Sustainability Statement

In line with our vision of being a sustainable, honest and consumer-first dairy company, we have deeply embedded environmental, social and governance (ESG) principles into our business operations. Our approach is guided by four core themes – Better Dairy, Healthier Planet, Stronger Communities and Responsible Governance – which collectively shape how we operate, strengthening trust, resilience and long-term brand value.

At the heart of this approach is our commitment to **Better Dairy**. We focus on delivering nutritious dairy and plant-based products, while adhering to the highest food safety and quality standards. This focus extends beyond our products to how they are produced, with a strong emphasis on animal welfare to ensure our cows are kept in comfortable, healthy conditions.

In parallel, we recognise that producing better dairy products must go hand in hand with protecting the environment. Through our **Healthier Planet** pillar, we are committed to responsible farming and processing practices, including regenerative dairy farming, to conserve natural resources, reduce greenhouse gas (GHG) emissions, and safeguard biodiversity. Complementing these efforts are continuous initiatives to improve the sustainability of our packaging, supporting our ambition to reduce environmental impacts throughout our operations and value chain.

As our business grows, so too does our responsibility to the communities around us. Through our **Stronger Communities** pillar, we prioritise local hiring and staff training, invest in knowledge and skills development for our partner farmers and support micro-entrepreneurs. Through these efforts, we aim to build a more resilient workforce while contributing to the growth of local economies.

Supporting all of this is our commitment to **Responsible Governance**. We uphold high standards of accountability and transparency, guided by a robust governance framework that promotes ethical conduct, regulatory compliance and responsible decision-making, with a focus on areas such as anti-corruption and cyber security.

Together, these interconnected efforts underscore the central role sustainability plays in our business, enabling us to deliver quality products responsibly while creating shared, long-term value for our people, communities and planet.

About This Statement

This statement has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia), with reference to the Global Reporting Initiative's (GRI) Sustainability Reporting Standards. Our sustainability efforts are also aligned with selected United Nations Sustainable Development Goals (UNSDGs).

In preparing this statement, we have adhered to the following key reporting principles:

Accuracy
Reporting information that is correct and sufficiently detailed for stakeholders to assess our impacts

Completeness
Reporting on all relevant topics to enable a complete assessment of our performance

Balance
Providing an unbiased and fair representation of our positive and negative impacts

Sustainability Context
Disclosing information about our impacts in the wider context of sustainable development

Clarity
Presenting information in a manner that is understandable and accessible

Timeliness
Conveying updated information regularly and in time for stakeholders to make informed decisions

Comparability
Enabling an analysis of the changes in our impacts over time and in relation to other organisations

Verifiability
Managing our data and information in a manner that enables examination and verification

SCOPE & BOUNDARY

The scope of this statement encompasses all subsidiaries within the Group. However, due to the significance of our Malaysian operations to the Group, the majority of disclosures and performance indicators relate to Malaysia unless otherwise specified.

REPORTING PERIOD & CYCLE

This statement presents our sustainability performance for the financial year ended 31 March 2026 (FY2026), unless otherwise stated.

RESTATEMENTS OF INFORMATION

There are no restatements of data or performance metrics from previous sustainability statements.

MEMBERSHIPS & ASSOCIATIONS

As of FY2026, the Group is not affiliated with any industry associations.

ASSURANCE

To enhance the credibility and reliability of this statement, we engaged SIRIM QAS International to perform an independent verification. Their assurance provides confidence to the Group and our stakeholders regarding the integrity of the information disclosed. Further details are available in the Independent Assurance Statement on pages 195 to 196.

In addition, Eco-Ideal Consulting Sdn Bhd was appointed as an independent third party to conduct a comprehensive GHG emissions assessment.

Sustainability Highlights

100% of completed farms in Malaysia accredited under the Certified Humane® programme

FY2025: 100%

Taiping farm will start its assessment by Q3 2026

Over 1 million plastic bottles, equivalent to **Over 57,000 kg** of plastic, avoided through our Milk on Tap initiative since 2022

0.52 tCO_2e per tonne of milk (Group-wide carbon emissions intensity)

FY2025: 0.55 tCO_2e

1,981,590 kg of chemical fertiliser eliminated from our operations

FY2025: 2,090,538 kg

Zero product recalls due to safety reasons since 2014



Products using fully recyclable and FSC®-certified Tetra Pak packaging accounted for 36% of total product turnover, with sales worth **RM396 million**

FY2025: 36.8%; RM360.8 million

170,637 tonnes of solid waste recycled and prevented from entering the waste stream

FY2025: 144,905 tonnes

22% lower average emissions intensity (Malaysia farms) in FY2026 - 1.8 $kgCO_2eq/kg$ FPCM - FAO

FY2025: 2.3 $kgCO_2eq/kg$ FPCM - FAO

744.2 million ℓ of municipal water saved through rainwater harvesting and tube well pumping

FY2025: 705.1 million ℓ



581.38 million ℓ of Farm Dairy Effluent (FDE) recycled and diverted from waste discharge

FY2025: 550.88 million ℓ

Sustainability Highlights

70% of our total workforce at farms and processing facilities recruited from local Malaysian communities

FY2025: 68%

61% of Farm Fresh Malaysia's total procurement spend directed to local suppliers

FY2025: 65%

198 internship placements provided to students from local universities and colleges

FY2025: 80 internship placements

Zero
confirmed corruption incidents

FY2025: Zero

Over **86.9 million** packs of milk distributed to **over 3,800** schools under the **School Milk Programme**

FY2025: Over 49.8 million packs of milk; 3,400 schools



Zero
recorded instances of cyber security or data breaches

FY2025: Zero

RM4.8 million in income generated for our partner farmers

FY2025: RM4.6 million

RM47 million in gross income earned by stockists and dealers through our home dealer network, representing **5%** of our total revenue from milk-based products

FY2025: RM47 million; 6%

RM1.3 million invested in community and CSR programmes, including direct donations and sponsorships, impacting **5,700 beneficiaries**

FY2025: RM1.1 million; 13,000 beneficiaries

100%
of our operations assessed for corruption-related risks

FY2025: 100%

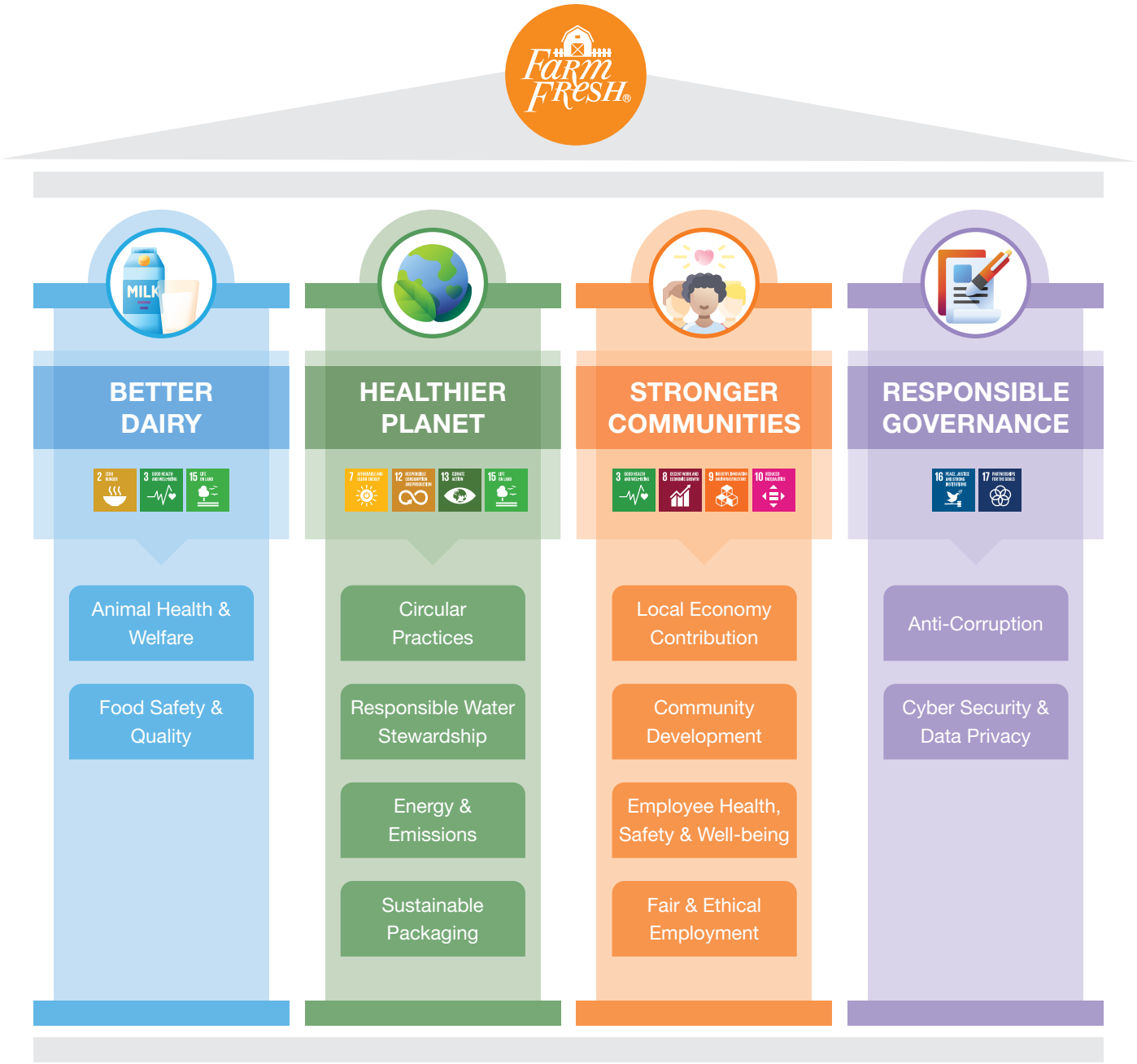
1 work-related fatality and 1.76 Lost Time Injuries (LTIs) over the past three years

FY2025: Zero; zero

Our Core Sustainability Pillars

Our sustainability strategy is anchored on four core pillars – Better Dairy, Healthier Planet, Stronger Communities and Responsible Governance. These pillars underpin our Group-wide sustainability approach, guiding how we manage our impacts, create long-term value and address the material topics presented in this statement.

Each pillar aligns with selected UNSDGs and is guided by the Dairy Declaration of Rotterdam, underscoring our commitment to advancing the dairy sector's contribution to global sustainable development by 2030.



Engaging Our Stakeholders

We regularly engage with our diverse stakeholders to ensure our sustainability agenda remains aligned with the expectations and needs of those impacted by our operations. Through meaningful and ongoing dialogue, we gain valuable insights into their key concerns and priorities.

This approach enables us to refine our focus and adopt a more targeted and effective strategy for long-term value creation, benefiting both our business and the communities we serve.

Customers

Their Expectations	Mode & Frequency of Engagement
Products that are safe, nutritious, of high quality, responsibly sourced, affordably priced and suited to a wide range of dietary requirements and taste preferences.	O Corporate website O Advertising campaigns (both above-the-line and below-the-line) O Social media platforms P Customer surveys and focus groups P Face-to-face interactions (at roadshows and on-ground marketing events)

Distributors

Their Expectations	Mode & Frequency of Engagement
Clear, reliable and timely information on our product ranges, distribution reach and resale pricing, supported by ongoing sales, marketing and business development assistance for stockists and home dealer programme participants.	P Face-to-face interactions and phone calls P Circulars and email communication P Visits and assessments P Distributor training courses

Employees

Their Expectations	Mode & Frequency of Engagement
Equitable remuneration within a workplace that is safe, inclusive and respectful, complemented by opportunities for skills development, career progression and open engagement with management.	P Circulars and email communication P Employee town halls P Training courses SA Team-building events A Employee appraisals

O Ongoing P Periodically SA Semi-Annually A Annually

Engaging Our Stakeholders

Governments & Regulators

Their Expectations

Strict adherence to applicable food safety, health and nutrition standards, as well as environmental, labour and sustainability requirements, alongside contributions to national priorities through community-focused and knowledge-sharing efforts.

Mode & Frequency of Engagement

- O Email communication
- O Face-to-face interactions and phone calls
- P Seminars, training sessions and dialogues
- P On-site inspections and audits
- A Integrated Annual Reports

Shareholders & Investors

Their Expectations

Delivery of consistent financial returns through resilient, sustainable growth, supported by strong governance and a commitment to ethical business conduct.

Mode & Frequency of Engagement

- O Investor Relations website
- P Email communication
- P One-on-one meetings
- P Investor briefings
- P Site visits
- P Quarterly financial results briefings
- A Annual General Meetings
- A Integrated Annual Reports

Local Communities

Their Expectations

Positive socioeconomic impact through employment opportunities, support for local businesses, environmentally responsible operations, continuous community engagement, educational outreach and philanthropic contributions.

Mode & Frequency of Engagement

- O Community initiatives and outreach programmes
- P Face-to-face interactions and calls
- P Visits to local communities

Suppliers

Their Expectations

Fair and transparent procurement practices, reinforced by robust anti-bribery and anti-corruption measures, and initiatives that encourage the development of local supplier networks.

Mode & Frequency of Engagement

- O Email communication
- P Face-to-face interactions and phone calls
- P Supplier visits and assessments

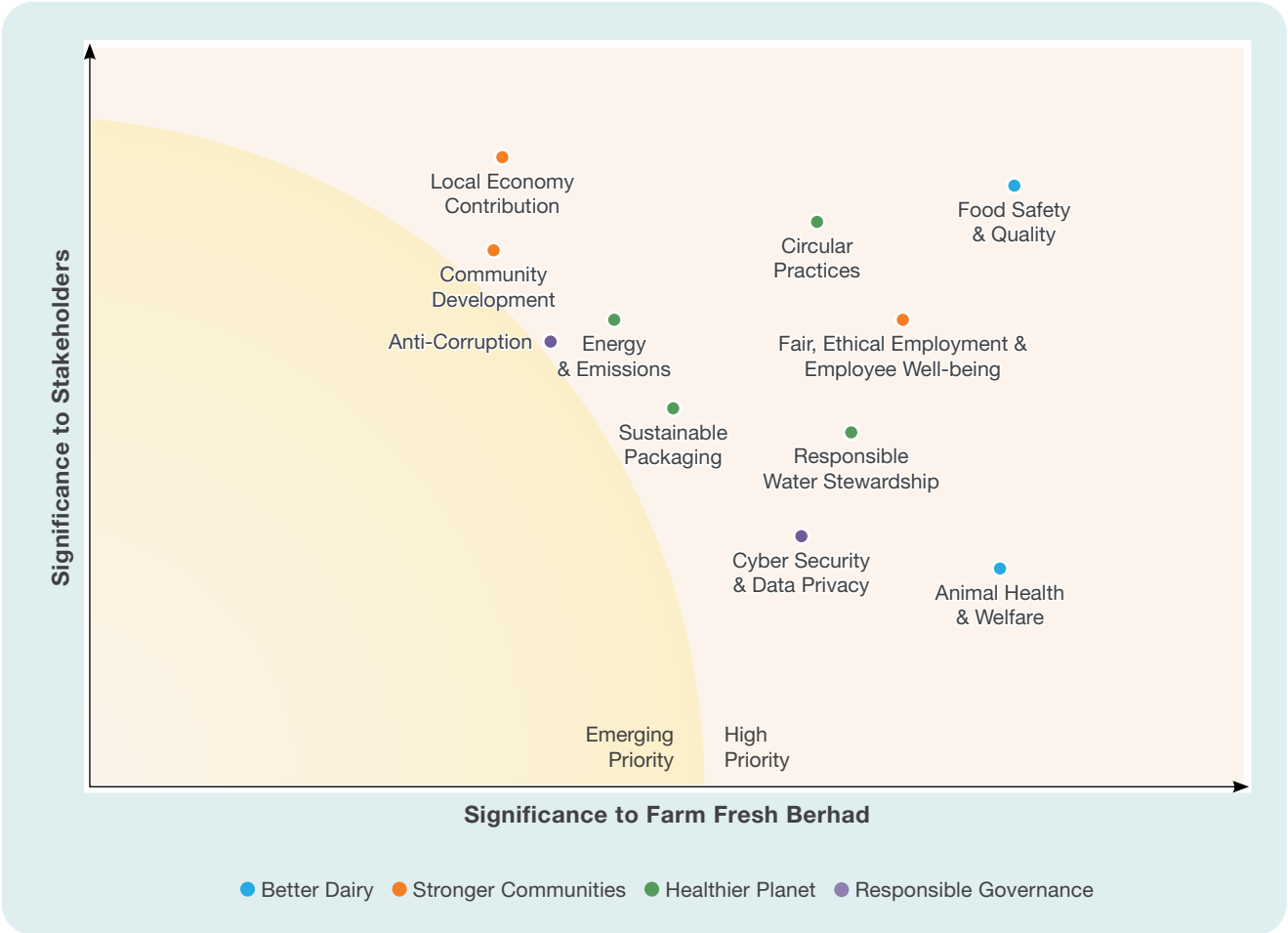
O Ongoing P Periodically SA Semi-Annually A Annually

Materiality Determination

The ESG issues most significant to our business and stakeholders underpin the scope and focus of this statement, given their influence on our value creation, operational resilience and environmental impact.

Our sustainability material matters are identified through an annual assessment process that considers stakeholder expectations and priorities, developments within our operating environment, as well as sector- and business-specific risks, with key risks subject to regular review by the Audit and Risk Management Committee (ARMC). This ensures a structured and responsive approach to prioritisation and resource allocation.

In FY2026, a desktop validation exercise was undertaken to reassess our existing 12 sustainability material matters. The results are presented below.



Our Sustainability Material Matters

Material Matter	Why It Matters	Who It Matters To
BETTER DAIRY		
Animal Health & Welfare	Ensuring the health and well-being of our herd is intrinsically linked to the nutritional quality and safety of our products, in turn shaping our reputation and long-term growth.	
Food Safety & Quality	Maintaining the safety, nutritional value and quality of our products is fundamental to sustaining our competitiveness and sustainability as a dairy producer.	
HEALTHIER PLANET		
Circular Practices	Advancing circularity through regenerative dairy farming helps reduce our environmental impact while supporting herd health and enhancing product quality.	
Responsible Water Stewardship	Managing water resources responsibly is essential to minimising our environmental impact and safeguarding local water supplies, given its critical role across our farm operations.	
Energy & Emissions	Driving proactive climate action allows us to lower our emissions intensity and accelerate our renewable energy adoption, thereby reducing our carbon footprint.	
Sustainable Packaging	Adopting environmentally responsible packaging solutions enables our customers to make more sustainable consumption choices.	
STRONGER COMMUNITIES		
Local Economy Contribution	Supporting socioeconomic development alongside our business growth reflects both responsibility and opportunity, given our close integration with local communities.	
Community Development	Building healthy, skilled and resilient communities aligned with national priorities supports positive lifestyles and greater nutrition awareness.	
Employee Health, Safety & Well-being	Ensuring a safe and enabling workplace drives productivity and enables our people to execute their responsibilities with assurance.	
Fair & Ethical Employment	Cultivating equity, diversity and inclusion in our employment practices strengthens employee empowerment and engagement.	
RESPONSIBLE GOVERNANCE		
Anti-Corruption	Instituting strong ethical standards and governance practices reinforces stakeholder trust and underpins sustainable value creation.	
Cyber Security & Data Privacy	Managing cyber security and data privacy risks effectively ensures regulatory compliance and protects stakeholder confidence in us.	

Sustainability Governance

Sustainability governance at Farm Fresh is driven by strong oversight and the effective integration of sustainability principles across all aspects of our operations. This is supported by well-defined structures, clear accountabilities and established reporting lines that embed sustainability into everyday decision-making.

The Board of Directors holds ultimate responsibility for our sustainability agenda, guiding the incorporation of ESG considerations into our corporate strategy while balancing stakeholder expectations with long-term, responsible growth.

The ARMC supports the Board by identifying, evaluating and addressing sustainability-related risks. Its insights inform the Board's annual review of material sustainability matters, helping to ensure that our strategic priorities remain relevant, responsive and impactful.

Building on these evaluations, designated members of Senior Management lead the execution of our sustainability initiatives. Close collaboration across departments, divisions and operating entities enables effective implementation, with regular updates provided to the Board on progress and outcomes.

At the same time, Management undertakes annual reviews of sustainability performance across the Group to monitor progress, maintain momentum and ensure alignment with our established priorities and broader sustainability roadmap.

This governance approach is reinforced by a comprehensive set of policies that formalise our commitment to ethical and responsible conduct. Key frameworks include the Code of Conduct and Business Ethics (CCBE), Ethical Trading Policy and Conflict of Interest Policy, all of which are publicly available on our corporate website[1] and embedded across the organisation through targeted training initiatives.

In addition, ESG-related key performance indicators (KPIs) are integrated into Senior Management's performance evaluations and remuneration. Metrics such as GHG emissions intensity reduction and diesel displacement form part of these assessments, strengthening accountability and supporting sustained progress towards our sustainability goals.



[1] *https://www.farmfresh.com.my/investor-relations/*

Sustainability Risk

Managing sustainability-related risks is important to strengthening our resilience, supporting sustainable growth and safeguarding long-term value creation. To achieve this, sustainability considerations are embedded within our Enterprise Risk Management (ERM) framework, enabling us to identify, assess and monitor risks and opportunities that may affect our business. Our approach is guided by International Organization for Standardization (ISO) 31000:2018 Risk Management Guidelines and aligned with Bursa Malaysia's sustainability reporting requirements.

During FY2026, our sustainability risk assessment identified climate-related matters as a key area of focus due to their potential impact on our operations, supply chain resilience and long-term performance. Key climate-related risks identified comprise both physical and transition risks. The table below outlines these risks, together with our existing controls and planned actions to strengthen resilience.

Physical Risk (Acute)
Short-term risks arising from sudden climate-related events

Extreme Weather Events (Flooding, heavy rainfall and storms)

Potential Impacts	Existing Controls	Planned Actions
• Severe weather events may disrupt our farm operations, milk collection activities and distribution networks, resulting in supply chain delays • Flooding and storms may damage our farm infrastructure, feed storage facilities and processing assets, leading to increased repair and maintenance costs • Disruptions to transportation routes and feed supply chains may affect our production schedules and ability to fulfil customer orders • Extreme weather events may increase the risk of cold chain disruptions and product spoilage during transportation and distribution	• Solar photovoltaic (PV) and biogas systems support operational continuity during power disruptions • Water recycling systems support irrigation during interruptions to the external water supply • Business continuity procedures facilitate emergency response and minimise operational disruptions	• Our drainage systems and elevated feed storage facilities will be improved to enhance our farm infrastructure • Our logistics contingency routes will be strengthened and our supplier bases diversified to reduce supply chain disruptions • Regional feed supply partnerships will be established to improve supply resilience during extreme weather events • Climate vulnerability assessments will be conducted across key farm, processing and distribution sites to identify opportunities to enhance resilience

Sustainability Risk

Sudden Heatwaves

Potential Impacts	Existing Controls	Planned Actions
• Sudden heatwaves may increase heat stress among our livestock, resulting in lower milk yields and increased cooling requirements • Elevated temperatures may adversely affect animal health, reproductive performance and overall herd productivity • Increased cooling demand may lead to higher energy consumption and operating costs • Prolonged periods of heat stress may affect our milk quality and consistency, potentially impacting our product quality standards	• Ventilated barns with water soakers and evaporative cooling reduce heat stress and improve animal comfort • Veterinary and biosecurity protocols support the early identification and management of heat-related illnesses • Renewable energy systems support cooling operations and help manage rising energy demand • Routine animal health monitoring programmes assess livestock well-being	• Advanced cooling systems, including HVLS fans, misting systems and tunnel ventilation, will be installed • Heatwave-specific nutritional supplements will be introduced to support livestock health and maintain feed intake during periods of elevated temperatures • Our renewable energy capacity will be expanded to support increasing cooling requirements • Real-time monitoring of our barn temperatures and animal welfare indicators will be enhanced to support timely intervention measures

Physical Risk (Chronic)

Long-term risks arising from gradual changes in climate patterns

Declining Feed Crop Productivity

Potential Impacts	Existing Controls	Planned Actions
• Changes in rainfall patterns and rising temperatures may reduce feed crop yields and increase dependence on externally sourced feed • Reduced feed availability may increase feed procurement costs and expose us to supply price volatility • Lower feed quality and availability may affect our milk production volumes and operating margins • Greater reliance on external feed suppliers may increase our supply chain risks and affect production continuity	• Regenerative agriculture practices improve our soil quality and moisture retention • Liquid waste-based irrigation systems reduce our reliance on rainfall • Water stewardship initiatives, including rainwater harvesting and tube wells, support feed crop cultivation • Diversified feed sourcing arrangements help reduce dependence on a single source of supply	• Drought-resistant feed crop varieties will be piloted to enhance climate resilience • Automated irrigation systems will be deployed to improve water efficiency and support crop productivity • Local farmer partnerships will be strengthened to support a more resilient feed supply chain • Alternative feed ingredients will be evaluated to reduce supply concentration risks

Sustainability Risk

Water Scarcity

Potential Impacts	Existing Controls	Planned Actions
• Prolonged drought conditions may reduce water availability for livestock hydration and feed crop irrigation • Reduced access to water resources may affect our farm operations and increase water sourcing and treatment costs • Limited water availability may affect our milk production, processing operations and sanitation practices • Competition for water resources may increase operational risks in water-stressed regions	• Rainwater harvesting systems are implemented across farm operations • Deep boreholes and tube wells provide alternative water sources during periods of reduced rainfall • Water efficiency monitoring optimise water consumption • Wastewater recycling systems irrigate our farmlands and minimise freshwater demand • Water consumption is monitored across farm and processing operations	• Our water harvesting and storage capacity will be expanded to strengthen our water resilience • Additional borehole installations will be implemented to diversify water sources • Smart irrigation systems will be integrated to optimise water use efficiency • Renewable-powered pumps will be deployed to support water extraction during dry periods • Water stress assessments will be conducted at high-risk locations to identify potential mitigation measures

Rising Average Temperatures

Potential Impacts	Existing Controls	Planned Actions
• Rising temperatures may reduce our livestock productivity, lower milk output and increase cooling requirements • Persistent heat exposure may adversely affect herd fertility, animal health and overall welfare • Increased cooling requirements may result in higher energy consumption and operating costs • Higher ambient temperatures may affect our processing efficiency and increase demand for temperature-controlled storage and transportation	• Purpose-built barns mitigate the effects of long-term heat exposure • Veterinary welfare programmes support animal health and heat resilience • Renewable energy systems support cooling operations and help manage rising energy demand • Animal welfare management programmes monitor and support herd well-being	• Cooling infrastructures will be scaled up across farm operations • Nutritional and metabolic supplements will be introduced to improve livestock heat tolerance • Our renewable energy generation capacity will be expanded to support long-term cooling needs • Climate-resilient farm design features and technologies will be evaluated for future developments

Sustainability Risk

Transition Risk

Risks arising from evolving regulations, market dynamics, technology and stakeholder expectations associated with the transition to a lower-carbon economy

Evolving Climate-related Regulations

Potential Impacts	Existing Controls	Planned Actions
• Evolving climate-related regulations may increase our compliance obligations and reporting requirements • Additional resources may be required to support data collection, monitoring and disclosure activities • Future regulatory developments may necessitate additional capital expenditure and operational adjustments • Non-compliance with regulatory requirements may result in financial penalties and reputational risks	• Carbon inventory monitoring and GHG benchmarking track our emissions performance • Solar and biogas initiatives support emissions reduction efforts • Regulatory developments and reporting requirements support compliance readiness	• Our carbon accounting capabilities will be enhanced to support evolving reporting requirements • Renewable energy installations will be expanded across our operations to reduce our emissions intensity • Continuous carbon reduction programmes will be implemented to strengthen our climate resilience • Our internal sustainability data management and reporting processes will be further strengthened

Changing Market Expectations and Reputational Considerations

Potential Impacts	Existing Controls	Planned Actions
• Evolving stakeholder expectations may increase demand for sustainable products and transparent sustainability disclosures • Failure to meet customer and stakeholder expectations may adversely affect our brand reputation and market competitiveness • Changes in consumer preferences may influence purchasing behaviour and product demand • Increased scrutiny from customers, investors and regulators may heighten expectations for supply chain transparency and responsible sourcing practices	• Regenerative agriculture and water stewardship initiatives support sustainable operations • Renewable energy integration contributes to improved environmental performance • Stakeholder engagement and sustainability reporting practices support transparency and accountability	• Supplier engagement and rural community programmes will be strengthened to support responsible sourcing practices • Supply chain traceability initiatives will be enhanced to improve transparency and accountability • Our sustainability disclosures will be strengthened to address evolving stakeholder expectations • Sustainability communication and consumer awareness initiatives will be enhanced to reinforce stakeholder trust

Sustainability Risk

Building upon the foundational climate-related risks identified and disclosed during the financial year, we are progressively strengthening our capabilities to support full alignment with the National Sustainability Reporting Framework (NSRF) requirements and the adoption of the IFRS Sustainability Disclosure Standards, including IFRS S1 and IFRS S2.

To this end, planned enhancements in the coming financial year include:

- Undertaking comprehensive climate scenario analysis across our operations and value chain
- Developing a climate transition plan to support our long-term resilience and strategic objectives
- Evaluating and quantifying the current and anticipated financial impacts of climate-related risks and opportunities on our business model, value chain, strategy and decision-making
- Establishing climate-related targets and performance measures to guide our sustainability journey and monitor progress over time

These initiatives will also support a broader assessment of sustainability-related risks and opportunities across the ESG spectrum, enabling us to better understand emerging developments that may impact our business. The insights gained will help shape our sustainability priorities, strengthen risk management practices and position the Group to minimise potential adverse impacts while capitalising on opportunities arising from climate change and the wider sustainability landscape.

Through these efforts, we aim to enhance our readiness for evolving reporting requirements while strengthening the resilience, adaptability and long-term sustainability of our business.


Farm Fresh
UHT
FULL CREAM
MILK
MAGNESIUM
B12
PROTEIN
KALSIUM
B2
SUSU PENUH KRIM UHT
NET VOLUME/
ISIPADU BERSIH
1 L
barcode

Better Dairy

We ensure fresh and healthy dairy is produced through our integrated supply chain, fulfilling our tagline of "Dairy, Just As Nature Intended".

