to support_conveneAGM@kpmg.com.my **not later than 2.30 p.m., Monday, 23 September 2024** prior to the AGM to transmit questions to Board of Directors. The Chairman and Board of Directors will endeavour their best to respond to the questions submitted by the shareholders which are related to the resolutions to be tabled at the AGM.

RECORDING OR PHOTOGRAPHY AT THE AGM

Strictly no recording or photography of the AGM proceedings is allowed.

ENQUIRY

Should you require any assistance on the RPEV facility, kindly contact KPMG, details as follows:

- (a) For matters relating to proxy processing and eligibility to participate at the 13th AGM [During office hours on Mondays to Fridays (except on public holidays) from 8:30 a.m. to 5:30 p.m].

Email : support_conveneagm@kpmg.com.my
 Telephone No. : 603-7721 7329/ 7954/ 7780

- (b) For ConveneAGM Technical Support (available 24/7)

Toll Free No : 1 800 817 240
 Email : support@conveneagm.com
 Live Chat : Click on the chat icon at the bottom right side of <https://conveneagm.my/farmfreshagm2024>.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 13th AGM and/or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 13th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 13th AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies), and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty

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FARM FRESH BERHAD
Registration No.: 201001010221 (894851-U)

PROXY FORM

Number of Shares Held	CDS Account No.

I/We, _____ NRIC/Passport No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

contact no. _____ email address _____ being a member/members of **Farm Fresh Berhad ("Company")** hereby appoint the person(s) below as my/our proxy(ies) to vote for me/us and on my/our behalf at the Thirteenth Annual General Meeting ("**13th AGM**") of the Company to be conducted virtually through remote participation and electronic voting via the online meeting platform at <https://conveneagm.my/farmfreshagm2024> (Domain Registration Number registered with MYNIC - D6A475992) on Wednesday, 25 September 2024 at 2.30 p.m., and at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:

IMPORTANT NOTE:

Please (i) tick [✓] either **ONE** of the option (a) or (b) for the number of proxy which you wish to appoint, (ii) complete the details of your proxy/proxies and the proportion of your shareholding to be represented (if applicable), (iii) please tick [✓] option (c) if you would like to appoint the Chairman of the 13th AGM as the proxy or failing the proxy to vote on your behalf and (iv) sign or execute this form.

Option	Name of proxy(ies)	NRIC/Registration No.	Email Address & Phone Number	Proportion of shareholding to be represented
(a)	Appoint ONE proxy only (Please complete details of proxy below)			
				100%
(b)	Appoint MORE THAN ONE proxy (Please complete details of proxies below)			
Proxy 1				%
Proxy 2				%
				100%
(c)	The Chairman of the 13th AGM as my/our proxy and/or failing the above proxy to vote for me/us on my/our behalf			

*My/our *proxy/proxies shall vote as follows:-

Please indicate with an "X" in the appropriate box provided to indicate how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on the Resolutions, the proxy shall vote at his/her discretion, or abstain from voting as the proxy thinks fit.

NO.	RESOLUTIONS	FOR		AGAINST	
		PROXY 1	PROXY 2	PROXY 1	PROXY 2
Ordinary Resolution 1	To re-elect Dato' Dr. Quaza Nizamuddin Bin A. Hassan Nizam as Director in accordance with Clause 76(3) of the Constitution of the Company.				
Ordinary Resolution 2	To approve the payment of a final single-tier dividend of 1.20 per ordinary share for the financial year ended 31 March 2024.				
Ordinary Resolution 3	To approve the payment of Directors' fees of up to RM550,000.00 per annum for the period from 1 April 2024 to the next Annual General Meeting of the Company to be held in 2025.				
Ordinary Resolution 4	To approve the payment of Directors' benefits of up to RM80,000.00 per annum to Non-Executive Chairman and Non-Executive Directors for the period from 1 April 2024 to the next AGM of the Company to be held in 2025				
Ordinary Resolution 5	To re-appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.				
Ordinary Resolution 6	To grant authority under Sections 75 and 76 of the Companies Act 2016 for the Directors to allot shares or grant rights.				

Dated this _____ day of _____ 2024

Signature/Common Seal of Shareholder

Contact No: _____



Notes:

1. The 13th AGM of the Company will be conducted as a virtual meeting through live streaming and online remote voting via Remote Participation and Voting ("**RPV**") facilities. The Company has appointed KPMG Management & Risk Consulting Sdn. Bhd. as the Poll Administrator for the 13th AGM to facilitate the RPV facilities via ConveneAGM at <https://conveneagm.my/farmfreshagm2024>. Shareholders of the Company are required to register for the 13th AGM not less than forty eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof. **(Please follow the procedures as stipulated in the Administrative Details).**
2. A member of the Company who is entitled to attend, speak and vote at this 13th AGM may appoint a proxy to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his(her) proxy without limitation.
3. Where a member appoints more than one (1) proxy to attend and vote at the 13th AGM, the appointment shall be invalid unless he/she specifies the proportion of his(her) holdings to be represented by each proxy.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("**SICDA**"), he/she may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.
5. Where a member of the Company is an exempt authorised nominee holding 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.
An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
6. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.
7. The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited at the following manner and must be received by the Company not less than forty eight (48) hours before the time appointed for holding the 13th AGM (no later than Monday, 23 September 2024 at 2.30 p.m.) or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid:

(a) In hard copy form

The original instrument appointing a proxy ("**Proxy form**") must be deposited at KPMG Management & Risk Consulting Sdn. Bhd. at Concourse, KPMG Tower, No. 8, First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

(b) By electronic means

The Proxy form can also be lodged electronically via ConveneAGM Meeting Platform at <https://conveneagm.my/farmfreshagm2024> or by email to support_conveneagm@kpmg.com.my. Please follow the procedures provided in the Administrative Guide for the 13th AGM in order to deposit the Proxy Form electronically.

8. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.
9. In respect of deposited securities, only members whose names appear in the Record of Depositors on 13 September 2024 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 13th AGM.
10. Any alteration in the Proxy Form must be initialed.
11. Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all the resolution set out in the Notice of 13th AGM will be put to the vote by poll.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 13th AGM and/ or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 13th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 13th AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies), and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty

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AFFIX
STAMP

GAP Advisory Sdn. Bhd.
[Registration No.: 202001042098 (1398419-T)]

E-10-4 Megan Avenue 1
189, Jalan Tun Razak
50400 Kuala Lumpur

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FARM FRESH BERHAD

Registration No.: 201001010221 (894851-U)

No.11-1, Jalan Petaling
Kawasan Perindustrian Larkin
80350 Johor Bahru, Johor

Tel. No.: +607-232 3463

Website: www.farmfresh.com.my