

Directors' Report

For the financial year ended 31 December 2024

The Directors have pleasure in presenting the Directors' Report ("Report") together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

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

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

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

There was no significant change in the nature of these activities during the financial year other than the venture into new business verticals as disclosed in Note 40.

CHANGE OF NAME

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

FINANCIAL RESULTS

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

DIVIDENDS

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

	RM'000
Dividends for the financial year ended 31 December 2023:	
– Special dividend of 5.70 sen per share, declared on 27 October 2023, and paid in cash on 24 January 2024	394,196
– Final dividend of 6.05 sen per share, paid in cash on 20 May 2024	418,401
Dividends for the financial year ended 31 December 2024:	
– Interim dividend of 4.65 sen per share, paid in cash on 15 November 2024	321,580
	1,134,177

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

Directors’ Report

For the financial year ended 31 December 2024

RESERVES AND PROVISIONS

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

SHARE CAPITAL, PERPETUAL SUKUK AND DEBENTURES

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

DIRECTORS

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

Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani	
Datuk Mohamad Helmy Othman Basha	
Dato’ Halipah Esa	
Tan Sri Mohd Zuki Ali	(Appointed on 15 January 2025)
Dato’ Mohd Nizam Zainordin	
Datuk Mohd Anwar Yahya	
Dato’ Idris Kechot	
Dato’ Sri Sharifah Sofianny Syed Hussain	
Mohd Irwan Ahmad Mustafa @ Mustafa	
Jenifer Thien Bit Leong	
Ahmad Faiz Ahmad Shahrudin	
(Alternate Director to Mohd Irwan Ahmad Mustafa @ Mustafa)	
Sharifah Sheila Syed Muhamad	(Appointed on 5 February 2024 and resigned on 19 December 2024)

DIRECTORS’ REMUNERATION

Total Directors’ remuneration incurred by the Group and the Company for the financial year ended 31 December 2024 were RM13.5 million (2023: RM10.4 million) and RM13.0 million (2023: RM9.9 million) respectively. Further details are disclosed in Note 10 to the financial statements.

DIRECTORS’ BENEFITS

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

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

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

DIRECTORS’ INTERESTS IN SHARES

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

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

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

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

ii. to ensure that any current assets, which were unlikely to realise in the ordinary course of business, their values of current assets as shown in the accounting records of the Group and of the Company, have been written down to amounts which they might be expected to realise.
- b. At the date of this Report, the Directors are not aware of any circumstances:

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

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

iii. which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- c. As at the date of this Report:

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

ii. there are no contingent liabilities in the Group or in the Company which have arisen since the end of the financial year other than those arising in the ordinary course of business.
- d. At the date of this Report, the Directors are not aware of any circumstances not otherwise dealt within the Report or financial statements which would render any amount stated in the financial statements misleading.
- e. In the opinion of the Directors:

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

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

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

Directors’ Report

For the financial year ended 31 December 2024

LIST OF DIRECTORS OF SUBSIDIARIES

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

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

SUBSIDIARIES

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

IMMEDIATE AND ULTIMATE HOLDING COMPANIES

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

AUDITORS

Total fees for statutory audits provided by the Company’s auditors and its member firms are RM 13.0 million (2023: RM13.7 million), while total fees for assurance related and non-audit services are RM 3.9 million (2023: RM3.5 million). Non-audit services provided by the Company’s auditors and its member firms comprised tax related services and other advisory services.

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

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

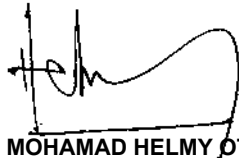
The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

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



TAN SRI DR NIK NORZRUL THANI NIK HASSAN THANI
DIRECTOR

Selangor
17 April 2025



DATUK MOHAMAD HELMY OTHMAN BASHA
DIRECTOR

Statements of Profit or Loss

For the financial year ended 31 December 2024

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

Statements of Comprehensive Income

For the financial year ended 31 December 2024

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

Statements of Financial Position

As at 31 December 2024

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

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

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2024

	GROUP									
	Attributable to equity holders of the Company									
	Note	Share capital RM'000	Hedging reserve RM'000	Capital reserve RM'000	Investments at FVOCI reserve RM'000	Exchange reserve RM'000	Merger reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000
At 1 January 2024		1,633,790	8,433	9,048	20,763	1,284,535	(17,696)	14,803,683	17,742,556	432,799
Profit for the financial year		-	-	-	-	-	-	2,163,808	2,163,808	55,062
Other comprehensive income/(loss) for the financial year		-	4,339	-	9,197	(705,789)	-	11,853	(680,400)	(22,843)
Total comprehensive income/(loss) for the financial year		-	4,339	-	9,197	(705,789)	-	2,175,661	1,483,408	32,219
Transactions with equity holders:										
– dividends	13,34	-	-	-	-	-	-	(739,981)	(739,981)	(21,755)
– distribution to Perpetual Sukuk holders	33	-	-	-	-	-	-	-	(124,300)	-
At 31 December 2024		1,633,790	12,772	9,048	29,960	578,746	(17,696)	16,239,363	18,485,983	443,263
At 1 January 2023		1,633,790	9,516	9,048	20,146	716,128	(17,696)	13,996,297	16,367,229	418,068
Profit for the financial year		-	-	-	-	-	-	1,860,040	1,860,040	49,039
Other comprehensive (loss)/income for the financial year		-	(1,083)	-	617	591,203	-	(15,988)	574,749	19,733
Disposal of subsidiaries	30c	-	-	-	-	(22,796)	-	-	(22,796)	-
Total comprehensive (loss)/income for the financial year		-	(1,083)	-	617	568,407	-	1,844,052	2,411,993	68,772
Transactions with equity holders:										
– dividends	13,34	-	-	-	-	-	-	(1,036,666)	(1,036,666)	(54,041)
– distribution to Perpetual Sukuk holders	33	-	-	-	-	-	-	-	(123,959)	-
At 31 December 2023		1,633,790	8,433	9,048	20,763	1,284,535	(17,696)	14,803,683	17,742,556	432,799

Company Statement of Changes in Equity

For the financial year ended 31 December 2024

	COMPANY						
	Attributable to equity holders of the Company						
	Note	Share capital RM'000	Investments at FVOCI reserve RM'000	Hedging reserve RM'000	Retained earnings RM'000	Total RM'000	Total equity RM'000
At 1 January 2024		1,633,790	21,861	(57)	8,959,092	10,614,686	12,845,744
Profit for the financial year		-	-	-	1,942,841	1,942,841	2,067,481
Other comprehensive income for the financial year		-	9,195	-	-	9,195	9,195
Total comprehensive income for the financial year		-	9,195	-	1,942,841	1,952,036	2,076,676
Transactions with equity holders:							
– dividends	13	-	-	-	(739,981)	(739,981)	(739,981)
– distribution to Perpetual Sukuk holders	33	-	-	-	-	(124,300)	(124,300)
At 31 December 2024		1,633,790	31,056	(57)	10,161,952	11,826,741	14,058,139
At 1 January 2023		1,633,790	21,232	(57)	8,157,555	9,812,520	12,043,237
Profit for the financial year		-	-	-	1,837,522	1,837,522	1,961,822
Other comprehensive income for the financial year		-	629	-	681	1,310	1,310
Total comprehensive income for the financial year		-	629	-	1,838,203	1,838,832	1,963,132
Transactions with equity holders:							
– dividends	13	-	-	-	(1,036,666)	(1,036,666)	(1,036,666)
– distribution to Perpetual Sukuk holders	33	-	-	-	-	(123,959)	(123,959)
At 31 December 2023		1,633,790	21,861	(57)	8,959,092	10,614,686	12,845,744

Statements of Cash Flows

For the financial year ended 31 December 2024

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

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

Statements of Cash Flows

For the financial year ended 31 December 2024

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

NOTES TO STATEMENTS OF CASH FLOWS

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

	COMPANY	
	2024 RM'000	2023 RM'000
Dividend received through intercompany settlement	499,977	–
Tax credit utilisation	49,945	–

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

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

Statements of Cash Flows

For the financial year ended 31 December 2024

NOTES TO STATEMENTS OF CASH FLOWS (CONTINUED)

c. Reconciliation of liabilities arising from financing activities

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

GROUP				
	Note	Borrowings* RM'000	Lease liabilities RM'000	Total RM'000
2024				
At 1 January 2024		5,305,428	219,569	5,524,997
Cash flows from financing activities				
Finance costs paid		(284,738)	–	(284,738)
Loans raised		5,159,997	–	5,159,997
Borrowing transaction cost paid		–	–	–
Loan repayments		(5,230,728)	–	(5,230,728)
Repayment of lease liabilities		–	(48,647)	(48,647)
Non-cash changes				
Finance costs	9	290,863	10,817	301,680
Recognition of additional lease liabilities		–	39,227	39,227
Exchange differences		(114,990)	(16,308)	(131,298)
At 31 December 2024		5,125,832	204,658	5,330,490
2023				
At 1 January 2023		6,118,118	172,265	6,290,383
Cash flows from financing activities				
Finance costs paid		(325,445)	–	(325,445)
Loans raised		7,277,127	–	7,277,127
Borrowing transaction cost paid		(15,555)	–	(15,555)
Loan repayments		(8,305,794)	–	(8,305,794)
Repayment of lease liabilities		–	(53,980)	(53,980)
Non-cash changes				
Finance costs	9	331,274	10,070	341,344
Recognition of additional lease liabilities		–	78,077	78,077
Exchange differences		225,703	13,137	238,840
At 31 December 2023		5,305,428	219,569	5,524,997

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

NOTES TO STATEMENTS OF CASH FLOWS (CONTINUED)

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

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

COMPANY					
	Note	Borrowings* RM'000	Lease liabilities RM'000	Amounts due to subsidiaries RM'000	Total RM'000
2024					
At 1 January 2024		4,123,293	–	1,836,285	5,959,578
Cash flows from financing activities					
Finance costs paid		(213,825)	–	(7,589)	(221,414)
Loans raised		2,040,000	–	–	2,040,000
Loan repayments		(2,223,102)	–	–	(2,223,102)
Advances from subsidiaries		–	–	721,310	721,310
Repayment of advances from subsidiaries		–	–	(1,030,426)	(1,030,426)
Cash flows from operating activities					
Working capital changes		–	–	231,034	231,034
Non-cash changes					
Finance costs	9	221,327	–	53,461	274,788
Exchange differences		(25,484)	–	(9,165)	(34,649)
At 31 December 2024		3,922,209	–	1,794,910	5,717,119
2023					
At 1 January 2023		4,741,810	6,108	1,269,518	6,017,436
Cash flows from financing activities					
Finance costs paid		(249,760)	–	(7,246)	(257,006)
Loans raised		5,079,335	–	–	5,079,335
Borrowing transaction cost paid		(15,555)	–	–	(15,555)
Loan repayments		(5,848,529)	–	–	(5,848,529)
Advances from subsidiaries		–	–	700,767	700,767
Repayment of advances from subsidiaries		–	–	(1,336,196)	(1,336,196)
Cash flows from operating activities					
Working capital changes		–	–	1,077,572	1,077,572
Non-cash changes					
Finance costs	9	262,989	–	88,963	351,952
Derecognition of lease liabilities		–	(6,108)	–	(6,108)
Exchange differences		153,003	–	42,907	195,910
At 31 December 2023		4,123,293	–	1,836,285	5,959,578

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

Notes to the Financial Statements

For the financial year ended 31 December 2024

1. CORPORATE INFORMATION

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

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

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

There was no significant change in the nature of these activities during the financial year other than the venture into new business verticals as disclosed in Note 40.

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

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

2. BASIS OF PREPARATION

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

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

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

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

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

i. Amendments that are effective on or after 1 January 2024

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

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

2. BASIS OF PREPARATION (CONTINUED)

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

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

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

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

- Amendments to MFRS 9 and MFRS 7 on “Classification and Measurement of Financial Instruments” and “Contracts Referencing Nature-dependent Electricity”

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

- MFRS 18 on the Presentation and Disclosure in Financial Statements

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

Other than the above, the accounting pronouncements listed above are not expected to have any significant effect on the financial statements of the Group and the Company.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The following material accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements, and to all the financial years presented, unless otherwise stated.

a. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries made up to the end of the financial year and are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Business combinations under common control are accounted using the predecessor method of accounting.

The difference in cost of acquisition over the aggregate carrying value of the assets and liabilities of the combining entities as of the date of the combination is taken to equity. Transaction costs for the combination are recognised in profit or loss.

A similar treatment applies in the Company’s separate financial statements when assets and liabilities representing the underlying businesses under common control are directly acquired by the Company.

b. Foreign currencies

i. Presentation and functional currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The consolidated financial statements are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency.

ii. Transactions and balances

Foreign currency transactions and monetary items are translated into the functional currency using the exchange rates prevailing at the transaction dates and at the end of the reporting period, respectively. Foreign exchange differences arising therefrom and on settlement are recognised in profit or loss.

Foreign exchange differences arising from the translation of a monetary item designated as hedge of net investment in a foreign operation are recognised in other comprehensive income in the consolidated financial statements until the net investment is disposed.

Notes to the Financial Statements

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

b. Foreign currencies (continued)

iii. Translation of foreign currency financial statements

For consolidation purposes, foreign operations’ results are translated into the Group’s presentation currency at average exchange rates for the financial year whilst the assets and liabilities, including goodwill and fair value adjustments arising on consolidation, are translated at exchange rates ruling at the end of the reporting period. The resulting translation differences are recognised in other comprehensive income and accumulated in exchange reserve.

Intercompany loans where settlement is neither planned nor likely to occur in the foreseeable future, are treated as part of the parent’s net investment. Translation differences arising therefrom are recognised in other comprehensive income and reclassified from equity to profit or loss upon repayment or disposal of the relevant entity.

Exchange reserve in respect of a foreign operation is recognised to profit or loss when control, joint control or significant influence over the foreign operation is lost. On partial disposal without losing control, a proportion of the exchange reserve in respect of the subsidiary is re-attributed to the non-controlling interests. The proportionate share of the cumulative translation differences is reclassified to profit or loss in respect of all other partial disposals.

c. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

All costs directly related to bearer plants are capitalised until such time as the bearer plants reach maturity, at which point all further costs are expensed and depreciation commences. Such costs include seedling and planting costs, other upkeep costs and an allocation of overhead costs.

Freehold land is not depreciated as it has indefinite life. Depreciation commences when the bearer plants mature or when the assets under construction are ready for their intended use. Other property, plant and equipment are depreciated on a straight-line basis to write down the cost or valuation of each asset to their residual value over their estimated useful lives as follows:

Buildings	20 to 50 years
Bearer plants	
• Oil palm	22 years, or the lease term, if shorter
• Rubber trees	24 years, or the lease term, if shorter
• Growing canes	5 years, or the lease term, if shorter
Plant and machinery	5 to 40 years
Vehicles, equipment and fixtures	3 to 10 years

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

d. Investment properties

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated as it has an infinite life. Other investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual value over their estimated useful lives as follows:

Buildings	20 to 50 years, or over the lease term, if shorter
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e. Biological assets

Biological assets comprise cattle livestock and produce growing on bearer plants. Biological assets are measured at fair value less costs of disposal. Any gains or losses arising from changes in the fair value less costs of disposal net of transfers to produce stocks are recognised net in profit or loss. Fair value is determined based on the present value of expected net cash flows from the biological assets. The expected net cash flows are estimated using the expected output method and the estimated market price of the biological assets.

Biological assets are classified as current assets for bearer plants that are expected to be harvested and livestock that are expected to be sold or used for production on a date not more than 12 months after the reporting date.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

f. Intangible assets

i. Agricultural development costs

Internally generated research and development costs relating to the development of oil palm genomic data and techniques, as well as clonal technology with the objective of increasing yields and profit streams from the Group’s plantation are capitalised as agriculture development costs. Once the development enters into commercial production, the asset will be amortised over its estimated useful life of 5 to 20 years.

ii. Smallholder relationships

Smallholder relationships have arisen on the acquisition of subsidiaries. These assets reflect the economic relationship between Group and the smallholders who cultivate and harvest fresh fruits bunches on land owned by the smallholders. These assets are shown at fair value on acquisition of subsidiaries and subsequently subject to amortisation on a straight line basis over the estimated average remaining lease term of the Group’s land of 45 years. The smallholder relationships are tested for impairment whenever an indication of impairment exists.

iii. Computer software

Amortisation is calculated using the straight-line basis over their estimated useful lives. The annual amortisation rates range from 10% to 33%.

iv. Intellectual property rights

Intellectual property rights acquired from third parties are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line basis over their estimated useful life of 20 years.

g. Inventories

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

Costs for palm oil products and sugar stock includes all direct expenses, an appropriate proportion of variable and fixed overheads arising from manufacturing and head office expenses and the estimated fair value less costs of disposal attributed to agriculture produce at the point of harvest in accordance with MFRS 141 “Agriculture”. The fair value of biological assets harvested from the Group’s own plantations and sold during the financial year are recorded as part of the biological assets movement in Note 16 and as part of “fair value changes in biological assets (net)” in determining the profit or loss.

The cost of inventories is determined on a weighted average basis whilst net realisable value is the estimated selling price in the ordinary course of business, less estimated cost to completion and estimated selling expenses.

h. Derivatives and hedging activities

A derivative that is neither designated nor an effective hedging instrument is categorised under fair value through profit or loss and changes in its fair value is recognised in profit or loss. In the case of a derivative that qualifies for cash flow hedge, the effective portion of changes in its fair value is recognised in other comprehensive income.

Changes in the fair value of a derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of hedged assets or liabilities that attributable to the hedged risk.

The Group and the Company document at the inception of the hedge relationship, the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group and the Company document its risk management objective and strategy for undertaking its hedge transaction.

Notes to the Financial Statements

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

i. Employee benefits

The Group has various defined benefit pension plans, some of which are funded by payments from the relevant group of companies in various countries. The Group’s defined benefit pension plans are determined based on a periodic actuarial valuation by external consultants where the amount of the benefits that eligible employees have earned in return for their services in the current and prior financial year are estimated.

The liabilities in respect of the defined benefit pension plans are the present value of the defined benefit obligations at the end of the reporting period, adjusted for actuarial gains and losses and past service costs, and reduced by the fair value of the plan assets. The defined benefit obligations, calculated using the Projected Unit Credit Method, are determined by independent actuaries, considering the estimated future cash outflows.

The current service cost of the defined benefit plan reflects the increase in the defined benefit obligation resulting from employee service in the current financial year. It is recognised in profit or loss in employee benefit expense, except where included in the cost of an asset.

Actuarial gains or losses arising from market adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

j. Revenue recognition

i. Revenue from contracts with customers

Sales of agricultural produce and refined palm oil related products

The Group’s and the Company’s revenue are derived mainly from its upstream and downstream operations.

In the upstream operations, revenue is from sales of agricultural produce such as crude palm oil (“CPO”), fresh fruit bunches (“FFB”), palm kernel (“PK”), rubber, beef and sugar. In the downstream operations, revenue is derived from sales of refined oil related products and provision of freight and tolling services.

Revenue from sales of agricultural produce and refined palm oil related products are recognised net of discount and taxes collected on behalf at the point in time when control of the goods has transferred to the customer. Depending on the terms of the contract with the customer, control transfers either upon delivery of the goods to a location specified by the customer and acceptance of the goods by the customer; or upon delivery of the goods on board vessels or tankers for onward delivery to the customer.

Contracts where control of goods transfer to the customer upon delivery of the goods on board vessels or tankers are often bundled with freight services. In such contracts, sale of goods and provision of freight are accounted for as separate performance obligations as the customer can benefit from the sale of goods and freight services on its own or with the use of other resources. The transaction price is allocated to each performance obligation based on the stand-alone selling prices of the goods and services.

There is no element of financing present as the Group’s and the Company’s sale of goods are either on cash terms (immediate payments or advance payments not exceeding 30 days); or on credit terms of up to 30 days. The Group’s and the Company’s obligations to provide quality claims against off-spec goods under the Group’s and the Company’s standard contractual terms are recognised as a provision.

Rendering of services - Provision for freight, tolling and other services

Revenue from provision of freight is recognised in the accounting period in which services are rendered. In cases where customers pay for the bundled contract in advance to the rendering of the freight services, a contract liability is recognised.

Revenue from the provision of tolling services is recognised in the period in which the manufacturing activities are performed. There is no element of financing present as the sales are made with credit terms of up to 30 days.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

j. Revenue recognition (continued)

ii. Revenue from other sources

Specific revenue recognition criteria for other revenue and income earned by the Group and the Company are as follows:

- Rental income - recognised on a straight-line basis over the lease terms.
- Dividend income - recognised when the right to receive payment is established.

k. Leases

The Group as a lessee

The Group and the Company recognise a right-of-use (“ROU”) asset and a lease liability at the lease commencement date.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property, plant and equipment as follows:

Leasehold land	over the lease period ranging from 20 to 999 years
Buildings	20 to 50 years, or over the lease term, if shorter
Plant and machinery	5 to 40 years, or over the lease term, if shorter
Vehicles, equipment and fixtures	5 years, or over the lease term, if shorter

l. Commodity futures, forward contracts and options

Commodity futures, forward contracts and options are entered into by the Group and the Company to manage exposure to adverse movements in vegetable oil prices. Certain contracts are entered into and continue to be held for the purpose of the receipt or delivery of the physical commodity in accordance with the Group’s and the Company’s expected purchase, sale or usage requirements. Accordingly, such contracts are deemed not to be financial instruments. Gains or losses arising from these contracts are deferred and included in the measurement of the purchase or sale transactions only upon the recognition of the anticipated transactions.