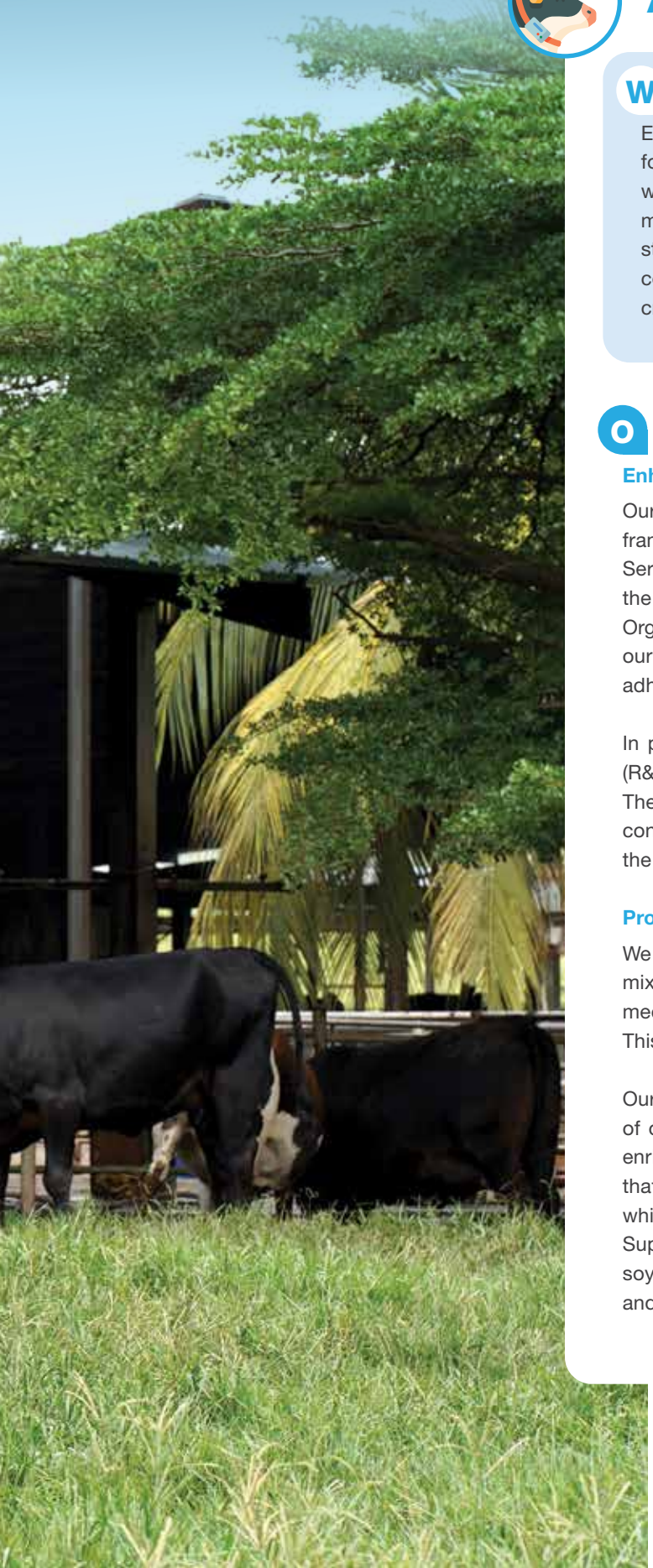


Related UNSDGs

2 ZERO HUNGER

3 GOOD HEALTH AND WELL-BEING

15 LIFE ON LAND



ANIMAL HEALTH & WELFARE

W WHY IT MATTERS

Ensuring high standards of care, comfort and nutrition for cows and calves across all our farms – in accordance with internationally recognised practices – is essential to maintaining product quality, reducing disease risks and strengthening operational resilience. These efforts reinforce consumer confidence and support consistent value creation, which underpins our long-term sustainability.

O OUR ACTIONS & INITIATIVES

Enhancing Standards & Driving Innovation

Our animal health and welfare practices are anchored in frameworks such as the Malaysian Department of Veterinary Services' (DVS) Good Animal Husbandry Practices (GAHP), the Malaysian Good Agricultural Practices (MyGAP) and World Organisation for Animal Health standards. Together, these guide our approach to animal nutrition, healthcare and housing, ensuring adherence to recognised benchmarks.

In parallel, we consistently invest in research and development (R&D) to refine our welfare practices suited to tropical conditions. These advancements are also shared with our partner farmers, contributing to improved milk yields, extended herd longevity and the overall upliftment of livestock farming standards nationwide.

Providing Optimal Nutrition

We emphasise optimal nutrition across our herd through a total mixed-ration feeding system, with formulations customised to meet the needs of cows at different stages of their breeding cycle. This approach supports better health, productivity and lifespan.

Our feed strategy is exemplified by our conscientious cultivation of on-site-grown grass, which is tended without pesticides and enriched through vermicomposting, a sustainable approach that utilises broken-down animal waste to fortify our feed while simultaneously reducing our environmental footprint. Supplemented with a variety of farm-grown crops, including corn, soybeans and palm kernel, we ensure a well-balanced, abundant and nutritious diet for our herd.

Better Dairy

Ensuring Animal Well-being

Each farm is supported by dedicated animal healthcare teams led by an Animal Herd and Veterinarian Manager, alongside qualified veterinarians and animal science graduates. These teams provide comprehensive care, including assisted calving, disease treatment and ongoing health monitoring.

Hoof care is a key priority, with trimming conducted twice yearly – approximately 60 days before calving and 120 days after – to maintain proper weight distribution and prevent lesions. This promotes ease of movement across feeding, milking and resting areas. In FY2026, we further strengthened our capabilities through specialised training with Karl Burgi, a global leader in hoof health, enhancing our expertise in hoof management and reinforcing best practices that support the long-term health and productivity of our dairy herd.

We also continued efforts to improve udder health and reduce the incidence of mastitis. During FY2026, we began testing automated udder hygiene equipment at our Muadzam Shah farm to enhance cleanliness and support disease prevention during milking. Following encouraging results, we plan to progressively roll out the technology across the Group, beginning with our larger farms in Taiping and Mawai.

Our commitment to the welfare of our dairy herd is reflected in our Certified Humane® accreditation from Humane Farm Animal Care, achieved across all completed Malaysian farms. We are currently preparing our Taiping farm to meet the required standards, with the aim of securing certification in FY2027.

Strengthening Tropical Adaptation

Malaysia's hot and humid climate presents challenges for tropical dairy farming. One of our strongest defenses against the hot and humid climate is our breed, i.e. Australian Friesian-Sahiwal, which is one of the best breeds for tropical dairy farming. We have also implemented various solutions to enhance comfort and propagate better genetics with stronger resilience at our farms.

Our Malaysian farms are equipped with tunnel-ventilated barns, soaker systems and clean, well-bedded resting areas to enhance cow comfort and reduce heat stress, while our Australian farms provide outdoor grazing to support natural behaviours. By improving welfare and feed efficiency, these measures also help boost milk productivity, lower feed requirements and contribute to reduced enteric methane emissions.

Additionally, our in vitro fertilisation (IVF) unit supports selective breeding programmes aimed at improving genetic resilience to tropical conditions, enhancing heat tolerance, feed intake and reproductive performance.

Protecting Biodiversity

Our commitment to biodiversity conservation is closely linked to our approach to animal welfare and responsible farming. Through biodiversity risk assessments conducted as part of our Environmental & Social (E&S) Risk Review, we identify potential environmental impacts associated with our operations and implement appropriate mitigation measures with the support of external experts.



Better Dairy

In FY2026, our internal audit and risk management team conducted a high-level assessment of biodiversity-related risks and opportunities. Building on this, we are undertaking a more comprehensive biodiversity assessment that will be integrated into our multi-disciplinary, Group-wide risk management framework. This approach ensures systematic integration of biodiversity considerations into our strategic decision-making, strengthening our long-term resilience and ability to respond to emerging environmental challenges.

We also reinforce our commitment to responsible stewardship through biodiversity-related requirements under our Certified Humane® accreditation, further underscoring our leadership in sustainable farming practices. As the first dairy company in Asia to achieve this distinction, we continue to demonstrate that high standards of animal welfare and environmental responsibility can go hand in hand.

Supporting Malaysia's Dairy Industry Development

Through collaborations with government agencies, academic institutions and research organisations, we contribute to the advancement of Malaysia's dairy sector while strengthening our own farming practices.

Partnerships with institutions such as Universiti Putra Malaysia (UPM) have generated valuable research outcomes that enhance herd welfare and improve the nutritional quality of our products. One example is our research on cow comfort, including the use of specialised mattresses to improve resting conditions, reduce stress and support better animal welfare outcomes.

We also share our R&D findings with the Malaysian government through the National Dairy Industry Development (NDID) programme, supporting national efforts to strengthen industry capabilities and improve self-sufficiency in fresh milk production.

OUR PERFORMANCE

- **100%** of our Malaysian farms adhere to the GAHP
- **100%** of our completed Malaysian farms accredited under the Certified Humane® programme[1]
- **100%** of our cows have access to dry bedded areas, lounging areas, compost and tunnel areas for relaxation
- **100%** of our cows have access to tunnel and ventilated barns (since FY2024)

LOOKING AHEAD

- We will continue to upskill our farm personnel in hoof care and broader animal husbandry practices to stay aligned with evolving best practices
- We will expand the use of animal health and welfare technologies while strengthening collaborations with veterinary institutions, corporations and research centres to develop solutions tailored to tropical environments
- We will sustain the sharing of R&D outcomes with the Malaysian government through the NDID programme to support industry transformation and long-term sustainability

[1] *Taiping farm will start its assessment by Q3 2026*

Better Dairy



FOOD SAFETY & QUALITY

W WHY IT MATTERS

From raw milk collection through to final product distribution, we uphold the highest standards of food safety and quality across our operations. Doing so enables us to meet the exacting expectations of our customers for safe, high-quality and accurately marketed products, while minimising the risk of safety or quality incidents that could adversely impact our business and reputation.

O OUR ACTIONS & INITIATIVES

Maintaining Robust Food Safety & Quality Standards

As a vertically integrated dairy producer, we maintain end-to-end control of our value chain, from farming to processing and distribution. This reduces our reliance on external suppliers, strengthens oversight of product quality and ingredients and enables rigorous internal safety controls. Ultimately, this ensures we consistently deliver products that meet the highest standards of food safety and quality.

Our farms and processing facilities in Malaysia and Australia adhere to globally recognised certifications and systems, supported by regular staff training on best practices. These include:

- Halal certifications in Malaysia and Australia, demonstrating compliance with halal preparation methods and stringent hygiene standards
- ISO 22000 Food Safety Management System, ensuring alignment with international food safety best practices
- MyGAP, issued by the Malaysian Ministry of Agriculture and Food Security, for safe and responsible farming
- Dairy Industry Licence, issued by Dairy Food Safety Victoria under Australia's Victorian Dairy Act 2000, authorising the production and storage of raw milk in compliance with regulatory standards
- MS 1514:2022 Good Manufacturing Practices (GMP), defined by the Malaysian Ministry of Health (MOH), governing food hygiene and safety in processing
- Hazard Analysis and Critical Control Points (HACCP), enabling comprehensive risk management across the production chain – encompassing procurement, production, manufacturing, distribution and consumption, as well as biological, chemical and physical hazards
- Veterinary Health Mark (VHM), formulated by the Malaysian DVS, promoting total quality management throughout the livestock supply chain
- Healthier Choice Logo (HCL), issued by the Malaysian MOH, signifying that our products meet its nutrient criteria

Better Dairy

Strengthening Quality Assurance through Rigorous Processes

Building on HACCP and GMP principles, our internal food safety management system incorporates stringent monitoring, review and control mechanisms across all operations. Key practices include:

- Daily monitoring of critical control points (CCPs) and implementation of corrective actions
- Daily inspection of cleaning and maintenance records
- Regular testing of raw materials and finished products
- Periodic food safety team meetings, conducted at least twice yearly or as required
- Half-yearly reviews of HACCP plans, or upon incident reporting
- Annual mock recall exercises, internal audits and management review meetings

Oversight is provided by a dedicated and independent team comprising a Food Safety Leader, maintenance supervisors, internal auditors, quality assurance personnel and production managers. This team is responsible for strengthening our food safety management system through initiatives such as:

- Random product sampling
- Chemical analysis
- Training gap assessments
- Regulatory compliance evaluations
- Documentation reviews
- Customer complaint management
- Supervision of routine equipment maintenance

We are also implementing tailored Environmental Monitoring Programmes (EMPs) across our facilities as a frontline defence against contamination. In parallel, structured food safety and halal training programmes are conducted to instil a strong food safety culture at all levels of the organisation. These measures enhance proactive risk management and safeguard consumer well-being.



Better Dairy

Advancing Healthier & Nutritional Product Offerings

At the core of our corporate vision is a commitment to delivering nutritious products across our chilled, ambient ready-to-drink and powder product ranges. This commitment has underpinned our brand since the launch of our fresh milk.

As we continue to broaden our product portfolio, our approach to innovation and production remains firmly anchored in health and nutrition. Notably, our Ultra Heat Treatment (UHT) milk products offer extended shelf life without compromising quality, improving access to nutritious dairy, particularly for underserved and rural communities.

We have also expanded into specialised offerings, including growing-up milk and a wider range of plant-based alternatives such as oat and almond milk, to address evolving consumer needs. Supported by strong R&D capabilities, we have pioneered products such as organic A2 milk, kurma milk, lactose-free milk and plant-based beverages within the Malaysian market.

During FY2026, we further diversified our portfolio by introducing salted and unsalted butter, AusFresh 100% Australian Milk, cultured milk and full-cream milk powder. We also continued to support Malaysia's national School Milk Programme, with our school milk products carrying the Healthier Choice Logo (HCL), reflecting that the products meet specific, strict nutritional criteria set by the Ministry of Health. These additions underscore our commitment to meeting diverse dietary preferences and lifestyle needs through trusted, high-quality and nutritious products.

In tandem, we remain committed to responsible marketing and transparent communication. All promotional materials undergo internal review to ensure alignment with our values, while our branding and labelling practices are continuously enhanced to clearly communicate product benefits to stakeholders.



Better Dairy

Reinforcing Biosecurity & Herd Health Management

Herd health is intrinsically linked to product quality. Accordingly, we enforce stringent biosecurity protocols across all farms, aligned with our GAHP manual and MyGAP standards.

A key initiative is vaccinating all cattle at our Malaysian farms against Foot and Mouth Disease, with global biosecurity risks continuously monitored to enable timely preventive actions, including additional vaccinations where necessary.

For more details, please refer to the "Animal Health & Welfare" topic on pages 146 to 148.

Enhancing Supply Chain Quality & Oversight

In addition to internal controls, we place strong emphasis on the quality of externally sourced raw materials, primarily obtained from our network of partner farmers. We conduct regular assessments of these partners, not only as compliance checks but also as developmental tools.

Through constructive feedback, we support these farmers in improving their practices and aligning with our quality standards. This collaborative approach enables us to maintain high nutritional quality while scaling our production capacity.

OUR PERFORMANCE

- 100% of processing facilities in Malaysia and Australia operate in accordance with GMP and HACCP principles, as well as the Dairy Food Safety Act (Australia)
- Our staff in our processing facilities are trained in GMP and food safety practices
- We have recorded zero product recalls due to safety reasons since 2014. Our efforts to delivery healthy dairy products were recognied and appreciated by consumers, as we picked up our fifth consecutive Platinum Award in Beverage – Dairy category of the Putra Brand Awards 2025

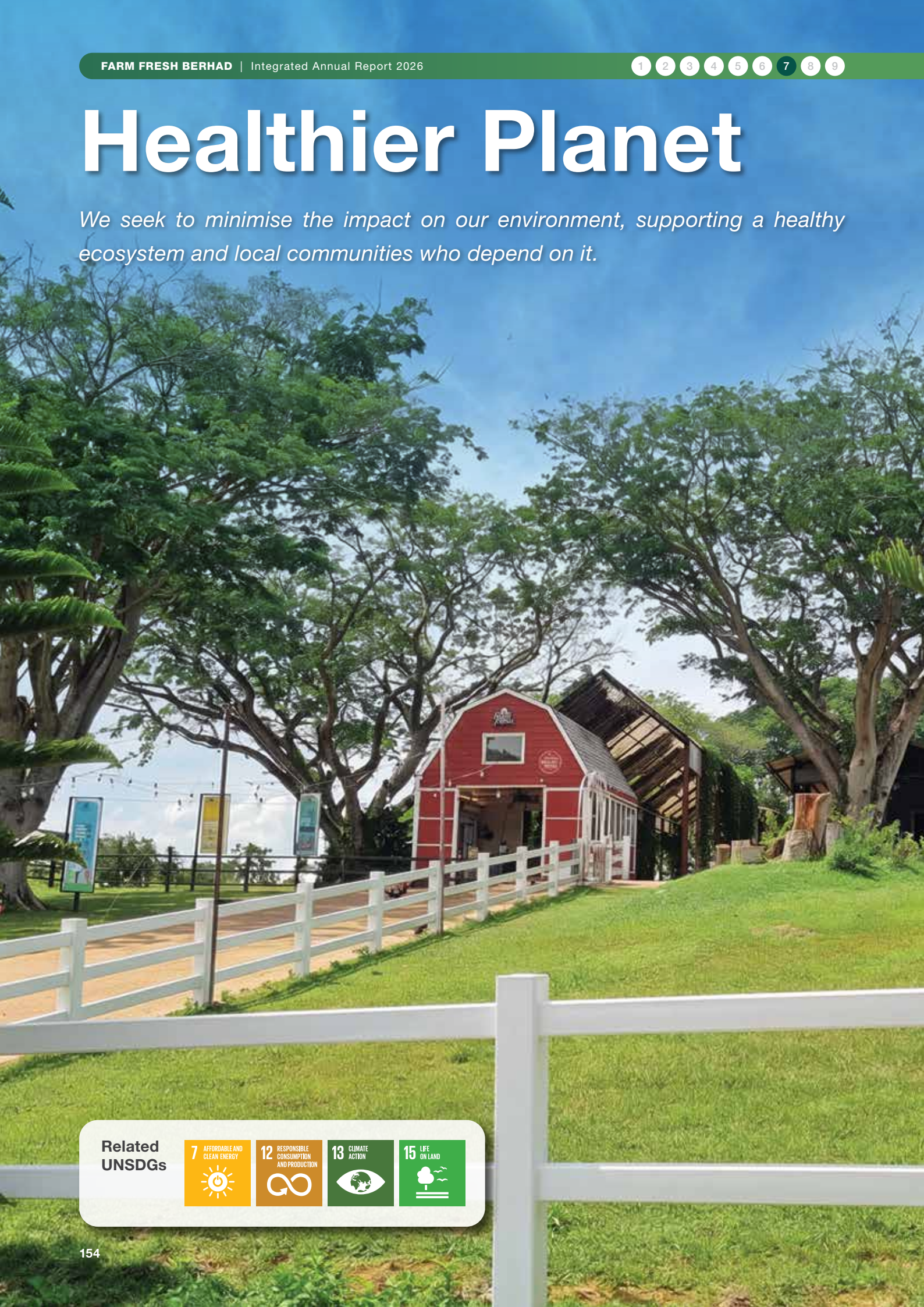
LOOKING AHEAD

- We will continue strengthening collaboration with our partner farmers to drive the wider adoption of GAHP and MyGAP standards across all farms supplying to the Group
- We will further enhance our R&D capabilities to expand our portfolio of dairy and plant-based products, while improving their nutritional value and functional benefits
- We will increase awareness and accessibility of our products among children and families by leveraging our range of children's nutrition offerings and continued participation in Malaysia's national School Milk Programme



Healthier Planet

We seek to minimise the impact on our environment, supporting a healthy ecosystem and local communities who depend on it.



Related UNSDGs

CIRCULAR PRACTICES

WHY IT MATTERS

Given the proximity of our farms and land banks to natural environments and ecologically significant areas, including protected wildlife habitats and key waterways, we must minimise our environmental impacts, particularly those associated with waste. Through circular practices that reduce waste and maximise resource efficiency, we protect and nurture local ecosystems, safeguard surrounding communities and create a stronger foundation for our business to thrive.

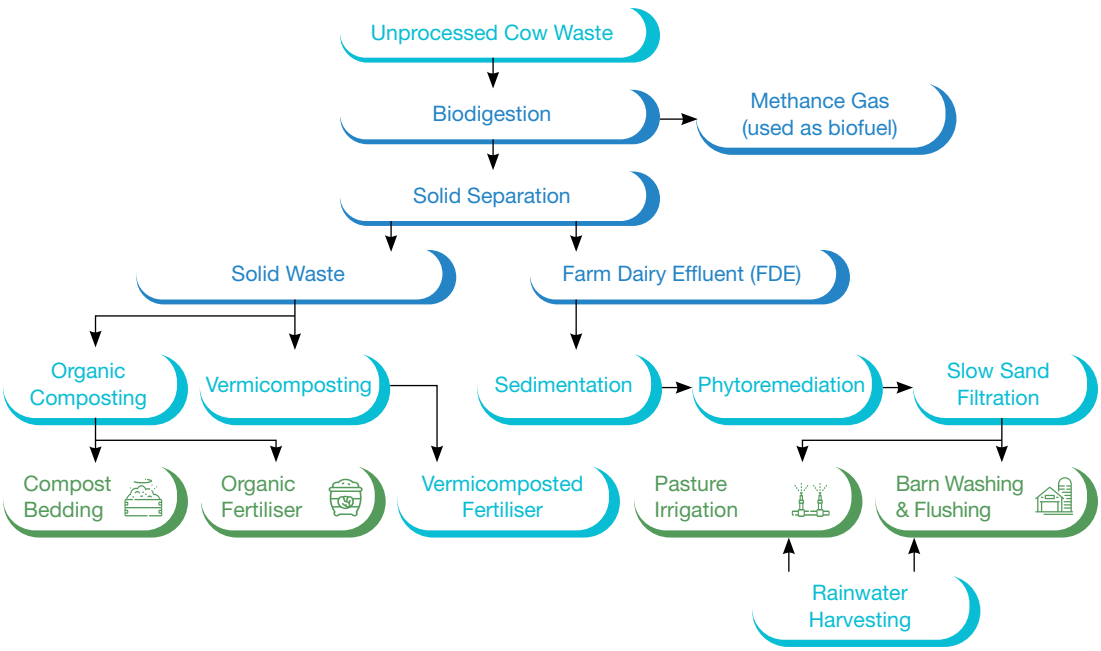
OUR ACTIONS & INITIATIVES

Inculcating Regenerative Agricultural Practices

The majority of waste generated by our operations comprises organic solid waste and liquid waste – commonly referred to as farm dairy effluent (FDE) – produced by our herd. Since 2014, we have adopted regenerative agricultural practices across all our farms to transform these waste streams into useful resources, delivering meaningful improvements in our sustainability performance.

By extracting methane from waste for use as biofuel, converting solid waste into organic fertiliser and bedding material, and treating FDE for irrigation and barn-cleaning purposes, we divert significant volumes of animal waste away from landfills and sewerage systems while reducing methane emissions from decomposition. These initiatives also lessen our reliance on external inputs such as municipal water supplies and chemical fertilisers, helping to protect long-term soil health and improve the overall efficiency of our operations.

Our practices and their benefits are summarised in the diagram and table below.



Healthier Planet

Type of Waste Processing	Regenerative Processes	Outputs	Benefits
Unprocessed Waste	Unprocessed cow waste at our Muadzam Shah farm is first processed through a **biodigester** to extract methane	• Methane is captured and used as biofuel, displacing diesel usage for our boilers	• Captures methane for use in our biogas plants • Reduces the release of methane – a GHG – into the environment • Reduces our reliance on diesel
Biodigested Waste	Following biodigestion, the remaining waste undergoes mechanical **solid separation**	• Solid waste for further processing • FDE for subsequent treatment	• Significantly reduces waste discharge • Converts waste into valuable resources through further processing
Solid Waste	**Organic composting** methods, including microbial inoculation, are then used to break down solid waste into compost	• Compost bedding for our cows • Organic fertiliser for our pastures	• Provides dry and comfortable bedding for our cows • Reduces the need for chemical fertilisers • Supports microbial activity to maintain long-term soil fertility
	At our Muadzam Shah, Desaru and UPM farms, African Nightcrawler worms are also used to convert cow solid waste into **vermicompost**, also known as worm castings	• Vermicompost fertiliser for soil enrichment	• Produces high-quality vermicompost within five to six months • Improves soil fertility, including water-holding capacity, aeration and porosity • Enhances the nutritional quality of grass fed to our cows
FDE	Following solid separation, FDE undergoes three final treatment stages to ensure it is safe for reuse: 1. **Sedimentation ponds** remove residual solids through gravity 2. **Phytoremediation** uses living plants to eliminate contaminants and excess nutrients 3. **Slow sand filtration** reduces turbidity and removes pathogenic organisms	• Treated water is combined with harvested rainwater for washing and flushing barns	• Reduces our reliance on external and municipal water supplies • Substantially lowers our waste discharge into groundwater and surface water, reducing the risk of contamination • Provides a reliable water source during dry periods, supporting year-round grass production

Healthier Planet

Advancing Circular Farming through Biogas

Our circular farming approach also extends to waste-to-energy practices. As an agricultural business, biogas plants such as the facility at our Muadzam Shah farm, developed in partnership with Green Lagoon Technology Sdn Bhd, provide a practical means of converting animal and agricultural waste into clean, renewable energy.

Using a biodigester, organic waste generated by our cows is broken down through anaerobic digestion. This process produces methane and digestate – the solid and liquid material remaining after digestion. The methane is captured to support our operational energy requirements, while the digestate undergoes separation and further treatment to produce reusable farm resources such as fertiliser and treated water.

Beyond extracting greater value from agricultural waste, our biogas plant significantly reduces methane emissions, supporting our broader climate ambitions and contributing to a lower-carbon, more resilient dairy value chain.

Encouraged by these positive outcomes, we plan to further expand our efforts through the development of a second biogas plant at our Taiping farm.

OUR PERFORMANCE

WASTE DIVERTED FROM DISPOSAL [1]

Solid Waste (tonnes)

FY2026	**170,637**
FY2025	144,905
FY2024	146,730

FDE (million ℓ)

FY2026	**581.38**
FY2025	550.88
FY2024	418.56

- 170,637 tonnes of solid waste recycled and prevented from entering the waste stream
- 581.38 million ℓ of FDE recycled and diverted from waste discharge
- 1,981,590 kg of chemical fertiliser eliminated from our operations
- 350.4 acres of our farmland irrigated by recycled FDE
- Zero incidents of environmental non-compliance

[1] *All waste-related data pertains to our farms in Malaysia and is based on the estimated average waste generated by each cow, including manure and urine washdown water. Solid separators have been installed at all farms to collect waste, which is then measured and repurposed into organic fertiliser. All waste generated from our operations is recyclable, and we produce zero hazardous waste across our business operations.*

Healthier Planet

RESPONSIBLE WATER STEWARDSHIP

W WHY IT MATTERS

Effective water management supports soil health and resilient crop yields, helping to preserve our product quality and sustain our market competitiveness. At the same time, responsible water stewardship safeguards shared local water resources from contamination and depletion, fostering stronger community relationships and reinforcing our social licence to operate.

O OUR ACTIONS & INITIATIVES

Enhancing Water Efficiency

As an agrifood business, water is a vital resource that supports herd management, grassland maintenance, production processes, cleaning activities and other operational needs. Although our operations are not currently located in water-stressed or water-scarce regions, we remain committed to managing water responsibly through rainwater harvesting, groundwater utilisation and reduced reliance on municipal and surface water sources.

Investment in technology is central to this approach. Our efforts focus on capturing and optimising alternative water sources while integrating circular agricultural practices that minimise the environmental impacts associated with wastewater discharge.

Groundwater plays an important role in ensuring a reliable year-round water supply, particularly during periods of drought, while reducing dependence on municipal systems. Through tube well systems that draw water from deeper aquifers, we are able to lessen pressure on surface water resources, support soil health and help protect surrounding ecosystems and communities.

In parallel, rainwater harvesting systems installed across our operations collect and store water for essential activities such as barn washing, irrigation, herd cleaning and equipment maintenance, providing a practical and sustainable alternative for non-potable water needs.

Collectively, these initiatives reduced our reliance on municipal water by a cumulative 744.162 million ℓ across our Malaysian farm operations in FY2026.

Preventing Water Pollution

Untreated animal waste can pose significant risks to water quality, ecosystem health and the integrity of our dairy production processes. To address these risks, we have embedded regenerative agricultural practices across our operations to treat and repurpose both solid waste and FDE into valuable resources for reuse.

By diverting waste from the water table and transforming it into useful inputs, these practices substantially reduce the potential for cross-contamination and minimise the risk of pollutants entering surrounding water systems.

For more details, please refer to the "Circular Practices" topic on pages 154 to 156.

In FY2026, our wastewater mitigation efforts prevented 170,637 tonnes of solid waste and 581.38 million ℓ of liquid waste from potentially contaminating local water sources.



Healthier Planet

OUR PERFORMANCE

WATER WITHDRAWN BY SOURCE

Total Water Consumption (million ℓ) [2,4]

FY2026	**2,453.67**
FY2025	4,118.33
FY2024	2,858.22

Groundwater & Surface Water (million ℓ) [3]

FY2026	**744.16**
FY2025	705.12
FY2024	618.51

[2] *Includes water consumed across our Malaysian and Australian farms from groundwater, surface water and municipal sources*
[3] *Includes water extracted through tube well pumping, rainwater harvesting and river sources*
[4] *Decrease is due to the disposal of one of our farms in Greater Shepparton, Australia*



ENERGY & EMISSIONS

WHY IT MATTERS

As an agrifood business operating across the dairy and agricultural value chain, we both contribute to and are exposed to the impacts of climate change. Rising temperatures, changing rainfall patterns and increasingly frequent extreme weather events can affect feed availability, animal welfare and operational efficiency. By strengthening our energy and emissions management practices, we can reduce our climate impact while safeguarding long-term business continuity.

OUR ACTIONS & INITIATIVES

Expanding Our Use of Renewable Energy

Increasing our use of renewable energy forms an integral part of our strategy to lower our carbon footprint and reduce dependence on Malaysia's national electricity grid. We currently focus on two key renewable energy sources – solar energy and biogas – leveraging the unique characteristics of our operations to contribute meaningfully to the broader renewable energy transition.

To harness Malaysia's abundant solar resources, solar photovoltaic (PV) systems have been installed at our Muadzam Shah, Larkin and Taiping farms, with deployment at our Mawai farm expected to be completed by the second half of 2026.

Complementing our solar initiatives, the biogas facility at our Muadzam Shah farm converts manure generated by our herd into renewable energy. To date, the plant has avoided 5,199 tCO_2eq of methane emissions and reduced carbon dioxide emissions by approximately 394 tCO_2eq annually through a reduction in diesel consumption of over 141,000 litres. Upon full utilisation, the facility is expected to deliver even greater methane avoidance and carbon reductions.