Certain of the Group’s commodity forward purchase and sale contracts are irrevocably designated and measured at fair value through profit or loss (fair value option). The application of the fair value model is made where either doing so eliminates or significantly reduces an accounting mismatch, or a group of financial liabilities or liabilities and assets are managed on a fair value basis. Changes in the market values of these commodity contracts are recognised in the profit or loss and are estimated using valuation techniques as described in Note 45b.

Contracts entered other than for the purpose of the receipt or delivery of physical commodity are treated as derivatives.

Notes to the Financial Statements

For the financial year ended 31 December 2024

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

The preparation of financial statements in conforming with MFRS requires the use of certain critical accounting estimates that involve complex and subjective judgements and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. The Directors exercise their judgement in the process of applying the Group's accounting policies. Estimates and assumptions are based on the Directors' best knowledge of current events. Such estimates and judgement could change from period to period and have a material impact on the results, financial position, cash flows and other disclosures.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

a. Impairment of non-financial assets

The Group determines whether the goodwill is impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units ("CGU") to which the goodwill is allocated. Estimating the recoverable amount requires management to make an estimate of the expected future cash flows from the CGUs and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The recoverable amounts of the CGUs were determined based on the value-in-use ("VIU") calculations. The VIU is the net present value of the projected future cash flows derived from the CGU discounted at an appropriate discount rate. Projected cash flows are estimates made based on the historical and industry trends, general market and economic conditions and other available information.

The carrying amount of the Group's and the Company's goodwill as at 31 December 2024 were RM2,274.9 million, arising from the acquisition of New Britain Palm Oil Limited ("NBPOL") and RM1,963.0 million arising from the merger exercise of plantation businesses respectively as disclosed in Note 21i to the financial statements. Based on the impairment assessments, no impairment charge is required. The key assumptions are disclosed in Note 21i to the financial statements.

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

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

5. REVENUE

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

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

a. Disaggregation of revenue from contracts with customers

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

- i.

Revenue from bulk products include crude palm oil ("CPO"), crude palm kernel oil ("CPKO") which is crushed in kernel crushing plants, basic refined products comprising Refined Bleached Deodorised ("RBD") palm oil, RBD palm olein, stearin and Palm Fatty Acid Distillate ("PFAD") which are refined in the bulk refineries and coconut oils products which are extracted from the copra.
- ii.

Revenue from differentiated products include sales of products catering to customers' specific requirements, such as shortenings, margarine, ghee, frying shortenings and palm kernel cake.
- iii.

Revenue from tolling include service fees charged on tolling arrangement.

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

Notes to the Financial Statements

For the financial year ended 31 December 2024

5. REVENUE (CONTINUED)

b. Revenue from other sources

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

6. OPERATING EXPENSES

a. Operating expenses include:

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

b. Other direct costs of sales include:

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

6. OPERATING EXPENSES (CONTINUED)

c. Employee costs include:

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

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

d. Other operating expenses include:

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

Notes to the Financial Statements

For the financial year ended 31 December 2024

6. OPERATING EXPENSES (CONTINUED)

e. Auditors' remuneration

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

7. OTHER OPERATING INCOME

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

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

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

8. OTHER LOSSES AND GAINS

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

9. FINANCE COSTS

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

Notes to the Financial Statements

For the financial year ended 31 December 2024

10. DIRECTORS’ REMUNERATION

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

11. TAX EXPENSE

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

11. TAX EXPENSE (CONTINUED)

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

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

- The applicable tax rate of the Group is derived from the consolidation of all the Group’s companies’ applicable tax rates based on their respective domestic tax rates. The applicable tax of the Company is the product of profit before tax multiplied by the domestic tax rate of the Company.
- During the financial year, the effective tax rate is lower than the applicable tax rate of the Group and of the Company as the dividend income from foreign subsidiaries subjected to withholding tax, where the tax rate is lower compared to the corporate tax rate.
- In December 2021, the Organisation for Economic Co-operation and Development (“OECD”) issued Pillar Two model rules which are also commonly known as Global Minimum Tax (“GMT”). Various governments around the world have issued, or are in the process of issuing, legislation on this. The Government of Malaysia has gazetted the Finance (No.2) Act 2023 in December 2023 which sets out, amongst others, the legislative provisions of the OECD’s Pillar Two model rules and will be effective for financial years beginning on or after 1 January 2025.

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

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

The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in Amendments to MFRS 112 on International Tax Reform – Pillar Two Model Rules.

Notes to the Financial Statements

For the financial year ended 31 December 2024

12. EARNINGS PER SHARE

Basic earnings per share

The basic earnings per share for the financial year has been calculated based on the Group’s net profit attributable to the equity holders of the Company for the financial year and the weighted average number of ordinary shares in issue during the financial year.

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

Diluted earnings per share

There is no dilution in earnings per share as there is no potential dilutive ordinary shares.

13. DIVIDENDS

Dividends payable and paid in respect of the ordinary shares for the financial year are as follows:

GROUP/COMPANY		
	2024 RM'000	2023 RM'000
Dividends for the financial year ended 31 December 2022:		
– Final dividend of 6.04 sen per share, paid in cash on 15 May 2023	–	417,709
Dividends for the financial year ended 31 December 2023:		
– Interim dividend of 3.25 sen per share, paid in cash on 17 November 2023	–	224,761
– Special dividend of 5.70 sen per share, declared on 27 October 2023, and paid in cash on 24 January 2024	–	394,196
– Final dividend of 6.05 sen per share, paid in cash on 20 May 2024	418,401	–
Dividends for the financial year ended 31 December 2024:		
– Interim dividend of 4.65 sen per share, paid in cash on 15 November 2024	321,580	–
	739,981	1,036,666

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

14. PROPERTY, PLANT AND EQUIPMENT

		GROUP						
	Note	Freehold land RM'000	Buildings RM'000	Bearer plants (Note 14a) RM'000	Plant and machinery RM'000	Vehicles, equipment and fixtures RM'000	Capital work-in-progress RM'000	Total RM'000
2024								
Net book value								
At 1 January 2024		2,673,759	3,349,936	9,775,298	1,941,535	620,588	784,214	19,145,330
Additions		–	34,796	1,129,752	86,934	101,857	809,404	2,162,743
Disposals		(14,505)	(2)	(1,885)	(76)	(530)	(407)	(17,405)
Write offs	6d	–	(144)	(18,331)	(1,759)	(78)	–	(20,312)
Depreciation charge for the financial year		–	(284,844)	(591,377)	(317,235)	(166,738)	–	(1,360,194)
Impairment charge for the financial year	6d	(4,900)	(5,601)	(4,086)	(17,129)	(724)	828	(31,612)
Transfer to non-current assets held for sale		(11,183)	(157)	(7,807)	(559)	(20)	(209)	(19,935)
Reclassification		–	289,000	–	269,233	47,363	(605,596)	–
Exchange differences		(4,089)	(107,390)	(289,173)	(59,203)	(14,408)	(19,679)	(493,942)
At 31 December 2024		2,639,082	3,275,594	9,992,391	1,901,741	587,310	968,555	19,364,673
Cost		2,643,982	6,318,505	15,707,816	5,650,794	2,906,063	971,513	34,198,673
Accumulated depreciation		–	(3,002,585)	(5,490,803)	(3,694,154)	(2,313,588)	–	(14,501,130)
Accumulated impairment losses		(4,900)	(40,326)	(224,622)	(54,899)	(5,165)	(2,958)	(332,870)
Net book value		2,639,082	3,275,594	9,992,391	1,901,741	587,310	968,555	19,364,673

Notes to the Financial Statements

For the financial year ended 31 December 2024

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

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

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

COMPANY							
Note	Freehold land RM'000	Buildings RM'000	Bearer plants (Note 14a) RM'000	Plant and machinery RM'000	Vehicles, equipment and fixtures RM'000	Capital work-in-progress RM'000	Total RM'000
2024							
Net book value							
At 1 January 2024	3,982,925	791,926	2,671,622	224,682	156,970	174,215	8,002,340
Additions	–	8,946	325,790	15,467	27,593	99,541	477,337
Intra group acquisition	–	–	–	1,120	80	–	1,200
Disposals	(14,445)	–	(1,801)	–	–	–	(16,246)
Intra group disposal	–	–	–	(839)	–	–	(839)
Write offs	6d	–	(15,235)	–	–	–	(15,235)
Depreciation charge for the financial year	–	(68,737)	(146,175)	(46,136)	(36,755)	–	(297,803)
Impairment charge for the financial year	6d	–	(3,738)	–	–	–	(3,738)
Transfer (to)/from non-current assets held for sale		(6,376)	19	–	–	–	(6,948)
Reclassification		–	70,053	–	1,501	(138,791)	–
At 31 December 2024	3,962,104	802,207	2,829,872	261,531	149,389	134,965	8,140,068
Cost	3,962,104	1,580,239	4,166,998	880,541	589,005	134,965	11,313,852
Accumulated depreciation	–	(763,438)	(1,149,105)	(599,902)	(438,917)	–	(2,951,362)
Accumulated impairment losses	–	(14,594)	(188,021)	(19,108)	(699)	–	(222,422)
Net book value	3,962,104	802,207	2,829,872	261,531	149,389	134,965	8,140,068

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For the financial year ended 31 December 2024

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

COMPANY							
Note	Freehold land RM'000	Buildings RM'000	Bearer plants (Note 14a) RM'000	Plant and machinery RM'000	Vehicles, equipment and fixtures RM'000	Capital work-in-progress RM'000	Total RM'000
2023							
Net book value							
At 1 January 2023	4,007,920	802,862	2,508,629	193,431	153,766	115,411	7,782,019
Additions	—	13,660	320,523	31,356	40,485	159,065	565,089
Intra group acquisition	—	—	—	286	1,874	—	2,160
Disposals	(420)	—	—	—	—	—	(420)
Intra group disposal	—	(741)	—	(408)	(403)	—	(1,552)
Write offs	6d	—	(864)	(1,336)	(278)	—	(7,712)
Depreciation charge for the financial year	—	(65,938)	(137,346)	(39,132)	(39,892)	—	(282,308)
Impairment charge for the financial year	6d	—	(3,961)	(10,932)	(498)	—	(28,181)
Transfer to non-current assets held for sale	(24,575)	(20)	(2,160)	—	—	—	(26,755)
Reclassification	—	46,928	—	51,417	1,916	(100,261)	—
At 31 December 2023	3,982,925	791,926	2,671,622	224,682	156,970	174,215	8,002,340
Cost	3,982,925	1,501,323	3,964,659	798,566	562,902	174,215	10,984,590
Accumulated depreciation	—	(694,802)	(1,056,594)	(554,776)	(405,188)	—	(2,711,360)
Accumulated impairment losses	—	(14,595)	(236,443)	(19,108)	(744)	—	(270,890)
Net book value	3,982,925	791,926	2,671,622	224,682	156,970	174,215	8,002,340

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

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

	GROUP							Total bearer plants RM'000		
	Mature			Immature						
	Oil palm RM'000	Rubber trees RM'000	Growing canes RM'000	Coconut RM'000	Total RM'000	Oil palm RM'000	Rubber trees RM'000		Coconut RM'000	Total RM'000
2024										
Cost	12,957,450	27,862	160,850	5,105	13,151,267	2,339,907	211,876	4,766	2,556,549	15,707,816
Accumulated depreciation	(5,343,143)	(20,420)	(127,219)	(21)	(5,490,803)	–	–	–	–	(5,490,803)
Accumulated impairment losses	(3,743)	1,401	–	–	(2,342)	(10,404)	(211,876)	–	(222,280)	(224,622)
Net book value	7,610,564	8,843	33,631	5,084	7,658,122	2,329,503	–	4,766	2,334,269	9,992,391
2023										
Cost	12,743,045	61,564	153,022	–	12,957,631	2,048,260	279,044	–	2,327,304	15,284,935
Accumulated depreciation	(5,056,223)	(32,198)	(122,797)	–	(5,211,218)	–	–	–	–	(5,211,218)
Accumulated impairment losses	–	(8,736)	–	–	(8,736)	(10,639)	(279,044)	–	(289,683)	(298,419)
Net book value	7,686,822	20,630	30,225	–	7,737,677	2,037,621	–	–	2,037,621	9,775,298
	COMPANY									
	Mature			Immature				Total bearer plants RM'000		
	Oil palm RM'000	Rubber trees RM'000	Coconut RM'000	Oil palm RM'000	Rubber trees RM'000	Coconut RM'000	Total RM'000			
2024										
Cost	3,338,326	24,728	5,105	3,368,159	610,811	183,320	4,708	798,839	4,166,998	
Accumulated depreciation	(1,134,441)	(14,643)	(21)	(1,149,105)	–	–	–	–	(1,149,105)	
Accumulated impairment	(3,738)	(963)	–	(4,701)	–	(183,320)	–	(183,320)	(188,021)	
Net book value	2,200,147	9,122	5,084	2,214,353	610,811	–	4,708	615,519	2,829,872	
2023										
Cost	3,197,623	58,430	–	3,256,053	484,953	223,653	–	708,606	3,964,659	
Accumulated depreciation	(1,030,173)	(26,421)	–	(1,056,594)	–	–	–	–	(1,056,594)	
Accumulated impairment	–	(12,790)	–	(12,790)	–	(223,653)	–	(223,653)	(236,443)	
Net book value	2,167,450	19,219	–	2,186,669	484,953	–	–	484,953	2,671,622	

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15. INVESTMENT PROPERTIES

GROUP						
Note	2024			2023		
	Freehold land RM'000	Buildings RM'000	Total RM'000	Freehold land RM'000	Buildings RM'000	Total RM'000
Cost						
At 1 January	8,002	703	8,705	11,292	665	11,957
Transfer to property, plant and equipment	14	–	–	(3,500)	–	(3,500)
Exchange differences		(116)	(22)	210	38	248
At 31 December	7,886	681	8,567	8,002	703	8,705
Accumulated depreciation						
At 1 January	–	646	646	–	570	570
Charge for the financial year	6a	–	41	–	41	41
Exchange differences		–	(21)	–	35	35
At 31 December	–	666	666	–	646	646
Net book value at 31 December	7,886	15	7,901	8,002	57	8,059

The fair value of investment properties is RM412.9 million (2023: RM347.9 million) based on the valuation performed by external professional firms of surveyors and valuers. The valuation was performed using the comparable method based on current prices of comparable properties in an active market for all properties within Level 2 of the fair value hierarchy. Level 2 is based on the inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). The latest external valuations of the investment properties in Malaysia and Thailand were completed on 31 December 2024 and 25 March 2025, respectively.

16. BIOLOGICAL ASSETS

	GROUP				COMPANY
	Oil palm RM'000	Growing canes RM'000	Livestock RM'000	Total RM'000	Oil palm RM'000
2024					
At 1 January 2024	57,769	28,253	89,239	175,261	24,810
Transfers to produce stocks	(57,031)	(28,020)	(88,502)	(173,553)	(24,810)
Fair value changes	144,690	27,829	93,518	266,037	46,298
Exchange differences	(3,760)	(2,834)	(9,387)	(15,981)	–
At 31 December 2024	141,668	25,228	84,868	251,764	46,298
2023					
At 1 January 2023	60,938	31,304	88,036	180,278	14,039
Transfers to produce stocks	(62,857)	(32,294)	(90,820)	(185,971)	(14,039)
Fair value changes	56,483	27,933	93,667	178,083	24,810
Exchange differences	3,205	1,310	(1,644)	2,871	–
At 31 December 2023	57,769	28,253	89,239	175,261	24,810

The Group's and the Company's biological assets were fair valued within Level 3 of the fair value hierarchy with the exception of livestock which is on Level 2 basis (inputs are observable indirectly). Fair value assessments have been completed consistently using the same valuation techniques.

16. BIOLOGICAL ASSETS (CONTINUED)

There were no transfers between Level 2 and Level 3 of the fair value hierarchy during the financial year.

The biological assets of the Group and the Company comprise of:

i. Oil palm

Oil palm represents the fresh fruit bunches ("FFB") of up to 2 weeks prior to harvest for use in the Group's and the Company's palm products operations. During the financial year, the Group and the Company harvested approximately 8,768,525 metric tonnes ("MT") of FFB (2023: 8,705,185 MT) and 3,542,976 MT of FFB (2023: 3,087,789 MT) respectively. The quantity of unharvested FFB of the Group and of the Company as at 31 December 2024 included in the fair valuation of FFB was 297,459 MT (2023: 319,271 MT) and 104,625 MT (2023: 126,000 MT) respectively.

The Group and the Company attribute a fair value on the FFB prior to harvest at each statement of financial position date as required under MFRS 141 "Agriculture". FFB are produce of oil palm trees and are harvested continuously throughout the financial year to be used in the production of crude palm oil ("CPO"). Each FFB takes approximately 22 weeks from pollination to reach maximum oil content to be ready for harvesting. The value of each FFB at each point of the FFB production cycle will vary based on the cumulative oil content in each fruit.

In determining the fair values of FFB, management has considered the oil content of all unripe FFB from the week after pollination to the week prior to harvest. As the oil content accrues exponentially in the 2 weeks prior to harvest, the FFB prior to 2 weeks before harvesting are excluded in the valuation as the increase in fair values are considered negligible.

The valuation model adopted by the Group and the Company is a discounted cash flow model which includes all cash inflows, cash outflows and imputed contributory asset charges where no actual cash flows associated with the use of assets essential to the agricultural activity are accounted for. The net present value of cash flows is determined with reference to the market value of CPO at the reporting date, adjusted for freight, extraction rates, production, transportation, contributory asset charges and other cost to sell at the point of harvest. Changes to the assumed tonnage included in the valuation will have a direct effect on the reported valuation.

If the Group's and the Company's unharvested FFB tonnage changes by 10% (2023: 10%) and 10% (2023: 10%) respectively, the impact of fair value of unharvested FFB of the Group and the Company would have increased or decreased by approximately RM26.7 million (2023: RM20.7 million) and RM9.7 million (2023: RM8.1 million) respectively.

ii. Growing canes

Growing canes represent the standing canes prior to harvest whereby the values are dependent on the age, sucrose content and condition as at the statement of financial position date. During the financial year, the Group harvested approximately 204,026 MT (2023: 247,696 MT) of canes. The estimated quantity of unharvested canes as at 31 December 2024 included in the fair valuation of growing canes of the Group was 270,057 MT (2023: 224,948 MT).

The determination of fair value for the Group's growing canes based on the discounted cash flow model requires estimates to be made of the anticipated canes harvest, its age and condition at the statements of financial position date, the sucrose content to be extracted and sugar prices less further costs to be incurred in growing and harvesting the canes up to the point of harvest and contributory asset charges. The anticipated canes harvest is based on management's historical records, current planting statistics and production forecast. Fair value of the harvested canes is based on the accepted industry benchmark of allocating the fair value of sugar production between the fair value attributable to the cane grower and the value attributable to the miller.

If the estimated harvest volume of canes increased or decreased by 10% (2023: 10%), fair value changes in growing canes would have increased or decreased by approximately RM2.5 million (2023: RM2.8 million) accordingly.

iii. Livestock

Livestock comprise of the cattle livestock included within the Group's beef production operations. Cattle livestock are generally fed for 120 days prior to use for beef production. During the financial year, the Group produced 2,172 tonnes (2023: 2,113 tonnes) of beef. The number of cattle as at 31 December 2024 included in the fair values of livestock was 27,189 heads (2023: 28,189 heads).

The fair value of livestock is based on the Group's assessment of age, average weights and market values of the livestock at the statement of financial position date. If the average weight per heads increases or decreases by 1% (2023: 1%), fair value changes in livestock would have increased or decreased by approximately RM0.8 million (2023: RM0.9 million) respectively.

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17. RIGHT-OF-USE ASSETS

GROUP	Leasehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Vehicles, equipment and fixtures RM'000	Total RM'000
2024					
Net book value:					
At 1 January 2024	1,957,160	43,784	56,424	3,102	2,060,470
Additions	16,164	16,053	5,115	1,895	39,227
Depreciation charge for the financial year	(62,490)	(10,797)	(12,231)	(1,195)	(86,713)
Exchange differences	(38,389)	(12,047)	(3,242)	39	(53,639)
At 31 December 2024	1,872,445	36,993	46,066	3,841	1,959,345
Cost	3,355,179	109,680	97,397	14,131	3,576,387
Accumulated depreciation	(1,462,828)	(72,687)	(51,331)	(10,290)	(1,597,136)
Accumulated impairment	(19,906)	–	–	–	(19,906)
Net book value	1,872,445	36,993	46,066	3,841	1,959,345
2023					
Net book value:					
At 1 January 2023	1,942,088	31,525	31,536	2,528	2,007,677
Additions	17,577	20,609	38,256	1,635	78,077
Depreciation charge for the financial year	(59,869)	(9,570)	(14,940)	(1,079)	(85,458)
Exchange differences	57,364	1,220	1,572	18	60,174
At 31 December 2023	1,957,160	43,784	56,424	3,102	2,060,470
Cost	3,396,472	111,748	106,413	12,678	3,627,311
Accumulated depreciation	(1,425,551)	(67,964)	(49,989)	(9,576)	(1,553,080)
Accumulated impairment	(13,761)	–	–	–	(13,761)
Net book value	1,957,160	43,784	56,424	3,102	2,060,470

17. RIGHT-OF-USE ASSETS (CONTINUED)

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

The Group and the Company leases various land, offices, warehouses, and equipment. The remaining lease period for the rental contracts of the Group and the Company range from 1 year to 893 years (2023: 1 year to 894 years) but may have extension options.