In the longer term, we remain committed to achieving annual emissions reductions of 9,800 tonnes of carbon dioxide equivalent (tCO_2e) while reducing diesel consumption by 670,000 ℓ each year.

Looking ahead, we are also exploring biomass energy solutions that offer significant benefits to both the agricultural and manufacturing sectors. By converting organic residues, such as palm kernel shells, into renewable energy, biomass can reduce environmental impacts, divert waste from disposal and support circular economy principles. It presents a viable alternative to fossil fuels by enabling the generation of heat, electricity and fuel from otherwise underutilised resources.

Healthier Planet

Reducing Nitrous Oxide Emissions

We seek to minimise nitrous oxide emissions by reducing our reliance on conventional chemical fertilisers, which can release this potent GHG into the atmosphere. Instead, we increasingly utilise treated animal waste as an organic fertiliser substitute.

Beyond lowering emissions, this approach enhances soil health, supports more sustainable pasture management and contributes to the production of healthier feed for our cows.

For more details, please refer to the "Circular Practices" section on pages 154 to 156.

Mitigating Methane Emissions

Methane is a highly potent GHG, with a warming effect more than 80 times that of carbon dioxide over 20 years after its release. It also represents a significant portion of our emissions profile.

To address enteric methane emissions generated through our cows' natural digestive processes, we incorporate red seaweed into our herd's feed – a natural additive shown to reduce methane production. We are also evaluating other feed-based interventions, including herbs and essential oils, which may further lower emissions while improving feed efficiency and supporting milk production.

Beyond feed innovation, we address methane emissions through regenerative farming practices. At our Muadzam Shah farm, methane captured from organic farm waste is converted into renewable energy through our biogas facility. At the same time, the resulting solid by-products are processed into organic fertiliser. This creates a sustainable alternative to chemical fertilisers used on our pastures and reinforces our circular approach to resource management.

For more details, please refer to the "Circular Practices" section on pages 154 to 156.

Measuring & Monitoring Our Emissions

In FY2026, we continued to strengthen our GHG emissions management by conducting a comprehensive assessment of our carbon footprint inventory in partnership with Eco-Ideal Consulting Sdn Bhd, in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. Building on the baseline established in FY2025, the assessment covered the financial year ended 31 March 2026, enabling consistent year-on-year comparison and enhanced monitoring of our environmental performance in line with Bursa Malaysia's evolving sustainability reporting requirements. Our carbon inventory encompasses dairy farms and manufacturing facilities across Malaysia, Australia and the Philippines, as well as the operations of Inside Scoop and Sin Wah, covering Scope 1, Scope 2 and relevant Scope 3 emissions.

The updated emissions inventory provides the Group with valuable insights into key emissions sources across our operations and supports data-driven decision-making to improve energy efficiency, enhance operational performance and advance our climate-related commitments. By maintaining a robust emissions monitoring framework and strengthening our carbon accounting capabilities, we are better positioned to track progress against our emissions reduction initiatives, support future regulatory requirements and identify opportunities to reduce our overall carbon footprint over time.

OUR PERFORMANCE

Our carbon emissions inventory covers dairy farms and manufacturing plants across Malaysia, Australia and the Philippines, as well as the operations of Inside Scoop and Sin Wah. We adopt a comprehensive approach to GHG accounting by monitoring emissions across all three scopes, including indirect emissions associated with employee commuting and business travel.

Energy Consumption (MJ)

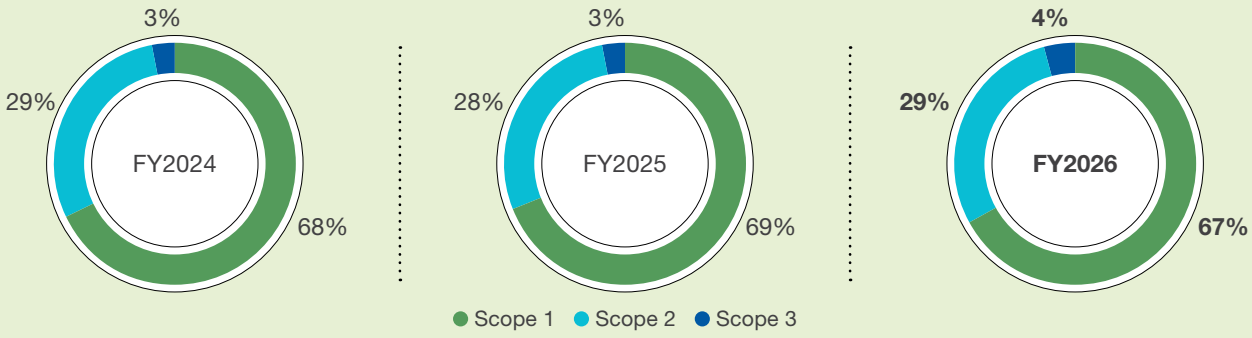
FY2026	**401,327,183**
FY2025	339,758,536
FY2024	328,818,757

Emissions Performance (tCO_2eq)

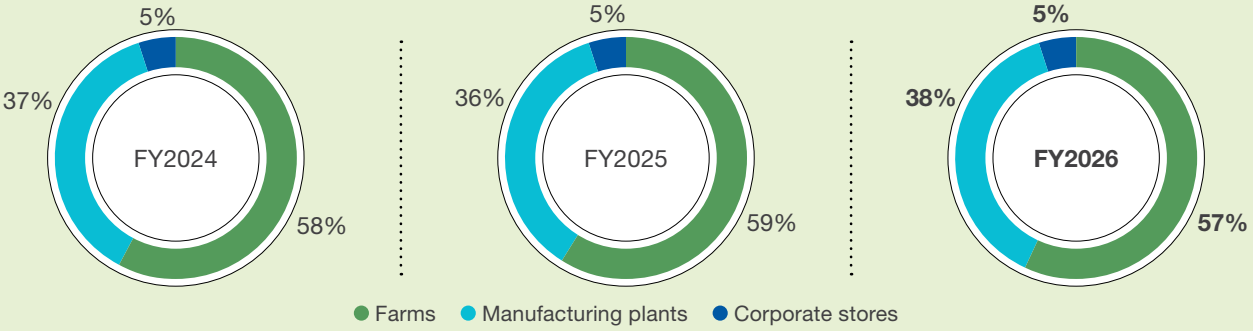
FY2026	**112,515**
FY2025	108,354
FY2024	90,304

Healthier Planet

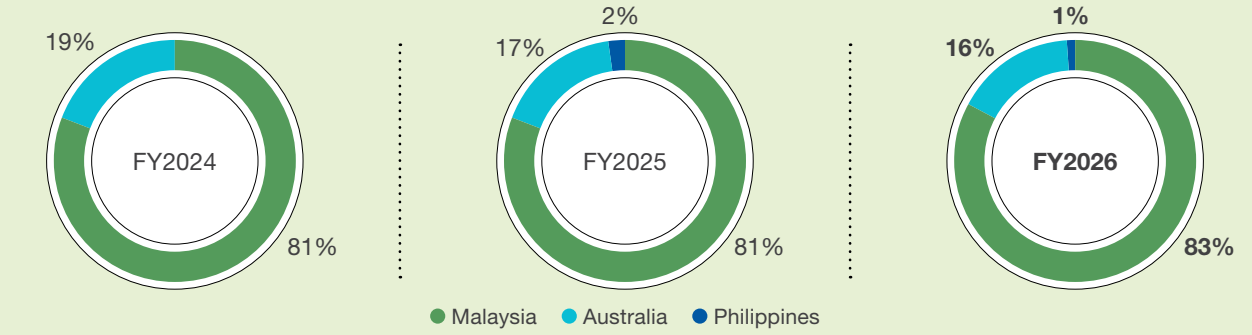
Emissions Breakdown by Scope (%)



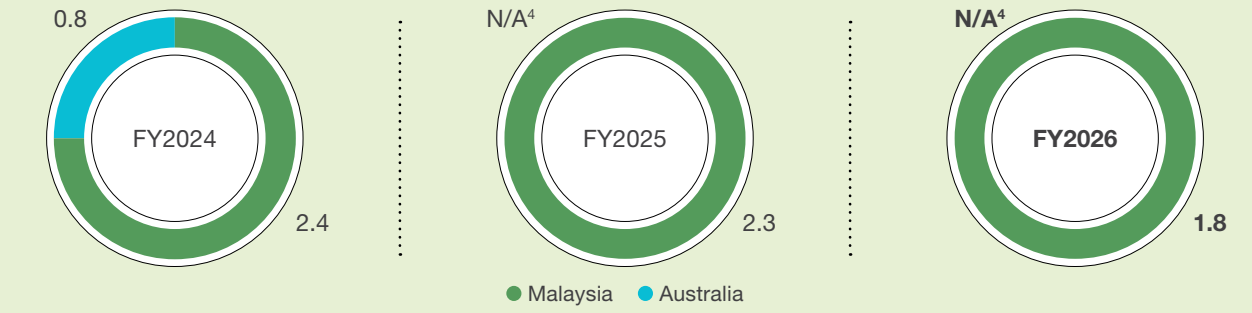
Emissions Breakdown by Operations (%)



Emissions Breakdown by Country of Operations (%)



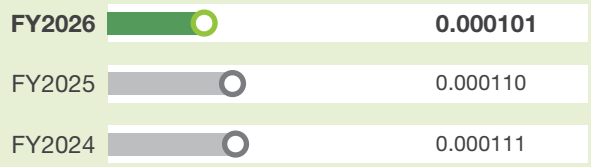
Emissions Breakdown by Country (kg of CO_2eq/kg FPCM)



[4] *Emissions from our Australian operations are minimal. In FY2025, the facility also underwent major maintenance and comprehensive optimisation.*

Healthier Planet

Emissions Intensity by Group Revenue (tCO_2eq/revenue)



Emissions Reduction through Manure Composting

The table below illustrates the substantial reduction in untreated manure discharged into the environment, and the corresponding decrease in GHG emissions, resulting from our transition from daily manure spreading to manure composting.

Description	Daily Spread	Compost	Percentage Decrease
Amount of manure discharged (kg N)	47,239	103,184	-118%
GHG emissions (tCO_2eq/year)	282	605	-115%

LOW-CARBON INITIATIVES

1. Emissions Reduction through Biogas

The installation of biogas digesters has enabled us to reduce emissions through methane avoidance from manure management and the displacement of fossil fuels, resulting in lower Scope 1 emissions.

Methane Avoidance

Description	Baseline (Open Lagoon)	Biogas Digester	Methane Avoidance	Percentage Reduction
Manure management	5,400 tCO_2eq	201 tCO_2eq	5,199 tCO_2eq	-96%

CO2 Avoidance through Boiler Fuel Switching

Description	Baseline (Open Lagoon)	Biogas	CO_2 Avoidance	Percentage Reduction
Boiler fuel switch	396 tCO_2eq	Scope 1: 2 tCO_2eq Biogenic: 268 tCO_2eq	394 tCO_2eq	-99.6%

2. Emissions Reduction through Red Seaweed Feed Supplementation

Enteric fermentation from livestock is a significant source of GHG emissions in agricultural operations. A 2025 study by the University of Nottingham (Garnsworthy et al., 2025) found that incorporating calcareous marine algae into dairy cow diets could potentially reduce enteric methane emissions by approximately 4 to 5%.

As part of our efforts to lower GHG emissions, we have begun supplementing our cows' diets with red seaweed. However, the resulting emissions reductions could not be quantified or reflected in our absolute emissions inventory.

3. Emissions Reduction through Solid–Liquid Separation

According to Garcia et al. (2019), implementing solid–liquid separation in manure wastewater management can potentially reduce CH_4 emissions by up to 38% when properly managed.

In line with these findings, we have adopted this practice across our operations since 2020 as part of our efforts to reduce GHG emissions. However, the resulting emissions reductions could not be quantified or reflected in our absolute emissions inventory due to insufficient data to support an accurate calculation.

LOOKING AHEAD

- We will continue to strengthen our low-carbon strategies based on insights from our latest carbon footprint inventory, while enhancing emissions data collection and methodologies to quantify and reflect the impact of our emissions reduction initiatives in our absolute emissions inventory, where feasible
- We will manage our carbon footprint responsibly as our business grows by pursuing emissions reduction and offset opportunities through the adoption of renewable energy solutions, including solar energy and biofuel, as well as other low-carbon initiatives such as biomass
- We will remain committed to achieving a 5% annual reduction in Group-wide emissions intensity, supported by ongoing operational improvements and the continuous implementation of low-carbon initiatives

Healthier Planet



SUSTAINABLE PACKAGING

W WHY IT MATTERS

As a producer of high volumes of packaged goods, transitioning to more sustainable packaging is essential to reducing our environmental footprint and meeting evolving consumer expectations for environmentally responsible fast-moving consumer goods (FMCG) brands. By adopting responsibly sourced and recyclable packaging solutions, we can minimise our landfill waste, and conserve natural resources, while strengthening our reputation as a sustainability-driven company.

O OUR ACTIONS & INITIATIVES

Sourcing Responsibly

Since 2018, we have remained committed to sourcing packaging materials derived from sustainably managed forests as part of our broader efforts to reduce environmental impacts and support the conservation of natural resources. This commitment is reflected in our use of Tetra Pak paper-based packaging for our UHT products.

Comprising 75% paper, 20% plastic and 5% aluminium, this packaging is fully recyclable and carries the FSC® Forest Management certification from the Forest Stewardship Council (FSC), affirming that its paper content originates from responsibly managed sources. Through our partnership with Tetra Pak, we contribute to the protection of forest ecosystems while also supporting indigenous rights, community well-being and environmental stewardship.

Beyond FSC®-certified packaging, we seek to embed the same principles throughout our supply chain by incorporating sustainable packaging practices into our supplier sustainability evaluations.

Promoting Recycling among Consumers

We have also extended circular economy principles to our consumers through the Milk on Tap initiative, which encourages the reuse of packaging materials. Introduced in September 2022 in collaboration with Jaya Grocer, this innovative programme offers fresh milk in reusable glass bottles as an alternative to single-use plastic packaging.

To date, the initiative has prevented the use of over 1 million plastic bottles, eliminating over 57,000 kg of plastic packaging since its launch. With 41 Milk on Tap locations across Peninsular Malaysia, we continue to expand the programme's reach and maximise its positive environmental impact.

In addition, we collaborate with Tetra Pak to operate a recycling education centre at our UPM farm, dedicated to raising awareness about the recyclability of our packaging and promoting simple yet meaningful recycling practices at home and in the workplace. Recycling education is also integrated into the programmes we deliver to students through school visits across Malaysia, helping to cultivate environmentally responsible habits from an early age.

Healthier Planet

OUR PERFORMANCE

- Over 1 million plastic bottles, equivalent to over 57,000 kg of plastic, avoided through our Milk on Tap programme since 2022
- Products using fully recyclable and FSC®-certified Tetra Pak packaging accounted for 36% of total product turnover, with sales worth RM396 million

LOOKING AHEAD

- We will continue expanding the use of fully recyclable packaging across our product portfolio in collaboration with Tetra Pak
- We will extend the Milk on Tap initiative to additional retail outlets while strengthening public education efforts to reduce plastic consumption and encourage the adoption of reusable glass bottles
- We will continue engaging with young people through school-based outreach programmes to reinforce the importance of recycling and responsible consumption



Stronger Communities

The well-being of our employees and the local community is directly related to our success, and in turn we share the benefits of our growth to support their socioeconomic development.



Related UNSDGs



CONTRIBUTING TO THE LOCAL ECONOMY

W WHY IT MATTERS

The success and resilience of our operations are intrinsically linked to the communities in which we operate, whose people form an integral part of our workforce and business network. By expanding employment opportunities and strengthening the capabilities of our partner farmers and distributors through targeted development initiatives, we strive to ensure that the communities around us prosper alongside our business, advancing inclusive economic development in suburban and rural areas.

O OUR ACTIONS & INITIATIVES

Championing Local Employment

Our "local first" policy, which prioritises hiring from local communities before seeking talent from urban areas, strengthens community ties while fostering a workforce that reflects the diversity of the regions we serve. To date, we are proud to report that 70% of employees across our farms and processing facilities in Malaysia originate from local communitie, including individuals from indigenous Orang Asli communities.

We also prioritise local vendors for the raw materials, products and services required by our operations, ensuring that the economic benefits generated by our business extend to the communities surrounding our farms. In FY2026, 61% of Farm Fresh Malaysia's total procurement expenditure was directed towards local suppliers.

Strengthening Farmer Partnerships

Since 2011, our rural partner farmer network has played a vital role in supporting our dairy supply needs while enabling us to offer quality products at competitive prices. Through direct sourcing arrangements, we ensure farmers receive fair value for their raw milk, contributing to improved livelihoods, a stronger domestic dairy industry and the Malaysian government's goal of achieving self-sufficiency in fresh milk production by 2030.

Our relationship with partner farmers extends beyond procurement. Through ongoing mentorship, technical guidance and the sharing of industry expertise, we help enhance farming capabilities and operational practices. In doing so, we foster the adoption of more sustainable approaches that strengthen the resilience of our supply chain and support the long-term success of both our farmers and our business.

Stronger Communities

Enabling Rural Entrepreneurship

Since its introduction in 2016, our home dealer programme has expanded economic opportunities for individuals in suburban and rural communities across Malaysia. By enabling micro-entrepreneurs to distribute our products within their localities, the programme not only creates additional income streams but also improves access to nutritious dairy products in areas with limited access to modern retail channels.

Our home dealer network brings together a diverse group of micro-entrepreneurs across different ages, genders and ethnic backgrounds, including younger individuals seeking flexible income opportunities and community-based entrepreneurship. We support their growth through ongoing capability-building initiatives that strengthen their knowledge of our products and enhance their sales and distribution expertise. At the same time, our e-commerce platforms extend the reach of the programme by making it easier for customers to purchase products online and connect with home dealers and agents in their communities.

As at the end of FY2026, our home dealer network comprised 54 stockists, 403 home dealers and 252 agents, reflecting the programme's continued role in supporting entrepreneurship and extending our reach into communities across the country.

The programme's success is also reflected in its contribution to the Group's financial performance, with direct sales to stockists and distribution support from the network accounting for 5% of total revenue from milk-based products in FY2026. We will continue investing in fit-for-purpose training programmes and on-ground activation initiatives to strengthen capabilities and expand our presence in targeted communities across the country.

OUR PERFORMANCE

- 70% of our total workforce at farms and processing facilities recruited from local Malaysian communities
- 61% of Farm Fresh Malaysia's total procurement spend directed to local suppliers
- RM47 million in gross income earned by 54 stockists, 403 home dealers and 252 agents through our home dealer network, representing 5% of our total revenue from milk-based products
- RM4.8 million in income generated for our partner farmers

LOOKING AHEAD

- We will further enhance our home dealer programme through strategic consolidation in tandem with the expansion of our product portfolio, allowing us to focus on quality over quantity while ensuring our partners are better equipped, better supported and more closely integrated into our long-term growth plans
- We will continue encouraging greater female participation within our home dealer network, empowering more housewives to achieve economic independence and greater financial security



COMMUNITY DEVELOPMENT

WHY IT MATTERS

As Malaysia's leading homegrown dairy company, we recognise that our responsibility extends beyond delivering quality products. By investing in education and promoting better nutrition among young Malaysians, we help create opportunities for children and students to realise their potential regardless of their circumstances. In doing so, we contribute to the development of a healthier, more empowered generation while strengthening the trust placed in us by communities, consumers and investors.

Stronger Communities

OUR ACTIONS & INITIATIVES

Supporting Underprivileged Students

Education remains one of the most effective pathways to social mobility. Guided by this belief, we focus our efforts on supporting promising students from underserved communities and helping to remove barriers that may limit their potential.

In FY2026, we continued the Multidimensional Human Capital Development Programme in collaboration with the Malaysian Ministries of Education and Health and Yayasan Didik Negara. The programme provides all students with access to supplementary classes, religious education, motivational sessions and interactive digital learning facilities. Cumulatively, all students across 10 classes at 10 schools in Peninsular Malaysia have benefitted from this initiative.

Expanding Access to Education

We support the development of future talent through internship opportunities offered in partnership with Malaysian universities and colleges. During FY2026, 198 high-achieving students gained valuable industry exposure and practical experience through placements across our operations, with many subsequently progressing into full-time employment within the Group.

In addition, we continue to champion educational access for Orang Asli communities through the Farm Fresh Scholarship Programme. Established in 2021 in partnership with the East Coast Economic Region Development Council (ECERDC), the programme provides financial assistance spanning primary, secondary and tertiary education. To date, RM57,000 has been invested to support 19 Orang Asli students in the Rompin district of Pahang, with each student receiving RM250 in monthly funding.

Beyond financial support, we aspire to encourage all scholarship recipients to pursue university education and provide them with opportunities to build careers with Farm Fresh upon graduation.

Nurturing Healthier Communities with the School Milk Programme

Good nutrition plays a vital role in supporting children's growth, learning and overall well-being. Through our efforts to cultivate healthier dietary habits among the younger generation, whom we fondly refer to as 'Generasi Farm Fresh', we strive to make nutritious dairy products more accessible to schoolchildren across the country.

As part of our five-year partnership with the Malaysian Ministry of Education, we continue to support the School Milk Programme (Program Susu Sekolah) by providing nutritious milk to school canteens across 9 states in Peninsular Malaysia. Bearing the Healthier Choice Logo (HCL), our school milk products meet recognised nutritional standards that support healthier choices for children.

In FY2026 alone, we delivered more than 86.9 million packs of milk to over 3,800 schools, bringing the nutritional benefits of dairy to young learners nationwide. Beyond the partnership, we have provided bursaries for 500 Form Six students and the implementation of several targeted CSR initiatives.This includes the Bijak Mengira programme which provides foundational mathematics tuition support to B40 students; the School to Farm programme, which offers experiential learning opportunities and exposure to the dairy and agricultural industries; Cakna Komuniti which supports local communities through various outreach and welfare activities; and the Malnutrition Prevention in Schools programme, aimed at improving children's nutritional intake and promoting healthier growth and development. These initiatives focus on improving educational outcomes, raising awareness of agriculture and nutrition, supporting vulnerable communities, and promoting the well-being of children, reinforcing our commitment to sustainable social development.

Complementing this initiative, we regularly conduct school outreach activities featuring interactive educational elements that raise awareness of environmental issues among students. By encouraging children to adopt responsible habits from an early age, we aim to nurture a generation that values both personal well-being and environmental stewardship.

Stronger Communities

Mum2Mum on Tour: Growing Our Community Across Malaysia

In 2026, Farm Fresh expanded the Mum2Mum programme beyond Farm Fresh @ UPM through collaborations with Farm Fresh Home Dealers (HDs) who operate cafés and community spaces across Malaysia. This expansion marked an important milestone in extending the programme's reach beyond the Klang Valley, enabling more mothers and families to participate in Mum2Mum within their own communities.



Throughout the year, Mum2Mum was introduced to **Melaka, Johor, Kelantan, Kedah** and other states through a series of community sessions hosted by Farm Fresh Home Dealers. By leveraging these local partnerships, Farm Fresh successfully broadened the programme's accessibility, providing mothers outside the Klang Valley with greater opportunities to participate in educational and community-based activities closer to home.



As one of Farm Fresh's flagship community programmes, Mum2Mum serves as a platform for mothers to connect, exchange parenting experiences and gain valuable insights into children's nutrition. Beyond the educational sessions, the programme encourages meaningful engagement among participants, fostering a supportive network for mothers within their local communities.

The collaboration also strengthened the role of Farm Fresh Home Dealers as community partners by welcoming more families into their cafés and creating opportunities for deeper engagement with local residents. Through this nationwide expansion, Mum2Mum continues to extend its reach, making the programme more accessible while strengthening Farm Fresh's connection with communities across Malaysia.

OUR PERFORMANCE

- RM1.3 million invested in community initiatives, including direct donations to students and schools, educational and sports sponsorships, equipment and assets for CSR activities and the organisation of community-related programmes
- Reached over 5,700 beneficiaries, including students and parents supported through our scholarships, internships and Multidimensional Human Capital Development Programme, as well as participants in sponsored school and community sporting activities and other outreach initiatives. In addition, our milk truck benefitted over 629,000 community members through cups of free milk and Moola Choco Malt
- 198 internship placements provided to students from local universities and colleges
- Over 86.9 million packs of milk distributed to over 3,800 schools nationwide under the School Milk Programme
- Supported 10 schools with 10 smartboards to enhance the learning experience for students

Stronger Communities



EMPLOYEE HEALTH, SAFETY & WELL-BEING

WHY IT MATTERS

Providing a safe and healthy workplace is fundamental to protecting our people and enabling them to perform their roles with confidence. Given the nature of our operations, employees on farms and in processing facilities may be exposed to risks associated with heavy machinery, livestock handling in hot and humid conditions, and construction or maintenance activities. By prioritising health and safety, we help prevent workplace incidents, reduce absenteeism and related medical costs, and foster an environment that supports engagement, productivity and retention.

OUR ACTIONS & INITIATIVES

Establishing Strong Safety Governance

Our approach to occupational health and safety is guided by comprehensive systems implemented across all farms and processing facilities. To address the specific challenges of our operating environment, we have developed internal Safety Best Management Practices alongside our Safety, Health and Environmental Policy.

These frameworks are aligned with applicable Malaysian legislation, including the:

- Occupational Safety and Health Act 1994 (Amendment) Act 2022
- Occupational Safety and Health (Use and Standard of Exposure Chemical Hazardous to Health) Regulation 2000
- Occupational Safety and Health (Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease) Regulation 2004
- Environmental Quality Act 1974
- Environmental Quality (Scheduled Waste) Regulation 2005
- Fire Services Act 1988

To ensure our safety framework remains effective and responsive to evolving requirements, the Safety, Health and Environment (SHE) Committee convenes regularly with representation from both management and employees. Insights gathered through these discussions inform annual reviews of our Safety & Health Policy and Environmental Policy, with all updates formally endorsed by our Plant Operations Director, Mr Loi Tuan Kin.

Stronger Communities

Strengthening Risk Management

We implement structured Hazard Identification, Risk Assessment and Risk Control (HIRARC) procedures to identify and mitigate workplace hazards across our operations. Supported by dedicated safety personnel, these processes help maintain safe working conditions for all employees. Departmental persons-in-charge (PICs) are required to review and update risk assessments annually to ensure that control measures remain effective and relevant.

Regular safety audits and inspections reinforce compliance while encouraging continuous improvement in workplace practices. We also maintain strict machinery operation and maintenance standards, undertake Noise Risk Assessments and Chemical Health Risk Assessments (CHRA), and conduct chemical exposure monitoring to manage occupational health risks effectively. During the year, we implemented annual audiometric testing for employees working in high-noise areas at our processing facilities. This initiative supports the early detection of hearing-related issues and reinforces our commitment to protecting employee health and wellbeing. We will continue to conduct audiometric testing annually as part of our ongoing occupational health programme.

Internal Emergency Response Teams (ERT) are in place to coordinate emergency evacuations and respond to fire incidents. ERT team members receive regular training to ensure readiness and effective response. These efforts support our commitment to maintaining a safe workplace, protecting employees and visitors, and ensuring compliance with applicable health, safety, and emergency preparedness requirements.

We also intend to incorporate safety and health considerations into the due diligence process for all prospective operations and projects to ensure risks are identified and addressed before activities commence.

Cultivating a Safety-First Culture

We strive to foster a workplace culture where everyone shares responsibility for health and safety. Employees are encouraged to raise concerns, identify potential hazards and propose solutions that strengthen workplace practices.

In line with this commitment, our SHE Committee serves as a platform for open engagement and constructive dialogue between management and employees. Comprising representatives from both groups, the Committee promotes a culture of collaboration and shared responsibility in all matters relating to safety, health and the environment.

Its core responsibilities include:

- Conducting regular workplace inspections, including assessments of machinery, equipment, substances, appliances and work processes to identify potential hazards and ensure compliance with safety requirements
- Investigating workplace accidents, near misses, dangerous occurrences, cases of occupational poisoning and occupational diseases, and reporting significant findings to management, together with recommendations for corrective and preventive actions
- Supporting the development and implementation of internal safety and health rules, procedures and safe work systems
- Evaluating the effectiveness of existing safety and health policies and recommending revisions or improvements where necessary

Health and safety matters are monitored by the SHE Committee team and our Human Resources department, which benchmarks performance against industry peers to uphold high standards. Oversight is provided by the Audit and Risk Management Committee (ARMC), ensuring significant matters are escalated appropriately and improvement opportunities are acted upon.

Stronger Communities

Building Workforce Preparedness

Training remains central to ensuring employees understand and adhere to safety requirements. We provide targeted programmes covering occupational first aid and the safe operation of specialised equipment, such as forklifts and reach trucks. Personal protective equipment (PPE) is supplied where necessary, and all new employees complete a safety awareness programme as part of their induction.

Annual emergency drills are conducted for non-farm employees to strengthen preparedness and reinforce familiarity with designated assembly points, evacuation routes and emergency response systems. Complementing these efforts, we also deliver safety awareness initiatives such as fire drill exercises, CPR and AED awareness training, scheduled waste management training and chemical handling awareness sessions. Participants have responded positively to the practical nature of these programmes, reporting greater awareness and confidence in responding to emergencies.

Enhancing Employee Welfare

Our commitment to employee well-being extends beyond workplace safety. Many of our farm employees originate from underserved rural communities and benefit from initiatives designed to improve their quality of life and financial well-being.

Farm-based employees receive subsidised meals and free on-site accommodation. They are also provided with fresh vegetables and fish sourced on-site, helping to ensure access to nutritious and sustainable meals. These measures contribute to improved job satisfaction and financial security while reflecting our broader commitment to advancing economic progress in rural communities.

Moving forward, we will continue benchmarking our employee benefits against industry practices and explore opportunities to introduce additional offerings, such as early access to new product launches and employee discounts.

For more details, please refer to the "Contributing to the Local Economy" section at pages 166 to 168.

Setting Clear Targets

To minimise adverse health and safety impacts arising from our operations, we have set a target of zero work-related fatalities and serious injuries across the Group, reinforcing our commitment to maintaining safe and healthy workplaces.