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

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

The total cash outflows for leases that were disclosed in the statements of cash flows comprise of:

- a. Repayment of lease liabilities as disclosed in the reconciliation of liabilities arising from financing activities; and
- b. Payments for short-term leases, which approximate the amount expensed to the statements of profit or loss as disclosed in Note 6d.

Underlying assets for Islamic financing facilities

During the financial year ended 30 June 2016, a subsidiary of the Company entered into a notional sale and leaseback of certain of its plantation land and bearer plants with Sime Darby Berhad (“SDB”), the former immediate holding company. This sale and leaseback arrangement is solely to facilitate the issuance of the Perpetual Subordinated Sukuk Programme (“Perpetual Sukuk”) by SDB. The structure does not represent collateralisation and there was no transfer of registered land title. On 23 June 2017, the Perpetual Sukuk was novated from SDB to the Company. The sale and leaseback agreement was similarly novated from SDB to the Company.

The carrying amount of the assets used as underlying Perpetual Sukuk assets amounted to RM99.5 million (2023: RM101.5 million).

Notes to the Financial Statements

For the financial year ended 31 December 2024

18. SUBSIDIARIES

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

The amounts due from subsidiaries above are deemed as capital contribution to subsidiaries as the repayment of these amounts are interest-free and the subsidiaries have no contractual obligation to repay to the Company.

Movements of impairment losses for investment in subsidiaries are as follows:

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

The Group's equity interest in the subsidiaries as at 31 December 2024 and 31 December 2023, their principal activities and countries of incorporation are shown in Note 47.

19. JOINT VENTURES

The Group's equity interest in the joint ventures as at 31 December 2024 and 31 December 2023, their respective principal activities and countries of incorporation are shown in Note 47.

a. Share of results of joint ventures

The Group's share of results of joint ventures are as follows:

	GROUP	
	2024 RM'000	2023 RM'000
Share of results for the financial year	(31,219)	39,239
Currency translation differences	(19,273)	12,899
Share of other comprehensive (loss)/income of joint ventures (net of tax)	6,609	(4,447)
Total comprehensive income	(43,883)	47,691

19. JOINT VENTURES (CONTINUED)

b. Investments in joint ventures

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

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

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

The Group's investments in joint ventures are private companies and there are no quoted market prices available for these shares.

There are no contingent liabilities in respect of the Group's interests in the joint ventures.

c. Material joint ventures

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

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

Notes to the Financial Statements

For the financial year ended 31 December 2024

19. JOINT VENTURES (CONTINUED)

d. Summarised financial information

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

	Emery Oleochemicals UK Limited RM'000	Others RM'000	Total RM'000
For the financial year ended 31 December 2024			
Revenue	2,092,581	11,332	2,103,913
Depreciation and amortisation	(53,154)	(2,974)	(56,128)
Interest income	4,383	–	4,383
Interest expense	(22,614)	(1,314)	(23,928)
Loss before tax	(55,836)	(2,916)	(58,752)
Tax (expense)/credit	(4,615)	557	(4,058)
Loss for the financial year	(60,451)	(2,359)	(62,810)
Other comprehensive (loss)/income			
– currency translation differences	(38,547)	–	(38,547)
– actuarial gain on defined benefit plans	17,159	–	17,159
– tax expense relating to actuarial gain on defined benefit plans	(3,941)	–	(3,941)
	(25,329)	–	(25,329)
Total comprehensive loss for the financial year	(85,780)	(2,359)	(88,139)
For the financial year ended 31 December 2023			
Revenue	2,250,941	11,231	2,262,172
Depreciation and amortisation	(54,331)	(2,592)	(56,923)
Interest income	643	–	643
Interest expense	(25,012)	(991)	(26,003)
Profit/(Loss) before tax	94,346	(1,685)	92,661
Tax (expense)/credit	(15,242)	172	(15,070)
Profit/(Loss) for the financial year	79,104	(1,513)	77,591
Other comprehensive income/(loss)			
– currency translation differences	25,789	–	25,789
– actuarial loss on defined benefit plans	(12,513)	–	(12,513)
– tax credit relating to actuarial loss on defined benefit plans	3,619	–	3,619
	16,895	–	16,895
Total comprehensive income/(loss) for the financial year	95,999	(1,513)	94,486

19. JOINT VENTURES (CONTINUED)

d. Summarised financial information (continued)

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

	Emery Oleochemicals UK Limited RM'000	Others RM'000	Total RM'000
31 December 2024			
Non-current assets	576,117	93,485	669,602
Current assets			
Cash and cash equivalents	175,940	3,906	179,846
Other current assets	648,550	1,980	650,530
	824,490	5,886	830,376
Non-current liability			
Financial liabilities	(17,697)	(18,007)	(35,704)
Current liabilities			
Financial liabilities	(390,058)	(22,028)	(412,086)
Other current liabilities	(253,225)	(203)	(253,428)
	(643,283)	(22,231)	(665,514)
Net assets	739,627	59,133	798,760
31 December 2023			
Non-current assets	585,823	98,814	684,637
Current assets			
Cash and cash equivalents	117,924	1,348	119,272
Other current assets	774,372	2,842	777,214
	892,296	4,190	896,486
Non-current liability			
Financial liabilities	(19,885)	(20,772)	(40,657)
Current liabilities			
Financial liabilities	(386,704)	(20,534)	(407,238)
Other current liabilities	(246,123)	(206)	(246,329)
	(632,827)	(20,740)	(653,567)
Net assets	825,407	61,492	886,899

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19. JOINT VENTURES (CONTINUED)

e. Reconciliations of summarised financial information

Reconciliations of the summarised financial information presented to the carrying amounts of the Group's interests in joint ventures are as follows:

	Emery Oleochemicals UK Limited RM'000	Others RM'000	Total RM'000
31 December 2024			
Net assets			
At 1 January 2024	825,407	61,492	886,899
Total comprehensive loss	(85,780)	(2,359)	(88,139)
At 31 December 2024	739,627	59,133	798,760
Group's effective interest	50%	45.0% – 51.0%	
Interests in joint ventures	369,814	28,773	398,587
Accumulated impairment of investment in a joint venture	–	(25,369)	(25,369)
Carrying amount at end of the financial year	369,814	3,404	373,218

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

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

20. ASSOCIATES

The Group's equity interest in the associates as at 31 December 2024 and 31 December 2023, their respective principal activities and countries of incorporation are shown in Note 47.

a. Share of results of associates

The Group's share of results of associates are as follows:

	GROUP	
	2024 RM'000	2023 RM'000
Share of results for the financial year	3,291	645

b. Investments in associates

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

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted shares, at cost	74,481	74,481	420	420
Share of post-acquisition reserves	(22,295)	(22,629)	–	–
	52,186	51,852	420	420

The Group's investments in associate companies are private companies and there are no quoted market prices available for these shares.

There are no contingent liabilities in respect of the Group's interests in the associates.

c. Summarised financial information

The Group has interests in a number of individually immaterial associates that are accounted for using the equity method.

	GROUP	
	2024 RM'000	2023 RM'000
Aggregate carrying amount of individually immaterial associates	52,186	51,852
Aggregate amounts of the Group's share of profit	3,291	645
Dividends received from associates	1,463	8,926

Notes to the Financial Statements

For the financial year ended 31 December 2024

21. INTANGIBLE ASSETS

GROUP											
	Note	Goodwill RM'000	Asset usage rights RM'000	Intellectual property rights RM'000	Smallholder relationships RM'000	Customer relationships RM'000	Computer software RM'000	Agriculture development costs RM'000	Work-in- progress capitalised – agriculture development costs RM'000	Acquired brand/ names/ trademarks RM'000	Total RM'000
2024											
Net book value											
At 1 January 2024		2,368,006	44	10,500	539,097	–	43,921	67,079	73	26,002	3,054,722
Additions		–	251	–	–	–	74,137	–	–	–	74,388
Amortisation	6a	–	(4)	(840)	(17,558)	–	(16,391)	(6,359)	–	(2,797)	(43,949)
Exchange differences		(73,315)	(26)	–	(16,014)	–	256	(68)	(37)	(879)	(90,083)
At 31 December 2024		2,294,691	265	9,660	505,525	–	101,923	60,652	36	22,326	2,995,078
Cost		2,300,214	2,226	16,800	712,895	10,710	333,063	108,056	863	78,849	3,563,676
Accumulated amortisation		–	(1,961)	(7,140)	(207,370)	(10,710)	(228,173)	(47,404)	(827)	(54,379)	(557,964)
Accumulated impairment losses		(5,523)	–	–	–	–	(2,967)	–	–	(2,144)	(10,634)
Net book value		2,294,691	265	9,660	505,525	–	101,923	60,652	36	22,326	2,995,078
2023											
Net book value											
At 1 January 2023		2,271,735	298	11,340	534,055	–	27,264	73,444	877	27,578	2,946,591
Additions		–	–	–	–	–	32,150	–	–	–	32,150
Write off		–	–	–	–	–	–	–	(854)	–	(854)
Amortisation	6a	–	(314)	(840)	(17,397)	–	(16,329)	(6,492)	–	(2,859)	(44,231)
Exchange differences		96,271	60	–	22,439	–	836	127	50	1,283	121,066
At 31 December 2023		2,368,006	44	10,500	539,097	–	43,921	67,079	73	26,002	3,054,722
Cost		2,373,529	2,004	16,800	733,457	10,710	266,876	108,277	900	82,449	3,595,002
Accumulated amortisation		–	(1,960)	(6,300)	(194,360)	(10,710)	(219,720)	(41,198)	(827)	(54,303)	(529,378)
Accumulated impairment losses		(5,523)	–	–	–	–	(3,235)	–	–	(2,144)	(10,902)
Net book value		2,368,006	44	10,500	539,097	–	43,921	67,079	73	26,002	3,054,722

21. INTANGIBLE ASSETS (CONTINUED)

		COMPANY				
	Note	Goodwill RM'000	Intellectual property rights RM'000	Computer software RM'000	Agriculture development costs RM'000	Total RM'000
2024						
At 1 January 2024		1,965,199	10,500	39,118	65,750	2,080,567
Additions		–	–	3,899	–	3,899
Amortisation	6a	–	(840)	(6,684)	(5,895)	(13,419)
Disposal		(2,199)	–	–	–	(2,199)
Transfer to other entity		–	–	(17,596)	–	(17,596)
At 31 December 2024		1,963,000	9,660	18,737	59,855	2,051,252
Cost		1,963,000	16,800	103,768	102,422	2,185,990
Accumulated amortisation		–	(7,140)	(85,031)	(42,567)	(134,738)
Net book value		1,963,000	9,660	18,737	59,855	2,051,252
2023						
At 1 January 2023		1,966,053	11,340	17,581	71,644	2,066,618
Additions		–	–	29,236	–	29,236
Amortisation	6a	–	(840)	(7,699)	(5,894)	(14,433)
Disposal		(854)	–	–	–	(854)
At 31 December 2023		1,965,199	10,500	39,118	65,750	2,080,567
Cost		1,965,199	16,800	117,472	102,422	2,201,893
Accumulated amortisation		–	(6,300)	(78,354)	(36,672)	(121,326)
Net book value		1,965,199	10,500	39,118	65,750	2,080,567

Notes to the Financial Statements

For the financial year ended 31 December 2024

21. INTANGIBLE ASSETS (CONTINUED)

i. Goodwill

GROUP

The goodwill in the Group’s consolidated statement of financial position represents mainly the excess of the purchase consideration over the fair value of identifiable assets, liabilities and contingent liabilities recognised upon the Group’s acquisition of New Britain Palm Oil Limited (“NBPOL”) and its subsidiaries in 2015.

The Group carries out its annual impairment assessment on the goodwill arising from the acquisition of NBPOL, which for the purposes of impairment testing has been allocated to cash generating units (“CGU”) within the Group, namely NBPOL CGU and PT Minamas Gemilang and its subsidiaries CGU (“Minamas Group CGU”) as the Group believes that Minamas Group’s operations will benefit from the additional planting material synergies, from the use of Dami Super Family seeds, arising from the acquisition of NBPOL.

The impairment assessment is carried out on the goodwill allocated to NBPOL CGU of USD367 million (equivalent to RM1,643.9 million) (2023: USD367 million (equivalent to RM1,695.9 million) and Minamas Group CGU of USD141 million (equivalent to RM631.0 million) (2023: USD141 million (equivalent to RM651.1 million).

The recoverable amounts of these two CGUs are based on their respective value-in-use calculations which are derived using cash flow projections in which the following key assumptions are used:

	2024			2023		
	Short term (2025)	Mid term (2026 – 2030)	Long term (2031 onwards)	Short term (2025)	Mid term (2026 – 2030)	Long term (2031 onwards)
NBPOL CGU						
Projection period	A 37-year cash flow projection, based on the average remaining lease period of land in NBPOL			A 38-year cash flow projection, based on the average remaining lease period of land in NBPOL		
FFB yields (MT per hectare) (“ha”)	22.2	23.0 – 26.1	23.5 – 27.2	23.9	25.2 – 27.1	23.5 – 27.9
CPO price (per MT)	900	1,197 – 1,307	1,045	775	1,060 – 1,115	1,080
Discount rate	12.2% per annum			12.6% per annum		
Minamas Group CGU						
Projection period	A 35-year cash flow projection, based on the remaining average lease period of 35 years, up to financial year 2059, which determined based on the weighted average of the total remaining lease term of the land use rights in Minamas Group of 10 years, plus expected renewal of 25 years.			A 36-year cash flow projection, based on the remaining average lease period of 36 years, up to financial year 2059, which determined based on the weighted average of the total remaining lease term of the land use rights in Minamas Group of 11 years, plus expected renewal of 25 years.		
FFB yields	16.8	18.7 – 23.0	21.6 – 25.5	18.9	20.0 – 22.5	22.1 – 25.0
CPO price	775	879 – 968	789	633	793 – 831	819
Discount rate	11.0% per annum			10.4% per annum		

Based on the impairment assessment, no impairment charge is required on the goodwill as the recoverable amount calculated based on value-in-use exceeded the carrying value of the NBPOL CGU and Minamas Group CGU.

21. INTANGIBLE ASSETS (CONTINUED)

i. Goodwill (continued)

GROUP (continued)

The Group’s impairment assessment of both CGUs as outlined above included a sensitivity analysis on the key assumptions used. The changes in the key assumptions adopted in the value-in-use calculation for both CGUs assuming all other variables are held constant are as follows:

		Value-in-use lower by	
		2024 RM'million	2023 RM'million
NBPOL CGU	Sensitivity		
FFB yields			
– short term	Lower by 1 MT per ha (2023: 1 MT)	38.4	34.8
– medium term	Lower by 1 MT per ha (2023: 1 MT)	211.2	190.0
– long term	Lower by 1 MT per ha (2023: 1 MT)	243.3	248.0
CPO price			
– short term	Lower by 10% (2023: 10%)	101.6	102.3
– medium term	Lower by 10% (2023: 10%)	576.0	558.2
– long term	Lower by 5% (2023: 5%)	371.3	383.5
Discount rate	Higher by 50 basis points (2023: 50 basis points)	335.0	345.7

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

Based on the results of the sensitivy analysis, none of the above key assumptions used would cause the carrying value of NBPOL Group and Minamas Group respectively to materially exceed the recoverable amount.

Notes to the Financial Statements

For the financial year ended 31 December 2024

21. INTANGIBLE ASSETS (CONTINUED)

i. Goodwill (continued)

COMPANY

The Company’s goodwill arose from merger exercise of plantation businesses between Sime Darby Berhad, Golden Hope Plantations Berhad and Kumpulan Guthrie Berhad in the financial year 2008.

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

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

The assessment indicated that no impairment charge is required on the goodwill as the recoverable amount exceed the carrying value of the CGU’s assets and goodwill. The management believes that no reasonable possible change in any of the key assumptions used would result in the carrying amount of the CGU to materially exceed the recoverable amount.

ii. Smallholder relationships

The smallholder relationships arose from the acquisition of a subsidiary. These assets reflect the relationship between the Group and smallholders who cultivate and harvest FFB on land which is owned by the smallholders. The FFB is subsequently purchased by the Group for processing as palm oil. These assets are initially recognised at fair value and thereafter amortised over 45 years which is the remaining lease term of the land at the acquisition date.

iii. Work-in-progress capitalised - agriculture development costs

Capitalised agriculture development costs comprise of expenditure incurred relating to the development of oil palm genomic data and techniques, as well as clonal technology with the objective of increasing yields and profit streams from the Group’s plantation. Once the development enters into commercial production, the asset will be amortised over its estimated useful life of 5 to 20 years.

iv. Intellectual property rights

The Company acquired intellectual property rights (“IP rights”) on the genome base data from a third party and had assessed that the IP rights have a finite life. As a result, the Company amortised the IP rights on a straight line basis, over the estimated useful life of 20 years.

v. Acquired brand names/trademarks

This mainly consists of fair value of brands in relation to the Group’s beef, sugar and seed production operations which arose from the acquisition of NBPOL. The brands are initially recognised at fair value and thereafter amortised on a straight-line basis over the estimated useful life of 20 years.

vi. Computer software

Expenditure on computer software that is not an integral part of the related hardware is treated as an intangible asset and is carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line basis over their estimated useful lives. The annual amortisation rates range from 10% to 33%. Projects in progress are not amortised as these computer software are not yet available for use.

22. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“FVOCI”)

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

The unquoted non-current investments at FVOCI of the Group and of the Company were categorised under Level 3 investment, of which the fair value is determined using a valuation technique with reference made to quoted market prices for companies with similar business.

The Group and the Company have irrevocably elected non-trading equity securities above at initial recognition to present its fair value changes in OCI. Any fair value gains and losses on equity investments are recognised in investment in FVOCI reserve. The Group and the Company consider the classification to be more relevant as these instruments are strategic investments of the Group and the Company and not held for trading purposes.

23. DEFERRED TAX

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

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

The unutilised tax losses and deductible temporary differences for which no deferred tax assets are recognised in the consolidated financial statements are as follows:

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

Notes to the Financial Statements

For the financial year ended 31 December 2024

23. DEFERRED TAX (CONTINUED)

The estimated amounts of deferred tax assets calculated at current tax rate, which has not been recognised in the financial statements, are as follows:

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

A Capital Gains Tax (“CGT”) on the gains from disposal of shares in unlisted companies incorporated in Malaysia was enacted in November 2023 and is effective for disposals made on or after 1 March 2024. The Group and the Company expects deductible temporary differences of RM587.9 million (2023: RM586.7 million) and RM580.7 million (2023: RM576.6 million) respectively, arising from the expected capital losses, as the cost of investments in subsidiaries were impaired in the past. However, no deferred tax assets (“DTA”) are to be recognised on these deductible temporary differences as there are no foreseeable capital gains in the near future, for which the capital losses can be utilised.

Deferred tax assets are not recognised by certain subsidiaries in respect of the above temporary differences as the Directors are of the view it is not probable that sufficient taxable profits will be available to allow the deferred tax assets to be utilised.

The components and movements of the deferred tax assets and liabilities during the financial year are as follows:

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

23. DEFERRED TAX (CONTINUED)

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

- a. The Ministry of Finance in Indonesia issued a regulation on fixed assets revaluation (under Peraturan Menteri Keuangan No.191/PMK.010/2015) (“PMK 191”) effective from 20 October 2015 as a temporary special tax treatment to taxpayers. Under the special tax regulation, taxpayers who elect to apply the fixed assets revaluation are granted a special tax treatment, leading to a reduction in the final tax rate to be applied on the companies.

Under the special tax regulation, the Group’s Indonesia subsidiaries had elected and submitted their application for the special tax incentive by performing a tax revaluation on certain assets and paid a final tax for the revaluation surplus. Subsequent to the approvals of the fixed assets revaluation by the Director General of Taxation (“DGT”), the Group has recognised deferred tax assets arising from the fixed asset revaluation surplus.

- b. The Group has recognised deferred tax assets/liabilities on temporary difference on investments in subsidiaries which has been classified as non-current assets held for sale.

Deferred tax is not recognised on the unremitted earnings of overseas subsidiaries where the Group is able to control the timing of the remittance and it is probable that there will be no remittance in the foreseeable future. If these earnings were remitted, tax of RM2,885 million (2023: RM2,817 million) would have been payable.

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24. TAX RECOVERABLE

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

Note:

- a. Certain subsidiaries within the Minamas Group have received corporate income tax assessments from the local tax authorities in Indonesia for various years of assessment. These subsidiaries disagreed with certain of these assessments and have filed objections, appeals and judicial reviews.

During the financial year, the Group received tax refunds of IDR165 billion (RM46 million) (2023: IDR83 billion (RM25 million)) and paid tax assessments of IDR31 billion (RM9 million) (2023: IDR17 billion (RM5 million)) arising from the additional tax assessments raised by the local tax authorities in Indonesia.

- b. Certain subsidiaries within the Minamas Group have received value added taxes assessments from the local tax authorities in Indonesia for various years of assessment. These subsidiaries disagreed with certain of these assessments and have filed objections, appeals and judicial reviews.

During the financial year, the Group has received Value Added Taxes (“VAT”) refund of IDR381 billion (RM105 million) (2023: IDR282 billion (RM84 million)) from the local tax authorities in Indonesia.

The non-current tax recoverable includes additional tax assessments paid and VAT, which would normally take more than a year to resolve with the relevant tax authorities.

25. TRADE AND OTHER RECEIVABLES

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

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

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

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

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

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26. INVENTORIES

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

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

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

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

The amounts presented above are net of impairment. The accumulated impairment on the amounts due from subsidiaries (non-trade) is disclosed in Note 45aiiiC.