OUR PERFORMANCE

- 1 work-related fatality was recorded
- 1.76 Lost Time Injuries (LTIs)[1]
- 391 employees received health and safety training, amounting to a total of 1,007.5 training hours
- Farm employees receive subsidised meals and free on-site accommodation

LOOKING AHEAD

- We will continue strengthening our safety management practices by maintaining strict adherence to our standard operating procedures (SOPs) and reinforcing safe, hazard-free workplaces across all operations. To provide greater assurance, we will implement corrective and preventive measures to address identified risks and continuously enhance our safety performance
- We will expand our training and awareness initiatives to ensure hazard identification, emergency preparedness and safe work practices remain embedded throughout our workforce

[1] *Based on JKKP 8 Form – Register of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease for the period January 2024 to December 2024.*

Stronger Communities



FAIR & ETHICAL EMPLOYMENT

WHY IT MATTERS

Our people are central to our long-term success. We strive to provide equitable opportunities, uphold dignified and ethical employment practices, and foster an inclusive workplace where differences are valued and contributions recognised. By supporting our employees to realise their full potential, we strengthen engagement and well-being, enhance organisational performance and reinforce our reputation as a responsible employer.

OUR ACTIONS & INITIATIVES

Embedding Ethical Employment Practices

We are committed to conducting our business responsibly and with integrity. Our Code of Conduct & Business Ethics (CCBE), which is aligned with Malaysian laws, regulations and recognised industry practices, establishes the standards of behaviour expected across the Group. It promotes professionalism, accountability and ethical decision-making that underpin the way we operate.

Respect for human rights and equal treatment is integrated into our interactions with employees, suppliers and other stakeholders. We maintain a zero-tolerance approach towards discrimination and ensure that recruitment and procurement decisions are guided solely by merit. Employment opportunities are therefore based on an individual's capabilities, qualifications and suitability for the role without regard to race, gender or other unrelated characteristics.

All prospective employees undergo an objective assessment process focused on their competencies and experience. We also comply with the Employment Act (Amendment) 2022 to ensure employment terms, including wages and working hours, meet statutory requirements. To remain competitive and equitable, remuneration structures are benchmarked against industry practices and reviewed with input from external specialists to support the attraction and retention of high-calibre talent.

To promote transparency and accountability, our Whistleblowing Policy provides a formal avenue for raising concerns relating to human rights matters, labour practices and incidents involving discrimination, bullying or harassment. Although no significant cases have been reported to date, established procedures are in place to investigate and address any concerns promptly and fairly in accordance with applicable laws and standards.

Maintaining Equitable Remuneration

We believe fair compensation is fundamental to recognising contributions, motivating performance and fostering long-term employee commitment. Our remuneration packages are designed to remain competitive within the market while reflecting individual responsibilities and performance.

A dedicated Remuneration Policy guides the determination of remuneration for Directors and Senior Management personnel. The policy outlines the principles and considerations used in recommending appropriate compensation arrangements to ensure consistency, fairness and alignment with the Group's objectives.

Nurturing Diversity & Inclusion

We recognise that a diverse workforce enriches our organisation by bringing together different experiences, perspectives and expertise. This breadth of thought supports stronger decision-making while fostering a culture built on mutual respect, collaboration and belonging.

As part of our commitment to inclusion, we seek to achieve balanced representation across our workforce, including greater gender diversity in management and executive positions, while embracing individuals from varied racial and cultural backgrounds. We already fulfil the recommendation under the Malaysian Code on Corporate Governance for public-listed companies to achieve at least 30% women representation on Boards.

Stronger Communities

Beyond gender diversity, we respect and celebrate the cultural and religious practices of our employees, recognising the value that different traditions bring to our workplace. We continue to strengthen our inclusive culture through a zero-tolerance stance against harassment and discriminatory behaviour in any form, whether verbal, physical or virtual. Conduct or remarks relating to gender, race, ethnicity, religion, age, disability, family status or any other legally protected characteristic are strictly prohibited. Employees are encouraged to report inappropriate behaviour through established channels, with all concerns managed sensitively and addressed without delay.

Strengthening Capabilities through Learning

Developing the capabilities of our people is essential to sustaining organisational performance in an increasingly dynamic business landscape. We therefore invest in continuous learning to equip employees with the knowledge and skills required to perform effectively while supporting their personal and professional growth.

Training initiatives across the Group are tailored to our diverse operational requirements and cover a wide range of topics, from animal husbandry and food safety to data analysis and other specialised areas. These programmes enable employees to build competencies relevant to both their current responsibilities and future development.

Our Leadership Bench Strength Programme further reinforces our commitment to cultivating capable leaders and strengthening succession planning. Through this initiative, team leaders and senior management personnel undergo assessments and targeted development to enhance their ability to lead, coach and empower their teams in delivering the Group's strategic priorities and performance goals.

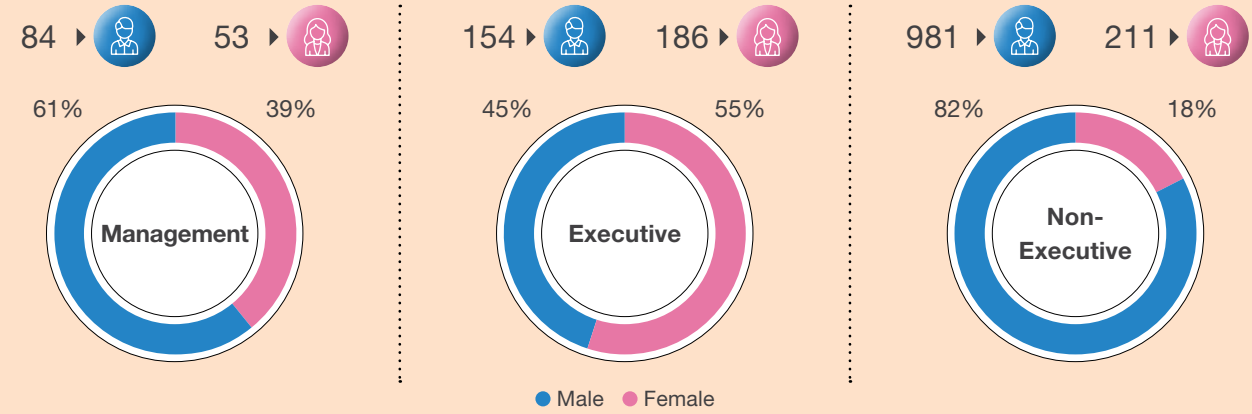
In addition, regular performance evaluations facilitate constructive dialogue between employees and leaders, helping to identify strengths, areas for improvement and development opportunities. Insights from these reviews inform targeted training interventions and action plans, enabling employees to enhance their effectiveness and perform their roles with greater confidence and efficiency.



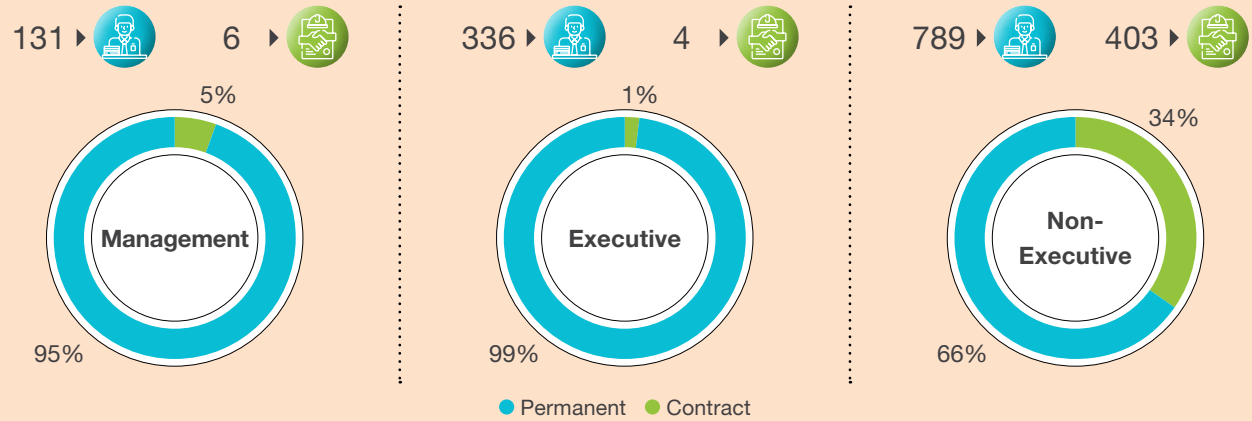
Stronger Communities

OUR PERFORMANCE

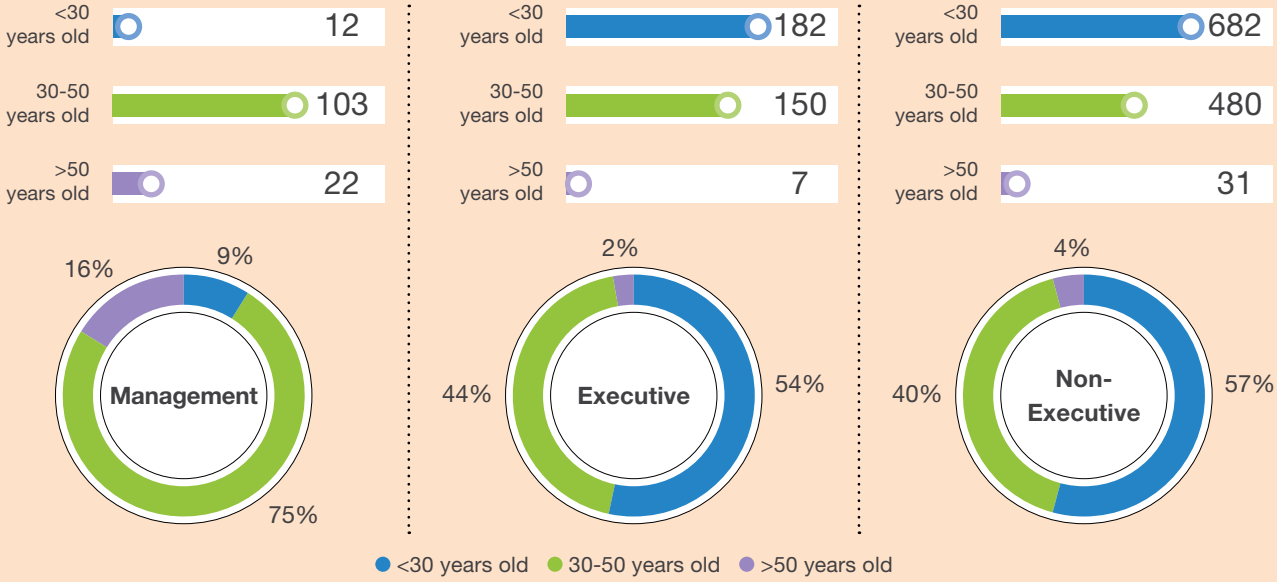
Employee Breakdown by Gender



Employee Breakdown by Employment Type



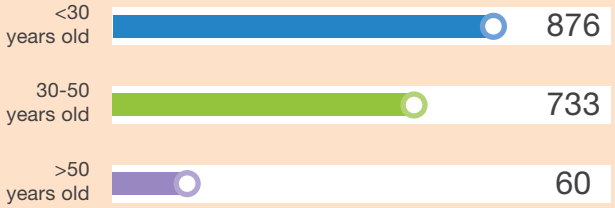
Employee Breakdown by Age Group

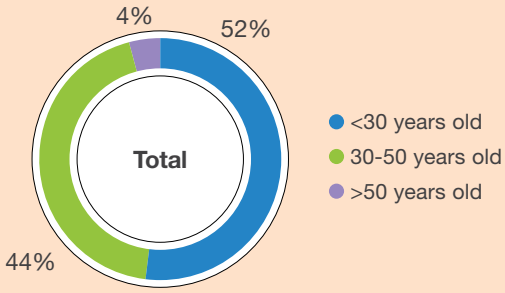


Stronger Communities

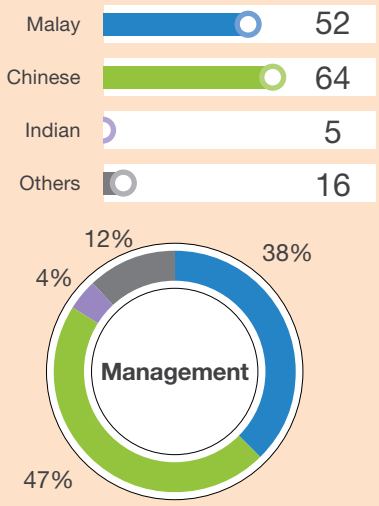
OUR PERFORMANCE

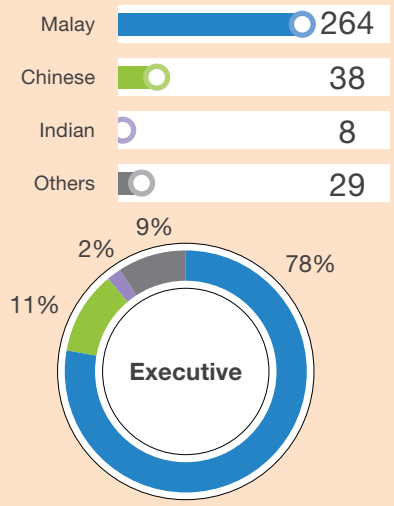
Total Employee Breakdown by Age Group

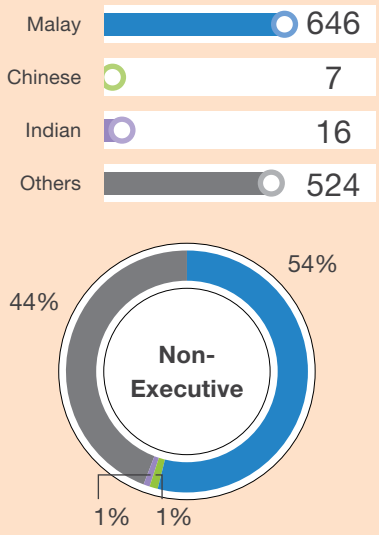




Employee Breakdown by Ethnicity







Malay Chinese Indian Others

New Employee Hires

Employee Category

Management	Executive	Non-Executive	Total
9	59	387	455
7	68	80	155

Age Group

<30 years old	30-50 years old	>50 years old
309	139	7
116	39	0
425 Total	178 Total	7 Total

Stronger Communities

OUR PERFORMANCE

Employee Turnover

Employee Category

Management		Executive		Non-Executive	
9	13 Total	43	95 Total	212	271 Total
4		52		59	

Age Group

<30 years old		30-50 years old		>50 years old	
165	240 Total	89	127 Total	10	12 Total
75		38		2	

Average Number of Training Hours

Employee Category

Management	Executive	Non-Executive
12.5	11.2	6.9
12.9	6.6	11.3

Total Average Number of Training Hours

7.7	12.7 Management	7.6 Non-Executive
9.5	8.6 Executive	

Total Number of Training Hours

12,684 total training hours

1,550	Management
2,704	Executive
8,430	Non-Executive

Number of Substantiated Complaints Concerning Human Rights Violations

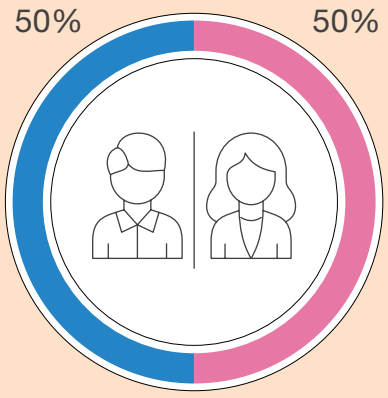
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Stronger Communities

OUR PERFORMANCE

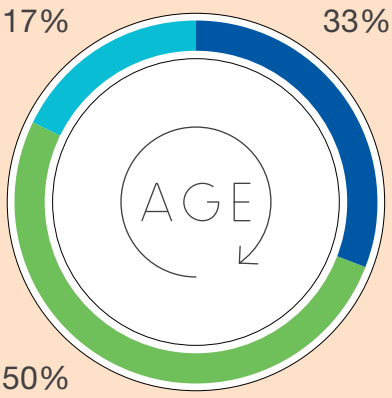
Board Diversity – Gender

3 ▸  3 ▸ 



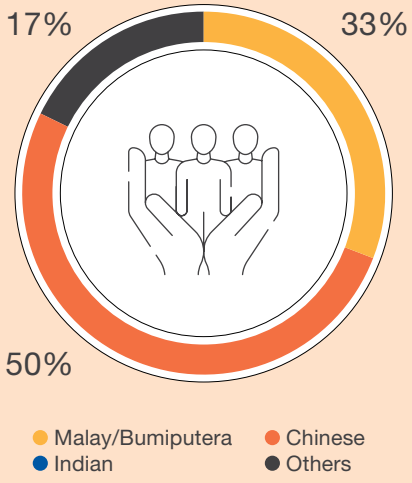
Board Diversity – Age

0 ▸ 46–50		2 ▸ 56–60		1 ▸ 66–70	
0 ▸ 51–55		3 ▸ 61–65		0 ▸ 71 and above	



Board Diversity – Ethnicity

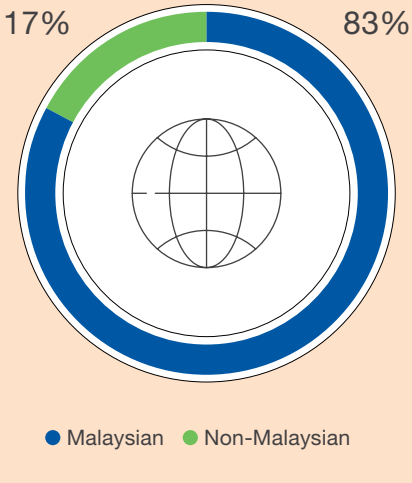
2 ▸ Malay/Bumiputera		0 ▸ Indian	
3 ▸ Chinese		1 ▸ Others	



Board Diversity – Nationality

5 ▸ Malaysian

1 ▸ Non-Malaysian



Responsible Governance

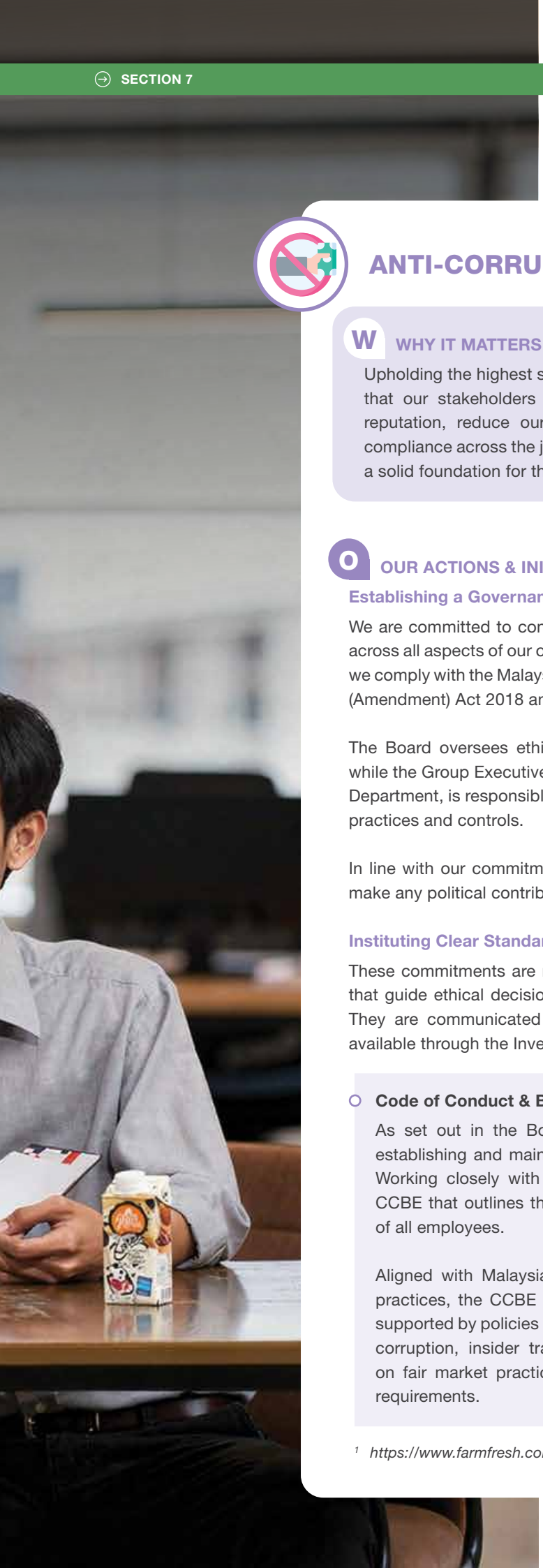
We uphold the highest standards of ethics and integrity, supported by strong governance practices to ensure a sustainable, resilient business.



Related UNSDGs

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS



ANTI-CORRUPTION

W WHY IT MATTERS

Upholding the highest standards of ethics and integrity underpins the confidence that our stakeholders place in us. Strong governance practices protect our reputation, reduce our exposure to legal and regulatory risks and support compliance across the jurisdictions in which we operate. In doing so, they provide a solid foundation for the long-term sustainability and resilience of our business.

O OUR ACTIONS & INITIATIVES

Establishing a Governance Framework

We are committed to conducting business with honesty, integrity and professionalism across all aspects of our operations and business relationships. As a minimum standard, we comply with the Malaysian Anti-Corruption Commission (MACC) Act 2009, the MACC (Amendment) Act 2018 and any applicable amendments or re-enactments.

The Board oversees ethical conduct and anti-corruption matters across the Group, while the Group Executive Director/Chief Executive Officer, supported by the Group HR Department, is responsible for the day-to-day implementation and monitoring of related practices and controls.

In line with our commitment to ethical business conduct, Farm Fresh Berhad did not make any political contributions during the financial year.

Instituting Clear Standards for Ethical Conduct

These commitments are reinforced through a suite of Group-wide policies and codes that guide ethical decision-making and expected behaviours across the organisation. They are communicated to employees and relevant stakeholders, and are publicly available through the Investor Relations section of our corporate website[1]:

- **Code of Conduct & Business Ethics (CCBE)**

  As set out in the Board Charter, the Board bears ultimate responsibility for establishing and maintaining the ethical standards expected across the Group. Working closely with management, the Board has adopted a comprehensive CCBE that outlines the principles, values and standards of behaviour expected of all employees.

  Aligned with Malaysian laws, regulatory expectations and dairy industry best practices, the CCBE serves as the cornerstone of our ethical framework. It is supported by policies covering areas such as conflicts of interest, abuse of power, corruption, insider trading and money laundering. It also provides guidance on fair market practices to ensure compliance with competition and antitrust requirements.

[1] *https://www.farmfresh.com.my/investor-relations/*

Responsible Governance

Anti-Bribery and Anti-Corruption (ABAC) Policy

Our ABAC Policy reinforces our zero-tolerance approach towards bribery, corruption and improper gratification involving directors, employees and third parties acting on behalf of the Group. The policy sets clear expectations regarding gifts and hospitality and expressly prohibits facilitation payments.

Employees found to have breached the policy are subject to disciplinary action and may face criminal investigation or prosecution where applicable. We remain fully committed to cooperating with enforcement authorities in relation to any allegation, suspicion or investigation involving bribery or corruption.

To support effective corruption risk management, we maintain a robust system of internal controls designed to address vulnerabilities within our governance structures, processes and procedures. Corruption risk assessments are conducted internally or by independent external parties every three years, or more frequently where necessary, to evaluate the effectiveness of these controls.

Our most recent assessment, undertaken in FY2025, resulted in an updated register of corruption-related risks, which has been incorporated into our Enterprise Risk Management (ERM) Policy and Framework. Complementing this, our risk management team periodically reviews ERM practices against recognised best practices to strengthen risk awareness and empower employees to take appropriate mitigation measures.

Whistleblowing Policy

Our Whistleblowing Policy provides employees and members of the public with a confidential avenue to raise concerns relating to human rights violations, non-compliance with labour standards, discrimination, bullying, harassment and improper conduct such as fraud, bribery, abuse of power, conflicts of interest, theft and embezzlement connected to our business activities.

Reports can be submitted through our official Speak Up portal, which is available at https://farmfresh.speakup.report/farmfreshspeakup. All disclosures are reviewed by the Board's ARMC, which oversees the whistleblowing process, ensures appropriate investigations are conducted and evaluates the effectiveness of remedial actions taken.

Whistleblowers are informed of investigation outcomes where appropriate and are protected against retaliation. Their identities are treated confidentially to the extent reasonably practicable, provided concerns are raised in good faith.

Ethical Trading Policy

Our Ethical Trading Policy outlines the standards expected throughout our supply chain, reflecting our commitment to safeguarding both worker welfare and product integrity.

Automatically applicable to all suppliers unless otherwise agreed, the policy upholds principles including freely chosen employment, freedom of association and collective bargaining, safe and hygienic working conditions, fair remuneration and regular employment. It also strictly prohibits child labour, excessive working hours, discrimination and all forms of harsh or inhumane treatment.

Responsible Governance

Diversity Policy

Our Diversity Policy establishes the principles and practices that support diversity at both Board and workforce levels, recognising that an inclusive culture contributes meaningfully to the Group's continued success.

The policy defines diversity broadly to encompass age, gender, ethnicity, nationality, cultural background, religious beliefs, socioeconomic status, experience and skills, alongside differences in education, life experience, job function, work experience, personality, location, marital status and caregiving responsibilities.

Conflict of Interest Policy

Our Conflict of Interest Policy provides employees with clear guidance on identifying, disclosing and managing situations that may compromise objective decision-making. Its purpose is to ensure decisions are made in the best interests of the Group while safeguarding the organisation from reputational and operational harm.

Employees are required to acknowledge that they have read and understood the policy and must complete a Conflict of Interest Declaration whenever an actual, potential or perceived conflict arises from existing or future activities.

Cultivating an Ethical Culture through Continuous Learning

We recognise that policies are most effective when employees understand how they apply in practice. As such, all employees receive guidance on the CCBE and ABAC Policy during induction, followed by ongoing awareness initiatives to reinforce expected standards of conduct.

While training opportunities are made available across the workforce, priority is given to employees working in functions with heightened exposure to bribery and corruption risks.

OUR PERFORMANCE

- 100% of our employees received anti-corruption training
- 100% of our operations assessed for corruption-related risks
- Zero confirmed corruption incidents
- Zero employees disciplined or dismissed due to ethical non-compliance
- Zero fines, penalties or settlements incurred in relation to corruption

Responsible Governance



CYBER SECURITY & DATA PRIVACY

W WHY IT MATTERS

As digital technologies become increasingly embedded in our operations, robust data governance and cyber security practices are critical to maintaining business continuity. Through strong oversight, proactive risk management and layered security measures, we strive to protect the confidentiality, integrity and availability of our information assets, enabling us to operate with confidence, uphold stakeholder trust and support sustainable growth in an increasingly digital landscape.

O OUR ACTIONS & INITIATIVES

Embedding Technology Governance across the Group

Effective management of our digital infrastructure begins with clear governance. Guided by our Information Technology (IT) Policy, we seek to ensure that technology investments and resources support business needs while protecting electronic information and meeting applicable legal and regulatory obligations.

Oversight of these practices rests with the IT Department, which is responsible for maintaining standards relating to areas such as cloud technologies, cyber incident response, disaster recovery and system vulnerability management. The policy also emphasises cyber security as a shared responsibility, requiring all users to exercise due care when handling our information assets and digital resources.

In support of the Company's commitment to maintaining a secure and resilient information security environment, all employees, Board Members and other authorised users are required to acknowledge their understanding of and commitment to the Declaration Security Policy for Usage of Company Mobile Devices. Such acknowledgement shall be evidenced by the signing of the declaration prior to the issuance or use of any Company-issued mobile device, thereby ensuring that users are aware of their responsibilities in protecting Company data, systems and information assets. Network defences are further strengthened through multiple layers of security, including firewall technologies, endpoint protection and email security, designed to detect and block unauthorised activities.

Building Readiness against Emerging Cyber Threats

As cyber risks continue to evolve, we regularly assess the resilience of our systems to identify vulnerabilities and address potential gaps before they escalate into larger issues. Periodic security reviews conducted by the IT Department help evaluate the effectiveness of existing safeguards and determine whether further enhancements are required.

We have also established structured procedures to guide the management of cyber security incidents, enabling the timely identification, escalation and resolution of threats. These procedures encompass emergency response arrangements, recovery planning, incident testing exercises and data breach response protocols to facilitate coordinated action when required.

Looking ahead, simulated cyber attack scenarios will be incorporated into our preparedness efforts at least annually to test response effectiveness and identify opportunities for continuous improvement.

Vulnerability assessment and penetration testing (VAPT) was conducted during FY2026 covering both internal and external systems. Findings identified during the assessment were reviewed by Management, and remediation activities were completed based on risk priority. All Critical or High-Risk findings were successfully remediated and closed, with no outstanding major vulnerabilities remaining at the conclusion of the assessment.

Responsible Governance

Safeguarding Information & Business-Critical Data

Protecting the availability and integrity of information is fundamental to maintaining business continuity. To support data recovery in the event of system disruptions, we utilise Datto SaaS for Microsoft 365 backup and Azure Site Recovery (ASR) to support disaster recovery and business continuity. These solutions enable the restoration of critical business information, cluding Microsoft Exchange emails, shared-point and OneDrive content, while facilitating system recovery during major service disruptions.

Our cyber security architecture also incorporates Bitdefender GravityZone Business Premium, which provides advanced endpoint and server protection against ransomware and other malicious activities through behavioural analysis, machine-learning capabilities and sandboxing technologies. File and data transfers are subject to additional security scanning to reduce the risk of malware and other malicious activities.

In parallel, Microsoft Defender for Office 365 enhance our ability to identify and prevent phishing attempts, malware and other threats targeting email communications. Its protection extends across cloud-based productivity and collaboration applications, helping to secure the digital tools relied upon by our workforce.

OUR PERFORMANCE

- Zero recorded instances of cyber security incidents or data breaches
- Zero substantiated complaints concerning customer privacy breaches and customer data losses

LOOKING AHEAD

- As cyber threats continue to evolve in complexity and frequency, we remain committed to strengthening our cyber security posture and safeguarding the confidentiality, integrity and availability of our information assets
- Continue to strengthen cyber security awareness across the Group by promoting a culture of security and reinforcing employees' role in the effective management of cyber security risks
- Continue to periodically assess and enhance our backup, recovery and incident response capabilities to ensure business continuity and minimise operational disruptions in the event of a cyber security incident



GRI Content Index

Statement of use	Farm Fresh Berhad has reported the information cited in this GRI content index for the period 1 April 2025 to 31 March 2026 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Reference
GRI 2: General Disclosures 2021	2-1 Organizational details	About This Report, page 2 Our Farms & Processing Facilities, pages 20-21 Group Structure, pages 26-27
	2-2 Entities included in the organization's sustainability reporting	About This Statement, page 131
	2-3 Reporting period, frequency and contact point	About This Report, pages 2-3 About This Statement, page 131
	2-4 Restatements of information	About This Statement, page 131
	2-5 External assurance	About This Statement, page 131
	2-6 Activities, value chain and other business relationships	Our Core Business, pages 16-17 Our Products, page 18 Our Brands, page 19 Our Farms & Processing Facilities, pages 20-21
	2-7 Employees	Fair & Ethical Employment, pages 176-179
	2-8 Workers who are not employees	Information unavailable. Steps are being taken to include the information in future reports.
	2-9 Governance structure and composition	Corporate Governance Overview Statement, pages 104-107 and 113 Sustainability Governance, page 139
	2-10 Nomination and selection of the highest governance body	Corporate Governance Overview Statement, pages 104-107 Sustainability Governance, page 139
	2-11 Chair of the highest governance body	Corporate Governance Overview Statement, page 104 Sustainability Governance, page 139
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance Overview Statement, pages 102 and 104-105 Sustainability Governance, page 139
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance, page 139
	2-14 Role of the highest governance body in sustainability reporting	Material Matters, page 59 Materiality Determination, page 137 Sustainability Governance, page 139
	2-15 Conflicts of interest	Profile of Board of Directors, pages 88-93 Corporate Governance Overview Statement, pages 104 and 112 Audit and Risk Management Committee Report, page 123
	2-16 Communication of critical concerns	Statement of Risk Management and Internal Control, pages 115-120

GRI Content Index

GRI Standard	Disclosure	Reference
GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body	Chairman's Overview on Corporate Governance, pages 102-103 Corporate Governance Overview Statement, pages 109-111
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Overview Statement, pages 106-107
	2-19 Remuneration policies	Corporate Governance Overview Statement, pages 112-113
	2-20 Process to determine remuneration	Corporate Governance Overview Statement, pages 112-113
	2-21 Annual total compensation ratio	Information unavailable.Step sare being taken to include the information in future reports
	2-22 Statement on sustainable development strategy	Sustainability Statement, page 130 Our Core Sustainability Pillars, page 134
	2-23 Policy commitments	Corporate Governance Overview Statement, page 105 Fair & Ethical Employment, page 174 Anti-Corruption, pages 181-183
	2-24 Embedding policy commitments	Anti-Corruption, pages 181-183
	2-26 Mechanisms for seeking advice and raising concerns	Anti-Corruption, pages 181-193
	2-28 Membership associations	About This Statement, page 131
	2-29 Approach to stakeholder engagement	Stakeholder Engagement, pages 48-51 Engaging Our Stakeholders, pages 135-136
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Matters, page 59 Materiality Determination, page 137
	3-2 List of material topics	Material Matters, page 59* Materiality Determination, page 137 Our Sustainability Material Matters, page 138
	3-3 Management of material topics	Our Sustainability Material Matters, page 138 Further described within topical disclosures
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Contributing to the Local Economy, pages 167-168 Community Development, pages 168-170
	203-2 Significant indirect economic impacts	Contributing to the Local Economy, pages 167-168 Community Development, pages 168-170
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Contributing to the Local Economy, pages 167-168
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-Corruption, pages 182-183
	205-2 Communication and training about anti-corruption policies and procedures	Anti-Corruption, page 182
	205-3 Confirmed incidents of corruption and actions taken	Anti-Corruption, page 185

GRI Content Index

GRI Standard	Disclosure	Reference
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Responsible Water Stewardship, page 158
	303-2 Management of water discharge-related impacts	Circular Practices, pages 155-156 Responsible Water Stewardship, page 158
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Energy & Emissions, page 160 Performance Data Table, page 189
	305-2 Energy indirect (Scope 2) GHG emissions	Energy & Emissions, page 160 Performance Data Table, page 189
	305-3 Other indirect (Scope 3) GHG emissions	Energy & Emissions, page 160 Performance Data Table, page 189
	305-4 GHG emissions intensity	Energy & Emissions, pages 153-155
	305-5 Reduction of GHG emissions	Energy & Emissions, pages 159-160 and 162-163
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Circular Practices, pages 155-157
	306-2 Management of significant waste-related impacts	Circular Practices, pages 155-157
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Employee Health, Safety & Well-being, page 171
	403-2 Hazard identification, risk assessment, and incident investigation	Employee Health, Safety & Well-being, page 172
	403-3 Occupational health services	Employee Health, Safety & Well-being, page 172
	403-4 Worker participation, consultation, and communication on occupational health and safety	Employee Health, Safety & Well-being, pages 171-172
	403-5 Worker training on occupational health and safety	Employee Health, Safety & Well-being, page 173
	403-9 Work-related injuries	Employee Health, Safety & Well-being, page 173
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Fair & Ethical Employment, page 178
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Board at a Glance, page 87 Fair & Ethical Employment, pages 176 and 179
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cyber Security & Data Privacy, page 185

Performance Data Table

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

	FY2024	FY2025	FY2026
Workplace Environment: A Diverse and Inclusive Workplace			
Employee Breakdown by Gender (Full-time Employees)			
Male	935	1,036	**1,219**
Female	337	406	**450**
Total	1,272	1,442	**1,669**
Employee Breakdown by Age and Management Categories			
Management - <30	16	11	**12**
Management - 30-50	80	92	**103**
Management - >50	9	18	**22**
Executive - <30	151	164	**182**
Executive - 30-50	78	123	**150**
Executive - >50	3	8	**7**
Non-Executive - <30	527	598	**682**
Non-Executive - 30-50	378	391	**480**
Non-Executive - >50	30	37	**31**
Employee Breakdown by Ethnicity and Management Categories			
Management - Malay/Bumiputera	42	42	**52**
Management - Chinese	54	59	**64**
Management - Indian	5	5	**5**
Management - Other	4	15	**16**
Executive - Malay/Bumiputera	148	209	**264**
Executive - Chinese	57	48	**38**
Executive - Indian	9	9	**8**
Executive - Other	18	29	**29**
Non-Executive - Malay/Bumiputera	562	611	**646**
Non-Executive - Chinese	11	8	**7**
Non-Executive - Indian	15	14	**16**
Non-Executive - Other	347	393	**524**
Total Number of New Employee Hires			
By Gender			
Male	342	309	**455**
Female	81	119	**155**
By Age			
<30	286	286	**425**
30-50	126	132	**178**
>50	11	10	**7**

Performance Data Table

	FY2024	FY2025	FY2026
Workplace Environment: A Diverse and Inclusive Workplace			
Total Number of Employee Turnover			
By Gender			
Male	265	239	**264**
Female	70	73	**115**
By Age			
<30	213	204	**240**
30-50	112	101	**127**
>50	10	7	**12**
Workplace Environment: A Safe and Healthy Workplace			
Number of work-related fatalities	Nil	0	**1**
Lost time incident rate	Nil	0	**1.76**
Number of employees trained on health and safety standards	121	301	**391**
Learning and Development			
Total Training Hours	5,784	6,009	**12,684**
Average Training Hours - By Gender			
Male	3.7	4.6	**7.7**
Female	12.6	8.0	**9.5**
Average Training Hours By Employee Category			
Management	21.2	5.5	**12.7**
Executive	8.7	5.2	**8.6**
Non-Executive	3.8	5.5	**7.6**
Environmental Footprint: Emissions			
GHG Emissions (tCO_2e)			
Scope 1	61,513	74,830	**75,747**
Scope 2	26,265	29,785	**32,528**
Scope 3	2,527	3,738	**8,479**
Total	90,305	108,353	**116,754**
Carbon Emissions Intensity	0.52	0.55	**0.52**
Environmental Footprint: Energy			
Energy Consumption			
Total energy consumption (MJ)	328,818,757.00	339,758,536.00	**401,327,183.00**
Environmental Footprint: Water			
Total water consumption (m^3)* * including both municipal and ground water	2,858	4,118	**2,453**
Environmental Footprint: Waste			
Solid waste (tonnes)	146,730.00	144,905.00	**170,637.00**
Farm dairy effluent (million litres)	418.56	550.88	**581.38**

Performance Data Table

	FY2024	FY2025	FY2026
Anti-Fraud, Bribery and Corruption			
Percentage of employees who have received training on anti-corruption by employee category	89%	97%	**100%**
Percentage of operations assessed for corruption-related risks	100%	100%	**100%**
Confirmed incidents of corruption and action taken	Nil	0	**0**
Cyber Security and Customer Privacy			
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Nil	0	**0**
Community Investment			
Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM768,564	RM1,100,000	**RM1,300,000**
Total number of beneficiaries of the investment in communities	4,500	13,000	**5,700**
Supply Chain Management			
Proportion of spending on local suppliers	68%	65%	**61%**
Board Diversity			
By Gender			
Total Number			
Male	5	4	**3**
Female	2	3	**3**
Percentage			
Male	71%	57%	**50%**
Female	29%	43%	**50%**
By Age			
Total Number			
46-50	1	1	**0**
51-55	0	0	**0**
56-60	2	2	**2**
61-65	2	3	**3**
66-70	1	0	**1**
71 and above	1	1	**0**
Percentage			
46-50	14%	14%	**0%**
51-55	0%	0%	**0%**
56-60	29%	29%	**33%**
61-65	29%	43%	**50%**
66-70	14%	0%	**17%**
71 and above	14%	14%	**0%**

Performance Data Table

	FY2024	FY2025	FY2026
Board Diversity			
By Ethnicity			
Total Number			
Malay/Bumiputera	3	4	**2**
Chinese	3	3	**3**
Indian	1	0	**0**
Others	0	0	**1**
Percentage			
Malay/Bumiputera	43%	57%	**33%**
Chinese	43%	43%	**50%**
Indian	14%	0%	**0%**
Others	0%	0%	**17%**
By Nationality			
Total Number			
Malaysian	7	7	**5**
Non-Malaysian	0	0	**1**
Percentage			
Malaysian	100%	100%	**83%**
Non-Malaysian	0%	0%	**17%**

Bursa Malaysia Prescribed Table

FARM FRESH BERHAD

IFRS S1

Date & Time: 2026-07-27 10:31:17

Main Market | Group 1 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Energy Management	Total energy consumption	MJ	339,758,536	401,327,183	—	No assurance	
Water Management	Total water consumption	m3	4,118	2,453	—	No assurance	Including both municipal and ground water
Waste Management	Solid waste generated	tonnes	144,905	170,637	—	No assurance	
Wastewater Management	Farm dairy effluent	million litre	550.88	581.38	—	No assurance	

FARM FRESH BERHAD

IFRS S2

Date & Time: 2026-07-27 10:31:17

Main Market | Group 1 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
GHG emissions	Scope 1	Metric tonnes of carbon dioxide equivalents (tCO2e)	74,830	75,765	—	No assurance	
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	29,785	32,528	—	No assurance	
GHG emissions	Scope 3	Metric tonnes of carbon dioxide equivalents (tCO2e)	3,738	8,479	—	No assurance	
GHG emissions	Scope 3 Cat.6: Business travel	Metric tonnes of carbon dioxide equivalents (tCO2e)	586	1,065	—	No assurance	
GHG emissions	Scope 3 Cat.7: Employee commuting	Metric tonnes of carbon dioxide equivalents (tCO2e)	2,672	3,175	—	No assurance	
GHG emissions	Carbon emissions intensity	Metric tonnes of carbon dioxide equivalents (tCO2e)	0.55	0.52	—	No assurance	

Independent Assurance Statement

SIRIM QAS INTERNATIONAL SDN BHD INDEPENDENT ASSURANCE STATEMENT

To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by Farm Fresh Berhad (hereafter referred to as Farm Fresh) to perform an independent verification and provide assurance of Farm Fresh Sustainability Statement FY2026. The main objective of the verification process is to provide assurance to Farm Fresh and its stakeholders on the accuracy and reliability of the information as presented in this statement. The verification by SIRIM QAS International pertains to selected sustainable performance information (subject matter) within the assurance scope which is included in Farm Fresh Sustainability Statement FY2026.

The management of Farm Fresh was responsible for the preparation of the Sustainability Statement. The objective and impartiality of this statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the Farm Fresh's Sustainability Statement, and the Integrated Annual Report FY2026.

The assurance engagement was designed to provide limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets or expectations on their subject matter and sustainability-related issues. The assurance process involves verification of the selected material matters disclosed in the Sustainability Statement within topics as follows, i.e., Better Dairy, Healthier Planet, Stronger Communities, and Responsible Governance. The results of this verification process have been systematically tabulated in Appendix 1, Appendix 2 and the Report to Management, with further details provided therein.

The verification was carried out by SIRIM QAS International in July 2026, with the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources; internal and external documentation made available during the assessment.
- Verifying the data presented in the Sustainability Statement, which includes a detailed review of the sampled data.
- Interviewing key personnel responsible for collating information and developing various sections of the report to substantiate the veracity of the claims.

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of other information reported in Farm Fresh's Integrated Annual Report FY2026.
- The review excluded all financial-related data, as these are subjected to the company's financial audit.
- The review excludes GHG emissions and associated data i.e., Scope 1, Scope 2 and Scope 3 as presented in the material matters – Energy and Emissions, and the overall Farm Fresh's GHG accounting and reporting.
- As part of this assurance engagement, the verification team visited one of the corporate offices and farms in Ladang 16, UPM Serdang, Selangor. However, the verification process did not include physical inspections of other Farm Fresh's farms, manufacturing plants, operations and assets.
- The verification team did not assess or verify any data related to contractors or third parties.

Independent Assurance Statement

Conclusion

SIRIM QAS International, the Conformity Assessment Body (CAB) in Malaysia, is accredited to ISO/IEC 17021-1:2015 and ISO/IEC 17065:2012 for the provision of management system certification, product certification, and testing services across its full scope of operational activities. Building on this foundation, SIRIM QAS International is accredited as a Validation and Verification Body (VVB) under ISO/IEC 17029:2019 and ISO 14065:2020, enabling it to provide independent, impartial, and technically robust validation and verification services in accordance with internationally recognized standards. The appointed assessors performing the assurance engagement were selected appropriately based on our internal qualifications, training and experience. The verification process is reviewed by management to ensure that the approach and assurance are strictly followed and operated transparently. During the verification process, issues were raised, and clarifications were sought from the management of Farm Fresh relating to the accuracy of some of the information contained in the statement. In response to the findings, the Sustainability Statement was subsequently reviewed and revised by Farm Fresh. It is confirmed that changes that have been incorporated into the final version of the statement have addressed all issues. Based on the scope of the assessment process and evidence obtained, the following represents SIRIM QAS International's opinion:

- The level of data accuracy included in Farm Fresh Sustainability Statement FY2026 is fairly stated;
- The level of disclosure of the selected sustainability performance information presented in the report was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report;
- The Sustainability Statement offers a reasonable and balanced presentation of Farm Fresh's sustainability performance.

List of Assessors.

1)	Ms. Aernida Abdul Kadir	:	Team Leader
2)	Ms. Suzalina Kamaralarifin	:	Team Leader II
3)	Ms. Farhanah Ahmad Shah	:	Team Member
4)	Ms. Evelyn Liew	:	Team Member
5)	Ms. Aine Jamaliah Mohamad Zain	:	Team Member
6)	Ms. Kamini Sooriamoorthy	:	Team Member

Statement Prepared by:

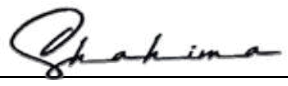


AERNIDA BINTI ABDUL KADIR

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

Date: 16 July 2026

Statement Approved by:



WAN SHAHIMA BINTI MIOR AHMED SHAHIMI

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

Date: 22 July 2026

Note: This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd does not express an opinion on, nor guarantee the integrity and/or accuracy of the information provided with the view that the conclusion was conducted post verification assessment, hence not verified. SIRIM QAS International shall not be responsible for any changes or additions made after the referred date (16 July 2026).



Financial Statements

198 Directors' Report
204 Statement by Directors
205 Statutory Declaration
206 Independent Auditors' Report
210 Statements of Financial Position
212 Statements of Profit or Loss and Other Comprehensive Income
213 Statement of Changes in Equity
216 Statements of Cash Flows
220 Notes to the Financial Statements

Directors' Report

For the Year Ended 31 March 2026

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding, rearing of dairy cows and the production, marketing, sale of cow's milk and plant-based related products. The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Profit for the year attributable to:		
Owners of the Company	**129,959**	**73,814**
Non-controlling interests	**391**	**–**
	130,350	**73,814**

RESERVES AND PROVISIONS

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

DIVIDENDS

Since the end of the previous financial year, in respect of the financial year ended 31 March 2025, a final dividend of 1.00 sen per ordinary share totalling RM18.8 million was declared on 24 July 2025 and paid on 17 October 2025.

The Directors recommended a final dividend of 2.00 sen per ordinary share totalling RM37.7 million in respect of the year ended 31 March 2026 subject to the approval of the shareholders at the forthcoming Annual General Meeting.

These financial statements do not reflect the proposed final dividend, which will be accounted for in the statement of changes in equity as an appropriation of retained earnings in the financial year ending 31 March 2027.

Directors' Report (continued)

For the Year Ended 31 March 2026

DIRECTORS OF THE COMPANY

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

Mr. Loi Tuan Ee**	
Dato' Dr. Quaza Nizamuddin bin A Hassan Nizam	
Ms. Jocelyn Ng Lai Leng	
Ms. Loi Foon Kion	
Puan Nik Fazila binti Nik Mohamed Shihabuddin	
Mr. Stephen John Watson Hagger	(appointed on 9 March 2026)
Tan Sri Dato' Seri Haji Megat Najmuddin bin Datuk Seri Dr. Haji Megat Khas	(deceased on 13 December 2025)
Mr. Effizal Faiz bin Zulkifly	(resigned on 17 October 2025)

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

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

Mr. Loi Tuan Kin	
Mr. Azmi bin Zainal	
Mr. Mohd Khairul bin Mat Hassan	
Ms. Jamaliah binti Othman	
Mr. Adam Graeme Pretty	
Mr. Edmund Tan Jun Hua	
Mr. Lee Chee Keong	
Mr. Andrew Tong Wai Kit	
Mr. Joseph Chua Yi Xin	
Mr. Pu Shuan How	
Mr. Franzl Jacob Lao	
Mr. Roquinmar John Tan Obiedo	
Mr. Lim Peng Hun	(resigned on 8 December 2025)

DIRECTORS' INTERESTS IN SHARES

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

	Number of ordinary shares			
	1.4.2025/ date of appointment	Bought	Sold	31.3.2026
Shareholdings in the Company which Directors have direct interests:				
Dato' Dr. Quaza Nizamuddin bin A Hassan Nizam	500,000	–	(200,000)	**300,000**
Ms. Jocelyn Ng Lai Leng	500,000	–	–	**500,000**
Ms. Loi Foon Kion	2,672,600	–	(872,600)	**1,800,000**
Mr. Stephen John Watson Hagger	878,000	–	–	**878,000**

Directors' Report (continued)

For the Year Ended 31 March 2026

DIRECTORS' INTERESTS IN SHARES (CONTINUED)

	Number of ordinary shares			
	1.4.2025/ date of appointment	Bought	Sold	31.3.2026
Shareholdings in the Company which the Directors have deemed interests:				
Mr. Loi Tuan Ee	753,135,568	–	(50,000,000)	**703,135,568**
Ms. Loi Foon Kion	544,122,694	–	(36,000,000)	**508,122,694**
Mr. Stephen John Watson Hagger	6,200	–	–	**6,200**

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

None of the other Directors holding office at 31 March 2026 had any interest in the shares of the Company and of its related corporations during the financial year.

None of the Directors holding office at 31 March 2026 have any entitlement under the Employees' Share Option Scheme ("ESOS") of the Company during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than disclosed in Note 35 to the financial statements.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 March 2026 are as follows:

	From the Company RM'000	From a subsidiary RM'000
Directors of the Company:		
Fees	**601**	**–**
Remuneration	**–**	**1,485**
	601	**1,485**

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' Report (continued)

For the Year Ended 31 March 2026

ISSUE OF SHARES

During the financial year, the Company issued:

a) 7,696,033 new ordinary shares totalling RM10,389,645 arising from the exercise of the employees' share options at an exercise price of RM1.35 per ordinary share.

b) 600,835 new ordinary shares totalling RM877,219 arising from the exercise of the employees' share options at an exercise price of RM1.46 per ordinary share.

c) 920,299 new ordinary shares totalling RM1,334,433 arising from the exercise of the employees' share options at an exercise price of RM1.45 per ordinary share.

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

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

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

The salient features of the ESOS are as follows:

a) The ESOS is administered by a committee appointed by the Board of Directors.

b) The aggregate number of options exercised and options offered and to be offered under the ESOS shall not exceed fifteen per centum (15%) of the issued and paid-up ordinary share capital of the Company at any point of time during the duration of the ESOS and shall not be more than ten per centum (10%) of the ordinary shares available under the ESOS shall be allocated to any eligible employee who, either singly or collectively through his or her associates, holds twenty per centum (20%) or more of the issued and paid-up ordinary share capital of the Company.

c) The eligible employee must be at least eighteen (18) years of age, is not an undischarged bankrupt nor subject to any bankruptcy proceedings, must have been confirmed in service, and has not given any notice of resignation or received a notice of termination or has otherwise ceased or had his/her employment terminated.

d) The subscription price for each ordinary share shall be the weighted average market price of the shares of the Company as shown in the Daily Official List issued by Bursa Securities for the five (5) market days immediately preceding the date of the offer with a discount of not more than ten per centum (10%).

e) The option is personal to the grantee and is non-assignable.

f) The ESOS shall be in force for a period of ten (10) years commencing from the Effective Date (21 March 2022), after which the Board shall have the sole and absolute discretion to extend in writing the tenure of the ESOS for another five (5) years, in so long that the tenure does not exceed the maximum duration of a share issuance scheme allowed by the relevant authorities.

Directors' Report (continued)

For the Year Ended 31 March 2026

OPTIONS GRANTED OVER UNISSUED SHARES (CONTINUED)

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

			Number of options ('000)			
	Date of offer	Exercise price	1.4.2025	Exercised	Forfeited	31.3.2026
First grant	21 March 2022	RM1.35	18,403	(7,696)	(30)	**10,677**
Second grant	11 May 2023	RM1.46	1,904	(601)	–	**1,303**
Third grant	9 July 2024	RM1.45	7,190	(920)	–	**6,270**

INDEMNITY AND INSURANCE COSTS

During the financial year, the total amount of insurance premium effected for Directors and officers of the Group is RM26,000. There is no indemnity and insurance purchased for the auditors of the Group and of the Company.

OTHER STATUTORY INFORMATION

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

i) all known bad debts have been written off and adequate provision has been made for doubtful debts, and

ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

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

i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or

ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or

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

iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or

ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

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

Directors' Report (continued)

For the Year Ended 31 March 2026

OTHER STATUTORY INFORMATION (CONTINUED)

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 March 2026 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

SUBSEQUENT EVENT

Subsequent event is disclosed in Note 37 to the financial statements.

AUDITORS

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

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

	Group RM'000	Company RM'000
Auditors' remuneration		
Statutory audit		
- KPMG PLT	500	200
- Member firm of KPMG International Limited	438	–
Non-audit fees		
- KPMG PLT	276	272
- Local affiliates of KPMG PLT	674	354
- Member firm of KPMG International Limited	82	–
	1,970	826

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

.....

Loi Tuan Ee
Director

.....

Loi Foon Kion
Director

Date: 23 July 2026

Statement by Directors

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

In the opinion of the Directors, the financial statements set out on pages 210 to 299 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2026 and of their financial performance and cash flows for the financial year then ended.

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

.....

Loi Tuan Ee
Director

.....

Loi Foon Kion
Director

Date: 23 July 2026

Statutory declaration

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

I, **Mohd Khairul bin Mat Hassan**, the officer primarily responsible for the financial management of FARM FRESH BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 210 to 299 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Mohd Khairul bin Mat Hassan, NRIC: 790605-11-5353, MIA CA 40828 at Johor Bahru in the State of Johor on 23 July 2026.

.....
Mohd Khairul bin Mat Hassan

Before me:
Lau Lay Sung
Commissioner for Oaths
J-246

Independent Auditors' Report

To the Members of Farm Fresh Berhad
Registration Number: 201001010221 (894851-U)
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Farm Fresh Berhad, which comprise the statements of financial position as at 31 March 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 210 to 299.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

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

Valuation of biological assets - Group and Company

Refer to Note 4 - Biological assets.

The key audit matter

The Group and Company held RM148.27 million and RM48.77 million of biological assets respectively, comprising cows, goat herds and bulls, measured at fair value as at 31 March 2026. In determining the fair value of the biological assets, the Group and the Company used income approach and comparison approach. We have identified the valuation of biological assets as a key audit matter because the determination of the fair values required significant judgement in determining the valuation of dairy cows, taking into consideration of milk price, raising costs, culling and mortality rates, milk output and discount rate as well as price per head of comparable breed and age group.

Independent Auditors' Report (continued)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

How the matter was addressed in our audit

We performed the following audit procedures, amongst others:

- We have performed physical counting of biological assets;
- We have evaluated the valuation techniques adopted in estimating the fair value with reference to the requirements of relevant accounting standards, our business understanding and industry practice;
- We have checked the key inputs used in the valuation of biological assets report as at year end;
- We have evaluated the judgement and the key assumptions pertaining to the valuation of dairy cows, taking into consideration of milk price, raising costs, culling and mortality rates, milk output and discount rate as well as price per head of comparable breed and age group;
- We have interviewed the component auditor with regards to their findings and conclusions with regard to their work on biological assets and reviewed the component auditor's documentation to evaluate the sufficiency and appropriateness of the audit evidence. We have also assessed the competency of the component auditor; and
- We have assessed the adequacy of disclosure in the financial statements as required by the relevant accounting standards.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

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

Independent Auditors' Report (continued)

To the Members of Farm Fresh Berhad
Registration Number: 201001010221 (894851-U)
(Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

- 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 forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

Independent Auditors' Report (continued)

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in the Note 6 to the financial statements.

OTHER MATTER

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

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

Vengadesh A/L Jogarajah
Approval Number: 03337/12/2027 J
Chartered Accountant

Johor Bahru

Date: 23 July 2026

Statements of Financial Position

As at 31 March 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Assets					
Property, plant and equipment	2	**617,097**	513,490	**182,235**	135,727
Right-of-use assets	3	**39,418**	36,467	**6,405**	6,644
Biological assets	4	**148,267**	141,952	**48,765**	38,777
Intangible assets	5	**107,750**	111,126	**4,397**	4,599
Investments in subsidiaries	6	**–**	–	**350,069**	324,736
Investment in an associate	7	**5,778**	–	**7,350**	–
Trade and other receivables	8	**195**	268	**–**	–
Deferred tax assets	9	**11,308**	9,371	**–**	–
Due from subsidiaries	10	**–**	–	**73,650**	73,650
Total non-current assets		**929,813**	812,674	**672,871**	584,133
Inventories	11	**233,890**	175,332	**121,332**	84,288
Trade and other receivables	8	**309,677**	206,665	**116,568**	80,170
Due from subsidiaries	10	**–**	–	**243,122**	181,985
Due from an associate	10	**4,836**	–	**615**	–
Current tax assets		**3,090**	5,446	**1,251**	1,489
Derivative financial assets	12	**3,259**	86	**–**	107
Other investments	13	**194,446**	64,037	**193,292**	62,921
Cash and cash equivalents	14	**171,587**	58,785	**120,413**	13,745
		920,785	510,351	**796,593**	424,705
Asset classified as held for sale	15	**13,724**	28,144	**–**	–
Total current assets		**934,509**	538,495	**796,593**	424,705
Total assets		**1,864,322**	1,351,169	**1,469,464**	1,008,838
Equity					
Share capital	16	**420,077**	404,847	**420,077**	404,847
Reserves	16	**378,692**	295,285	**173,005**	119,842
Equity attributable to owners of the Company		**798,769**	700,132	**593,082**	524,689
Non-controlling interests	6	**29,111**	28,107	**–**	–
Total equity		**827,880**	728,239	**593,082**	524,689

Statements of Financial Position (continued)

As at 31 March 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Liabilities					
Deferred tax liabilities	9	**34,600**	24,345	**14,291**	9,673
Deferred income	17	**6,972**	6,703	**5,414**	5,684
Loans and borrowings	18	**426,867**	306,282	**425,524**	301,015
Lease liabilities		**23,562**	20,590	**5,077**	5,139
Put option liability	19	**75,592**	55,833	**–**	–
Total non-current liabilities		**567,593**	413,753	**450,306**	321,511
Deferred income	17	**449**	943	**271**	271
Derivative financial liabilities	12	**–**	428	**99**	–
Loans and borrowings	18	**286,955**	91,622	**216,299**	8,818
Lease liabilities		**9,409**	8,389	**62**	45
Trade and other payables	20	**171,116**	106,679	**48,135**	29,504
Due to subsidiaries	10	**–**	–	**161,210**	124,000
Current tax liabilities		**920**	1,116	**–**	–
Total current liabilities		**468,849**	209,177	**426,076**	162,638
Total liabilities		**1,036,442**	622,930	**876,382**	484,149
Total equity and liabilities		**1,864,322**	1,351,169	**1,469,464**	1,008,838

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

Statements of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Revenue	21	**1,115,438**	981,181	**546,952**	451,044
Cost of sales		**(748,772)**	(665,947)	**(389,966)**	(323,486)
Gross profit		**366,666**	315,234	**156,986**	127,558
Other income		**9,600**	6,829	**4,657**	4,587
Selling and distribution expenses		**(102,053)**	(88,063)	**(55,932)**	(55,012)
Administrative expenses		**(102,870)**	(88,755)	**(11,721)**	(9,402)
Other expenses		**(7,445)**	(10,846)	**(4,288)**	(2,764)
Fair value (loss)/gain on biological assets		**(2,408)**	(2,556)	**754**	(1,590)
Results from operating activities		**161,490**	131,843	**90,456**	63,377
Finance income	22	**1,096**	1,062	**3,499**	3,340
Finance costs	23	**(18,462)**	(17,672)	**(15,557)**	(12,706)
Net finance costs		**(17,366)**	(16,610)	**(12,058)**	(9,366)
Share of loss of equity-accounted associate, net of tax		**(693)**	–	**–**	–
Profit before tax		**143,431**	115,233	**78,398**	54,011
Tax expense	24	**(13,081)**	(7,918)	**(4,584)**	(1,091)
Profit for the year	25	**130,350**	107,315	**73,814**	52,920
Other comprehensive (expense)/ income, net of tax					
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences		**(8,810)**	(18,875)	**–**	–
Cash flow hedge		**2,906**	(429)	**(157)**	81
Other comprehensive (expense)/ income for the year	26	**(5,904)**	(19,304)	**(157)**	81
Total comprehensive income for the year		**124,446**	88,011	**73,657**	53,001
Profit attributable to:					
Owners of the Company		**129,959**	106,395	**73,814**	52,920
Non-controlling interests		**391**	920	**–**	–
Profit for the year		**130,350**	107,315	**73,814**	52,920
Total comprehensive income attributable to:					
Owners of the Company		**123,670**	87,428	**73,657**	53,001
Non-controlling interests		**776**	583	**–**	–
Total comprehensive income for the year		**124,446**	88,011	**73,657**	53,001
Basic earnings per ordinary share (sen)	27	**6.92**	5.68	**–**	–
Diluted earnings per ordinary share (sen)	27	**6.89**	5.66	**–**	–