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

Interest rates per annum

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

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

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

28. DERIVATIVES

The Group's derivatives are as follows:

	Contract/ notional amount RM'000	GROUP	
		Fair value	
		Assets RM'000	Liabilities RM'000
2024			
Current			
Cash flow hedges:			
– forward foreign exchange contracts	1,033,816	9,374	(6,559)
– commodities futures contracts	348,201	2,763	–
	1,382,017	12,137	(6,559)
Non-hedging derivatives:			
– forward foreign exchange contracts	264,738	4,828	(220)
– commodities futures contracts	870,504	12,902	(5,295)
– commodities forward contracts	115	1	(33)
	1,135,357	17,731	(5,548)
	2,517,374	29,868	(12,107)
2023			
Current			
Cash flow hedges:			
– forward foreign exchange contracts	955,186	3,236	(8,774)
– commodities futures contracts	63,911	9,627	–
	1,019,097	12,863	(8,774)
Non-hedging derivatives:			
– forward foreign exchange contracts	407,585	8,081	(5,284)
– commodities futures contracts	189,297	7,311	(4,272)
– commodities forward contracts	385,709	5,384	(435)
	982,591	20,776	(9,991)
	2,001,688	33,639	(18,765)

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28. DERIVATIVES (CONTINUED)

The Company's derivatives are as follows:

		COMPANY	
	Contract/ notional amount RM'000	Fair value	
		Assets RM'000	Liabilities RM'000
2024			
Current			
Cash flow hedges:			
– forward foreign exchange contracts	104,465	3,889	–
2023			
Current			
Cash flow hedges:			
– forward foreign exchange contracts	78,571	–	(347)

a. Forward foreign exchange contracts

The Group has forward foreign exchange contracts in place with a notional value that are designated and effected as cash flow hedges. These contracts are expected to cover the Group's exposures ranging from 1 month to 12 months (2023: 1 month to 12 months) and the Company's exposures ranging from 1 month to 6 months (2023:1 month to 6 months).

These derivatives are entered into to hedge certain risks as described in Note 45a. Whilst all derivatives entered into provide economic hedges to the Group, non-hedging derivatives are instruments that do not qualify for the application of hedge accounting under the specific rules in MFRS 9.

b. Commodities futures contracts

The Group enters into commodities futures contracts to hedge the variability in cash flows attributable to the movement in the CPO price in the forecasted sales contracts (forward sales of commodities at a fixed contracted price and for a defined quantity set at a future date). As the change in fair value of the hedging instrument is expected to move in the opposite direction of the change in fair value of the hedged items, there is an economic relationship. Hedge effectiveness is assessed at the inception of the hedge and at each reporting date.

The possible sources of ineffectiveness include:

- changes in net committed purchase and sale positions;
- significant change in credit risk of either party to the hedge relationship; and
- difference in timing of the realisation of the commodity contracts with the hedge items.

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

29. BANK BALANCES, DEPOSITS AND CASH

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

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

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

The currency exposure profile is disclosed in Note 45ai.

30. ASSETS AND LIABILITIES HELD FOR SALE

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

a. Proposed disposal of property, plant and equipment

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

As at 31 December 2024, 1,064.67 hectares (2023: 846.1 hectares) of land approved for disposal by the Board of Directors of the Company have yet to be completed as the conditions precedent stipulated in the respective sales and purchases agreements were not met.

An assessment has been carried out to re-assess the feasibility of the sales to be completed in the next 12 months in accordance with MFRS 5 "Non-current Assets Held for Sales and Discontinued Operations" ("MFRS 5"). Based on the assessment, the proposed land disposal of 1,064.67 hectares as at 31 December 2024 is expected to be completed within the next 12 months subsequent to the financial year end.

Notes to the Financial Statements

For the financial year ended 31 December 2024

30. ASSETS AND LIABILITIES HELD FOR SALE (CONTINUED)

b. Proposed divestment of subsidiaries

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

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

c. Completed divestment of subsidiaries in the previous financial year

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

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

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

31. SHARE CAPITAL

	GROUP/COMPANY			
	Number of shares		Amount	
	2024 ’000	2023 ’000	2024 RM’000	2023 RM’000
Issued and fully paid ordinary shares with no par value:				
At 1 January/31 December	6,915,714	6,915,714	1,633,790	1,633,790

32. RESERVES

The description of each reserve is as follows.

Hedging reserve

Hedging reserve represents the cumulative amount of gains and losses on hedging instruments deemed effective in cash flow hedges. Amounts are subsequently reclassified to profit or loss as appropriate.

Exchange reserve

Exchange reserve consists of:

- i. Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income, and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of; and
- ii. Foreign exchange differences arising from the translation of monetary items designated as hedge of net investment in a foreign operation, as described in Note 45ai.

33. PERPETUAL SUKUK

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

On 23 June 2017, the RM2.2 billion nominal value of Perpetual Subordinated Sukuk (“Perpetual Sukuk”) was novated by Sime Darby Berhad, the former immediate holding company to the Company.

The Perpetual Sukuk is accounted for as an equity instrument as there is no contractual obligation to redeem the instrument and pay periodic distribution. The salient features of the Perpetual Sukuk are as follows:

- a. Unsecured and is issued under the Islamic principle of Wakalah Bi Al-Istithmar (“Sukuk Wakalah”) where the Company is to manage a Wakalah portfolio on behalf of the Perpetual Sukuk holders. The Wakalah portfolio comprises certain assets of the Group (see Note 17) and investments in commodities in accordance with the Shariah Principle of Ijarah and Murabahah.
- b. Carries an initial fixed periodic distribution rate of 5.65% per annum payable on a semi-annual basis in arrears. The periodic distribution rate will be reset on 24 March 2026 to the then prevailing 10-year Malaysian Government Securities (“MGS”) benchmark rate plus 1.75% (“Initial Spread”) and 1.00% (“Step-Up Margin”) at every 10 years thereafter.
- c. No fixed redemption date but the Company has the option to redeem at the end of the tenth year from the date of issue and on each subsequent semi-annual periodic distribution date.
- d. The expected periodic distribution amount may be deferred by the Company to perpetuity as long as no discretionary dividend distribution or other payment has been declared by the Company in respect of any of the Company’s ordinary shares.

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33. PERPETUAL SUKUK (CONTINUED)

- e. The Company also has the option to redeem the Perpetual Sukuk under the following circumstances:
- i. Accounting Event – if the Perpetual Sukuk is or will no longer be recorded as equity as a result of changes to accounting standards;
 - ii. Tax Event – if the Company is or will become obliged to pay additional amount due to changes in tax laws or regulations;
 - iii. Tax Deductibility Event – if distribution made would not be fully deductible for income tax purposes as a result of changes in tax laws or regulations or changes to official interpretation or pronouncement that provides for a position with respect to such laws or regulations; and
 - iv. Rating Event – if the equity credit is lower than initially assigned to the Perpetual Sukuk as a result of changes in equity credit criteria, guidelines or methodology of rating agency.

The Perpetual Sukuk holders do not have any voting rights in the Company and rank in priority to holders of ordinary shares, but subordinated to the claims of present and future creditors of the Company. Perpetual Sukuk holders' entitlement is accounted for as an appropriation in profit or loss and distribution is recognised in the statement of changes in equity in the reporting period in which it is declared.

34. NON-CONTROLLING INTERESTS

The subsidiaries of the Group that have non-controlling interests, which, in the opinion of the Directors, are material to the Group are as follows:

Name of subsidiaries	Proportion of equity held by owners of non-controlling interests (%)		Place of business/ Country of incorporation
	2024	2023	
Subsidiaries of PT Minamas Gemilang:			
– PT Kartika Inti Perkasa	40.00	40.00	Indonesia
– PT Sritijaya Abaditama	40.00	40.00	Indonesia
– PT Asricipta Indah	10.00	10.00	Indonesia
– PT Bersama Sejahtera Sakti	8.88	8.88	Indonesia
– PT Laguna Mandiri	11.44	11.44	Indonesia
– PT Indotruba Tengah	50.00	50.00	Indonesia
– PT Tunggal Mitra Plantations	40.00	40.00	Indonesia
– PT Tamaco Graha Krida	10.00	10.00	Indonesia
– PT Bahari Gembira Ria	0.03	0.03	Indonesia
Subsidiary of New Britain Palm Oil Limited:			
– Guadalcanal Plains Palm Oil Limited	20.00	20.00	Solomon Islands
Wangsa Mujur Sdn. Bhd. (Group):			
– Wangsa Mujur Sdn. Bhd.	27.50	27.50	Malaysia
– Charquest Sdn. Bhd.	38.88	38.88	Malaysia

There are no significant restrictions on the ability of these subsidiaries to transfer funds to the Group in the form of cash dividends.

The summarised financial information of the subsidiaries that have non-controlling interests to the Group is based on amounts before intercompany elimination.

34. NON-CONTROLLING INTERESTS (CONTINUED)

Summarised financial information

The summarised statements of comprehensive income and dividends paid by each non-controlling interests that are material to the Group are as follows:

	2024			2023		
	Subsidiaries of PT Minamas Gemilang RM'000	Subsidiary of New Britain Palm Oil Limited RM'000	Wangsa Mujur Sdn. Bhd. (Group) RM'000	Subsidiaries of PT Minamas Gemilang RM'000	Subsidiary of New Britain Palm Oil Limited RM'000	Wangsa Mujur Sdn. Bhd. (Group) RM'000
Revenue	1,087,646	138,693	102,927	1,210,373	150,679	76,263
Profit for the financial year	216,768	21,805	16,048	156,134	11,247	3,783
Other comprehensive income/(loss)	771	–	–	(992)	–	336
Total comprehensive income	217,539	21,805	16,048	155,142	11,247	4,119
Profit attributable to non-controlling interests	42,717	3,715	3,966	43,104	1,532	377
Dividends paid to non-controlling interests	(14,929)	(6,326)	–	(50,208)	(3,212)	–
Non-current assets	1,437,361	194,703	309,837	1,454,586	197,541	302,828
Current assets	390,270	91,860	27,052	453,575	120,930	19,205
Non-current liabilities	(33,148)	(36,257)	(65,853)	(42,676)	(43,551)	(62,214)
Current liabilities	(479,189)	(7,940)	(16,523)	(593,414)	(10,357)	(21,354)
Net assets	1,315,294	242,366	254,513	1,272,071	264,563	238,465
Non-controlling interests' share of net assets	262,120	61,786	91,566	254,453	66,691	87,604

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

	2024			2023		
	Subsidiaries of PT Minamas Gemilang RM'000	Subsidiary of New Britain Palm Oil Limited RM'000	Wangsa Mujur Sdn. Bhd. (Group) RM'000	Subsidiaries of PT Minamas Gemilang RM'000	Subsidiary of New Britain Palm Oil Limited RM'000	Wangsa Mujur Sdn. Bhd. (Group) RM'000
Net cash from operating activities	201,124	25,410	38,869	280,273	46,200	22,831
Net cash used in investing activities	(165,972)	(20,597)	(21,617)	(190,173)	(18,979)	(31,620)
Net cash (used in)/from financing activities	(41,131)	(20,902)	(9,600)	(139,190)	(16,658)	2,704
Net (decrease)/increase in cash and cash equivalents	(5,979)	(16,089)	7,652	(49,090)	10,563	(6,085)
Exchange differences	(2,356)	(206)	–	4,742	394	–
Cash and cash equivalents at beginning of the financial year	35,144	18,137	1,314	79,492	7,180	7,399
Cash and cash equivalents at end of the financial year	26,809	1,842	8,966	35,144	18,137	1,314

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35. RETIREMENT BENEFITS

The Group operates:

- funded and unfunded defined benefit plans for its employees in Indonesia;
- unfunded defined benefit plans for its employees in Malaysia and Thailand; and
- funded defined benefit plans for its employees in Netherlands.

The employees in Malaysia are covered under collective agreements with the following unions:

- All Malayan Estates Staff Union (“AMESU”)
- National Union of Plantation Workers (“NUPW”)
- Sabah Plantation Industry Employees Union (“SPIEU”)
- Food Industries Employees Union (“FIEU”)

Subsidiary companies in Indonesia operate a defined benefit scheme for its qualified permanent employees funded through monthly contributions to pension plan administered by Dana Pensiun Lembaga Keuangan Manulife Indonesia and Dana Pensiun Lembaga Keuangan Allianz Indonesia.

Subsidiaries in Thailand operate a wholly unfunded defined benefit scheme, in respect of the Statutory Severance Pay Plan prescribed under Section 118, Chapter 11 of the Labour Protection Act B.E. 2541 (1998).

One of the Group’s subsidiaries in Netherlands has a defined benefit scheme for non-active participants only, managed by Aegon N.V. (“AEGON”). The conditions of the Dutch Pension Act are applicable to the scheme.

The latest actuarial valuations of the plans in Malaysia and Indonesia were completed on 22 February 2024 and 4 February 2025, respectively.

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

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

35. RETIREMENT BENEFITS (CONTINUED)

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

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

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

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

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

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

b. Changes in the fair value of plan assets

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

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35. RETIREMENT BENEFITS (CONTINUED)

The range of principal assumptions used in respect of the Group’s and the Company’s defined benefit plans are as follows:

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

36. BORROWINGS

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

The currency exposure profile is disclosed in Note 45ai.

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

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

36. BORROWINGS (CONTINUED)

a. Bonds

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

b. Trade facilities

For trade facilities, the factoring agreement is entered into with maximum limit of EUR75 million with an availability period of up to 12 months from the signing date, and is renewable for the same period of time, unless the agreement is terminated by one of the parties.

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

c. Other information

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

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

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

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36. BORROWINGS (CONTINUED)

c. Other information (continued)

- ii. The maturity periods of borrowings are as follows:

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

The fair values of borrowings approximate their carrying values as the impact of discounting is not significant. It is estimated based on discounted cash flows using prevailing market rates for borrowings with similar risk profile and is within Level 2 of the fair value hierarchy.

37. DEFERRED INCOME

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

The government grants are received in relation to the purchase of property, plant and equipment and right-of-use assets, leasehold land of certain subsidiaries. Grants are treated as deferred income and allocated to profit or loss over the useful lives of the related assets or over the period of the operating expenditure to which the grants are intended to compensate.

38. CONTRACT LIABILITIES

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

The Group expects to recognise the consideration received for freight services that are partially or fully unsatisfied as of the end of the reporting date in the next 12 months.

39. TRADE AND OTHER PAYABLES

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

Credit terms for trade payables of the Group and of the Company range from 1 to 90 days (2023: 1 to 90 days).

a. Financial guarantee contracts

The gross financial guarantees provided by the Group and the Company at the end of the financial year are as follows:

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Guarantees in respect of credit facilities granted to:				
– joint ventures	2,346	2,907	2,346	2,907
– subsidiaries	–	–	547,453	617,007
– plasma stakeholders	98,277	116,688	–	–
	100,623	119,595	549,799	619,914

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40. SEGMENT INFORMATION – GROUP

The Company is a globally integrated plantation company which is involved in the entire span of the palm oil value chain, from upstream to downstream activities, research and development (“R&D”), renewables and agribusiness. The Group is also involved in rubber and sugar cane plantations, coconut crushing as well as beef cattle industry.

The management of the Group has determined the operating segments based on information reviewed by the Group Leadership Council (“GLC”) which consists of the Group Managing Director (“GMD”), Group Chief Operating Officer, Chief Financial Officer, Group Secretary, Chief Human Resources Officer, Chief Communications Officer, Chief Sustainability Officer, Chief Strategy and Innovation Officer, Group General Counsel, Chief Integrity & Assurance Officer, Chief Risk Officer and Chief Digital Officer for the purposes of allocating resources and assessing performance.

The downstream segment is evaluated based on the nature of the products and services, specific expertise and technologies requirement of individual operating units. These operating units have been reported as a single segment as the disaggregation does not meet the quantitative thresholds for separate disclosures, and may exceed the practical limit of a reportable segment. The other business activities of the Group are excluded from the reportable operating segments as they are individually insignificant.

The Group had, in May 2024, announced its entry into new business verticals – renewable energy and industrial development, to create diversified and sustainable revenue streams. Based on information reviewed by the GLC, two additional operating segments were established for the purposes of allocating resources and assessing performance:

- i.

segregation and reclassification of the renewable energy business from Other Operations to the Renewable Energy operating segment; and
- ii.

a new segment, Industrial Development.

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

Segments comprise:

Upstream Malaysia	developing, cultivating and managing oil palm, rubber and coconut plantation estates and milling of fresh fruit bunches (“FFB”) into crude palm oil (“CPO”) and palm kernel (“PK”)
Upstream Indonesia	developing, cultivating and managing oil palm plantation estates and milling of FFB into CPO and PK
Upstream Papua New Guinea and Solomon Islands (“PNG/SI”)	developing, cultivating and managing oil palm and sugar cane plantation estates; milling of FFB into CPO and PK, refining of sugarcane, coconut oil, cattle rearing and beef production
Downstream	production and sales of refined oils and fats (which includes specialty and end-user oils and fats), sales of CPO, sales of oleochemical products, refining of coconut oils, production of biodiesel products, sales of derivatives and crushing of PK to crude palm kernel oil (“CPKO”) and palm kernel expeller (“PKE”)
Renewable energy	renewables business with a focus on development of green technology and renewable energy which includes solar, biogas and biomass projects
Industrial development	maximise the value of lands identified for potential industrial development
Other operations	other operations including trading of agricultural products and services, production and/or sale of oil palm seeds and seedlings, and research and breeding programmes of oil palm with special focus on genome science

Note:

- i.

FFB, being the oil palm fruits which grow in bunches on oil palm trees, from which CPO and PK are obtained.
- ii.

CPO, which is the oil extracted from the fibrous outer layer (mesocarp) of the oil palm fruit.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation.

40. SEGMENT INFORMATION – GROUP (CONTINUED)

a. Segment results

	Note	Upstream Malaysia RM'000	Upstream Indonesia RM'000	Upstream PNG/SI RM'000	Downstream RM'000	Renewable energy RM'000	Industrial development RM'000	Other operations RM'000	Inter-segment elimination RM'000	Total RM'000
2024										
Segment revenue										
External		765,039	1,149,177	305,416	17,503,768	–	–	107,640	–	19,831,040
Inter-segment		4,218,449	1,249,928	2,566,754	448,537	4,603	–	524,749	(9,013,020)	–
		4,983,488	2,399,105	2,872,170	17,952,305	4,603	–	632,389	(9,013,020)	19,831,040
Segment results										
Operating profit		1,595,766	702,059	395,264	608,521	(3,216)	(3,473)	(8,586)	–	3,286,335
Share of results of joint ventures and associates		–	–	–	(29,453)	(994)	–	2,519	–	(27,928)
Profit before interest and tax		1,595,766	702,059	395,264	579,068	(4,210)	(3,473)	(6,067)	–	3,258,407
Finance income		4,354	5,703	27	15,086	–	–	672	–	25,842
Finance costs		(117,980)	–	–	(26,874)	(67)	–	(10)	–	(144,931)
Profit before tax		1,482,140	707,762	395,291	567,280	(4,277)	(3,473)	(5,405)	–	3,139,318
Tax expense		(314,126)	(198,456)	(149,234)	(113,577)	136	–	(20,551)	–	(795,808)
Profit for the financial year		1,168,014	509,306	246,057	453,703	(4,141)	(3,473)	(25,956)	–	2,343,510
Included in the operating profit are:										
Depreciation and amortisation	6a	464,640	275,407	512,759	177,596	595	8	21,748	–	1,452,753
Impairment losses of property, plant and equipment, advances for plasma plantation projects, and trade and other receivables	6d.7	19,400	22,237	–	1,038	–	–	9,887	–	52,562
Write off of property, plant and equipment	6d	16,278	2,398	–	1,630	–	–	6	–	20,312
Gains on disposals of property, plant and equipment and non-current assets held for sale	7	(702,897)	(181)	–	(27)	–	–	(1)	–	(703,106)

Notes to the Financial Statements

For the financial year ended 31 December 2024

40. SEGMENT INFORMATION – GROUP (CONTINUED)

a. Segment results (continued)

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

40. SEGMENT INFORMATION – GROUP (CONTINUED)

b. Segment assets and liabilities and additions to non-current assets

	Upstream Malaysia RM'000	Upstream Indonesia RM'000	Upstream PNG/SI RM'000	Downstream RM'000	Renewable energy RM'000	Industrial development RM'000	Other operations RM'000	Total RM'000
2024								
Segment assets								
Operating assets	10,694,818	5,645,952	7,507,244	6,443,006	13,083	31,473	242,784	30,578,360
Joint ventures and associates	–	–	–	385,789	3,404	–	36,211	425,404
Non-current assets held for sale	23,109	125,085	–	–	–	3,579	–	151,773
	10,717,927	5,771,037	7,507,244	6,828,795	16,487	35,052	278,995	31,155,537
Tax assets								891,468
								32,047,005
Segment liabilities								
Liabilities	858,922	480,220	352,400	931,038	5,986	12,801	89,589	2,730,956
Liabilities directly associated with non-current assets held for sale	–	11,032	–	–	–	–	–	11,032
	858,922	491,252	352,400	931,038	5,986	12,801	89,589	2,741,988
Tax liabilities								2,837,621
Borrowings								5,102,094
Lease liabilities								204,658
								10,886,361
Additions to non-current assets are as follows:								
Capital expenditure	785,737	594,712	338,986	514,888	7,935	199	33,901	2,276,358

Notes to the Financial Statements

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40. SEGMENT INFORMATION – GROUP (CONTINUED)

b. Segment assets and liabilities and additions to non-current assets (continued)

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

40. SEGMENT INFORMATION – GROUP (CONTINUED)

c. Segment by geography

Revenue by location of customers is analysed as follows:

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

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

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

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

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

The Group's operations are diverse in terms of the range of products and services it offers and the geographical coverage. There is no single customer that contributed 10% or more to the Group's revenue.