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

Statement of Changes in Equity

For the year ended 31 March 2026

		← Attributable to owners of the Company →								
		← Non-distributable →					Distributable			
Group	Note	Share capital RM'000	Translation reserve RM'000	Hedging reserve RM'000	Employee share-based reserve RM'000	Put option reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 April 2024		399,555	186	–	5,615	(36,955)	298,012	666,413	26,558	692,971
Foreign currency translation differences for foreign operations		–	(18,538)	–	–	–	–	(18,538)	(337)	(18,875)
Cash flow hedge		–	–	(429)	–	–	–	(429)	–	(429)
Total other comprehensive expense for the year		–	(18,538)	(429)	–	–	–	(18,967)	(337)	(19,304)
Profit for the year		–	–	–	–	–	106,395	106,395	920	107,315
Total comprehensive (expense)/income for the year		–	(18,538)	(429)	–	–	106,395	87,428	583	88,011
Contributions by and distributions to owners of the Company										
Dividends to owners of the Company	28	–	–	–	–	–	(41,228)	(41,228)	–	(41,228)
Issuance of shares pursuant to ESOS	16	5,292	–	–	(908)	–	–	4,384	–	4,384
Share-based payment	16	–	–	–	1,979	–	–	1,979	–	1,979
Changes in put option liability	19	–	–	–	–	(18,878)	–	(18,878)	–	(18,878)
		5,292	–	–	1,071	(18,878)	(41,228)	(53,743)	–	(53,743)
Change in ownership interests in a subsidiary	6	–	–	–	–	–	34	34	299	333
Capital contribution by non-controlling interests		–	–	–	–	–	–	–	667	667
Total transactions with owners of the Company		5,292	–	–	1,071	(18,878)	(41,194)	(53,709)	966	(52,743)
At 31 March 2025		404,847	(18,352)	(429)	6,686	(55,833)	363,213	700,132	28,107	728,239

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

Statements of Profit or Loss and Other Comprehensive Income (continued)

For the year ended 31 March 2026

		← Attributable to owners of the Company →								
		← Non-distributable →					Distributable			
Group	Note	Share capital RM'000	Translation reserve RM'000	Hedging reserve RM'000	Employee share-based reserve RM'000	Put option reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 April 2025		**404,847**	**(18,352)**	**(429)**	**6,686**	**(55,833)**	**363,213**	**700,132**	**28,107**	**728,239**
Foreign currency translation differences for foreign operations		–	(9,195)	–	–	–	–	(9,195)	385	(8,810)
Cash flow hedge		–	–	2,906	–	–	–	2,906	–	2,906
Total other comprehensive (expense)/income for the year		–	(9,195)	2,906	–	–	–	(6,289)	385	(5,904)
Profit for the year		–	–	–	–	–	129,959	129,959	391	130,350
Total comprehensive (expense)/income for the year		–	(9,195)	2,906	–	–	129,959	123,670	776	124,446
Contributions by and distributions to owners of the Company										
Dividends to owners of the Company	28	–	–	–	–	–	(18,775)	(18,775)	–	(18,775)
Issuance of shares pursuant to ESOS	16	15,230	–	–	(2,629)	–	–	12,601	–	12,601
Share-based payment	16	–	–	–	910	–	–	910	–	910
Changes in put option liability	19	–	–	–	–	(19,759)	–	(19,759)	–	(19,759)
		15,230	–	–	(1,719)	(19,759)	(18,775)	(25,023)	–	(25,023)
Change in ownership interests in a subsidiary	6	–	–	–	–	–	(10)	(10)	18	8
Capital contribution by non-controlling interests		–	–	–	–	–	–	–	210	210
Total transactions with owners of the Company		15,230	–	–	(1,719)	(19,759)	(18,785)	(25,033)	228	(24,805)
At 31 March 2026		**420,077**	**(27,547)**	**2,477**	**4,967**	**(75,592)**	**474,387**	**798,769**	**29,111**	**827,880**

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

Statements of Profit or Loss and Other Comprehensive Income (continued)

For the year ended 31 March 2026

		Attributable to owners of the Company				
		Non-distributable				Distributable
Company	Note	Share capital RM'000	Hedging reserve RM'000	Employee share-based reserve RM'000	Retained earnings RM'000	Total equity RM'000
At 1 April 2024		399,555	–	5,615	101,383	506,553
Cash flow hedge/ Total other comprehensive income for the year		–	81	–	–	81
Profit for the year		–	–	–	52,920	52,920
Total comprehensive income for the year		–	81	–	52,920	53,001
Contributions by and distributions to owners of the Company						
Dividends to owners of the Company	28	–	–	–	(41,228)	(41,228)
Issuance of shares pursuant to ESOS	16	5,292	–	(908)	–	4,384
Share-based payment	16	–	–	1,979	–	1,979
Total transactions with owners of the Company		5,292	–	1,071	(41,228)	(34,865)
At 31 March 2025/1 April 2025		404,847	81	6,686	113,075	524,689
Cash flow hedge/Total other comprehensive expense for the year		**–**	**(157)**	**–**	**–**	**(157)**
Profit for the year		**–**	**–**	**–**	**73,814**	**73,814**
Total comprehensive (expense)/income for the year		**–**	**(157)**	**–**	**73,814**	**73,814**
Contributions by and distributions to owners of the Company						
Dividends to owners of the Company	28	**–**	**–**	**–**	**(18,775)**	**(18,775)**
Issuance of shares pursuant to ESOS	16	**15,230**	**–**	**(2,629)**	**–**	**12,601**
Share-based payment	16	**–**	**–**	**910**	**–**	**910**
Total transactions with owners of the Company		**15,230**	**–**	**(1,719)**	**(18,775)**	**(5,264)**
At 31 March 2026		**420,077**	**(76)**	**4,967**	**168,114**	**593,082**

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

Statements of Cash Flows

For the year ended 31 March 2026

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash flows from operating activities				
Profit before tax	**143,431**	115,233	**78,398**	54,011
Adjustments for:				
Depreciation and amortisation:				
- property, plant and equipment	**54,349**	48,080	**18,479**	16,120
- right-of-use assets	**11,363**	10,163	**239**	286
- intangible assets	**893**	274	**784**	19
Finance income	**(1,096)**	(1,062)	**(3,499)**	(3,340)
Finance costs	**18,462**	17,672	**15,557**	12,706
Equity settled share-based payment	**910**	1,979	**121**	308
Impairment loss on trade receivables	**2,834**	3,551	**2,416**	1,926
Bad debts written off/Waiver of debt	**–**	213	**1,591**	–
Property, plant and equipment written off	**547**	252	**–**	–
Impairment of obsolete and slow-moving inventories	**9**	438	**267**	618
(Gain)/Loss on disposal of:				
- property, plant and equipment	**(866)**	(262)	**17**	287
- intangible assets	**(460)**	–	**–**	–
- assets classified as held for sale	**(1,658)**	–	**–**	–
Gain on divestment of a subsidiary	**(915)**	–	**–**	–
Gain on derecognition of lease	**(84)**	(110)	**–**	–
Amortisation of deferred income	**(443)**	(708)	**(270)**	(271)
Loss/(Gain) arising from changes in fair value of dairy cows and goats	**2,408**	2,556	**(754)**	1,590
Fair value loss/(gain) of:				
- derivative financial instruments	**85**	820	**–**	7
- other investments	**(2,450)**	(2,450)	**(2,415)**	(2,418)
Distribution income from mone market investments	**(459)**	(1,143)	**(456)**	(1,138)
Share of loss of equity-accounted associate, net of tax	**693**	–	**–**	–
Unrealised loss/(gain) on foreign exchange	**675**	(62)	**94**	48
Operating profit before changes in working capital	**228,228**	195,434	**110,569**	80,759
Change in deferred income	**231**	2,217	**–**	–
Change in inventories	**(58,037)**	(17,890)	**(35,758)**	(26,237)
Change in trade and other receivables	**(107,967)**	(33,701)	**(38,814)**	(20,001)
Change in trade and other payables	**68,602**	13,587	**18,537**	7,272
Change in due from/(to) subsidiaries	**–**	–	**31,151**	38,351
Change in due from an associate	**(4,836)**	–	**(615)**	–
Cash generated from operations	**126,221**	159,647	**85,070**	80,144
Interest received	**1,096**	1,062	**3,499**	3,340
Tax (paid)/refunded	**(3,558)**	(4,567)	**322**	(500)
Net cash from operating activities	**123,759**	156,142	**88,891**	82,984

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

Statements of Cash Flows (continued)

For the year ended 31 March 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Cash flows from investing activities					
Acquisition of:					
- property, plant and equipment	31	**(180,957)**	(106,736)	**(65,289)**	(17,516)
- biological assets		**(31,451)**	(24,323)	**(17,065)**	(6,457)
- intangible assets		**(787)**	(623)	**(582)**	(392)
Proceeds from disposal of:					
- property, plant and equipment		**3,012**	2,737	**285**	1,076
- biological assets		**20,987**	6,025	**6,278**	725
- intangible assets		**4,032**	–	**–**	–
- assets classified as held for sale		**23,638**	–	**–**	–
Proceeds from divestment of a subsidiary	36	**306**	–	**1,650**	–
Increase in investment in subsidiaries		**–**	–	**(24,745)**	(67,219)
(Net investment in)/Withdrawal from other investments		**(127,500)**	39,500	**(127,500)**	39,500
(Advances to)/ Repayment from subsidiaries		**–**	–	**(65,469)**	16,651
Net cash used in investing activities		**(288,720)**	(83,420)	**(292,437)**	(33,632)
Cash flows from financing activities					
Interest paid	23	**(14,427)**	(16,088)	**(12,895)**	(12,337)
Dividend paid		**(18,775)**	(41,228)	**(18,775)**	(41,228)
Proceeds from shares issued	16	**12,601**	4,384	**12,601**	4,384
Drawdown of Sukuk		**325,000**	–	**325,000**	–
Repayment of term loans		**(9,410)**	(639)	**(459)**	(428)
Net proceeds/(payment) from:					
- bankers' acceptances		**4,562**	4,275	**5,045**	1,296
- short-term financing		**9**	(1,315)	**–**	–
Repayment of hire purchase liabilities		**(6,170)**	(7,400)	**–**	–
Repayment of lease liabilities		**(11,640)**	(10,425)	**(303)**	(402)
Capital contributed by a non-controlling shareholder		**218**	1,000	**–**	–
Net cash from/(used in) financing activities		**281,968**	(67,436)	**310,214**	(48,715)
Exchange difference on translation of the financial statements of foreign operation		**(4,205)**	(4,668)	**–**	–
Net increase in cash and cash equivalents		**112,802**	618	**106,668**	637
Cash and cash equivalents at 1 April		**58,785**	58,167	**13,745**	13,108
Cash and cash equivalents at 31 March	14	**171,587**	58,785	**120,413**	13,745

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

Statements of Cash Flows (continued)

For the year ended 31 March 2026

Cash outflows for leases as a lessee

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Included in net cash from operating activities					
Payment relating to short-term leases	25	**5,637**	5,791	**35**	24
Payment relating to leases of low-value assets	25	**794**	560	**16**	14
Included in net cash from financing activities					
Payment of lease liabilities		**11,640**	10,425	**303**	402
Interest paid in relation to lease liabilities	23	**1,631**	1,545	**258**	330
Total cash outflows for leases		**19,702**	18,321	**612**	770

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

Statements of Cash Flows (continued)

For the year ended 31 March 2026

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

Group	At 1 April 2024 RM'000	Finance costs RM'000	Net changes from financing cash flows RM'000	Acquisition of new assets RM'000	Acquisition of a business RM'000	Derecognition of lease RM'000	Exchange difference RM'000	At 31 March 2025/ 1 April 2025 RM'000	Finance costs RM'000	Net changes from financing cash flows RM'000	Acquisition of new assets RM'000	Disposal of a subsidiary RM'000	Derecognition of lease RM'000	Exchange difference RM'000	At 31 March 2026 RM'000
Term loans	31,553	–	(639)	–	–	–	(2,789)	28,125	–	(9,410)	–	–	–	(244)	18,471
Bankers' acceptances	54,983	–	4,275	–	–	–	(1,654)	57,604	–	4,562	–	–	–	(203)	61,963
Hire purchase liabilities	14,706	–	(7,400)	2,274	–	–	(837)	8,743	–	(6,170)	49	–	–	(79)	2,543
Lease liabilities	24,752	1,545	(10,425)	15,034	(279)	(1,466)	(182)	28,979	1,631	(11,640)	17,039	(1,273)	(1,353)	(412)	32,971
Short term financing	1,405	–	(1,315)	–	–	–	(63)	27	–	9	–	–	–	–	36
Sukuk	303,366	39	–	–	–	–	–	303,405	2,404	325,000	–	–	–	–	630,809
Total liabilities from financing activities	430,765	1,584	(15,504)	17,308	(279)	(1,466)	(5,525)	426,883	4,035	302,351	17,088	(1,273)	(1,353)	(938)	746,793

Company	At 1 April 2024 RM'000	Acquisition of new assets RM'000	Finance costs RM'000	Net changes from financing cash flows RM'000	At 31 March 2025/ 1 April 2025 RM'000	Finance costs RM'000	Net changes from financing cash flows RM'000	At 31 March 2026 RM'000
Bankers' acceptances	3,659	–	–	1,296	4,955	–	5,045	10,000
Lease liabilities	4,137	1,119	330	(402)	5,184	258	(303)	5,139
Term loans	1,901	–	–	(428)	1,473	–	(459)	1,014
Sukuk	303,366	–	39	–	303,405	2,404	325,000	630,809
Total liabilities from financing activities	313,063	1,119	369	466	315,017	2,662	329,283	646,962

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

Notes to the Financial Statements

For the year ended 31 March 2026

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

Principal place of business
Plot D, KM6
Jalan Muadzam - Rompin
26700 Muadzam Shah
Pahang Darul Makmur

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

The consolidated financial statements of the Company as at and for the financial year ended 31 March 2026 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities"). The financial statements of the Company as at and for the financial year ended 31 March 2026 do not include other entities.

The principal activities of the Company are investment holding, rearing of dairy cows and the production, marketing, sale of cow's milk and plant-based related products. The principal activities of its subsidiaries are disclosed in Note 6.

These financial statements were authorised for issue by the Board of Directors on 23 July 2026.

1. BASIS OF PREPARATION

(a) Statement of compliance

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

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

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

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, Financial Instruments and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

1. BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (continued)

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

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*

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

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

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

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

(b) Basis of measurement

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

Items	Measurement bases
Biological assets	Fair value
Derivative financial instruments	Fair value
Other investments	Fair value

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

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

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

1. BASIS OF PREPARATION (CONTINUED)

(d) Use of estimates and judgements (continued)

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

- Note 4 - valuation of biological assets
- Note 5 - measurement of the recoverable amounts of cash-generating units
- Note 16 - employee share-based reserve
- Note 19 - measurement of liability on put option granted to non-controlling interest
- Note 30.4 - measurement of expected credit losses ("ECLs")

2. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land and buildings RM'000	Farm barn, building and electrical installation RM'000	Milk plant, machinery, tools and equipment RM'000	Office and shop equipment and design RM'000	Motor vehicles RM'000	Agrotourism farm RM'000	Construction -in-progress RM'000	Total RM'000
At cost								
At 1 April 2024	70,647	175,877	295,710	39,548	19,933	8,773	42,798	653,286
Additions	–	31,841	38,750	10,835	5,393	1,202	20,989	109,010
Disposals/Written off	–	(8)	(2,636)	(704)	(1,675)	(3)	(532)	(5,558)
Transfer	–	9,231	27,700	366	214	–	(37,511)	–
Transfer to assets held for sale (Note 15)	(21,625)	(3,445)	–	–	–	–	–	(25,070)
Exchange difference	(4,551)	(1,189)	(8,959)	(84)	(601)	–	(2,444)	(17,828)
At 31 March 2025/ 1 April 2025	**44,471**	**212,307**	**350,565**	**49,961**	**23,264**	**9,972**	**23,300**	**713,840**
Additions	**4,391**	**57,151**	**40,324**	**10,666**	**3,345**	**547**	**64,582**	**181,006**
Disposals/Written off	**–**	**(248)**	**(3,001)**	**(1,024)**	**(1,553)**	**–**	**(12)**	**(5,838)**
Disposal of a subsidiary (Note 36)	**–**	**–**	**(121)**	**(9,855)**	**–**	**–**	**(515)**	**(10,491)**
Transfer	**–**	**2,614**	**2,700**	**451**	**–**	**–**	**(5,765)**	**–**
Transfer to assets held for sale (Note 15)	**(6,469)**	**(1,110)**	**(2,111)**	**–**	**–**	**–**	**(7)**	**(9,697)**
Exchange difference	**(170)**	**(877)**	**(3,599)**	**(39)**	**(159)**	**–**	**(195)**	**(5,039)**
At 31 March 2026	**42,223**	**269,837**	**384,757**	**50,160**	**24,897**	**10,519**	**81,388**	**863,781**

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land and buildings RM'000	Farm barn, building and electrical installation RM'000	Milk plant, machinery, tools and equipment RM'000	Office and shop equipment and design RM'000	Motor vehicles RM'000	Agrotourism farm RM'000	Construction -in-progress RM'000	Total RM'000
Accumulated depreciation								
At 1 April 2024	1,215	28,581	99,582	16,534	10,631	798	–	157,341
Depreciation charge	170	8,878	30,234	5,513	2,776	509	–	48,080
Disposals/Written off	–	(1)	(1,323)	(375)	(1,131)	(1)	–	(2,831)
Transfer to assets held for sale (Note 15)	–	(532)	–	–	–	–	–	(532)
Exchange difference	–	(80)	(2,480)	(45)	(290)	–	–	(2,895)
At 31 March 2025/ 1 April 2025	**1,385**	**36,846**	**126,013**	**21,627**	**11,986**	**1,306**	**–**	**199,163**
Depreciation charge	**170**	**10,957**	**33,744**	**6,106**	**2,807**	**565**	**–**	**54,349**
Disposals/Written off	**–**	**(151)**	**(893)**	**(643)**	**(1,002)**	**–**	**–**	**(2,689)**
Disposal of a subsidiary (Note 36)	**–**	**–**	**(20)**	**(2,784)**	**–**	**–**	**–**	**(2,804)**
Transfer to assets held for sale (Note 15)	**–**	**(157)**	**(1,270)**	**–**	**–**	**–**	**–**	**(1,427)**
Exchange difference	**–**	**(90)**	**(491)**	**(10)**	**(37)**	**–**	**–**	**(628)**
At 31 March 2026	**1,555**	**47,405**	**157,083**	**24,296**	**13,754**	**1,871**	**–**	**245,964**
Accumulated impairment losses								
At 1 April 2024	–	–	1,312	–	–	–	–	1,312
Exchange difference	–	–	(125)	–	–	–	–	(125)
At 31 March 2025/ 1 April 2025	**–**	**–**	**1,187**	**–**	**–**	**–**	**–**	**1,187**
Disposals	**–**	**–**	**(456)**	**–**	**–**	**–**	**–**	**(456)**
Exchange difference	**–**	**–**	**(11)**	**–**	**–**	**–**	**–**	**(11)**
At 31 March 2026	**–**	**–**	**720**	**–**	**–**	**–**	**–**	**720**
Carrying amounts								
At 1 April 2024	**69,432**	**147,296**	**194,816**	**23,014**	**9,302**	**7,975**	**42,798**	**494,633**
At 31 March 2025/ 1 April 2025	**43,086**	**175,461**	**223,365**	**28,334**	**11,278**	**8,666**	**23,300**	**513,490**
At 31 March 2026	**40,668**	**222,432**	**226,954**	**25,864**	**11,143**	**8,648**	**81,388**	**617,097**

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Farm barn, building and electrical installation RM'000	Milk plant, machinery, tools and equipment RM'000	Office and shop equipment and design RM'000	Motor vehicles RM'000	Construction -in-progress RM'000	Total RM'000
At cost						
At 1 April 2024	60,986	120,845	2,227	2,284	1,521	187,863
Additions	7,663	8,032	184	414	1,223	17,516
Disposals/Written off	(7)	(2,460)	(136)	–	(8)	(2,611)
Transfer	33	–	–	–	(33)	–
At 31 March 2025/1 April 2025	**68,675**	**126,417**	**2,275**	**2,698**	**2,703**	**202,768**
Additions	**38,877**	**21,951**	**394**	**343**	**3,724**	**65,289**
Disposals/Written off	**–**	**(642)**	**–**	**(113)**	**(8)**	**(763)**
Transfer	**1,888**	**106**	**–**	**–**	**(1,994)**	**–**
At 31 March 2026	**109,440**	**147,832**	**2,669**	**2,928**	**4,425**	**267,294**
Accumulated depreciation						
At 1 April 2024	10,876	39,094	1,091	1,108	–	52,169
Depreciation charge	3,094	12,286	318	422	–	16,120
Disposals/Written off	–	(1,233)	(15)	–	–	(1,248)
At 31 March 2025/ 1 April 2025	**13,970**	**50,147**	**1,394**	**1,530**	**–**	**67,041**
Depreciation charge	**4,161**	**13,553**	**327**	**438**	**–**	**18,479**
Disposals/Written off	**–**	**(348)**	**–**	**(113)**	**–**	**(461)**
At 31 March 2026	**18,131**	**63,352**	**1,721**	**1,855**	**–**	**85,059**
Carrying amounts						
At 1 April 2024	50,110	81,751	1,136	1,176	1,521	135,694
At 31 March 2025/1 April 2025	**54,705**	**76,270**	**881**	**1,168**	**2,703**	**135,727**
At 31 March 2026	**91,309**	**84,480**	**948**	**1,073**	**4,425**	**182,235**

	Group	
	2026 RM'000	2025 RM'000
Carrying amounts of land and buildings		
Land	**32,573**	34,779
Buildings	**8,095**	8,307
	40,668	43,086

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

2.1 Impairment loss - Australia's operation

The Group disposed of certain plants and machineries which were previously impaired during the financial year ended 31 March 2026 with a net gain on disposal of impaired assets of RM680,000 recognised as other income in the statement of profit or loss and other comprehensive income.

2.2 Assets under hire purchase

Included in property, plant and equipment of the Group is motor vehicles and plant machineries acquired under hire purchase with carrying amount of RM4,978,000 (2025: RM28,850,000).

2.3 Security

Certain land and buildings of the Group with carrying amount of RM15,913,000 (2025: RM22,671,000) are charged to banks as security for banking facilities granted to its subsidiary (see Note 18).

2.4 Properties subject to operating lease

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

The Group generally does not require a financial guarantee on the lease arrangement. The rental income is recognised as other income in the statement of profit or loss and other comprehensive income as disclosed in Note 25.

2.5 Material accounting policy information

(a) Recognition and measurement

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

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

(b) Depreciation

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

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

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

2.6 Others

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

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Staff costs	**1,227**	936	**396**	307
Interest expense capitalised	**2,054**	991	**–**	–

Interest expense capitalised is at 3.92% (2025: 4.09%).

3. RIGHT-OF-USE ASSETS

	Land RM'000	Buildings RM'000	Total RM'000
Group			
At cost			
At 1 April 2024	**15,664**	**17,460**	**33,124**
Addition	**1,120**	**13,914**	**15,034**
Depreciation	**(1,319)**	**(8,844)**	**(10,163)**
Derecognition*	**–**	**(1,356)**	**(1,356)**
Exchange difference	**–**	**(172)**	**(172)**
At 31 March 2025/1 April 2025	**15,465**	**21,002**	**36,467**
Addition	**513**	**16,526**	**17,039**
Depreciation	**(1,275)**	**(10,088)**	**(11,363)**
Derecognition*	**–**	**(1,269)**	**(1,269)**
Disposal of a subsidiary (Note 36)	**–**	**(1,298)**	**(1,298)**
Exchange difference	**–**	**(158)**	**(158)**
At 31 March 2026	**14,703**	**24,715**	**39,418**
Company			
At cost			
At 1 April 2024	**5,608**	**203**	**5,811**
Addition	**1,119**	**–**	**1,119**
Depreciation	**(277)**	**(9)**	**(286)**
At 31 March 2025/1 April 2025	**6,450**	**194**	**6,644**
Depreciation	**(230)**	**(9)**	**(239)**
At 31 March 2026	**6,220**	**185**	**6,405**

* *The derecognition of the right-of-use assets is as a result of lease modification and early termination of lease by the Group.*

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

3. RIGHT-OF-USE ASSETS (CONTINUED)

3.1 Security

Included in right-of-use assets of the Group with carrying amount of RM896,000 (2025: RM954,000) charged to banks as security for banking facilities granted to the subsidiary (see Note 18).

3.2 Material accounting policy information

(a) Recognition and measurement

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

(b) Recognition exemption

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

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

4. BIOLOGICAL ASSETS

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Dairy cows and goats					
At fair value					
At 1 April		**138,281**	129,581	**38,777**	36,215
Additions		**31,451**	24,323	**17,065**	6,457
Disposals		**(20,987)**	(6,025)	**(6,278)**	(725)
Net (loss)/gain arising from changes in fair value of dairy cows and goats		**(2,408)**	(2,556)	**754**	(1,590)
Transfer to inventories		**(1,553)**	(1,580)	**(1,553)**	(1,580)
Transfer to assets held for sale	15	**–**	(3,134)	**–**	–
Exchange difference		**(186)**	(2,328)	**–**	–
At 31 March		**144,598**	138,281	**48,765**	38,777
Semen and embryos					
At cost					
At 1 April		**3,671**	3,703	**–**	–
Exchange difference		**(2)**	(32)	**–**	–
At 31 March		**3,669**	3,671	**–**	–
		148,267	141,952	**48,765**	38,777

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4. BIOLOGICAL ASSETS (CONTINUED)

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

	Group		Company	
	2026 Heads	2025 Heads	2026 Heads	2025 Heads
Goat herds	**299**	194	**–**	–
Dairy herds	**12,029**	12,985	**3,961**	3,179
Bulls	**2,756**	2,488	**891**	930
	15,084	15,667	**4,852**	4,109

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

	Group		Company	
	2026 Litres	2025 Litres	2026 Litres	2025 Litres
Goat herds	**23,915**	11,749	**–**	–
Dairy herds	**39,977,279**	36,736,128	**9,110,103**	7,108,925
	40,001,194	36,747,877	**9,110,103**	7,108,925

4.1 Significant judgements and assumptions in relation to biological assets

The Group and the Company applied judgement and assumptions in determining the valuation of biological assets. During the financial year, the Group and the Company adopted income approach in determining the valuation of dairy cows in Malaysian farm, taking into consideration of milk price, raising costs, culling and mortality rates, milk output and discount rate.

Prior to the adoption of income approach, the Group and the Company applied replacement cost approach in arriving at the valuation of dairy cows in Malaysian farm, by first determine the import price before using judgement to determine the adjustments required to reflect the breed, weight and age group of the respective dairy cows.

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4. BIOLOGICAL ASSETS (CONTINUED)

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

Level 3 fair value

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

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Malaysian Farm		
(a)(i) Income approach The fair value of the dairy cows is determined based on the expected net cash flows generated from sale proceeds of the raw milk produced less the estimated raising costs. The expected net cash flows are discounted using the risk-adjusted discount rate.	• Estimated selling price of raw milk based on management's estimate by reference to historical selling price: RM3.00 - RM3.20 • Estimated raw milk produced: 13 - 27 litres per dairy cow per day	The estimated fair value would increase/(decrease) if: • the selling price of raw milk is higher/(lower); or • the raw milk produced is higher/(lower); or • the raising costs is lower/(higher); or • the discount rate is lower/(higher).
The table below summarises the price range per head: Cows Calves and heifers: RM6,900 to RM9,900 Milkable cows: RM10,900 to RM13,700	• Estimated raising costs: RM7 - RM11 per cow • Discount rate: 9.45%	
(a)(ii) Replacement cost approach (prior year) Reference to expected cost of purchase of cows by other farms in Malaysia and overseas, adjusted for differences in breed, weight and age group.	Price per head of comparable breed and age group.	The estimated fair value would increase/ (decrease) if the price per head is higher/ (lower).
The table below summarises the price range per head: Cows Calves and heifers: 2025: RM6,230 to RM8,970 Milkable cows: 2025: RM10,910 to RM12,840		

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4. BIOLOGICAL ASSETS (CONTINUED)

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

Level 3 fair value (continued)

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
(b) Comparison approach Reference to sale price of comparable goat herds and bulls and adjusted for differences in key attributes such as breed and age. The table below summarises the price range per head: Goat herds RM500 to RM3,800 (2025: RM500 to RM3,800) Bulls RM2,000 to RM5,000 (2025: RM2,000 to RM5,000)	Price per head of comparable breed and age group.	The estimated fair value would increase/ (decrease) if the price per head is higher/ (lower).
Australian Farm Comparison approach: Reference to sale price of comparable dairy herds and bulls and adjusted for differences in key attributes such as breed and age. The table below summarises the price range per head: Cows Calves and heifers: RM2,770 to RM7,750 (2025: RM2,790 to RM7,390) Milkable cows: RM7,330 (2025: RM7,390)	Price per head of comparable breed and age group.	The estimated fair value would increase/ (decrease) if the price per head is higher/ (lower).

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

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

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4. BIOLOGICAL ASSETS (CONTINUED)

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

Level 3 fair value (continued)

Sensitivity analysis

Sensitivity analysis of the possible changes in the key assumptions (assumes all other variables remained constant) on fair value of biological assets at year end are disclosed in the table below:

	Effect on fair value of respective biological assets 2026
Dairy cow	
Estimated selling price of raw milk (RM):	
- Increased by 1%	+4%
- Decreased by 1%	-4%
Estimated raw milk produced (litre):	
- Increased by 1%	+4%
- Decreased by 1%	-4%
Estimated raising costs (RM):	
- Increased by 1%	-3%
- Decreased by 1%	+3%
Discount rate (%):	
- Increased by 1%	-3%
- Decreased by 1%	+3%

In respect of other variables, a reasonable possible change in the assumptions used will not result in any material change to the fair value of the biological assets.

4.2 Material accounting policy information

(a) Dairy cows and goats

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

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

During the current financial year, the Group adopted the income approach in which the dairy cows were considered for its projected quantity of milk to be produced over the life of the milkable cows as well as the projected market price of the raising calves to heifers and taking into account the expected feeding cost and both the calves and milkable cows' mortality rate. Changes to the projected milk quantity per dairy cow per day, the culling rate per annum of the milkable cows and calves and the feed cost of milkable cows and calves per day per dairy cow included in the valuation will have a direct effect on the reported valuation.

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

4. BIOLOGICAL ASSETS (CONTINUED)

4.2 Material accounting policy (continued)

(a) Dairy cows and goats (continued)

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

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

(b) Semen and embryos

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

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

5. INTANGIBLE ASSETS

Group	Water-use license RM'000	Goodwill RM'000	Trademark/ Brand RM'000	Software RM'000	Total RM'000
At cost					
At 1 April 2024	11,293	73,680	23,519	4,334	112,826
Addition	-	-	30	593	623
Amortisation	-	-	(42)	(232)	(274)
Transfer to assets held for sale (Note 15)	(472)	-	-	-	(472)
Exchange difference	(1,076)	(461)	(17)	(23)	(1,577)
At 31 March 2025/ 1 April 2025	**9,745**	**73,219**	**23,490**	**4,672**	**111,126**
Addition	**-**	**-**	**59**	**728**	**787**
Amortisation	**-**	**-**	**(45)**	**(848)**	**(893)**
Disposals	**(3,572)**	**-**	**-**	**-**	**(3,572)**
Transfer from assets held for sale (Note 15)	**424**	**-**	**-**	**-**	**424**
Exchange difference	**(90)**	**(32)**	**1**	**(1)**	**(122)**
At 31 March 2026	**6,507**	**73,187**	**23,505**	**4,551**	**107,750**

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

5. INTANGIBLE ASSETS (CONTINUED)

Company	Trademark/ Brand RM'000	Software RM'000	Total RM'000
At cost			
At 1 April 2024	135	4,091	4,226
Addition	29	363	392
Amortisation	(19)	-	(19)
At 31 March 2025/1 April 2025	**145**	**4,454**	**4,599**
Addition	**58**	**524**	**582**
Amortisation	**(24)**	**(760)**	**(784)**
At 31 March 2026	**179**	**4,218**	**4,397**

5.1 Water-use license

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

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

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

5.2 Impairment testing for cash-generating units containing intangible assets

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

	Goodwill		Trademark/Brand*	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Inside Scoop Sdn. Bhd. ("TISSB")	**45,722**	45,722	**23,182**	23,182
Sin Wah Ice Cream Sdn. Bhd. ("SWSB")	**23,117**	23,117	**-**	-
Australia's Kyabram facilities	**4,348**	4,380	**-**	-
	73,187	73,219	**23,182**	23,182

* *Excluding trademark for Farm Fresh Berhad and brand for St. David Dairy Pty Ltd at RM179,000 (2025: RM144,000) and RM144,000 (2025: RM164,000) respectively.*

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

5. INTANGIBLE ASSETS (CONTINUED)

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

(i) Cash-generating unit of TISSB

The recoverable amount is determined based on value in use (VIU) calculation for both the retail and consumer packaged goods (CPG) business of TISSB.

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

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

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

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

(ii) Cash-generating unit of SWSB

The recoverable amount is determined based on VIU calculation.

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

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

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

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

5. INTANGIBLE ASSETS (CONTINUED)

5.3 Material accounting policy information

(a) Recognition and measurement

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

(b) Amortisation

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

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

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

6. INVESTMENTS IN SUBSIDIARIES

	Company	
	2026 RM'000	2025 RM'000
Cost of investment	**189,868**	188,758
Loans to subsidiaries	**160,201**	135,978
	350,069	324,736

Included in investment in subsidiaries is an amount of RM7,133,000 (2025: RM6,344,000) arising from the ESOS granted to the subsidiaries' employees.

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

Details of the subsidiaries are as follows:

Name of entity	Principal place of business/Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2026 %	2025 %
Farm Fresh Milk Sdn. Bhd.	Malaysia	Rearing of dairy cows and goats and production and sales of cow's and goat's milk, yogurt and plant-based products	**100**	100
GEM Organics (M) Sdn. Bhd.	Malaysia	Dormant	**100**	100

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of entity	Principal place of business/Country of incorporation	Principal activities	Effective ownership interest and voting interest 2026 %	Effective ownership interest and voting interest 2025 %
AFS Dairy Company Australia Pty Ltd*	Australia	Holding of the semen and embryos of Australian Fresian Sahiwal dairy cattle	**100**	100
Farm Fresh (Desaru) Sdn. Bhd.	Malaysia	Rearing of dairy cows, production and sales of cow's raw milk	**100**	100
Farm Fresh (Taiping) Sdn. Bhd.	Malaysia	Rearing of dairy cows, production and sales of cow's raw milk and cow's milk products	**100**	100
Farm Fresh Agro Tourism Sdn. Bhd.	Malaysia	Rearing of dairy cows, production and sales of cow's milk and its agrotourism activities	**100**	100
Farm Fresh (Enstek) Sdn. Bhd.	Malaysia	Not commenced operations since the date of its incorporation. The intended principal activities of the Company are production, marketing and sales of dairy products, plant based related products, other ready-to-drink products, ice-cream and frozen confection	**100**	100
Farm Fresh Jomcha Sdn. Bhd. [$]	Malaysia	Development and operation of the "Jomcha" chains of beverage outlets as well as providing licensing of beverage outlets	**-**	100
Farm Fresh Borneo Sdn. Bhd. [@]	Malaysia	Dormant	**100**	-
The Acre Food & Beverage Sdn. Bhd. [@]	Malaysia	Operating and managing food and beverage activities	**100**	-
Volcanic 8 Sdn. Bhd. [@/^]	Malaysia	Dormant	**100**	-
Farm Fresh Digital Sdn. Bhd.	Malaysia	Sale of food and beverage via e-commerce	**51**	51
The Inside Scoop Sdn. Bhd.	Malaysia	Manufacturing of ice cream and ice cream related products, café business, trading of ice cream, investment holding, providing licensing of cafe outlets and other related services	**65**	65
Sin Wah Ice Cream Sdn. Bhd.	Malaysia	Manufacturing and selling for ice-cream	**70**	70
The Holstein Milk Company (Australia) Pty Ltd*	Australia	Investment holding	**80**	80
Farm Fresh Milk (HK) Limited [#/&]	Hong Kong	Dormant	**100**	100

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of entity	Principal place of business/Country of incorporation	Principal activities	Effective ownership interest and voting interest 2026 %	Effective ownership interest and voting interest 2025 %
The Provenance Creamery Pte Ltd[#/&]	Singapore	Distribution and retail of dairy products	**75**	100
Farm Fresh Milk Incorporated*	Philippines	Production and sale of milk products	**70**	70
PT. Farm Fresh Nusantara[&]	Indonesia	Dormant	**97**	97
PT. Wira Farm Fresh[&]	Indonesia	Dormant	**97**	97
Farm Fresh (Cambodia) Co.,Ltd. [@/&]	Cambodia	Dormant	**100**	-
Subsidiaries of The Holstein Milk Company (Australia) Pty Ltd				
Goulburn Valley Creamery Pty Ltd*	Australia	Rearing of dairy cows and the production, marketing and sale of cow's milk	**80**	80
Henry Jones Foods Pty Ltd*	Australia	Production of jam and sauces	**80**	80
Subsidiary of Goulburn Valley Creamery Pty Ltd				
St David Dairy Pty Ltd*	Australia	Sale of cow's milk, butter, yogurt, cream and cheese	**72**	72
Subsidiary of Farm Fresh Milk Incorporated				
Farm Fresh Distribution Incorporated*	Philippines	Sale and distribution of milk products	**53**	53

 # Not audited by KPMG PLT

** Audited by other member firm of KPMG*

@ Incorporated during the year

$ Disposed during the year (see Note 36)

& Qualifies for audit exemption and is not audited

^ Management account was used for the preparation of consolidated financial statements as the results and financial position of the management account is not material to the consolidated financial statements

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Financial year 2026

(i) On 5 August 2025, The Provenance Creamery Pte. Ltd. ("TPC") had issued additional 7,500 ordinary shares to the Company and 2,500 ordinary shares to a new shareholder. Accordingly, the Group's shareholding in TPC decreased from 100% to 75%. The Group recognised an increase in non-controlling interests of RM18,000 and a decrease in retained earnings of RM10,000.

(ii) On 1 December 2025, the Company entered into agreements with Koh Mi Trading Sdn Bhd, a major franchisee of "Jomcha" chains of beverage outlets, for a disposal of 51% equity interest in Farm Fresh Jomcha Sdn. Bhd. ("hereinafter referred to as "Jomcha"), resulting in the divestment of the Group's interest in Jomcha from 100% to 49%.

Upon the divestment of its investment, the Group no longer controlled Jomcha and retained interest in Jomcha as associate (See Note 7). Details of the divestment is disclosed in Note 36.

(iii) On 12 March 2026, Farm Fresh Milk Incorporated ("FFMI") had issued additional 70,000 ordinary shares to the Company and 30,000 ordinary shares to its existing shareholders. Accordingly, the Group's shareholding in FFMI remained at 70%. The Group recognised an increase of RM207,000 in relation to the shares of non-controlling interests.

Financial year 2025

(i) On 31 May 2024, the Company's equity interest in Farm Fresh Digital Sdn. Bhd. ("FFD"), decreased from 100% to 51% following the issuance of 679,998 ordinary shares, out of which 346,798 were issued to the Company and the remaining 333,200 to its new shareholder, comprising 197,200 shares to Aiken Digital Sdn. Bhd. ("Aiken") and 136,000 shares to Velocity 678 Sdn. Bhd. ("Velocity"). The Group recognised an increase in non-controlling interests of RM299,000 and an increase in retained earnings of RM34,000.

6.1 Non-controlling interests in subsidiaries

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

	The Holstein Milk Company (Australia) Pty Ltd and its subsidiaries	The Inside Scoop Sdn. Bhd.	Sin Wah Ice Cream Sdn. Bhd.	Other immaterial subsidiaries	Total
NCI percentage of ownership interest and voting interest	**20%**	**35%**	**30%**		
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Carrying amount of NCI	**1,864**	***28,206**	**6,115**	**(7,074)**	**29,111**
(Loss)/Profit allocated to NCI	**(511)**	**4,972**	**1,726**	**(5,796)**	**391**

* *Includes share of brand*

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

6.1 Non-controlling interests in subsidiaries (continued)

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

	2026		
	The Holstein Milk Company (Australia) Pty Ltd and its subsidiaries RM'000	The Inside Scoop Sdn. Bhd. RM'000	Sin Wah Ice Cream Sdn. Bhd. RM'000
Summarised financial information before intra-group elimination			
As at 31 March			
Non-current assets	**113,371**	**57,083**	**7,116**
Current assets	**106,797**	**38,090**	**18,935**
Non-current liabilities	**(65,688)**	**(16,332)**	**(871)**
Current liabilities	**(140,645)**	**(14,930)**	**(4,486)**
Net assets	**13,835**	**63,911**	**20,694**
Year ended 31 March			
Revenue	**174,528**	**100,633**	**56,779**
(Loss)/Profit for the year	**(1,644)**	**14,207**	**5,753**
Cash flows from operating activities	**12,818**	**24,541**	**7,990**
Cash flows used in investing activities	**17,731**	**(14,148)**	**(2,411)**
Cash flows used in financing activities	**(30,888)**	**(8,263)**	**(471)**
Net (decrease)/increase in cash and cash equivalents	**(339)**	**2,130**	**5,108**

	The Holstein Milk Company (Australia) Pty Ltd and its subsidiaries	The Inside Scoop Sdn. Bhd.	Sin Wah Ice Cream Sdn. Bhd.	Other immaterial subsidiaries	Total
NCI percentage of ownership interest and voting interest	20%	35%	30%		
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Carrying amount of NCI	2,397	*23,233	4,389	(1,912)	28,107
(Loss)/Profit allocated to NCI	(1,431)	2,711	1,625	(1,985)	920

* *Includes share of brand*

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

6.1 Non-controlling interests in subsidiaries (continued)

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

	2025		
	The Holstein Milk Company (Australia) Pty Ltd and its subsidiaries RM'000	The Inside Scoop Sdn. Bhd. RM'000	Sin Wah Ice Cream Sdn. Bhd. RM'000
Summarised financial information before intra-group elimination			
As at 31 March			
Non-current assets	128,521	45,669	5,570
Current assets	90,927	29,682	15,639
Non-current liabilities	(67,898)	(14,545)	(854)
Current liabilities	(135,953)	(11,511)	(5,552)
Net assets	15,597	49,295	14,803
Year ended 31 March			
Revenue	214,277	72,996	41,234
(Loss)/Profit for the year	(5,632)	7,746	5,417
Cash flows from operating activities	16,691	16,125	3,647
Cash flows used in investing activities	(12,511)	(18,329)	(2,297)
Cash flows used in financing activities	(5,715)	(6,611)	(561)
Net (decrease)/increase in cash and cash equivalents	(1,535)	(8,815)	789

6.2 Material accounting policy information

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

7. INVESTMENT IN AN ASSOCIATE

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Investment in shares	6,471	-	7,350	-
Share of post-acquisition of reserves	(693)	-	-	-
Group's share of net assets	5,778	-	7,350	-

Details of the associate are as follows:

Name of entity	Principal place of business/Country of incorporation	Principal activities	Effective ownership interest and voting interest 2026 %	Effective ownership interest and voting interest 2025 %
Farm Fresh Jomcha Sdn. Bhd.	Malaysia	Development and operation of the "Jomcha" chains of beverage outlets as well as providing licensing of beverage outlets	49	-

	Group 2026 RM'000
Summarised financial information	
As at 31 March	
Non-current assets	15,232
Current assets	5,391
Non-current liabilities	(2,492)
Current liabilities	(6,339)
Net assets	11,792
1.12.2025 to 31.03.2026	
Loss and total other comprehensive expense for the year	(1,414)
Included in the total comprehensive income is:	
Revenue	5,530
Reconciliation of net assets to carrying amount	
As at 31 March	
Group's share of net assets/Carrying amount in statements of financial position	5,778
Group' shares of results	
Year ended 31 March	
Group's share of loss and total comprehensive expense	(693)

7.1 Material accounting policy information

Investment in an associate is measured in the Company's statement of financial position at cost less any impairment losses.

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

8. TRADE AND OTHER RECEIVABLES

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Non-current					
Net investment in lease	8.1	**195**	268	**-**	-
Current					
Trade receivables	8.2	**213,383**	159,252	**76,228**	62,974
Other receivables	8.2	**17,201**	13,516	**4,512**	4,339
Deposits		**15,679**	8,911	**931**	938
Prepayments		**14,737**	10,220	**2,293**	2,599
Advance payments	8.3	**48,474**	14,482	**32,604**	9,320
Net investment in lease	8.1	**203**	284	**-**	-
		309,677	206,665	**116,568**	80,170
		309,872	206,933	**116,568**	80,170

8.1 Net investment in lease

	Group 2026 RM'000	Group 2025 RM'000
At 1 April	**552**	715
Addition	**-**	47
Interest income	**18**	28
Lease payments received	**(172)**	(238)
At 31 March	**398**	552

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

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

The lease payments to be received are as follows:

	Group 2026 RM'000	Group 2025 RM'000
Less than one year	**215**	302
One to two years	**85**	85
Two to three years	**85**	85
Three to four years	**36**	85
Four to five years	**-**	36
Total undiscounted lease payments	**421**	593
Unearned interest income	**(23)**	(41)
Net investment in lease	**398**	552

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

8. TRADE AND OTHER RECEIVABLES (CONTINUED)

8.1 Net investment in lease (continued)

The following are recognised in profit or loss:

	Group	
	2026 RM'000	2025 RM'000
Loss for new finance lease entered into	-	4

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

	Group	
	2026 RM'000	2025 RM'000
Other receivables	**6**	123

8.3 The advance payments are paid to suppliers for machineries, raw materials and services to be performed. These advances were unsecured, interest free and expected to set off against future billings.

9. DEFERRED TAX ASSETS/(LIABILITIES)

9.1 Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Group						
Intangible asset	-	-	**(5,564)**	(5,564)	**(5,564)**	(5,564)
Property, plant and equipment	-	-	**(29,644)**	(24,298)	**(29,644)**	(24,298)
Change in fair value of biological assets	-	-	**(15,114)**	(11,979)	**(15,114)**	(11,979)
Fair value gain of derivative assets	-	-	**(782)**	(27)	**(782)**	(27)
Allowance for impairment in respect of trade receivables	**1,948**	1,281	-	-	**1,948**	1,281
Slow-moving inventories	**65**	135	-	-	**65**	135
Unabsorbed capital allowances	**10,039**	8,908	-	-	**10,039**	8,908
Unutilised tax losses	**12,639**	13,503	-	-	**12,639**	13,503
Others	**3,121**	3,067	-	-	**3,121**	3,067
Deferred tax assets/(liabilities)	**27,812**	26,894	**(51,104)**	(41,868)	**(23,292)**	(14,974)
Set off of tax	**(16,504)**	(17,523)	**16,504**	17,523	-	-
Net deferred tax assets/ (liabilities)	**11,308**	9,371	**(34,600)**	(24,345)	**(23,292)**	(14,974)

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

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

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

	Company	
	2026 RM'000	2025 RM'000
Property, plant and equipment	**(13,985)**	(10,651)
Change in fair value of biological assets	**(3,460)**	-
Fair value loss of derivative liabilities/ (gain of derivative assets)	**24**	(26)
Allowance for impairment in respect of trade receivables	**1,272**	692
Unabsorbed capital allowances	**1,241**	28
Unutilised tax losses	**303**	-
Others	**314**	284
	(14,291)	(9,673)

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

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

Unutilised tax losses of RM7,665,000 (2025: RM10,423,000) are relating to The Holstein Milk Company (Australia) Pty. Ltd. Group which has no expiry.

9.2 Unrecognised deferred tax assets

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

	Group	
	2026 RM'000	2025 RM'000
Property, plant and equipment	**(12,712)**	(14,266)
Unabsorbed capital allowances	**13,237**	12,945
Unutilised tax losses	**17,742**	15,899
Change in fair value of biological assets	**(6,768)**	(5,676)
Others	**99**	11
	11,598	8,913

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

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

9.2 Unrecognised deferred tax assets (continued)

The comparative figures have been restated to reflect the unabsorbed capital allowances and unutilised tax losses available to the Group.

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

	Group	
	2026 RM'000	**2025 RM'000**
2028	**589**	777
2029	**14**	788
2030	**1,038**	1,038
2031	**1,353**	2,065
2032	**2,580**	2,580
2033	**3,008**	3,418
2034	**267**	942
2035	**3,480**	4,291
2036	**5,413**	-
	17,742	15,899

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

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

9.3 Movement in temporary differences during the year

Group	At 1 April 2024 RM'000	Recognised in profit or loss (Note 24) RM'000	Recognised in other comprehensive income (Note 26) RM'000	Exchange differences RM'000	At 31 March 2025/ 1 April 2025 RM'000	Recognised in profit or loss (Note 24) RM'000	Recognised in other comprehensive income (Note 26) RM'000	Exchange differences RM'000	At 31 March 2026 RM'000
Intangible asset	(5,564)	-	-	-	(5,564)	-	-	-	(5,564)
Property, plant and equipment	(20,532)	(3,905)	-	139	(24,298)	(5,358)	-	12	(29,644)
Change in fair value of biological assets	(10,844)	(1,454)	-	319	(11,979)	(3,168)	-	33	(15,114)
Fair value gain of derivative assets	(253)	220	(1)	7	(27)	26	(781)	-	(782)
Allowance for impairment in respect of trade receivables	444	837	-	-	1,281	667	-	-	1,948
Slow-moving inventories	226	(83)	-	(8)	135	(70)	-	-	65
Unabsorbed capital allowances	8,557	351	-	-	8,908	1,131	-	-	10,039
Unutilised tax losses	14,990	(356)	-	(1,131)	13,503	(663)	-	(201)	12,639
Others	2,741	570	-	(244)	3,067	73	-	(19)	3,121
	(10,235)	(3,820)	(1)	(918)	(14,974)	(7,362)	(781)	(175)	(23,292)

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

9.3 Movement in temporary differences during the year (continued)

Company	At 1 April 2024 RM'000	Recognised in profit or loss (Note 24) RM'000	Recognised in other comprehensive income (Note 26) RM'000	At 31 March 2025/ 1 April 2025 RM'000	Recognised in profit or loss (Note 24) RM'000	Recognised in other comprehensive income (Note 26) RM'000	At 31 March 2026 RM'000
Property, plant and equipment	(9,135)	(1,516)	-	(10,651)	(3,334)	-	**(13,985)**
Changes in fair value of biological assets	-	-	-	-	(3,460)	-	**(3,460)**
Fair value gain of derivative assets	(2)	2	(26)	(26)	-	**26**	**-**
Fair value loss of derivative liabilities	-	-	-	-	-	**24**	**24**
Allowance for impairment in respect of trade receivables	230	462	-	692	580	-	**1,272**
Unabsorbed capital allowances	17	11	-	28	1,213	-	**1,241**
Unutilised tax losses	-	-	-	-	303	-	**303**
Others	253	31	-	284	30		**314**
	(8,637)	(1,010)	(26)	(9,673)	(4,668)	**50**	**(14,291)**

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

10. DUE FROM/(TO) SUBSIDIARIES AND AN ASSOCIATE

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Non-current				
Due from subsidiaries				
- non-trade	-	-	**73,650**	73,650
Current				
Due from subsidiaries				
- trade	-	-	**24,009**	17,671
- non-trade	-	-	**219,113**	164,314
	-	-	**243,122**	181,985
	-	-	**316,772**	255,635
Due from an associate				
- trade	**4,836**	-	**615**	-
Due to subsidiaries				
- trade	-	-	**(156,318)**	(118,829)
- non-trade	-	-	**(4,892)**	(5,171)
	-	-	**(161,210)**	(124,000)

The non-current amounts due from subsidiaries are unsecured and subject to an interest ranging from 4.13% to 4.95% (2025: 4.13% to 4.95%) per annum.

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

11. INVENTORIES

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Raw material		**105,400**	66,192	**69,195**	47,203
Raw milk		**44,749**	30,518	**11,955**	8,909
Consumables		**21,222**	20,138	**6,895**	3,110
Goods-in-transit		**25,208**	26,467	**7,306**	1,244
Finished goods		**37,195**	31,549	**25,981**	23,583
Work-in-progress		**116**	468	**-**	239
		233,890	175,332	**121,332**	84,288
Recognised in profit or loss:					
- Inventories recognised as cost of sales		**529,288**	469,757	**308,965**	253,702
- Written down of obsolete and slow-moving inventories	11.1	**9**	438	**267**	618
		529,297	470,195	**309,232**	254,320

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

11. INVENTORIES (CONTINUED)

11.1 Written down of obsolete and slow-moving inventories

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

11.2 Material accounting policy information

(a) Recognition and measurement

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

(b) Raw milk

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

12. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

	Group 2026		Group 2025	
	Nominal value RM'000	Asset RM'000	Nominal value RM'000	Asset/ (Liabilities) RM'000
Derivatives used for hedging				
Commodity future contracts	**38,680**	**2,660**	19,550	(168)
Forward exchange contracts	**115,953**	**599**	93,770	(260)
	154,633	**3,259**	113,320	(428)
Derivatives at fair value through profit or loss				
Interest rate swap	**–**	**–**	13,928	86
	154,633	**3,259**	127,248	(342)

	Company 2026		Company 2025	
	Nominal value RM'000	(Liabilities) RM'000	Nominal value RM'000	Asset RM'000
Derivatives used for hedging				
Forward exchange contracts	**34,014**	**(99)**	32,135	107
	34,014	**(99)**	32,135	107

Commodity future contracts and forward exchange contracts

The commodity future contracts are used to lock in milk powder price for future purchase while forward exchange contracts are used to manage the foreign currency exposures arising from the monetary assets and liabilities denominated in currencies other than the functional currencies of the Group entities and are designated as cash flow hedge. Most of the forward exchange contracts have maturities of less than one year after the year end of the reporting period. Where necessary, the forward exchange contracts are rolled over at maturity.

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

12. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) (CONTINUED)

Interest rate swap

Interest rate swap is used to achieve an appropriate mix of fixed and floating interest rate exposure. In the prior financial year, the Group were entered into an interest rate swap with nominal value of RM13,928,000 to manage interest rate fluctuation on a bank loan.

Commodities and forward exchange contract

The effective portion of changes in fair value of the derivatives designated as a cashflow hedge instrument at inception will be recognised in other comprehensive income until the hedging instrument's maturity or settlement.

Interest rate swap

The Group uses interest rate swap contracts to hedge the exposure of the floating interest rate. Such derivative financial instruments are initially recognised at fair value on the date on which derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognised directly to the profit or loss.

13. OTHER INVESTMENTS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Financial assets at fair value through profit or loss:				
Money market fund	**194,446**	64,037	**193,292**	62,921

14. CASH AND CASH EQUIVALENTS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash and bank balances	**166,194**	57,412	**120,413**	13,745
Deposits placed with licensed banks	**5,393**	1,373	**–**	–
	171,587	58,785	**120,413**	13,745

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

15. ASSETS CLASSIFIED AS HELD FOR SALE

Certain farm properties, biological assets and intangible assets within the Australia's operation is presented as a disposal group held for sale following the commitment of the Group's management to a plan to sell part of the farms. Efforts to sell the disposal group have commenced, and the sale of the farm properties is expected to be concluded by end 2027.

On 31 March 2026, the assets of the disposal group are as follows:

	Freehold land and building RM'000	Biological assets RM'000	Water-use license RM'000	Total RM'000
Group				
At 1 April 2024	–	–	–	–
Transferred from property, plant and equipment (Note 2)	24,538	–	–	24,538
Transferred from biological assets (Note 4)	–	3,134	–	3,134
Transferred from intangible assets (Note 5)	–	–	472	472
At 31 March 2025/1 April 2025	24,538	3,134	472	28,144
Transferred from property, plant and equipment (Note 2)	**8,270**	**–**	**–**	**8,270**
Transferred to intangible assets (Note 5)	**–**	**–**	**(424)**	**(424)**
Disposals	**(18,846)**	**(3,093)**	**(41)**	**(21,980)**
Exchange difference	**(238)**	**(41)**	**(7)**	**(286)**
At 31 March 2026	**13,724**	**–**	**–**	**13,724**

16. CAPITAL AND RESERVES

Share capital

	Group/Company		Group/Company Number of ordinary shares	
	2026 RM'000	2025 RM'000	2026	2025
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares:				
At 1 April	**404,847**	399,555	**1,875,145,370**	1,871,920,037
Shares issued under ESOS	**15,230**	5,292	**9,217,167**	3,225,333
At 31 March	**420,077**	404,847	**1,884,362,537**	1,875,145,370

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

16. CAPITAL AND RESERVES (CONTINUED)

Reserves

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Non-distributable					
Translation reserve	16.2	**(27,547)**	(18,352)	**–**	–
Hedging reserve	16.3	**2,477**	(429)	**(76)**	81
Employee share-based reserve	16.4	**4,967**	6,686	**4,967**	6,686
Put option reserve	16.8	**(75,592)**	(55,833)	**–**	–
		(95,695)	(67,928)	**4,891**	6,767
Distributable		**474,387**	363,213	**168,114**	113,075
Retained earnings		**378,692**	295,285	**173,005**	119,842

16.1 Ordinary shares

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

16.2 Translation reserve

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

16.3 Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net changes in the fair value of cash flow hedge related to hedged transactions that have not get occurred.

16.4 Employee share-based reserve

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

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

16.5 Equity settled share-based transaction

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

16. CAPITAL AND RESERVES (CONTINUED)

16.5 Equity settled share-based transaction (continued)

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

	Grant date	Number of options ('000)	Vesting conditions	Contractual life of options
First grant	21 March 2022	33,380	Malaysian employees Vest over 3 years Australian employees 25% of the options for first and second calendar year 50% of the options issued for third calendar year	10 years
Second grant	11 May 2023	4,482	Vest over 3 years	9 years
Third grant	9 July 2024	8,280	Vest over 3 years	8 years

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

	2026		2025	
	Weighted average exercise price RM	Number of options ('000)	Weighted average exercise price RM	Number of options ('000)
Outstanding at 1 April	**1.38**	**27,497**	1.36	23,682
Granted during the year	**–**	**–**	1.45	7,190
Forfeited during the year	**1.35**	**(30)**	1.35	(150)
Exercised during the year	**1.37**	**(9,217)**	1.36	(3,225)
Outstanding at 31 March	**1.39**	**18,250**	1.38	27,497
Exercisable at 31 March		**15,193**		20,657

The options outstanding at 31 March 2026 have an exercise price of RM1.39 (2025: RM1.38) and a weighted average contractual life of 6 years (2025: 7 years).

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

16. CAPITAL AND RESERVES (CONTINUED)

16.6 Fair value of share options and assumptions

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

	ESOS 1 (21 March 2022)	ESOS 2 (11 May 2023)	ESOS 3 (9 July 2024)
Fair value at grant date	RM0.28	RM0.30	RM0.32
Share price at grant date	RM1.35	RM1.46	RM1.45
Expected volatility (weighted average volatility)	12.12%	12.46%	11.82%
Option life (expected weighted average life)	10 years	10 years	10 years
Expected dividends	2.50%	2.50%	2.10%
Risk-free interest rate (based on Malaysian Government Securities)	3.735%	3.724%	3.853%

16.7 Value of employee services received for issue of share options

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
First grant	–	729	–	139
Second grant	**82**	199	**13**	32
Third grant	**828**	1,051	**108**	137
Total expense recognised as equity settled share-based transactions	**910**	1,979	**121**	308

16.8 Put option reserve

Put option reserve relates to Shareholders' Agreement ("SHA") entered by the Company with the non-controlling shareholder of TISSB which give rise to an obligation by the Company to purchase TISSB's equity interest held by non-controlling shareholder as detailed in Note 19.