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41. CONTINGENT LIABILITIES

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

42. COMMITMENTS

a. Capital commitments

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

b. Plasma plantation

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

43. MATERIAL LITIGATIONS

Material litigations against the Group are as follows:

a. New Britain Palm Oil Limited (“NBPOL”) v. Masile Incorporated Land Group (“Masile”), NBPOL v. Rikau Incorporated Land Group (“Rikau”) & NBPOL v. Meloks Incorporated Land Group (“Meloks”) (collectively, “Defendants”)

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

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

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

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

43. MATERIAL LITIGATIONS (CONTINUED)

Material litigations against the Group are as follows: (continued)

b. Chantico Ship Management Ltd (“Chantico”) vs. SD Guthrie International Zwijndrecht Refinery B.V. (formerly known as Sime Darby Oils Zwijndrecht Refinery B.V.) (“SDGIZR”)

SDGIZR, an indirect wholly-owned subsidiary of the Company, is involved in litigation in respect of a vessel known as the mv Geraki (*formerly known as mv Cap Thanos*). This vessel was carrying vegetable oils for 9 different cargo owners (7 European cargo owners including SDGIZR, and 2 Algerian cargo owners). The percentage of SDGIZR’s cargo on board was about 14.4%. The vessel was auctioned and in April 2011 was sold to Chantico. All cargo were eventually discharged in April/May 2013. Beginning in 2012, Chantico started various proceedings against the cargo owners.

The following two lawsuits proceeded to trial:

i. Proceedings before the Court of Piraeus which started in October 2014 (“Lawsuit 1”)

The claims by Chantico are based on alleged actions in tort (i.e. alleged delay of discharge of cargo) and the current total amount claimed from all 9 cargo owners, jointly and severally, is EUR6 million (approximately RM28.0 million). The hearing for Lawsuit 1 concluded on 25 September 2018.

ii. Proceedings before the Court of Piraeus which started in December 2015 (“Lawsuit 2”)

The claim in these proceedings was based on the alleged damage to the vessel and loss of profit caused by the alleged actions in tort during transshipment and heating of the cargo. The claim against the 9 cargo owners and the third party, jointly and severally, amounts to EUR9.3 million (approximately RM43.4 million) and an additional claim was filed against all cargo owners, jointly and severally, of EUR380,000 (approximately RM1.8 million) for port and anchorage dues. The hearing for Lawsuit 2 concluded on 25 September 2018.

On 25 November 2020 the Court of Piraeus rendered its judgement dismissing all of Chantico’s claims in Lawsuit 1 and Lawsuit 2.

Chantico appealed to the Piraeus Court of Appeal and the Appeal for Lawsuit 1 and Lawsuit 2 were heard on 17 November 2022. On 29 January 2024, SDGIZR was informed that the Piraeus Court of Appeal dismissed Chantico’s appeal in both Lawsuit 1 and Lawsuit 2. The judgment of the Piraeus Court of Appeal was subject to appeal to the Supreme Court on issues of law only and the time limit to file an appeal was 60 days from the date of service of the judgment on Chantico. The time limit to file the appeal to the Supreme Court against the judgment of the Piraeus Court of Appeal has since expired and the judgment of the Piraeus Court of Appeal is final and unappealable. Chantico’s lawsuits are dismissed, and this matter is deemed closed. SDGIZR’s Greek lawyer estimated the exposure (and all of the other 8 cargo owners, jointly and severally) at EUR2.1 million (approximately RM 9.8 million) for Lawsuit 1 and EUR 145,000 (approximately RM 0.7 million) for Lawsuit 2, all amounts inclusive of interest.

On 18 June 2024, Chantico filed a new lawsuit 3 (“Lawsuit 3”) with the Piraeus Court of against the same defendants in Lawsuit 1 and Lawsuit 2 is based (1) on alleged acts and omissions in tort, and (2) alternatively on liability for unjust enrichments. The claim in tort is the same as pursued in Lawsuit 1. In Lawsuit 3, jointly and severally, is calculated at USD 2,958,660, the equivalent of which in Euros is indicated against four different exchange rates of four different dates. The alternative claim on unjust enrichment is calculated at USD 4,416,850 (alternatively Euros 3,332,817 (approximately RM15.5 million)) and is claimed from each of the defendants on a pro-rate basis. Chantico claims from SDGIZR 14.426% of the total, i.e. USD 637,174.78 (alternatively Euros 480,793.62 (approximately RM2.2 million)). Additionally, over all of the above-mentioned amounts Chantico claims legal interest as from 18.05.2018, allegedly the date of service of the lawsuit 1 writ. No provision is made at this juncture as the lawsuit is still under review.

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44. DISCLOSURES OF SIGNIFICANT RELATED PARTY TRANSACTIONS

The immediate and ultimate holding companies of the Company are Permodalan Nasional Berhad (“PNB”) and Yayasan Pelaburan Bumiputra (“YPB”), which are incorporated in Malaysia.

Transactions entered into for the respective financial year under review, with companies in which PNB and YPB have significant interest, include the sales and purchases of goods and services.

These related party transactions were entered into in the ordinary course of business on negotiated trade terms and conditions and do not require the approval of shareholders.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions:

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

44. DISCLOSURES OF SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions: (continued)

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

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For the financial year ended 31 December 2024

44. DISCLOSURES OF SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions: (continued)

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

d. Transactions with shareholders and Government

Permodalan Nasional Berhad (“PNB”) and the funds managed by its subsidiary, Amanah Saham Nasional Berhad, together owns 54.90% as at 31 December 2024 (2023: 55.29%) of the issued share capital of the Company. PNB is an entity controlled by the Malaysian Government through YPB. The Group considers that, for the purpose of MFRS 124 “Related Party Disclosures”, the Malaysian Government are in the position to exercise significant influence over it. As a result, the Malaysian Government and Malaysian Government’s controlled bodies (collectively referred to as government related entities) are related parties of the Group and of the Company.

Apart from the individually significant transactions as disclosed elsewhere in the financial statements, the Group and the Company have collectively, but not individually, significant transactions with other government-related entities which include but not limited to the following:

- i. Purchasing of goods and services, including use of public utilities and amenities; and
- ii. Placement of bank deposits with government-related financial institutions

All the transactions entered into by the Group and the Company with the government-related entities are conducted in the ordinary course of the Group’s and the Company’s businesses on negotiated terms.

e. Remuneration of key management personnel

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Remuneration of key management personnel				
The aggregate amount of emoluments received/receivable by key management personnel of the Group and the Company during the financial year are as follows:				
– Salaries, fees and other emoluments	35,558	33,791	33,112	29,827
– Defined contribution pension plans	4,232	3,930	4,231	3,722
– Estimated monetary value of benefits by way of usage of the Group’s and the Company’s assets	691	307	686	300
	40,481	38,028	38,029	33,849

Key management personnel comprise of Directors, Group Leadership Council members and senior management personnel having the authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly.

45. FINANCIAL INSTRUMENTS

Financial assets of the Group and the Company measured at amortised cost include trade and other receivables (excluding prepayments and goods and services tax/value added tax receivable), inter-company receivables and bank balances, deposits and cash. Financial liabilities at amortised cost of the Group and the Company include trade and other payables (excluding employee related payables and goods and services tax/value added tax payables), inter-company payables, lease liabilities and borrowings.

Financial instruments measured at fair value through other comprehensive income includes derivative designated as cash flow hedges.

Financial instruments measured at fair value through profit or loss includes non hedging derivatives (forward and futures contracts) and derivatives arising from ineffective portion of cash flow hedges.

a. Financial risk management objectives and policies

The Group’s activities expose it to a variety of financial risks, including foreign currency exchange risk, interest rate risk, credit risk, liquidity and cash flow risk and price risk. The Group’s financial risk management objective is to ensure that the Group creates value for its shareholders. Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to the Group’s financial risk management policies. The Board regularly reviews these risks and approves the policies covering the management of these risks. The Group uses derivative financial instruments such as forward foreign exchange contracts, commodities forwards, futures and options contracts and interest rate swaps to hedge certain exposures.

Whilst all derivatives entered into provide economic hedges to the Group, certain derivatives do not qualify for the application of hedge accounting under the specific rules in MFRS 9. Changes in the fair value of these derivatives are recognised in profit or loss, whilst changes in the fair value of those derivatives that qualify for cash flow hedge accounting are recognised in other comprehensive income.

i. Foreign currency exchange risk

Where the transacted currencies differ from the Company’s and subsidiaries’ functional currency, the Group is exposed to currency translation risk. The risk also extends to purchases denominated in currency other than the Company and the subsidiaries’ functional currency.

Where possible, the Group will apply natural hedge by selling and purchasing in the same currency. Otherwise, the Group enters into forward foreign exchange contracts to limit its exposure on foreign currency receivables and payables, and on cash flows generated from anticipated transactions denominated in foreign currencies. These derivatives are normally contracted through centralised treasury in order to achieve the benefits of netting within the Group and to manage the cost of hedging effectively.

The Group’s policy on the extent of a foreign currency transaction or balance to be hedged is dependent on the duration to the settlement date. In terms of forecasted transaction, exposure is hedged only if it is expected to be cost effective.

The Group does not hedge its cash, deposits and borrowings denominated in other than functional currency.

The Group is also exposed to currency translation risk arising from its net investments in foreign subsidiaries. The investments in foreign subsidiaries are not hedged due to the long-term nature of those investments, except for the net investments in NBPOL group whereby the foreign currency borrowings related to the acquisition of the subsidiary of USD560.0 million (equivalent to RM2,501.7 million) (2023: USD982.5 million (equivalent to RM4,528.3 million)) are designated as a natural hedge against the net investment. The foreign currencies exchange gains of RM22.5 million (2023: foreign currencies exchange losses of RM135.7 million) in relation to the net investment hedge was adjusted to other comprehensive income. There was no ineffectiveness to be recorded from net investment hedge in NBPOL group.

Notes to the Financial Statements

For the financial year ended 31 December 2024

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

i. Foreign currency exchange risk (continued)

Currency profile of monetary financial assets and financial liabilities are as follows:

	GROUP				
	United States Dollar RM'000	European Union Euro RM'000	Others RM'000	Denominated in functional currencies RM'000	Total RM'000
2024					
Assets					
Investments at FVOCI (non-current)	–	–	–	32,311	32,311
Trade and other receivables (net)					
– non-current	–	4,416	1,169	56,582	62,167
– current	268,674	22,931	201,530	1,459,192	1,952,327
Bank balances, deposits and cash	82,458	11,157	21,002	510,765	625,382
Amounts due from related parties	–	–	–	340	340
Derivative assets	13,024	753	6,553	9,538	29,868
	364,156	39,257	230,254	2,068,728	2,702,395
Liabilities					
Borrowings					
– non-current	(611,740)	–	–	(2,748,489)	(3,360,229)
– current	(600,338)	–	(88,684)	(1,052,843)	(1,741,865)
Lease liabilities					
– non-current	–	–	(78,286)	(98,453)	(176,739)
– current	–	–	(3,932)	(23,987)	(27,919)
Amounts due to related parties	–	–	–	(13,732)	(13,732)
Trade and other payables					
– non-current	–	–	(39,054)	(13,687)	(52,741)
– current	(136,975)	(9,038)	(261,643)	(1,386,800)	(1,794,456)
Derivative liabilities	(6,197)	(19)	(5,857)	(34)	(12,107)
	(1,355,250)	(9,057)	(477,456)	(5,338,025)	(7,179,788)
	(991,094)	30,200	(247,202)	(3,269,297)	(4,477,393)

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

i. Foreign currency exchange risk (continued)

Currency profile of monetary financial assets and financial liabilities are as follows: (continued)

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

Notes to the Financial Statements

For the financial year ended 31 December 2024

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

i. Foreign currency exchange risk (continued)

Currency profile of monetary financial assets and financial liabilities are as follows: (continued)

	COMPANY				
	United States Dollar RM'000	European Union Euro RM'000	Others RM'000	Denominated in functional currencies RM'000	Total RM'000
2024					
Assets					
Investments at FVOCI (non-current)	–	–	–	32,161	32,161
Trade and other receivables (net)	669	–	40,196	67,584	108,449
Bank balances, deposits and cash	41,230	103	–	109,286	150,619
Amounts due from related parties	–	–	–	130	130
Amounts due from subsidiaries					
– non-current	–	–	–	52,204	52,204
– current	135,169	10,586	383	1,397,105	1,543,243
Derivative assets	3,889	–	–	–	3,889
	180,957	10,689	40,579	1,658,470	1,890,695
Liabilities					
Borrowings					
– non-current	(612,124)	–	–	(2,275,634)	(2,887,758)
– current	(222,979)	–	–	(793,640)	(1,016,619)
Amounts due to related parties	–	–	–	(6,519)	(6,519)
Amounts due to subsidiaries	(407,314)	(65,649)	–	(1,387,586)	(1,860,549)
Trade and other payables					
– non-current	–	(24,245)	–	(7)	(24,252)
– current	(7,652)	(5,482)	(391)	(362,566)	(376,091)
	(1,250,069)	(95,376)	(391)	(4,825,952)	(6,171,788)
	(1,069,112)	(84,687)	40,188	(3,167,482)	(4,281,093)

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

i. Foreign currency exchange risk (continued)

Currency profile of monetary financial assets and financial liabilities are as follows: (continued)

	COMPANY				
	United States Dollar RM'000	European Union Euro RM'000	Others RM'000	Denominated in functional currencies RM'000	Total RM'000
2023					
Assets					
Investments at FVOCI (non-current)	–	–	–	22,966	22,966
Trade and other receivables (net)	177	–	152	94,423	94,752
Bank balances, deposits and cash	36,642	142	–	63,916	100,700
Amounts due from related parties	–	–	–	79	79
Amounts due from subsidiaries					
– non-current	60,309	–	–	62,869	123,178
– current	157,526	851	247	837,560	996,184
	254,654	993	399	1,081,813	1,337,859
Liabilities					
Borrowings					
– non-current	(861,865)	–	–	(2,196,905)	(3,058,770)
– current	(722,271)	–	–	(326,090)	(1,048,361)
Amounts due to related parties	–	–	–	(6,951)	(6,951)
Amounts due to subsidiaries	(1,262,625)	(23,364)	(15,783)	(595,857)	(1,897,629)
Trade and other payables					
– non-current	–	(29,534)	–	(10)	(29,544)
– current	(6,406)	(5,290)	(439)	(358,851)	(370,986)
Dividend payable	–	–	–	(394,196)	(394,196)
Derivative liabilities	(347)	–	–	–	(347)
	(2,853,514)	(58,188)	(16,222)	(3,878,860)	(6,806,784)
	(2,598,860)	(57,195)	(15,823)	(2,797,047)	(5,468,925)

Notes to the Financial Statements

For the financial year ended 31 December 2024

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

i. Foreign currency exchange risk (continued)

The following table illustrates the effects of changes in exchange rate on the translation of foreign currency monetary items against the functional currency at 31 December 2024 and 31 December 2023, both before and after taking into account the hedge instruments (forward contracts entered into to hedge receivables and payables). If the major currencies strengthened by the following percentage at the end of the financial reporting year, the Group's and the Company's profit after tax will improve/(decline) by:

GROUP					
Major currency	Strengthened against RM by	Net monetary item RM'000	Hedged RM'000	Impact on profit after tax	
				Before hedge RM'000	After hedge RM'000
2024					
United States Dollar					
– Assets	10%	364,156	347,027	27,676	1,302
– Liabilities	10%	(1,355,250)	(331,789)	(102,999)	(77,783)
European Union Euro					
– Assets	5%	39,257	5,966	1,492	1,265
– Liabilities	5%	(9,057)	(6,720)	(344)	(89)
2023					
United States Dollar					
– Assets	3%	446,712	151,363	10,185	6,734
– Liabilities	3%	(2,362,673)	(107,414)	(53,869)	(51,420)
European Union Euro					
– Assets	1%	20,023	2,254	152	135
– Liabilities	1%	(4,494)	–	(34)	(34)

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

i. Foreign currency exchange risk (continued)

The following table illustrates the effects of changes in exchange rate on the translation of foreign currency monetary items against the functional currency at 31 December 2024 and 31 December 2023, both before and after taking into account the hedge instruments (forward contracts entered into to hedge receivables and payables). If the major currencies strengthened by the following percentage at the end of the financial reporting year, the Group's and the Company's profit after tax will improve/(decline) by: (continued)

COMPANY					
Major currency	Strengthened against RM by	Net monetary item RM'000	Hedged RM'000	Impact on profit after tax	
				Before hedge RM'000	After hedge RM'000
2024					
United States Dollar					
– Assets	10%	180,957	–	13,753	13,753
– Liabilities	10%	(1,250,069)	–	(95,005)	(95,005)
European Union Euro					
– Assets	5%	10,689	–	406	406
– Liabilities	5%	(95,376)	–	(3,624)	(3,624)
2023					
United States Dollar					
– Assets	3%	254,654	–	5,806	5,806
– Liabilities	3%	(2,853,514)	–	(65,060)	(65,060)
European Union Euro					
– Assets	1%	993	–	8	8
– Liabilities	1%	(58,188)	–	(442)	(442)

Notes to the Financial Statements

For the financial year ended 31 December 2024

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

ii. Interest rate risk

The Group's and the Company's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure which arises from certain of the Group's and the Company's borrowings is managed through the use of floating debt and derivative financial instruments. Derivative financial instruments are used, where appropriate, to generate the desired interest rate profile.

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

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

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

As at 31 December 2024, all of the Group's and the Company's floating rate borrowings stood at RM4,635.8 million (2023: RM4,769.4 million) and RM3,904.4 million (2023: RM4,107.1 million) respectively. The following table demonstrates the effects of changes in interest rate on floating rate borrowings. If the interest rate increased by 0.5% (2023: 0.5%), the Group's and the Company's profit after tax will be lower by:

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

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

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iii. Credit risk

Credit risk arises on sales made on credit terms, derivatives with positive fair value and deposits with banks.

- A. Risk management**

The Group and the Company seek to control credit risk by dealing with customers and counterparty of appropriate credit history and transact and deposit with bank and financial institution with good credit ratings. Third party agencies' ratings are considered, if available. In addition, the customers' most recent financial statements, payment history and other relevant information are considered in the determination of credit risk. Customers are assessed at least annually and more frequently when information on significant changes in the customers' financial position becomes known. Credit terms and limit are set based on the assessment. Where appropriate, guarantees or securities are obtained to limit credit risk. Sales to customers are usually suspended when earlier amounts are overdue exceeding 180 days.
- B. Collateral**

The Group and the Company have a maximum exposure which approximate the carrying amount as stated in the statements of financial position less collateral received, mainly related to letters of credit, amounting to RM91.7 million and nil (2023: RM120.4 million and nil) respectively.
- C. Impairment of financial assets and financial guarantee contracts**

The Group and the Company assess on a forward looking basis the expected credit loss ("ECL") associated with its debt instruments carried at amortised cost and financial guarantee contracts issued. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group and the Company have the following financial instruments that are subject to the ECL model:

Measurement of ECL – simplified approach

- Trade receivables
- Intercompany receivables (trade) – inclusive of amounts due from associates, joint ventures, subsidiaries and related parties

Measurement of ECL – general 3-stage approach

- Intercompany receivables (non-trade) – inclusive of amounts due from subsidiaries
- Advances for plasma plantation projects
- Financial guarantee contracts issued
- Interest receivables
- Other receivables

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

Notes to the Financial Statements

For the financial year ended 31 December 2024

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iii. Credit risk (continued)

C. Impairment of financial assets and financial guarantee contracts (continued)

Reconciliation of loss allowance for trade and other receivables, intercompany receivables (trade and non-trade) and advances for plasma plantation projects.

GROUP						
		Trade receivables RM'000	Other receivables RM'000	Amounts due from joint ventures RM'000	Advances for plasma plantation projects RM'000	TOTAL RM'000
	Note					
2024						
At 1 January		21,934	8,298	52,071	27,578	109,881
Charge for the financial year	6d	3,081	11,461	–	–	14,542
(Write back)/Write offs		(260)	1,224	–	–	964
Reversal for the financial year	6d, 7	(4,362)	–	–	(1,785)	(6,147)
Exchange differences		(921)	(162)	–	(2,300)	(3,383)
At 31 December		19,472	20,821	52,071	23,493	115,857
2023						
At 1 January		18,196	7,367	52,071	24,975	102,609
Charge for the financial year	6d	4,159	1,176	–	881	6,216
Exchange differences		(421)	(245)	–	1,722	1,056
At 31 December		21,934	8,298	52,071	27,578	109,881

COMPANY						
		Trade receivables RM'000	Other receivables RM'000	Amounts due from joint ventures RM'000	Amounts due from subsidiaries RM'000	TOTAL RM'000
	Note					
2024						
At 1 January		388	1,765	40,000	305,646	347,799
Charge for the financial year	6d	–	–	–	9,018	9,018
Reversal for the financial year	7	–	–	–	(34)	(34)
At 31 December		388	1,765	40,000	314,630	356,783
2023						
At 1 January		388	1,768	40,000	309,806	351,962
Charge for the financial year	6d	–	–	–	7,778	7,778
Write offs		–	(3)	–	–	(3)
Reversal for the financial year	7	–	–	–	(11,938)	(11,938)
At 31 December		388	1,765	40,000	305,646	347,799

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iii. Credit risk (continued)

C. Impairment of financial assets and financial guarantee contracts (continued)

A summary of the assumptions underpinning the Group's and the Company's ECL are as follows:

- Trade receivables using simplified approach

The ECL rates are based on 5-year historical credit losses experienced by the Group and the Company. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. However, based on the Group's and the Company's assessment, the ability to collect has minimal correlation with macroeconomic factors as these are consumers products. No significant changes to estimation techniques or assumptions were made during the reporting year.

The following table contains an analysis of the credit risk exposure of trade receivables for which a loss allowance is recognised using simplified approach. The gross carrying amount of trade receivables below also represents the Group's and the Company's maximum exposure to credit risk on these assets:

GROUP				
	Gross receivables RM'000	Expected credit loss rate %	Loss allowances RM'000	Carrying amount (net of loss allowance) RM'000
2024				
Group				
Local customers:				
Current	649,764	0.0%	–	649,764
Past due by:				
– 1 to 30 days	364,089	1.0%	(3,514)	360,575
– 31 to 60 days	10,950	0.0%	–	10,950
– 61 to 90 days	3,066	0.0%	–	3,066
– 91 to 180 days	1,331	0.0%	–	1,331
– 181 to 360 days	3,039	0.0%	–	3,039
– more than 360 days	12,331	86.2%	(10,634)	1,697
	1,044,570		(14,148)	1,030,422
Export customers:				
Current	492,268	0.0%	–	492,268
Past due by:				
– 1 to 30 days	108,492	3.0%	(3,288)	105,204
– 31 to 60 days	1,582	0.0%	–	1,582
– 61 to 90 days	1,144	0.0%	–	1,144
– 91 to 180 days	75	0.0%	–	75
– 181 to 360 days	84	0.0%	–	84
– more than 360 days	2,239	90.9%	(2,036)	203
	605,884		(5,324)	600,560

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For the financial year ended 31 December 2024

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iii. Credit risk (continued)

C. Impairment of financial assets and financial guarantee contracts (continued)

- Trade receivables using simplified approach (continued)

The following table contains an analysis of the credit risk exposure of trade receivables for which a loss allowance is recognised using simplified approach. The gross carrying amount of trade receivables below also represents the Group's and the Company's maximum exposure to credit risk on these assets: (continued)

GROUP				
	Gross receivables RM'000	Expected credit loss rate %	Loss allowances RM'000	Carrying amount (net of loss allowance) RM'000
2023				
Group				
Local customers:				
Current	448,903	0.0%	–	448,903
Past due by:				
– 1 to 30 days	289,607	0.0%	(30)	289,577
– 31 to 60 days	102,685	0.0%	–	102,685
– 61 to 90 days	39,122	0.0%	–	39,122
– 91 to 180 days	19,277	0.1%	(16)	19,261
– 181 to 360 days	2,475	45.3%	(1,122)	1,353
– more than 360 days	16,065	89.4%	(14,363)	1,702
	918,134		(15,531)	902,603
Export customers:				
Current	364,078	0.0%	–	364,078
Past due by:				
– 1 to 30 days	177,959	0.0%	(44)	177,915
– 31 to 60 days	5,383	0.0%	–	5,383
– 61 to 90 days	3,760	0.0%	(1)	3,759
– 91 to 180 days	5,607	0.0%	–	5,607
– 181 to 360 days	2,274	80.6%	(1,832)	442
– more than 360 days	4,664	97.0%	(4,526)	138
	563,725		(6,403)	557,322

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iii. Credit risk (continued)

C. Impairment of financial assets and financial guarantee contracts (continued)

- Trade receivables using simplified approach (continued)

The following table contains an analysis of the credit risk exposure of trade receivables for which a loss allowance is recognised using simplified approach. The gross carrying amount of trade receivables below also represents the Group's and the Company's maximum exposure to credit risk on these assets: (continued)

COMPANY				
	Gross receivables RM'000	Expected credit loss rate %	Loss allowances RM'000	Carrying amount (net of loss allowance) RM'000
2024				
Upstream				
Local customers:				
Current	21,772	0.0%	–	21,772
Past due by:				
– 1 to 30 days	(173)	0.0%	–	(173)
– 31 to 60 days	831	0.0%	–	831
– 61 to 90 days	525	0.0%	–	525
– 91 to 180 days	(284)	0.0%	–	(284)
– 181 to 360 days	(25)	0.0%	–	(25)
– more than 360 days	388	100.0%	(388)	–
	23,034		(388)	22,646
2023				
Upstream				
Local customers:				
Current	20,305	0.0%	–	20,305
Past due by:				
– 1 to 30 days	473	0.0%	–	473
– 31 to 60 days	–	0.0%	–	–
– 61 to 90 days	55	0.0%	–	55
– more than 360 days	388	100.0%	(388)	–
	21,221		(388)	20,833

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For the financial year ended 31 December 2024

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iii. Credit risk (continued)

C. Impairment of financial assets and financial guarantee contracts (continued)

- Intercompany receivables (trade) - inclusive of amounts due from associates, joint ventures, subsidiaries and related parties using simplified approach

Intercompany receivables (trade) represent amounts outstanding arising from sales of goods. In arriving at loss allowance, the same assumptions as trade receivables have been applied. As a result, management is of the view that adequate loss allowance has been recognised as at the date of reporting.

- Intercompany receivables (non-trade) – inclusive of amounts due from subsidiaries using general 3-stage approach

The Company provides unsecured advances to subsidiaries and where necessary makes payments for expenses on behalf of its subsidiaries. The Company monitors the performance of the subsidiaries regularly.

Management has assessed the loss allowance for amount due from subsidiaries individually taking into consideration of the financial position and the plans in place for the respective subsidiaries. As at the reporting date, management is of the view that adequate loss allowance has been recognised.

- Advances for plasma plantation projects using general 3-stage approach

In Indonesia, oil palm plantation owners/operators are required to participate in selected programmes to develop plantations for smallholders (herein referred to as “plasma farmers”). The Group is involved in “Perusahaan Inti Rakyat Transmigrasi” and “Kredit Koperasi Primer untuk Anggotanya” which require the Group to serve as a contractor for developing the plantations, train and develop the skills of the plasma farmers, and purchase the fresh fruit bunches harvested by plasma farmers at prevailing prices determined by the Indonesian Government.

The advances made by the Group in the form of plasma plantation development costs are recoverable from the plasma farmers upon the completion of the plasma plantation projects, either from the plasma farmers directly, through the assignment to plasma farmers of the loans obtained for the projects or netted-off with the FFB purchased from the plasma farmers. Impairment losses are made when the estimated recoverable amounts are less than the outstanding advances.

- Financial guarantee contracts using general 3-stage approach

The Group is exposed to credit risk arising from financial guarantee contracts given to banks for joint ventures’ and plasma stakeholders’ borrowings where the maximum credit risk exposure is the amount of borrowings utilised by the joint ventures or plasma stakeholders. Management has reviewed the financial position of the joint ventures and plasma stakeholders as at the reporting date and was of the view that the financial guarantee contracts are unlikely to be called by the lenders.

The Company is exposed to credit risk arising from financial guarantee contracts given to banks for joint ventures’ and subsidiaries’ borrowings where the maximum credit risk exposure is the amount of borrowings utilised by the joint ventures and subsidiaries. Historically, the Group and the Company have not defaulted in any borrowings and with the stringent monitoring over the treasury process, management is of the view that the financial guarantee contracts are unlikely to be called by the joint ventures’ and subsidiaries’ lenders.

- Other receivables using general 3-stage approach

The Group’s and the Company’s net other receivables balances are RM341.3 million and RM84.4 million (2023: RM331.3 million and RM72.2 million) respectively as at 31 December 2024. Management has assessed the other receivables which comprises mainly of amounts due from brokers, arising from the Group’s trading operations individually and determined that the majority of the other receivables were fully recoverable and adequate loss allowance has been recognised.

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iv. Liquidity and cash flow risks

Liquidity and cash flow risks are the risks that the Group or the Company will encounter difficulty in meeting their financial obligations due to shortage of funds. The Group’s and the Company’s exposure to these risks arise primarily from the mismatch of maturities of financial assets and liabilities. To mitigate these risks to an acceptable level, the Group maintains sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities.

The Group maintains centralised treasury functions where all strategic funding requirements are managed.

The Company’s current liabilities exceeded its current assets by RM1,430.3 million as at 31 December 2024 (2023: RM2,539.4 million).

In considering going concern and liquidity risk, the Directors have reviewed the Company’s cash flow projections for the next 12 months from the date of approval of the financial statements. In addition, the Company has undrawn credit facilities of RM2.2 billion (2023: RM2.8 billion) as at 31 December 2024.

The Directors therefore believe that the Company will be able to meet its obligations when it is due and fund its operating and anticipated capital expenditure having considered the above factors.

The undiscounted contractual cash flows of the Group’s and the Company’s financial liabilities are as follows:

	GROUP					
	On demand or within 1 year RM'000	Between 1 and 2 years RM'000	Between 2 and 5 years RM'000	Above 5 years RM'000	Total contractual cash flows RM'000	Total carrying amount RM'000
2024						
Trade and other payables	1,769,880	–	–	50,077	1,819,957	1,819,957
Borrowings						
– principal	1,741,865	476,843	2,019,058	864,328	5,102,094	5,102,094
– interest	154,023	127,642	238,194	29,803	549,662	23,738
Amounts due to related parties	13,732	–	–	–	13,732	13,732
Lease liabilities	37,159	24,500	63,460	149,571	274,690	204,658
Derivatives						
Net-settled commodities, futures and forward contracts						
– payments	5,328	–	–	–	5,328	5,328
Forward foreign exchange contracts	6,779	–	–	–	6,779	6,779
	3,728,766	628,985	2,320,712	1,093,779	7,772,242	7,176,286
2023						
Trade and other payables	1,761,283	–	–	54,086	1,815,369	1,815,369
Borrowings						
– principal	1,700,617	279,023	1,989,774	1,312,889	5,282,303	5,282,303
– interest	57,559	99,445	47,355	29,748	234,107	23,125
Amounts due to related parties	13,677	–	–	–	13,677	13,677
Lease liabilities	34,544	38,395	62,511	163,017	298,467	219,569
Dividend payable	394,196	–	–	–	394,196	394,196
Derivatives						
Net-settled commodities options, futures and forward contracts						
– payments	4,707	–	–	–	4,707	4,707
Forward foreign exchange contracts	14,058	–	–	–	14,058	14,058
	3,980,641	416,863	2,099,640	1,559,740	8,056,884	7,767,004

Notes to the Financial Statements

For the financial year ended 31 December 2024

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

iv. Liquidity and cash flow risks (continued)

The undiscounted contractual cash flows of the Group's and the Company's financial liabilities are as follows: (continued)

	COMPANY					
	On demand or within 1 year RM'000	Between 1 and 2 years RM'000	Between 2 and 5 years RM'000	Above 5 years RM'000	Total contractual cash flows RM'000	Total carrying amount RM'000
2024						
Trade and other payables	352,966	–	–	–	352,966	352,966
Borrowings						
– principal	1,016,619	475,060	2,014,684	398,014	3,904,377	3,904,377
– interest	140,098	113,833	210,937	16,280	481,148	17,832
Dividend payable	–	–	–	–	–	–
Intra-group payables	1,867,068	–	–	–	1,867,068	1,867,068
	3,376,751	588,893	2,225,621	414,294	6,605,559	6,142,243
2023						
Trade and other payables	349,531	–	–	–	349,531	349,531
Borrowings						
– principal	1,048,361	275,871	1,985,161	797,738	4,107,131	4,107,131
– interest	41,520	84,176	2,250	–	127,946	16,162
Dividend payable	394,196	–	–	–	394,196	394,196
Intra-group payables	1,904,580	–	–	–	1,904,580	1,904,580
	3,738,188	360,047	1,987,411	797,738	6,883,384	6,771,600

As at 31 December 2024, the Group's and the Company's maximum potential liabilities under financial guarantee contracts amounted to RM100.6 million and RM549.8 million respectively (2023: RM119.6 million and RM619.9 million respectively). Financial guarantee contracts are assumed to be immediately payable on demand.

45. FINANCIAL INSTRUMENTS (CONTINUED)

a. Financial risk management objectives and policies (continued)

v. Price risk

The Group and the Company are largely exposed to commodity price risk due to fluctuations in crude palm oil and other palm products futures prices.

The Group and the Company enter into commodities options and futures contracts to minimise exposure to adverse movements in crude palm oil and other palm products prices. Certain contracts are entered into and continue to be held for the purpose of the receipt or delivery of the physical commodity in accordance with the Group's and the Company's expected purchase, sale or usage requirements. Contracts that are not held for the purpose of physical delivery are accounted for as derivatives and are disclosed in Note 28b.

The following table contains details of the commodities options and futures contracts that are accounted as derivatives.

i. Cash flow hedges

	Notional Amount RM'000	Maturity period Months	Tonnage Tonnes	Average contract price per tonne RM
GROUP – 2024				
Sale contracts	348,201	Less than 12	82,725	4,209
GROUP – 2023				
Sale contracts	63,911	Less than 12	14,750	4,333

ii. Non-hedging derivatives

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

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

Notes to the Financial Statements

For the financial year ended 31 December 2024

45. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial instruments measured at fair value

In estimating the financial instruments carried at fair value, there are, in general, three different levels which can be defined as follows:

- i. Level 1 – Quoted prices in active markets for identical assets or liabilities;
- ii. Level 2 – Valuation inputs (other than level 1 input) that are observable for the asset or liability, either directly or indirectly; and
- iii. Level 3 – Valuation inputs that are not based on observable market data.

The following table presents the Group's and the Company's financial assets and liabilities that are measured at fair value at the end of the reporting period based on the three different levels as defined above:

	GROUP			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2024				
Financial assets				
Investments at FVOCI	–	–	32,311	32,311
Derivatives				
– commodities futures contracts	15,665	–	–	15,665
– commodities forward contracts	–	1	–	1
– forward foreign exchange contracts	–	14,202	–	14,202
	15,665	14,203	32,311	62,179
Financial liabilities				
Derivatives				
– commodities futures contracts	(5,295)	–	–	(5,295)
– commodities forward contracts	–	(33)	–	(33)
– forward foreign exchange contracts	–	(6,779)	–	(6,779)
	(5,295)	(6,812)	–	(12,107)
2023				
Financial assets				
Investments at FVOCI	–	–	23,113	23,113
Derivatives				
– commodities futures contracts	16,938	–	–	16,938
– commodities forward contracts	–	5,384	–	5,384
– forward foreign exchange contracts	–	11,317	–	11,317
	16,938	16,701	23,113	56,752
Financial liabilities				
Derivatives				
– commodities futures contracts	(4,272)	–	–	(4,272)
– commodities forward contracts	–	(435)	–	(435)
– forward foreign exchange contracts	–	(14,058)	–	(14,058)
	(4,272)	(14,493)	–	(18,765)

45. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial instruments measured at fair value (continued)

The following table presents the Group's and the Company's financial assets and liabilities that are measured at fair value at the end of the reporting period based on the three different levels as defined above: (continued)

	COMPANY			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2024				
Financial assets				
Investments at FVOCI	–	–	32,161	32,161
Financial liabilities				
Derivatives				
– forward foreign exchange contracts	–	3,889	–	3,889
2023				
Financial assets				
Investments at FVOCI	–	–	22,966	22,966
Financial liabilities				
Derivatives				
– forward foreign exchange contracts	–	(347)	–	(347)

If quoted market prices in active markets are available, these are considered Level 1. If such quoted market prices are not available, fair value is determined using market prices for similar assets or present value techniques, applying an appropriate risk-free interest rate adjusted for non-performance risk. The inputs used in present value techniques are observable and fall into the Level 2 category. It is classified into the Level 3 category if significant unobservable inputs are used.

The fair values of derivatives are determined using quoted price of identical instruments from an active market, if available (Level 1). If quoted prices are not available, price quoted for similar instruments, appropriately adjusted or present value techniques, based on available market data, or option pricing models are used. The fair values obtained using price quotes for similar instruments or valuation techniques represent a Level 2 input unless significant unobservable inputs are used.

There were no transfers between the levels of the fair value hierarchy during the financial year.

c. Financial instruments measured at amortised costs

The carrying amounts of non-current financial assets and liabilities are measured at amortised cost.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

- i. **Short-term financial instruments**
The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.
- ii. **Long-term financial instruments**
The fair value of the Group's long-term financial instruments approximate their carrying values and it is estimated by discounting the future contractual cash flows at the current market rate available to the Group for similar instruments.

Notes to the Financial Statements

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46. CAPITAL MANAGEMENT

a. Capital management objectives

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and maximise shareholder value. This is achieved through reviewing and managing its equity, debt and cash. Equity attributable to equity holders of the Company includes share capital, reserves and retained earnings.

The Group seeks to achieve optimal capital structure taking into account returns expected by shareholders, cost of debts, capital expenditure, investment opportunities, projected cash flows and externally imposed financial covenants. The Group has consistently paid out around 50% to 70% of its recurring annual profit attributable to equity holders of the Company as dividends and reinvests the rest. Whilst the current practice provides a reasonable balance between expansion and cash dividends, the Group may adjust the dividend payout, equity levels and debt levels to achieve the optimal capital structure.

Gearing ratio and interest cover are some of the ratios used in capital management. Gearing ratio is calculated as gross debt divided by total equity. Gross debt is calculated as the total of borrowings and amount due to a subsidiary (including "current and non-current" as shown in the Company's statement of financial position). Interest cover is calculated as profit before interest and tax excluding impairment on investments in subsidiaries and joint ventures divided by total finance costs (gross).

The ratios are as follows:

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

b. Externally imposed financial covenants and capital structure

In addition to optimising capital structure and complying with externally imposed financial covenants, the Group is also required to comply with statutory requirements in certain countries where the Group operates. This includes minimum capital requirement and the requirement to maintain legal reserves which are non-distributable.

Under the terms of the major bank loans, with a carrying amount of RM1,697 million (2023: RM1,711 million), the Group is required to be in compliance with externally imposed financial covenants and capital requirements for the financial year ended 31 December 2024 and 31 December 2023:

- i.

Maintain consolidated borrowings, net of cash and cash equivalent to consolidated shareholder's funds (gearing ratio) of not more than 2.0 times calculated on a yearly basis based on available audited financial statements; and
- ii.

Maintain consolidated shareholders' funds of at least RM5.0 billion calculated on a yearly basis based on available audited financial statements.

The Group has complied with these covenants as at 31 December 2024 and 31 December 2023.

There are no indications that the Group may have difficulties complying with the covenants in the next twelve months from the reporting date.

47. LIST OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

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

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
Agri Sumber Prestari Sdn Bhd	Malaysia	100.0	100.0	1	Supply of local manpower and related services to agriculture industry
Chartquest Sdn Bhd	Malaysia	61.1	61.1	1	Cultivation of oil palm
Chermang Development (Malaya) Sdn Bhd	Malaysia	83.9	83.9	1	Investment holding
Consolidated Plantations Berhad	Malaysia	100.0	100.0	1	Investment holding
SD Guthrie Agri Bio Sdn Bhd (formerly known as Guthrie Agri Bio Sdn Bhd)	Malaysia	100.0	100.0	1	Manufacturing and marketing of rat baits and trading of agricultural related products
SD Guthrie Agro Tech Sdn Bhd (formerly known as Guthrie Agro Tech Sdn Bhd)	Malaysia	100.0	100.0	1	Engage in agricultural mechanisation and commercialisation of prototype machines and equipment
SD Guthrie Plantation Industries Malaysia Sdn Bhd (formerly known as Guthrie Industries Malaysia Sendirian Berhad)	Malaysia	100.0	100.0	1	Cultivation of oil palm and processing of palm oil and palm kernel
SD Guthrie Plantation Investment (L) Ltd (formerly known as Guthrie International Investments (L) Ltd)	Labuan, Malaysia	100.0	100.0	1	Investment holding
Kumpulan Jelei Sendirian Berhad	Malaysia	100.0	100.0	1	Investment holding
Mostyn Palm Processing Sdn Bhd	Malaysia	100.0	100.0	1	Investment holding
Sanguine (Malaysia) Sdn Bhd	Malaysia	100.0	100.0	1	Investment property
SD Guthrie Plantation Austral Holdings Berhad (formerly known as Sime Darby Plantation Austral Holdings Berhad)	Malaysia	100.0	100.0	1	Investment holding
SD Guthrie International Bintulu Sdn Bhd (formerly known as Sime Darby Oils Bintulu Sdn Bhd)	Malaysia	60.0	60.0	1	Processing of palm oil and palm kernel oil
SD Guthrie International Biodiesel Sdn Bhd (formerly known as Sime Darby Oils Biodiesel Sdn Bhd)	Malaysia	100.0	100.0	1	Production and sale of biodiesel and related products
SD Guthrie Biotechnology Lab Sdn Bhd (formerly known as Sime Darby Plantation Biotechnology Lab Sdn Bhd)	Malaysia	100.0	100.0	1	Provision of oil palm tissue culture services

Notes to the Financial Statements

For the financial year ended 31 December 2024

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

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

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
SD Guthrie Consulting Sdn Bhd <i>(formerly known as Sime Darby Plantation Consulting Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Investment holding
SD Guthrie International Nutrition Sdn Bhd <i>(formerly known as Sime Darby Oils Nutrition Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Manufacturing and selling of Red Palm Oils and Tocotrienol based products
SD Guthrie International North America Inc. <i>(formerly known as Sime Darby Oils North America Inc.)</i>	United States	100.0	100.0	4	Marketing of vegetables oil and fat products and provision of technical product support
SD Guthrie International Pasir Gudang Refinery Sdn Bhd <i>(formerly known as Sime Darby Oils Pasir Gudang Refinery Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Investment holding and processing of edible oil and related products
SD Guthrie International Professional Sdn Bhd <i>(formerly known as Sime Darby Oils Professional Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Distribution and marketing of cooking oil, tocotrienols, coconut oil and palm related products
SD Guthrie International Trading Sdn Bhd <i>(formerly known as Sime Darby Oils Trading Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Trading of crude palm oil and palm oil products and as sub-marketing agent of commodities for its related companies
SD Guthrie International Trading (Labuan) Limited <i>(formerly known as Sime Darby Oils Trading (Labuan) Limited)</i>	Labuan, Malaysia	100.0	100.0	1	Trading of commodities
SD Guthrie Childcare Centre Sdn Bhd <i>(formerly known as Sime Darby Plantation Childcare Centre Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Operating childcare centre
SD Guthrie EcoGardens Sdn Bhd <i>(formerly known as Sime Darby Plantation EcoGardens Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Business of owning, operating and managing rest/guest house, cafeterias/canteens and renting of conventional and recreational facilities
SD Guthrie EcoGardens (Sabah) Sdn Bhd	Malaysia	100.0	100.0	1	(A) Business of owning, operating and managing golf course and tourist attraction places. (B) Business of owning, operating and managing rest/guest house, cafeterias/canteens and renting of conventional and recreational facilities.

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

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

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
SD Guthrie EcoGardens (Sarawak) Sdn Bhd	Malaysia	100.0	100.0	1	(A) Business of owning, operating and managing golf course and tourist attraction places. (B) Business of owning, operating and managing rest/guest house, cafeterias/canteens and renting of conventional and recreational facilities.
SD Guthrie Intellectual Property Sdn Bhd <i>(formerly known as Sime Darby Intellectual Property Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Acquiring, developing and investing in trademarks, patents and intellectual property rights
SD Guthrie Plantation Land Holding Sdn Bhd <i>(formerly known as Sime Darby Plantation Land Holding Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Investment holding
SD Guthrie Plantation Land (Bukit Pelanduk) Sdn Bhd <i>(formerly known as Sime Darby Plantation Land (Bukit Pelanduk) Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Land holding
SD Guthrie Plantation Land (Sepang) Sdn Bhd <i>(formerly known as Sime Darby Plantation Land (Sepang) Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Land holding
SD Guthrie Plantation Land (Tanah Merah) Sdn Bhd <i>(formerly known as Sime Darby Plantation Land (Tanah Merah) Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Land holding
SD Guthrie Plantation Land (Carey Island) Sdn Bhd <i>(formerly known as Sime Darby Plantation Land (Carey Island) Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Land holding
SD Guthrie Plantation Land (Scarborough) Sdn Bhd <i>(formerly known as Sime Darby Plantation Land (Scarborough) Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Land holding
SD Guthrie KIGIP Sdn Bhd	Malaysia	100.0	–	1	Land holding
SD Guthrie KIGIP Power Sdn Bhd	Malaysia	100.0	–	1	Land holding
SD Guthrie Land Ventures Sdn Bhd	Malaysia	100.0	–	1	Investment holding
SD Guthrie KIGIP Industrial Sdn Bhd	Malaysia	100.0	–	1	Land Holding
SD Guthrie Research Sdn Bhd <i>(formerly known as Sime Darby Plantation Research Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Research and development services to group companies in relation to tropical agriculture

Notes to the Financial Statements

For the financial year ended 31 December 2024

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

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

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
SD Guthrie Plantation Latex Sdn Bhd <i>(formerly known as Sime Darby Plantation Latex Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Investment property
SD Guthrie Renewable Energy Sdn Bhd <i>(formerly known as Sime Darby Plantation Renewable Energy Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Renewable energy business covering biogas, solar and biomass projects
SD Guthrie Seeds & Agricultural Services Sdn Bhd <i>(formerly known as Sime Darby Plantation Seeds & Agricultural Services Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Agricultural research and advisory services, production and sale of oil palm seeds and seedlings
SD Guthrie Plantation (Sabah) Sdn Bhd <i>(formerly known as Sime Darby Plantation (Sabah) Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Cultivation of oil palm and processing of palm oil and palm kernel
SD Guthrie Plantation (Sarawak) Sdn Bhd <i>(formerly known as Sime Darby Plantation (Sarawak) Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Cultivation of oil palm and processing of palm oil and palm kernel
SD Guthrie Technology Centre Sdn Bhd <i>(formerly known as Sime Darby Plantation Technology Centre Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Research and development services in biotechnology and agriculture
SD Guthrie International Thailand Sdn Bhd <i>(formerly known as Sime Darby Plantation Thailand Sdn Bhd)</i>	Malaysia	100.0	100.0	1	Investment holding
The China Engineers (Malaysia) Sdn Bhd	Malaysia	100.0	100.0	1	Cultivation of oil palm and processing of palm oil and palm kernel
Wangsa Mujur Sdn Bhd	Malaysia	72.5	72.5	1	Cultivation of oil palm
PT Aneka Intipersada	Indonesia	100.0	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Aneka Sawit Lestari	Indonesia	100.0	100.0	2	Production and sale of oil palm planting materials
PT Anugerah Sumbermakmur	Indonesia	100.0	100.0	2	Investment holding
PT Asricipta Indah	Indonesia	90.0	90.0	2	Investment holding
PT Bahari Gembira Ria	Indonesia	99.97	99.97	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Bersama Sejahtera Sakti	Indonesia	91.12	91.12	2	Cultivation of oil palm and processing of palm oil and palm kernel

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

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

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
PT Bhumireksa Nusasejati	Indonesia	100.0	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Bina Sains Cemerlang	Indonesia	100.0	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Budidaya Agrolestari	Indonesia	100.0	100.0	2	Cultivation of oil palm
PT Guthrie International Pulau Laut Refinery <i>(formerly known as PT Sime Darby Oils Pulau Laut Refinery)</i>	Indonesia	100.0	100.0	2	Processing of palm oil products
PT Guthrie Pecconina Indonesia	Indonesia	100.0	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Indotruba Tengah	Indonesia	50.0	50.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Kartika Inti Perkasa	Indonesia	60.0	60.0	2	Investment holding
PT Kridatama Lancar	Indonesia	100.0	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Laguna Mandiri	Indonesia	88.6	88.6	2	Cultivation of oil palm and processing of palm oil, palm kernel and palm kernel oil
PT Lahan Tani Sakti	Indonesia	100.0	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Langgeng Muaramakmur	Indonesia	100.0	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Minamas Gemilang	Indonesia	100.0	100.0	2	Investment holding
PT Muda Perkasa Sakti	Indonesia	100.0	100.0	2	Investment holding
PT Padang Palma Permai	Indonesia	100.0	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Paripurna Swakarsa	Indonesia	100.0	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Perkasa Subur Sakti	Indonesia	100.0	100.0	2	Processing of palm oil and palm kernel

Notes to the Financial Statements

For the financial year ended 31 December 2024

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

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

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
PT Perusahaan Perkebunan Industri dan Niaga Sri Kuala	Indonesia	100.0	100.0	2	Cultivation of oil palm
PT Sandika Natapalma	Indonesia	100.0	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Guthrie International Indonesia (formerly known as PT Sime Darby Oils International Indonesia)	Indonesia	100.0	100.0	2	Investment holding, trade and services
PT Guthrie International Lestari Utama Indonesia (formerly known as PT Sime Darby Oils Utama Indonesia)	Indonesia	100.0	100.0	2	Investment holding, trade and services
PT Guthrie Agri Bio (formerly known as PT Sime Darby Plantation Agri Bio)	Indonesia	100.0	100.0	2	Trading of agricultural related products
PT Guthrie International Pratama Indonesia (formerly known as PT Sime Darby Oils Indonesia)	Indonesia	100.0	100.0	2	Provision of procurement, marketing and sale of edible oils
PT Sedjahtera Indo Agro	Indonesia	100.0	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Sritijaya Abaditama	Indonesia	60.0	60.0	2	Investment holding
PT Swadaya Andika	Indonesia	100.0	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Tamaco Graha Krida	Indonesia	90.0	90.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Teguh Sempurna	Indonesia	100.0	100.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
PT Tunggal Mitra Plantations	Indonesia	60.0	60.0	2	Cultivation of oil palm and processing of palm oil and palm kernel
Kula Palm Oil Limited	Papua New Guinea	100.0	100.0	2	Cultivation of oil palm and processing of palm oil, palm kernel and palm kernel oil
New Britain Palm Oil Limited	Papua New Guinea	100.0	100.0	2	Investment holding, cultivation of oil palm and processing of palm oil, palm kernel and palm kernel oil
Poliamba Limited	Papua New Guinea	100.0	100.0	2	Cultivation of oil palm and processing of palm oil, palm kernel and palm kernel oil

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

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

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
Ramu Agri-Industries Limited	Papua New Guinea	100.0	100.0	2	Cultivation of oil palm and growing canes, cattle rearing, processing and sale of palm oil, palm kernel oil, sugar, ethanol and beef
Markham Farming Company Limited	Papua New Guinea	100.0	100.0	2	Cultivation of oil palm and processing of palm oil, palm kernel, palm kernel oil and coconut
Guadalcanal Plains Palm Oil Limited	Solomon Islands	80.0	80.0	3	Cultivation of oil palm and processing of palm oil, palm kernel and palm kernel oil
New Britain Plantation Services Pte. Ltd.	Singapore	100.0	100.0	2	Investment holding and management of oil palm plantations and seed production
SD Guthrie International Carey Island KCP Sdn Bhd (formerly known as Sime Darby Oils Carey Island KCP Sdn Bhd)	Malaysia	100.0	100.0	1	Processing of palm kernel and related products and export and import of palm kernel oil, expellers and its derivatives
SD Guthrie International Commodities Sdn Bhd (formerly known as Sime Darby Oils Commodities Sdn Bhd)	Malaysia	100.0	100.0	1	Trading of crude palm oil and palm oil products
SD Guthrie International Langat Refinery Sdn Bhd (formerly known as Sime Darby Oils Langat Refinery Sdn Bhd)	Malaysia	100.0	100.0	1	Processing and sales of edible oil and related products
SD Guthrie International (PNG) Limited (formerly known as Sime Darby Oils (PNG) Limited)	Papua New Guinea	100.0	100.0	1	Manufacturing and production of refining palm oil and other products from crude palm oils and palm kernel oils
SD Guthrie International Port Klang Refinery Sdn Bhd (formerly known as Sime Darby Oils Port Klang Refinery Sdn Bhd)	Malaysia	100.0	100.0	1	Processing of edible oil and related products
SD Guthrie International Trading Private Limited (formerly known as Sime Darby Oils Trading Private Limited)	Singapore	100.0	100.0	2	Trading of palm oil, coconut oil and other edible oils
Ultra Oleum Pte. Ltd.	Singapore	100.0	100.0	2	Investment holding
SD Guthrie International Liverpool Refinery Limited (formerly known as Sime Darby Oils Liverpool Refinery Limited)	United Kingdom	100.0	100.0	3	Refining of crude palm oil

Notes to the Financial Statements

For the financial year ended 31 December 2024

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

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

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

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

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

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

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

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

Notes to the Financial Statements

For the financial year ended 31 December 2024

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

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

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
Barlow Bulking Sdn Bhd	Malaysia	32.0	32.0	3	Provision of bulking and marketing facilities for edible oil producers and millers
Nescaya Maluri Sdn Bhd	Malaysia	40.0	40.0	3	Investment holding and licensing
Muang Mai Guthrie Public Company Limited	Thailand	49.0	49.0	3	Processing of and distribution of rubber
Thai Eastern Trat Co., Ltd.	Thailand	40.0	40.0	2	Processing of palm oil and palm kernel
Yayasan Sime Darby	Malaysia	@	@	1	Administration of scholarship awards and educational loans, undertake sports, environmental conservation and sustainability projects

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

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
Derawan Sdn Bhd	Malaysia	100.0	100.0	1	Dormant
Kumpulan Jerai Sendirian Berhad	Malaysia	100.0	100.0	1	Dormant
Kumpulan Linggi Sendirian Berhad	Malaysia	100.0	100.0	1	Dormant
Kumpulan Sua Betong Sdn Berhad	Malaysia	100.0	100.0	1	Dormant
Kumpulan Tebong Sdn Berhad	Malaysia	100.0	100.0	1	Dormant
Kumpulan Temiang Sdn Berhad	Malaysia	100.0	100.0	1	Dormant
Sahua Enterprise Sdn Bhd	Malaysia	100.0	100.0	1	Dormant
Bukit Talang Smallholders Sdn Bhd	Malaysia	100.0	100.0	1	Dormant
SD Guthrie Plantation (Peninsular) Sdn Bhd (formerly known as Sime Darby Plantation (Peninsular) Sdn Bhd)	Malaysia	100.0	100.0	1	Dormant
Golden Hope Overseas Sdn Bhd	Malaysia	100.0	100.0	1	Dormant
PT Guthrie Abdinusa Industri	Indonesia	70.0	70.0	2	Dormant
Sime Darby Edible Products Tanzania Limited	Tanzania	100.0	100.0	4	Dormant
Trolak Estates Limited	Scotland	100.0	100.0	5	Dormant
Dusun Durian Plantations Limited	United Kingdom	100.0	100.0	5	Dormant
Kinta Kellas Rubber Estate Plc.	United Kingdom	100.0	100.0	5	Dormant
Malaysian Estates Plc.	United Kingdom	100.0	100.0	5	Dormant

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

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

Name of company	Country of incorporation/ Principal place of business	Group's effective interest (%)		Auditors	Principal activities
		2024	2023		
The Kuala Selangor Rubber Plc.	United Kingdom	100.0	100.0	5	Dormant
The London Asiatic Rubber and Produce Company Limited	United Kingdom	100.0	100.0	5	Dormant
The Pataling Rubber Estates Limited	United Kingdom	100.0	100.0	5	Dormant
The Straits Plantations Limited	United Kingdom	100.0	100.0	5	Dormant
The Sungei Bahru Rubber Estates Plc.	United Kingdom	100.0	100.0	5	Dormant
SD Guthrie International CleanerG B.V. (formerly known as Sime Darby Oils CleanerG B.V.)	Netherlands	-	100.0	4	Legally merged with SD Guthrie International Netherlands B.V. during the financial year
SD Guthrie Global Berhad (formerly known as Sime Darby Plantation Global Berhad)	Malaysia	100.0	100.0	1	Dormant

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

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

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

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

Notes:

1. Subsidiaries, joint ventures and associates which are audited by PricewaterhouseCoopers PLT, Malaysia.
2. Subsidiaries, joint ventures and associates which are audited by member firms of PricewaterhouseCoopers International Limited, which are separate and independent legal entities from PricewaterhouseCoopers PLT, Malaysia.
3. Subsidiaries, joint ventures and associates which are audited by firms other than member firms of PricewaterhouseCoopers International Limited.
4. No legal requirement to appoint statutory auditors.
5. Subsidiaries which are exempted from having their financial statements audited in UK pursuant to exemption available under section 480 of the UK Companies Act 2006.
- + Notwithstanding that the Group holds more than 50% equity interest in SD Guthrie TNB Renewables Sdn Bhd (formerly known as SD Plantation TNB Renewables Sdn Bhd), the investment is classified as a joint venture (and not a subsidiary) as significant decisions require unanimous consent from all its shareholders.
- @ Yayasan Sime Darby is a company without share capital, limited by guarantee.

Notes to the Financial Statements

For the financial year ended 31 December 2024

48. SUBSEQUENT EVENT

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

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

The acquisition of Marvesa will be accounted for as Investment in Joint Venture. An external valuer has been engaged to perform a Purchase Price Allocation (“PPA”) exercise, whereby a fair value assessment will be carried out on Marvesa’s identifiable assets and liabilities to identify any excess of the purchase consideration over the fair value of SDGI’s share of the identifiable net assets.

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

49. APPROVAL OF FINANCIAL STATEMENTS

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

Statement by Directors

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

We, Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani and Datuk Mohamad Helmy Othman Basha, two of the Directors of SD Guthrie Berhad (*formerly known as Sime Darby Plantation Berhad*), do hereby state that, in the opinion of the Directors, the financial statements set out on pages 104 to 212 are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 December 2024 and of the financial performance of the Group and the Company for the financial year ended on that date in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed in accordance with a resolution of the Board of Directors dated 17 April 2025.



TAN SRI DR NIK NORZRUL THANI NIK HASSAN THANI
DIRECTOR

Selangor
17 April 2025

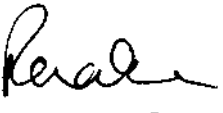


DATUK MOHAMAD HELMY OTHMAN BASHA
DIRECTOR

Statutory Declaration

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

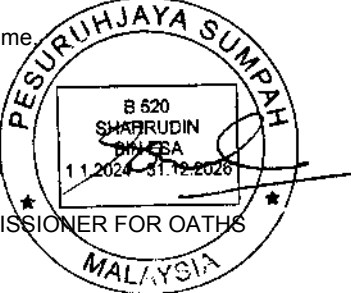
I, Renaka Ramachandran, the Officer primarily responsible for the financial management of SD Guthrie Berhad (*formerly known as Sime Darby Plantation Berhad*), do solemnly and sincerely declare that the financial statements set out on pages 104 to 212 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.



RENAKA RAMACHANDRAN
OFFICER

Subscribed and solemnly declared by the abovenamed Renaka Ramachandran at Selangor, Malaysia on 17 April 2025.

Before me,



COMMISSIONER FOR OATHS
MALAYSIA

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

Independent Auditors’ Report

to the members of SD Guthrie Berhad
(Formerly known as Sime Darby Plantation Berhad)
(Incorporated in Malaysia)
Registration No. 200401009263 (647766-V)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of SD Guthrie Berhad (“the Company”) (*formerly known as Sime Darby Plantation Berhad*) and its subsidiaries (“the Group”) give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 104 to 212.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the “Auditors’ responsibilities for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“By-Laws”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

We have determined that there are no key audit matters to report for the Company.

Independent Auditors’ Report

to the members of SD Guthrie Berhad
(Formerly known as Sime Darby Plantation Berhad)
(Incorporated in Malaysia)
Registration No. 200401009263 (647766-V)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors’ report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors’ Report and the remaining sections of the Integrated Report 2024 of SD Guthrie Berhad (*formerly known as Sime Darby Plantation Berhad*), but does not include the financial statements of the Group and of the Company and our auditors’ report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group’s and the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors’ responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- a.

Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s and of the Company’s internal control.
- c.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

- d.

Conclude on the appropriateness of the Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s or on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- e.

Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- f.

Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 47 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
17 April 2025

GAN WEE FONG
03253/01/2027 J
Chartered Accountant

Properties of the Group

As at 31 December 2024

Location	Tenure	Land area (Hectares)	Year of acquisition	Age of building (Years)+	Description	Net book value (RM million)
UPSTREAM PROPERTIES						
Malaysia						
Kedah Darul Aman						
Anak Kulim, Bukit Hijau, Bukit Selarong, Jentayu, Padang Buluh, Somme, Sungai Dingin	Freehold	18,633	1978–2006	19	Oil palm and rubber estates and a palm oil mill	442
Bukit Hijau	Leasehold expiring 2068	9	2006	–	Rubber estate	^
Perak Darul Ridzuan						
Bagan Datoh, Bikam, Chersonese, Cluny, Elphil, Flemington, Holyrood, Kalumpang, Kamuning, Kinta Kellas, Sabrang, Selaba, Seri Intan, Sogomana, Sungai Samak, Sungei Wangi, Tali Ayer	Freehold	36,689	1978–2001	15–31	Oil palm and rubber estates and 5 palm oil mills	1,207
Chersonese, Cluny, Kalumpang, Kamuning, Kinta Kellas, Sogomana, Sungai Samak, Tali Ayer	Leasehold expiring 2035–2897	5,446	1978–1987	–	Oil palm estates	74
Pahang Darul Makmur						
Chenor, Jabor, Jentar, Kerdau, Mentakab, Sungai Mai	Freehold	9,315	1985–2006	28	Oil palm estates and 2 palm oil mills	344
Bukit Puteri, Chenor, Kerdau, Sungai Mai	Leasehold expiring 2057–2086	10,621	1985–1992	18–28	Oil palm estates and a palm oil mill	118
Selangor Darul Ehsan						
Banting, Bestari Jaya, Bukit Cheraka, Bukit Kerayong, Bukit Lagong, Bukit Rotan, Bukit Talang, Dusun Durian, East Carey Island, Sabak Bernam, Sepang, Sungai Buloh, Teluk Panglima Garang, Tennamaram, West Carey Island	Freehold	35,047	1978–2013	7–33	Oil palm estates, 3 palm oil mills, biodiesel and kernel crushing plants, rat bait factory, laboratories, research centres, warehouse and a training centre	1,316
East Carey Island, Port Klang, Sungai Buloh, Tennamaram	Leasehold expiring 2029–2086	170	1978–2010	48	Oil palm estates and a bulking plant	56
Negeri Sembilan Darul Khusus						
Bradwall, Bukit Pelandok, Bukit Pilah, Kok Foh, Labu, P.D. Lukut, Pertang, Salak, Sengkang, Siliiau, Sungai Gemas, Sungai Sabaling, St Helier, Sua Betong, Sungai Bharu, Tampin Linggi, Tanah Merah	Freehold	35,982	1978–2009	12–27	Oil palm and rubber estates, 3 palm oil mills, laboratories and a research centre	808
Kok Foh, Sungai Bharu	Leasehold expiring 2034–2072	146	1982–1993	–	Oil palm estates	2

Location	Tenure	Land area (Hectares)	Year of acquisition	Age of building (Years)+	Description	Net book value (RM million)
UPSTREAM PROPERTIES (CONTINUED)						
Malaysia (continued)						
Melaka						
Bukit Asahan, Diamond Jubilee, Kempas, Kemuning, Serkam	Freehold	14,724	1978–2011	17–25	Oil palm estates and 2 palm oil mills	326
Bukit Asahan, Diamond Jubilee, Kempas, Kemuning, Serkam	Leasehold expiring 2025–2071	470	1982–1992	–	Oil palm estates	2
Johor Darul Takzim						
Batu Anam, Bukit Badak, Bukit Benut, Bukit Paloh, CEP Nyior, CEP Renggam, Cha'ah, Gunung Mas, Hadapan, Kempas Klebang, Kulai, Lambak, Lanadron, Layang, Muar River, New Pagoh, North Labis, Pagoh, Pengkalan Bukit, Sembrong, Seri Pulai, Sungai Senarut, Sungai Simpang Kiri, Tangkah, Tun Dr. Ismail, Ulu Remis, Welch, Yong Peng	Freehold	54,000	1978–2012	7–28	Oil palm and rubber estates, 4 palm oil mills, laboratories and a research centre	1,545
Cenas, CEP Nyior, Cha'ah, Lanadron, Layang, Muar River, Pekan, Sembrong, Sungai Senarut, Sungai Simpang Kiri, Ulu Remis	Leasehold expiring 2068–2918	18,611	1978–2012	28–32	Oil palm estates and 2 palm oil mills	253
Sabah						
Binuang, Bombalai, Giram, Imam, Jeleta Bumi, Kunak, Melalap, Merotai, Mostyn, Sandakan Bay, Sapong, Segaliud, Sentosa, Sungang, Table, Tiger, Tigowis, Tingkayu, Tun Tan Siew Sin, Tunku	Leasehold expiring 2038–2940	53,644	1978–1983	17–38	Oil palm estates, 5 palm oil mills, a bulking plant, laboratories, a research centre and 2 biogas plants	1,577
Sarawak						
Bayu, Belian, Chartquest, Damai, Derawan, Dulang, Kelida, Lavang, Paroh, Pekaka, Rajawali, Rasan, Ruai, Sahu, Samudera, Semarak, Takau	Leasehold expiring 2045–2082	46,999	1990–2004	21–29	Oil palm estates, 3 palm oil mills, laboratories, a research centre and a biogas plant	1,094
Upstream Malaysia Properties		340,506				9,164
Indonesia						
Kalimantan – West						
Awatan, Beturus, East, Karya Palma, Kelampai, Lembiru, Pelanjau, Sei Mawang, Sungai Putih, West, Bukit Anjong	Leasehold expiring 2030–2053	36,880	2001–2013	13–22	Oil palm estates, 2 palm oil mills and a bulking plant	319
Kalimantan – Central						
Baras Danum, Batang Garing, Hatan Tiring, Kawan Batu, Kuala Kuayan, Pemantang, Sapiri, Sekunyir, Seruyan, Sukamandang	Leasehold expiring 2033–2034	39,116	2001–2018	16–27	Oil palm estates, 3 palm oil mills, a bulking plant, a kernel crushing plant and a biogas plant	456

Properties of the Group

As at 31 December 2024

Location	Tenure	Land area (Hectares)	Year of acquisition	Age of building (Years)+	Description	Net book value (RM million)
UPSTREAM PROPERTIES (CONTINUED)						
Indonesia (continued)						
Kalimantan – South						
Bakau, Banjarbaru, Bebunga, Betung, Binturung, Gunung Aru, Gunung Kemasan, Lanting, Laut Timur, Matalok, Pantai Bonati, Pantai Timur, Pondok Labu, Rampa, Randi, Rantau, Sangkoh, Sekayu, Selabak, Sesulung, Sungai Cengal	Leasehold expiring 2032–2054	72,767	2001–2012	7–28	Oil palm estates, 6 palm oil mills, 2 bulking plants, a kernel crushing plant, and a biogas plant	1,673
Sulawesi – Central						
Ungkaya	Leasehold expiring 2024	4,712	2001–2011	12–29	Oil palm estate, a palm oil mill and a bulking plant	104
Sumatera – Jambi						
Panjang	Leasehold expiring 2038–2053	4,000	2001–2007	16	Oil palm estate and a palm oil mill	40
Sumatera – South						
Bumi Ayu, Bukit Pinang, Karang Ringin, Mangun Jaya, Napal, Rantau Panjang, Sungai Jernih, Sungai Pinang	Leasehold expiring 2033–2034	21,075	2001–2002	21–23	Oil palm estates and 2 palm oil mills	372
Sumatera – East Aceh						
Batang Ara, Blang Simpo 1 & 2, Tamiang	Leasehold expiring 2027–2037	8,742	2001–2008	26–41	Oil palm estates and a palm oil mill	144
Sumatera – Riau						
Alur Damai, Aneka Persada, Mandah, Menggala 1 – 3, Nusa Lestari, Nusa Persada, Pekanbaru, Pinang Sebatang, Rotan Semelur, Teluk Bakau, Teluk Siak	Leasehold expiring 2031–2036	54,835	2001–2015	10–28	Oil palm estates, 5 palm oil mills and a research centre	1,058
Upstream Indonesia Properties		242,127				4,166
Papua New Guinea						
West New Britain, Morobe, Oro, Milne Bay, New Ireland, Markham Valley	Leasehold expiring 2052–2115	138,652	2018–2024	4–51	Oil palm estates, a sugar cane plantation, grazing pastures, 2 biogas plants, a sugar factory, 12 palm oil mills, 6 kernel crushing plants, 2 abattoirs, a research centre and 4 bulking plants	3,208
Solomon Islands						
Guadalcanal	Leasehold expiring 2043–2065	8,426	2015–2024	8–18	Oil palm estates, a palm oil mill, a kernel crushing plant and a bulking plant	287
Upstream Properties		729,711				16,825

Location	Tenure	Land area (Hectares)	Year of acquisition	Age of building (Years)+	Description	Net book value (RM million)
DOWNSTREAM AND OTHERS PROPERTIES						
Malaysia						
Selangor Darul Ehsan						
Teluk Panglima Garang	Freehold	2	2012	–	Vacant land	4
North Port Edible Oil Refinery Complex, Teluk Panglima Garang	Leasehold expiring 2076–2105	17	2006–2012	13–15	Refineries	130
Johor Darul Takzim						
Pasir Gudang	Leasehold expiring 2035–2043	6	1974–1985	48	Refinery	14
Sarawak						
Kawasan Perindustrian Kidurong, Bintulu	Leasehold expiring 2072	14	2004	10–16	Refinery and a kernel crushing plant	24
Downstream and Others Properties – Malaysia		39				172
Overseas						
Indonesia						
Desa Sei Taib, Kecamatan Pulau Laut, Kalimantan	Leasehold expiring 2044	32	2014	9–10	Refinery	116
Sumatera North	Leasehold expiring 2052	16	2022	–	Refinery	39
Thailand						
Sukhumvit Road, Bangkok	Freehold	–	1986–2011	6–35	Office buildings	5
Poochaosamingprai Road, Samut Prakan	Freehold	5	1986	4–35	2 Refineries	27
Tiwanon Road, Nonthaburi	Freehold	13	2014	38–43	Crushing and refining plant and office building	88
The Netherlands						
Lindtsedijk, Zwijndrecht	Freehold	11	2002	10–92	Refinery and a research centre	136
South Africa						
Boksburg	Leasehold expiring 2026	1	2004	12	Refinery and a research centre	1
United Kingdom						
Liverpool	Leasehold expiring 2034	3	2015	9–14	Refinery and office building	84
Papua New Guinea						
Markham Valley, Madang, Buka	Leasehold expiring 2083	1	2018	7–14	2 copra mills and a refinery	180
Downstream and Others Properties – Overseas		82				676
Downstream and Others Properties		121				848

Properties of the Group

As at 31 December 2024

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

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

Analysis of Shareholdings

As at 17 March 2025

Total Number of Issued Shares : 6,915,714,601
Class of Shares : Ordinary Shares
Voting Rights : One vote per ordinary share in the case of a poll and one vote per person on a show of hand

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Shares
Less than 100	3,173	13.60	70,515	0.00
100 to 1,000	5,641	24.19	3,323,754	0.05
1,001 to 10,000	10,765	46.16	35,789,017	0.52
10,001 to 100,000	2,844	12.20	78,942,830	1.14
100,001 to less than 5% of issued capital	895	3.84	2,503,523,224	36.20
5% and above of issued capital	3	0.01	4,294,065,261	62.09
Total	23,321	100.00	6,915,714,601	100.00

Classification of Shareholders	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Shares
Individuals	19,111	81.95	108,154,779	1.56
Banks/Finance Companies	51	0.22	4,394,071,837	63.54
Investment Trusts/Foundations/Charities	20	0.08	1,771,175	0.03
Industrial and Commercial Companies	494	2.12	63,110,413	0.91
Government Agencies/Institutions	2	0.01	1,168,890	0.02
Nominees	3,641	15.61	2,347,332,232	33.94
Others	2	0.01	105,275	0.00
Total	23,321	100.00	6,915,714,601	100.00

DIRECTORS' DIRECT AND INDIRECT INTERESTS IN THE COMPANY AND ITS RELATED CORPORATIONS

As disclosed in the Directors' Report of the Financial Statements as set out on page 100, none of the Directors of the Company have any interest, direct or indirect, in shares, or debentures of, the Company or in a related corporation.

SUBSTANTIAL SHAREHOLDERS ACCORDING TO THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

No.	Name of Substantial Shareholder	No. of Shares Held (Direct Interest)	% of Issued Shares	No. of Shares Held (Indirect/ Deemed Interest)	% of Issued Shares
1	AmanahRaya Trustees Berhad – Amanah Saham Bumiputera	3,154,361,077	45.611	0.000	0.000
2	Employees Provident Fund Board	671,568,332	9.711	468,497,747	6.774
3	Kumpulan Wang Persaraan (Diperbadankan)	468,367,078	6.773	31,851,200	0.461

Analysis of Shareholdings

As at 17 March 2025

TOP 30 SECURITIES ACCOUNT HOLDERS ACCORDING TO THE RECORD OF DEPOSITORS

No.	Name of Shareholder	No. of Shares Held	% of Issued Shares
1	AmanahRaya Trustees Berhad Amanah Saham Bumiputera	3,154,361,077	45.61
2	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	671,568,332	9.71
3	Kumpulan Wang Persaraan (Diperbadankan)	468,135,852	6.77
4	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Islamic)	300,658,535	4.35
5	AmanahRaya Trustees Berhad Amanah Saham Malaysia 2 – Wawasan	162,023,064	2.34
6	AmanahRaya Trustees Berhad Amanah Saham Malaysia	156,966,854	2.27
7	Permodalan Nasional Berhad	105,497,723	1.53
8	AmanahRaya Trustees Berhad Amanah Saham Bumiputera 2	94,041,237	1.36
9	Lembaga Tabung Haji	71,830,500	1.04
10	Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN for AIA Bhd	67,969,217	0.98
11	AmanahRaya Trustees Berhad Amanah Saham Malaysia 3	63,085,937	0.91
12	AmanahRaya Trustees Berhad Amanah Saham Bumiputera 3 – Didik	53,650,000	0.78
13	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Total International Stock Index Fund	51,120,069	0.74
14	HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Emerging Markets Stock Index Fund	46,598,079	0.67
15	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Nomura)	40,462,700	0.59
16	DB (Malaysia) Nominee (Asing) Sdn Bhd Exempt AN for State Street Bank & Trust Company (West CLT OD67)	39,834,128	0.58
17	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)	34,819,549	0.50
18	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (CGS CIMB)	34,578,000	0.50
19	Cartaban Nominees (Tempatan) Sdn Bhd Prudential Assurance Malaysia Berhad for Prulink Strategic Fund	28,611,500	0.41
20	HSBC Nominees (Asing) Sdn Bhd HSBC BK PLC for Kuwait Investment Office (KIO)	28,524,457	0.41

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

Notice of Annual General Meeting

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

NOTICE IS HEREBY GIVEN that the 22nd Annual General Meeting (AGM) of SD Guthrie Berhad (*formerly known as Sime Darby Plantation Berhad*) (SD Guthrie or Company) will be held at the Ballroom, Level 3, Malaysia International Trade and Exhibition Centre (MITEC), Kompleks MITEC, No. 8, Jalan Dutamas 2, 50480 Kuala Lumpur, Malaysia (Main Venue) and virtually by way of electronic means via TIIH Online at <https://tiih.online> (Online Platform) on Monday, 26 May 2025 at 10.00 a.m. for the transaction of the following businesses:

AS ORDINARY BUSINESS

1.

To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and the Auditors thereon.

Refer to Explanatory Note 1
2.

To approve the payment of Directors' fees to the Non-Executive Directors up to an amount of RM4,725,000 from 27 May 2025 until the date of the next AGM of the Company.

(Resolution 1)
Refer to Explanatory Note 2
3.

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

(Resolution 2)
Refer to Explanatory Note 2
4.

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

(Resolution 3)
Refer to Explanatory Note 3
5.

To re-elect the following Directors who retire in accordance with Rule 103 of the Constitution of the Company and who being eligible, offer themselves for re-election:

i.

Tan Sri Dr Nik Norzrul Thani Nik Hassan Thani

(Resolution 4)

ii.

Datuk Mohamad Helmy Othman Basha

(Resolution 5)

iii.

Dato' Mohd Nizam Zainordin.

(Resolution 6)

Refer to Explanatory Note 3
6.

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

(Resolution 7)
Refer to Explanatory Note 4
7.

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

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to participate at this 22nd Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Rule 63 of the Constitution of the Company and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 15 May 2025. Only a depositor whose name appears on the Record of Depositors as at 15 May 2025 shall be entitled to participate at the said meeting or appoint proxies to participate and/or vote on his/her behalf.

By Order of the Board

Azrin Nashiha Abdul Aziz

Company Secretary
(LS0007238)
(SSM Practicing Certificate No. 202208000233)

Selangor Darul Ehsan, Malaysia
25 April 2025

NOTES:

Hybrid Meeting

1.

The 22nd Annual General Meeting (AGM) will be held in a hybrid mode whereby Member(s), proxy(ies), corporate representative(s) or attorney(s) will have an option, either:
- a.

To attend physically in person at the Main Venue (Physical Attendance); or
- b.

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

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

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

2.

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

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

until such time before the voting session ends at the 22nd AGM on Monday, 26 May 2025 for Virtual Attendance using the RPV facilities.

Submission of Questions Before and During the Meeting

1.

All Member(s), proxy(ies), corporate representative(s) or attorney(s) may submit questions in relation to the agenda items for the 22nd AGM in advance via TIIH Online at <https://tiih.online> by selecting “e-Services” to login, post questions and submit electronically not later than **10.00 a.m.** on **Sunday, 25 May 2025**. The Board and Senior Management will endeavour to answer the questions received at the 22nd AGM.
2.

During the 22nd AGM, **all** Member(s), proxy(ies), corporate representative(s) or attorney(s) who are physically present at the Main Venue will be able to ask questions in person. **All** Member(s), proxy(ies), corporate representative(s) or attorney(s) who attend virtually using the RPV facilities may use the **Query Box** to ask questions real time (in the form of typed text) during the meeting. The Board and Senior Management will be in attendance at the Main Venue to respond accordingly.

Proxy and/or Authorised Representative

1.

A member of the Company entitled to participate at the 22nd AGM is entitled to appoint not more than two (2) proxies to exercise all or any of his/her rights to participate at the 22nd AGM on his/her behalf. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy. A proxy may, but need not, be a member of the Company.
2.

A member of the Company may appoint any person to be his/her proxy without any restriction as to the qualification of such person.
3.

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 22nd AGM of the Company shall be put to vote by way of a poll.
4.

Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991 (SICDA), he/she may appoint not more than two (2) proxies in respect of each Securities Account he/she holds with ordinary shares of the Company standing to the credit of the said Securities Account to attend and vote at a meeting of the Company instead of him/her.
5.

Where a member of the Company is an Exempt Authorised Nominee as defined under SICDA which holds ordinary shares in the Company for multiple beneficial owners in one (1) Securities Account (Omnibus Account), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds PROVIDED THAT each beneficial owner of ordinary shares, or where the ordinary shares are held on behalf of joint beneficial owners, such joint beneficial owners, shall only be entitled to instruct the Exempt Authorised Nominee to appoint not more than two (2) proxies to attend and vote at a general meeting of the Company instead of the beneficial owner or joint beneficial owners.

Notice of Annual General Meeting

ii. Resolution 2 – Payment of Benefits Payable to the Non-Executive Directors

The benefits payable to the NEDs comprise allowances and other emoluments payable to the Chairman and members of the Board, Board Committees and boards of subsidiary companies.

The Company is seeking shareholders’ approval for benefits payable to the NEDs from 27 May 2025 until the date of the next AGM in accordance with the benefits structure, set out below:

			Flagship/Major Subsidiary Companies		
			PT Minamas Gemilang & PT Anugerah Sumbermakmur	SD Guthrie International Limited (formerly known as Sime Darby Oils International Limited)	New Britain Palm Oil Limited
Description	Chairman	Member	Chairman & Member	Chairman & Member	Chairman & Member
Meeting Allowance (per meeting)					
Board	RM1,500	RM1,500	RM1,000	SGD1,000	PGK1,000
Board Committees	RM1,000	RM1,000	RM500	SGD500	PGK500
Benefits	1. Company car, petrol, electric EV vehicle (EV) charging and driver. 2. Telecommunication devices/facilities, medical and insurance coverage. 3. Club Membership/ Privileges (effective from 1 June 2025).	4. Telecommunication devices/facilities, medical and insurance coverage.	5. Telecommunication devices/facilities and insurance coverage.		

In determining the estimated total amount of Directors’ fees and benefits payable for the NEDs, the Board has considered various factors including the number of scheduled and special meetings for the Board, Board Committees and boards of subsidiary companies, based on the current number of NEDs including a provisional sum as a contingency for future appointment of NEDs on the Board, Board Committees and boards of subsidiary companies.

The proposed **Resolutions 1 and 2**, if passed, will give authority to the Company to pay the Directors’ fees and benefits payable on a quarterly basis and/or as and when incurred. The decision in respect of fees and benefits payable by the subsidiary companies will be made by the shareholder of the subsidiary companies in accordance with the laws applicable in its jurisdiction.

Any NED who is a shareholder of the Company will abstain from voting on **Resolutions 1 and 2** concerning remuneration to the NEDs at the 22nd AGM of the Company.

3. Resolutions 3 to 6 – Re-election of Directors in accordance with Rule 81.2 and Rule 103 of the Constitution

- i. Rule 81.2 of the Constitution of the Company stipulates that a Director appointed by the Board either to fill a casual vacancy or as an addition to the existing Board, shall hold office until the conclusion of the next AGM of the Company and shall be eligible for re-election at such meeting.

Tan Sri Mohd Zuki Ali who was appointed on 15 January 2025 being eligible, has offered himself for re-election at the 22nd AGM pursuant to Rule 81.2 of the Constitution of the Company.

- ii. Rule 103 of the Constitution of the Company expressly states that at least one-third (1/3) of the Directors for the time being shall retire from office at each AGM. A Director retiring at a general meeting shall retain office until the conclusion of the meeting. In addition, Rule 104 of the Constitution states that all Directors shall retire from office once at least in each three (3) years. A retiring Director shall be eligible for re-election.

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

- iii. The NRC has considered the performance and contribution (including fit and proper assessment) of each of the retiring Directors.

Based on the results of the Board & Directors’ Effectiveness Evaluation conducted for the financial year ended 31 December 2024, the retiring Directors met the performance criteria required of an effective and high-performance Board. The Directors have also met the overarching fit and proper criteria of the Company.

- iv. The Board has endorsed the NRC’s recommendation to seek shareholders’ approval for the re-election of the retiring Directors. All Directors standing for re-election have abstained from deliberation and decision on their own eligibility to stand for re-election at the relevant Board meeting and will continue to abstain from deliberations and decisions on their own eligibility to stand for re-election at this AGM.

4. Resolution 7 – Re-appointment of Auditors

The Governance & Audit Committee (GAC), at its meeting held on 15 April 2025, undertook an annual assessment of the suitability and independence of the external auditors, PricewaterhouseCoopers PLT (PwC), in accordance with the Policy on External Auditor Appointment & Selection. The GAC considered the following factors in its assessment:

- i. Calibre of external audit firm
- ii. Quality of processes/performance
- iii. Audit team
- iv. Independence and objectivity
- v. Audit scope and planning
- vi. Audit fees
- vii. Audit communications

In addition, the GAC has also considered the information in the Annual Transparency Report of the external audit firm with reference to Guidance 9.3 of the MCCG 2021.

The GAC was satisfied with the suitability of PwC based on the quality of audit, performance and competency provided by PwC to the SD Guthrie Group as prescribed under Paragraph 15.21 of the MMLR. The GAC was also satisfied in its review that the provision of non-audit services by PwC to the Group and the Company for the financial year ended 31 December 2024 did not in any way impair their objectivity and independence as the external auditors of the Company.

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

Overview of SD Guthrie	Key Messages	Value Creation at SD Guthrie	Management Discussion and Analysis	Sustainability Statement	Leadership	Governance	Financial Statements	Additional Information
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Statement Accompanying Notice of Annual General Meeting

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

The profile of the Directors, including the nature and extent of any conflict of interest or potential conflict of interest, who are standing for re-election as enumerated in Resolutions 3 to 6 above at the 22nd Annual General Meeting of SD Guthrie Berhad (*formerly known as Sime Darby Plantation Berhad*) are set out in the “Directors’ Profiles” section on pages 66 to 69 of the Company’s Integrated Report 2024.

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



SD Guthrie Berhad

(formerly known as Sime Darby Plantation Berhad)
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