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

17. DEFERRED INCOME

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Government grant received				
At 1 April	**10,115**	8,011	**8,011**	8,011
Additions	**231**	2,217	**–**	–
Exchange differences	**(15)**	(113)	**–**	–
At 31 March	**10,331**	10,115	**8,011**	8,011
Less: Amortisation				
At 1 April	**(2,469)**	(1,785)	**(2,056)**	(1,785)
Charge for the year	**(443)**	(708)	**(270)**	(271)
Exchange differences	**2**	24	**–**	–
At 31 March	**(2,910)**	(2,469)	**(2,326)**	(2,056)
	7,421	7,646	**5,685**	5,955
Carrying amounts of government grant				
Non-current	**6,972**	6,703	**5,414**	5,684
Current	**449**	943	**271**	271
	7,421	7,646	**5,685**	5,955

The balances consist of government grants as follow:

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

17.1 Material accounting policy information

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

18. LOANS AND BORROWINGS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Non-current				
Unsecured				
Sukuk	**425,000**	300,000	**425,000**	300,000
Secured				
Hire purchase liabilities	**1,343**	2,481	**–**	–
Term loans	**524**	3,801	**524**	1,015
	426,867	306,282	**425,524**	301,015
Current				
Unsecured				
Sukuk	**205,809**	3,405	**205,809**	3,405
Secured				
Hire purchase liabilities	**1,200**	6,262	**–**	–
Short-term financing	**36**	27	**–**	–
Term loans	**17,947**	24,324	**490**	458
Bankers' acceptances	**61,963**	57,604	**10,000**	4,955
	286,955	91,622	**216,299**	8,818
	713,822	397,904	**641,823**	309,833

Security

All the term loans and bankers' acceptances are secured by:

i) Group's land and buildings and right-of-use assets as disclosed in Notes 2 and 3 respectively; and
ii) Corporate guarantee by the Company and a subsidiary.

Significant covenants

Certain borrowings are subject to the following covenants:

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

18. LOANS AND BORROWINGS (CONTINUED)

Sukuk

The Group and the Company have established a Sukuk Wakalah Programme ("Sukuk") of RM1.0 billion in nominal value on 18 May 2021, pursuant to which it has issued the following:

Tranche	Nominal value RM'000	Issue Date	Maturity Date	Profit rate %
1	200,000	28 May 2021	28 May 2026	3.72
2	100,000	27 June 2023	27 June 2028	4.46
3	125,000	10 October 2025	10 October 2030	3.74
4	200,000	27 February 2026	27 February 2031	3.76

The profit rate is payable semi-annually. The Sukuk with maturity date of 28 May 2026 has been fully settled after the financial year.

Hire purchase liabilities

Hire purchase liabilities are payable as follows:

Group	Future minimum lease payments RM'000	Interest RM'000	Present value of minimum lease payments RM'000
2026			
Less than one year	**1,330**	**130**	**1,200**
Between one and five years	**1,463**	**120**	**1,343**
	2,793	**250**	**2,543**
2025			
Less than one year	6,505	243	6,262
Between one and five years	2,723	242	2,481
	9,228	485	8,743

19. PUT OPTION LIABILITY

	Group	
	2026 RM'000	2025 RM'000
At 1 April	**55,833**	36,955
Changes in put option liability	**19,759**	18,878
At 31 March	**75,592**	55,833

As disclosed in Note 16, the Company entered into a Shareholders' Agreement ("SHA") with the non-controlling shareholder of The Inside Scoop Sdn. Bhd. ("TISSB") which grants the non-controlling shareholder the right to require the Company to purchase their equity interest in TISSB in accordance to the terms of the SHA upon occurrence of any triggering events or annually commencing from the 3rd anniversary of the SHA's completion date.

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

19. PUT OPTION LIABILITY (CONTINUED)

Significant judgements and assumptions in relation to put option liability

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

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

Material accounting policy information

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

20. TRADE AND OTHER PAYABLES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Trade payables	**64,700**	32,896	**12,406**	6,488
Other payables	**59,302**	40,368	**22,817**	11,464
Accrued expenses	**46,568**	32,540	**12,912**	11,552
Due to Directors	**546**	875	**–**	–
	171,116	106,679	**48,135**	29,504

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

21. REVENUE

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue from contracts with customers				
- Sales of goods	**1,108,052**	972,717	**546,952**	451,044
- Revenue from agrotourism	**6,879**	7,898	**–**	–
- Royalty and franchise fees	**507**	566	**–**	–
	1,115,438	981,181	**546,952**	451,044

21.1 Disaggregation of revenue

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Timing of recognition				
- At a point in time	**1,114,931**	980,615	**546,952**	451,044
- Over time	**507**	566	**–**	–
	1,115,438	981,181	**546,952**	451,044

21.2 Nature of goods and services

The following information reflects the typical transactions of the Group:

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

21. REVENUE (CONTINUED)

21.2 Nature of goods and services (continued)

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

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

The revenue generated by the Group is predominantly from Malaysia.

22. FINANCE INCOME

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Interest income on net investment in lease	**18**	28	**–**	–
Other finance income	**1,078**	1,034	**3,499**	3,340
	1,096	1,062	**3,499**	3,340

23. FINANCE COSTS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Interest expense on lease liabilities	**1,631**	1,545	**258**	330
Other finance costs	**16,831**	16,127	**15,299**	12,376
Total finance costs	**18,462**	17,672	**15,557**	12,706
Less: Accrual of profit/finance costs	**(7,440)**	(4,950)	**(6,067)**	(3,735)
Add: Accrual of profit/ finance costs brought forward paid in current year	**3,405**	3,366	**3,405**	3,366
Interest paid	**14,427**	16,088	**12,895**	12,337

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

24. TAX EXPENSE

24.1 Recognised in profit or loss

Major components of income tax expense include:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Current tax expense				
- Current year	**6,237**	4,265	**–**	263
- Over provision in prior year	**(518)**	(167)	**(84)**	(182)
	5,719	4,098	**(84)**	81
Deferred tax expense				
- Origination and reversal of temporary differences	**8,167**	3,975	**4,659**	1,248
- (Over)/Under provision in prior year	**(805)**	(155)	**9**	(238)
	7,362	3,820	**4,668**	1,010
	13,081	7,918	**4,584**	1,091

24.2 Reconciliation of tax expense

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Profit before tax		**143,431**	115,233	**78,398**	54,011
Income tax calculated using Malaysian tax rate of 24%		**34,424**	27,656	**18,816**	12,963
Non-deductible expenses		**2,046**	4,865	**666**	456
Non-taxable income		**(704)**	(876)	**(689)**	(853)
Tax incentive	9	**(21,763)**	(22,912)	**(14,134)**	(11,055)
Effect of unrecognised deferred tax assets		**644**	94	**–**	–
Effect of different tax rate in foreign jurisdictions		**(243)**	(587)	**–**	–
		14,404	8,240	**4,659**	1,511
Over provision in prior year		**(1,323)**	(322)	**(75)**	(420)
Tax expense		**13,081**	7,918	**4,584**	1,091

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

25. PROFIT FOR THE YEAR

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Profit for the year is arrived at after charging/(crediting)					
Audit fees:					
- KPMG PLT		**500**	420	**200**	130
- Member firm of KPMG International Limited		**438**	35	**–**	–
- Other auditor		**–**	412	**–**	–
Non-audit fees:					
- KPMG PLT		**276**	275	**272**	270
- Local affiliates of KPMG PLT		**674**	169	**354**	46
- Member firm of KPMG International Limited		**82**	–	**–**	–
- Other auditor		**–**	156	**–**	–
Depreciation and amortisation:					
- property, plant and equipment		**54,349**	48,080	**18,479**	16,120
- right-of-use assets		**11,363**	10,163	**239**	286
- intangible assets		**893**	274	**784**	19
Equity settled share-based payment		**910**	1,979	**121**	308
Impairment loss on trade receivables		**2,834**	3,551	**2,416**	1,926
Bad debts written off/Waiver of debt		**–**	213	**1,591**	–
Property, plant and equipment written off		**547**	252	**–**	–
Impairment of obsolete and slow-moving inventories		**9**	438	**267**	618
(Gain)/Loss on disposal of:					
- property, plant and equipment		**(866)**	(262)	**17**	287
- intangible assets		**(460)**	–	**–**	–
- assets classified as held for sale		**(1,658)**	–	**–**	–
Gain on divestment of a subsidiary		**(915)**	–	**–**	–
Gain on derecognition of lease		**(84)**	(110)	**–**	–
Amortisation of deferred income		**(443)**	(708)	**(270)**	(271)
Net foreign exchange loss		**1,296**	2,312	**142**	236
Personnel expenses (including key management personnel):					
- contribution to state plans		**9,202**	7,758	**1,726**	1,432
- wages, salaries and others		**125,205**	106,955	**28,106**	22,755

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

25. PROFIT FOR THE YEAR (CONTINUED)

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Rental income from subleasing of property	2	**(286)**	(827)	**–**	–
Expenses relating to short-term leases	a	**5,637**	5,791	**35**	24
Expenses relating to leases of low-value assets	a	**794**	560	**16**	14
Fair value loss/(gain) of:					
- derivatives financial instruments		**85**	820	**–**	7
- other investments		**(2,450)**	(2,450)	**(2,415)**	(2,418)
Distribution income from money market investments		**(459)**	(1,143)	**(456)**	(1,138)
Realised loss/(gain) on derivative financial instruments		**1,376**	(4,444)	**–**	–

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

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

26. OTHER COMPREHENSIVE (EXPENSE)/INCOME ("OCI")

	Before tax RM'000	Tax (expense)/ credit RM'000	Net of tax RM'000
Group			
2026			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations			
- Losses during the year	**(8,810)**	**-**	**(8,810)**
Cash flow hedge			
- Gain during the year	**3,687**	**(781)**	**2,906**
	(5,123)	**(781)**	**(5,904)**
2025			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations			
- Losses during the year	(18,875)	-	(18,875)
Cash flow hedge			
- Losses during the year	(428)	(1)	(429)
	(19,303)	(1)	(19,304)

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

26. OTHER COMPREHENSIVE (EXPENSE)/INCOME ("OCI") (CONTINUED)

	Before tax RM'000	Tax (expense)/ credit RM'000	Net of tax RM'000
Company			
2026			
Items that are or may be reclassified subsequently to profit or loss			
Cash flow hedge			
- Losses during the year	**(207)**	**50**	**(157)**
2025			
Items that are or may be reclassified subsequently to profit or loss			
Cash flow hedge			
- Gain during the year	107	(26)	81

27. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at 31 March 2026 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	2026 RM'000	2025 RM'000
Profit for the year attributable to owners	**129,959**	106,395

Weighted average number of ordinary shares are determined as follows:

	2026	2025
Weighted average number of ordinary shares	**1,879,348,526**	1,873,862,952
Basic earnings per ordinary share (sen)	**6.92**	5.68

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

27. EARNINGS PER ORDINARY SHARE (CONTINUED)

Diluted earnings per ordinary share

The calculation of diluted earnings per ordinary share at 31 March 2026 was based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

	2026 RM'000	2025 RM'000
Profit for the year attributable to owners (diluted)	**129,959**	106,395

	2026	2025
Weighted average number of ordinary shares (basic)	**1,879,348,526**	1,873,862,952
Effect of share options in issue	**6,957,355**	4,575,579
Weighted average number of ordinary shares (diluted)	**1,886,305,881**	1,878,438,531
Diluted earnings per ordinary share (sen)	**6.89**	5.66

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

28. DIVIDENDS

Dividends recognised by the Group/Company are:

	Sen per share	Total amount RM'000	Date of payment
2026			
Final 2025	**1.00**	**18,775**	**17 October 2025**
2025			
Final 2024	1.20	22,480	10 October 2024
Interim 2025	1.00	18,748	27 December 2024
Total amount		41,228	

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

	Sen per share	Total amount RM
Final dividend 2026	**2.00**	**37.7 million**

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

29. OPERATING SEGMENTS

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

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

The other overseas operations are not material for disclosure and have been included as part of the Malaysia's operations for the financial year.

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

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

	Malaysia's operation RM'000	Australia's operation RM'000	Intra-group adjustments RM'000	Total RM'000
2026				
Segment profit/(loss) before tax	**143,831**	**(2,161)**	**1,761**	**143,431**
Included in the measure of segment profit/ (loss) before tax are:				
Revenue from external customers	**1,060,600**	**54,838**	**–**	**1,115,438**
Inter-segment revenue	**212,931**	**150,005**	**(362,936)**	**–**
Depreciation and amortisation	**(57,959)**	**(8,646)**	**–**	**(66,605)**
Finance costs	**(16,296)**	**(5,583)**	**3,417**	**(18,462)**
Finance income	**4,187**	**326**	**(3,417)**	**1,096**
Information provided to Group Managing Director				
Additions to non-current assets other than financial instruments and deferred tax assets	**206,255**	**24,028**	**–**	**230,283**

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

29. OPERATING SEGMENTS (CONTINUED)

	Malaysia's operation RM'000	Australia's operation RM'000	Intra-group adjustments RM'000	Total RM'000
2025				
Segment profit/(loss) before tax	125,293	(9,791)	(269)	115,233
Included in the measure of segment profit/ (loss) before tax are:				
Revenue from external customers	881,249	99,932	–	981,181
Inter-segment revenue	168,721	130,840	(299,561)	–
Depreciation and amortisation	(49,302)	(9,215)	–	(58,517)
Finance costs	(14,580)	(6,509)	3,417	(17,672)
Finance income	4,154	325	(3,417)	1,062
Information provided to Group Managing Director				
Additions to non-current assets other than financial instruments and deferred tax assets	131,607	17,383	–	148,990

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

	Revenue	
	2026 RM'000	2025 RM'000
Malaysia	**977,277**	835,097
Australia	**54,838**	99,932
Singapore	**32,340**	31,118
Philippines	**31,878**	14,251
Cambodia	**18,366**	–
Others	**739**	783
Total	**1,115,438**	981,181

Major customers

There is 1 major customer with revenue equal to or more than 10% of the Group's total revenue during the year and prior year.

	Revenue		Segment
	2026 RM'000	2025 RM'000	
All common control companies of:			
Customer A	**166,481**	99,043	Malaysia

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS

30.1 Categories of financial instruments

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

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

Group	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000	Derivatives used for hedging RM'000
2026				
Financial assets				
Trade and other receivables (excluding prepayments and advance payment)	**246,661**	**246,661**	**-**	**–**
Due from an associate	**4,836**	**4,836**	**–**	**–**
Cash and cash equivalents	**171,587**	**171,587**	**–**	**–**
Derivative financial assets	**3,259**	**–**	**–**	**3,259**
Other investments	**194,446**	**–**	**194,446**	**–**
	620,789	**423,084**	**194,446**	**3,259**
Financial liabilities				
Loans and borrowings	**(713,822)**	**(713,822)**	**–**	**–**
Trade and other payables	**(171,116)**	**(171,116)**	**–**	**–**
	(884,938)	**(884,938)**	**–**	**–**
2025				
Financial assets				
Trade and other receivables (excluding prepayments and advance payment)	182,231	182,231	–	–
Cash and cash equivalents	58,785	58,785	–	–
Derivative financial assets	86	–	86	–
Other investments	64,037	–	64,037	–
	305,139	241,016	64,123	–
Financial liabilities				
Loans and borrowings	(397,904)	(397,904)	–	–
Trade and other payables	(106,679)	(106,679)	–	–
Derivative financial liabilities	(428)	–	–	(428)
	(505,011)	(504,583)	–	(428)

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.1 Categories of financial instruments (continued)

Company	Carrying amount RM'000	AC RM'000	Mandatorily at FVTPL RM'000	Derivatives used for hedging RM'000
2026				
Financial assets				
Trade and other receivables (excluding prepayments and advance payment)	**81,671**	**81,671**	**–**	**–**
Due from subsidiaries	**316,772**	**316,772**	**–**	**–**
Due from an associate	**615**	**615**	**–**	**–**
Cash and cash equivalents	**120,413**	**120,413**	**–**	**–**
Other investments	**193,292**		**193,292**	**–**
	712,763	**519,471**	**193,292**	**–**
Financial liabilities*				
Loans and borrowings	**(641,823)**	**(641,823)**	**–**	**–**
Trade and other payables	**(48,135)**	**(48,135)**	**–**	**–**
Due to subsidiaries	**(161,210)**	**(161,210)**	**–**	**–**
Derivative financial liabilities	**(99)**	**–**	**–**	**(99)**
	(851,267)	**(851,168)**	**–**	**(99)**
2025				
Financial assets				
Trade and other receivables (excluding prepayments and advance payment)	68,251	68,251	–	–
Due from subsidiaries	255,635	255,635	–	–
Cash and cash equivalents	13,745	13,745	–	–
Derivative financial assets	107	–	–	107
Other investments	62,921	–	62,921	–
	400,659	337,631	62,921	107
Financial liabilities*				
Loans and borrowings	(309,833)	(309,833)	–	–
Trade and other payables	(29,504)	(29,504)	–	–
Due to subsidiaries	(124,000)	(124,000)	–	–
	(463,337)	(463,337)	–	–

* *Excludes liabilities on put option granted to non-controlling interests.*

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.2 Net gains and losses arising from financial instruments

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Net gains/(losses) on:				
Financial assets at FVTPL (Note 30.2.1)				
- Mandatorily required by MFRS 9	**2,824**	3,244	**2,871**	3,556
Financial liabilities at FVTPL (Note 30.2.2)				
- Mandatorily required by MFRS 9	**(1,376)**	3,973	**–**	(7)
Financial assets at AC (Note 30.2.3)	**(1,734)**	(2,722)	**(508)**	1,414
Financial liabilities at AC (Note 30.2.4)	**(18,064)**	(18,098)	**(15,441)**	(12,612)
Derivatives used for hedging				
- Recognised in other comprehensive income	**2,906**	(429)	**(157)**	81
	(15,444)	(14,032)	**(13,235)**	(7,568)

30.2.1 Financial assets at FVTPL

Included in the net gains and losses on financial assets at FVTPL are fair value gain on other investments, derivatives and distribution income from money market investments which are recognised in profit or loss.

30.2.2 Financial liabilities at FVTPL

Included in the net gains and losses on financial liabilities at FVTPL are realised gain on derivative financial instruments and fair value loss on derivative financial instruments which are recognised in profit or loss.

30.2.3 Financial assets at AC

Included in the net gains and losses on financial assets at AC are interest income, impairment loss on trade receivables and foreign exchange losses which are recognised in profit or loss.

30.2.4 Financial liabilities at AC

Included in the net gains and losses on financial liabilities at AC are interest expense and foreign exchange losses which are recognised in profit or loss.

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.3 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

30.4 Credit risk

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

Trade receivables

Risk management objectives, policies and processes for managing the risk

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

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

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

There are no significant changes as compared to prior period.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and amounts due from subsidiaries are represented by the carrying amounts in the statements of financial position.

Concentration of credit risk

The Group and the Company have significant concentration of credit risk arising from amounts due from one (2025: one) major customer, representing 11% and 28% (2025: 13% and 21%) of the Group's and of the Company's trade receivables respectively.

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment loss

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

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

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

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

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment loss (continued)

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

Group	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
2026			
Current (not past due)	**131,048**	**1,087**	**129,961**
1 - 30 days past due	**55,945**	**706**	**55,239**
31 - 60 days past due	**14,726**	**205**	**14,521**
61 - 90 days past due	**4,570**	**31**	**4,539**
More than 90 days past due	**9,167**	**44**	**9,123**
	215,456	**2,073**	**213,383**
Credit impaired			
Individually impaired	**6,360**	**6,360**	**–**
	221,816	**8,433**	**213,383**
2025			
Current (not past due)	101,687	589	101,098
1 - 30 days past due	46,896	256	46,640
31 - 60 days past due	4,922	15	4,907
61 - 90 days past due	1,341	4	1,337
More than 90 days past due	5,299	29	5,270
	160,145	893	159,252
Credit impaired			
Individually impaired	4,748	4,748	–
	164,893	5,641	159,252

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment loss (continued)

Company	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
2026			
Current (not past due)	**39,836**	**955**	**38,881**
1 - 30 days past due	**27,349**	**655**	**26,694**
31 - 60 days past due	**8,242**	**197**	**8,045**
61 - 90 days past due	**1,184**	**28**	**1,156**
More than 90 days past due	**1,488**	**36**	**1,452**
	78,099	**1,871**	**76,228**
Credit impaired			
Individually impaired	**3,430**	**3,430**	**–**
	81,529	**5,301**	**76,228**
2025			
Current (not past due)	37,586	280	37,306
1 - 30 days past due	21,894	163	21,731
31 - 60 days past due	1,448	11	1,437
61 - 90 days past due	369	3	366
More than 90 days past due	2,150	16	2,134
	63,447	473	62,974
Credit impaired			
Individually impaired	2,412	2,412	–
	65,859	2,885	62,974

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment loss (continued)

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

	Lifetime ECL RM'000	Credit impaired RM'000	Total RM'000
Group			
At 1 April 2024	542	1,555	2,097
Net remeasurement of loss allowance	351	3,200	3,551
Exchange differences	–	(7)	(7)
At 31 March 2025/1 April 2025	893	4,748	5,641
Net remeasurement of loss allowance	**1,180**	**1,654**	**2,834**
Written off	**–**	**(41)**	**(41)**
Exchange differences	**–**	**(1)**	**(1)**
At 31 March 2026	**2,073**	**6,360**	**8,433**

	Lifetime ECL RM'000	Credit impaired RM'000	Total RM'000
Company			
At 1 April 2024	334	625	959
Net remeasurement of loss allowance	139	1,787	1,926
At 31 March 2025/1 April 2025	473	2,412	2,885
Net remeasurement of loss allowance	**1,398**	**1,018**	**2,416**
At 31 March 2026	**1,871**	**3,430**	**5,301**

Cash and cash equivalents

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

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.4 Credit risk (continued)

Other receivables

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

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

Financial guarantees

Risk management objectives, policies and processes for managing the risk

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

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM46,656,000 (2025: RM34,710,000) representing the outstanding banking facilities of a subsidiary as at the end of the reporting period.

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

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

Recognition and measurement of impairment loss

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

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

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.4 Credit risk (continued)

Inter-company balances

Risk management objectives, policies and processes for managing the risk

The Company trades and provides unsecured advances to subsidiaries and an associate. The advances are repayable on demand, except for advances to subsidiaries amounting to RM73,650,000 (2025: RM73,650,000) subject to an interest ranging from 4.13% to 4.95% (2025: 4.13% to 4.95%) per annum on the monthly outstanding balances and settlement is neither planned nor likely to occur in the foreseeable future. The Company monitors the results of the subsidiaries and an associate regularly.

Exposure to credit risk, credit quality and collateral

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

Recognition and measurement of impairment loss

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

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

Net investment in a lease

Risk management objectives, policies and processes for managing the risk

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

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

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

30.5 Liquidity risk

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

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

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

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.5 Liquidity risk (continued)

Maturity analysis

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

Group	Carrying amount RM'000	Contractual interest rate/ coupon/discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2026							
Non-derivative financial liabilities							
Sukuk	630,809	3.72 - 4.46	700,117	220,155	16,489	463,473	–
Secured bankers' acceptances	61,963	3.29 - 5.38	61,963	61,963	–	–	–
Secured hire purchase liabilities	2,543	2.41 - 7.75	2,793	1,330	614	849	–
Secured term loans	18,471	5.17 - 6.60	18,536	17,996	540	–	–
Trade and other payables	171,116	–	171,116	171,116	–	–	–
Lease liabilities	32,971	5.00 - 5.29	39,080	10,982	8,966	10,776	8,356
Short-term financing	36	–	36	36	–	–	–
Put option liability	75,592	9.45	84,518	–	84,518	–	–
	993,501		1,078,159	483,578	111,127	475,098	8,356
Derivative financial liabilities							
Commodity future contracts (gross settled):							
- Outflow	–	–	38,680	38,680	–	–	–
- Inflow	(2,660)	–	(41,340)	(41,340)	–	–	–
Forward exchange contracts (gross settled):							
- Outflow	–	–	115,953	115,953	–	–	–
- Inflow	(599)	–	(116,552)	(116,552)	–	–	–
	990,242		1,074,900	480,319	111,127	475,098	8,356

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.5 Liquidity risk (continued)

Maturity analysis (continued)

Group	Carrying amount RM'000	Contractual interest rate/ coupon/discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2025							
Non-derivative financial liabilities							
Sukuk	303,405	3.72 - 4.46	326,466	11,844	208,058	106,564	–
Secured bankers' acceptances	57,604	3.58 - 5.55	57,604	57,604	–	–	–
Secured hire purchase liabilities	8,743	2.33 - 6.98	9,228	6,505	1,306	1,417	–
Secured term loans	28,125	3.50 - 6.85	28,234	24,410	542	3,282	–
Trade and other payables	106,679	–	106,679	106,679	–	–	–
Lease liabilities	28,979	4.97 - 5.85	35,157	9,529	6,642	10,076	8,910
Short-term financing	27	0.00 - 6.15	27	27	–	–	–
Put option liability	55,833	9.45	62,457	–	62,457	–	–
	589,395		625,852	216,598	279,005	121,339	8,910
Derivative financial liabilities							
Commodity future contracts (gross settled):							
- Outflow	168	–	19,550	19,550	–	–	–
- Inflow	–	–	(19,382)	(19,382)	–	–	–
Forward exchange contracts (gross settled):							
- Outflow	260	–	93,770	93,770	–	–	–
- Inflow	–	–	(93,510)	(93,510)	–	–	–
Interest rate swap	(86)	–	(86)	(86)			
	589,737		626,194	216,940	279,005	121,339	8,910

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.5 Liquidity risk (continued)

Maturity analysis (continued)

Company	Carrying amount RM'000	Contractual interest rate/ coupon/discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2026							
Non-derivative financial liabilities							
Sukuk	630,809	3.72 - 4.46	700,117	220,155	16,489	463,473	–
Due to subsidiaries	161,210	–	161,210	161,210	–	–	–
Trade and other payables	48,135	–	48,135	48,135	–	–	–
Lease liabilities	5,139	5.00	9,072	317	319	1,001	7,435
Secured bankers' acceptances	10,000	3.30	10,000	10,000	–	–	–
Secured term loans	1,014	6.60	1,080	540	540	–	–
Financial guarantee*	–	–	46,656	46,656	–	–	–
	856,307		976,270	487,013	17,348	464,474	7,435
Derivative financial liabilities							
Forward exchange contracts (gross settled):							
- Outflow	99	–	34,014	34,014	–	–	–
- Inflow	–	–	(33,915)	(33,915)	–	–	–
	856,406		976,369	487,112	17,348	464,474	7,435

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.5 Liquidity risk (continued)

Maturity analysis (continued)

Company	Carrying amount RM'000	Contractual interest rate/ coupon/discount rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2025							
Non-derivative financial liabilities							
Sukuk	303,405	3.72 - 4.46	326,466	11,844	208,058	106,564	–
Due to subsidiaries	124,000	–	124,000	124,000	–	–	–
Trade and other payables	29,504	–	29,504	29,504	–	–	–
Lease liabilities	5,184	5.00	9,375	303	317	968	7,787
Secured bankers' acceptances	4,955	3.58	4,955	4,955	–	–	–
Secured term loans	1,473	6.85	1,580	542	542	496	–
Financial guarantee*	–	–	34,710	34,710	–	–	–
	468,521		530,590	205,858	208,917	108,028	7,787
Derivative financial liabilities							
Forward exchange contracts (gross settled):							
- Outflow	–	–	32,135	32,135	–	–	–
- Inflow	(107)	–	(32,242)	(32,242)	–	–	–
	468,414		530,483	205,751	208,917	108,028	7,787

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.6 Market risk

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

Currency risk

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

Risk management objectives, policies and processes for managing the risk

The Group and the Company actively monitor their exposure to foreign currency risk and use forward exchange contracts to mitigate the risk when the need arises. Most of the forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward contracts are rolled over at maturity. The Group and the Company entered forward exchange contracts with notional contract amount of RM115,953,000 (2025: RM93,770,000) and RM34,014,000 (2025: RM32,135,000) respectively in order to manage the foreign currency exposures.

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.6 Market risk (continued)

Currency risk (continued)

Exposure to foreign currency risk

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

	Denominated in			
	USD RM'000	SGD RM'000	EUR RM'000	AUD RM'000
Group				
2026				
Cash and cash equivalents	**3,459**	**1,927**	**1**	**788**
Trade and other receivables	**7,020**	**7,459**	**–**	**–**
Trade and other payables	**(2,049)**	**(344)**	**(711)**	**–**
	8,430	**9,042**	**(710)**	**788**
Forecast transactions				
Forecast purchases	**(56,657)**	**–**	**–**	**(59,296)**
Forward exchange contract on forecast purchases	**56,657**	**–**	**–**	**59,296**
	–	**–**	**–**	**–**
2025				
Cash and cash equivalents	4,687	5,434	1	1,008
Trade and other receivables	6,817	6,795	1,420	72
Trade and other payables	(967)	(31)	(394)	–
	10,537	12,198	1,027	1,080
Forecast transactions				
Forecast purchases	(37,626)	–	–	(56,144)
Forward exchange contract on forecast purchases	37,626	–	–	56,144
	–	–	–	–

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.6 Market risk (continued)

Currency risk (continued)

Exposure to foreign currency risk (continued)

	Denominated in			
	USD RM'000	SGD RM'000	EUR RM'000	AUD RM'000
Company				
2026				
Cash and cash equivalents	**1,014**	**164**	**–**	**784**
Trade and other receivables	**1,433**	**450**	**–**	**–**
Trade and other payables	**(1,975)**	**(35)**	**(528)**	**–**
Due from a subsidiary	**–**	**696**	**–**	**–**
	472	**1,275**	**(528)**	**784**
Forecast transactions				
Forecast purchases	**(34,014)**	**–**	**–**	**–**
Forward exchange contract on forecast purchases	**34,014**	**–**	**–**	**–**
	–	**–**	**–**	**–**
2025				
Cash and cash equivalents	996	320	–	1,005
Trade and other receivables	6,817	221	1,420	72
Trade and other payables	(767)	(31)	(12)	–
Due from a subsidiary	–	17	–	–
	7,046	527	1,408	1,077
Forecast transactions				
Forecast purchases	(13,278)	–	–	(18,857)
Forward exchange contract on forecast purchases	13,278	–	–	18,857
	–	–	–	–

Currency risk sensitivity analysis

A 10% (2025: 10%) strengthening of the Ringgit Malaysia against the following currencies at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group and the Company considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted shares and purchases.

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.6 Market risk (continued)

Currency risk (continued)

Currency risk sensitivity analysis (continued)

	Profit or loss			
	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
USD	**(641)**	(801)	**(36)**	(536)
SGD	**(687)**	(927)	**(97)**	(40)
EUR	**54**	(78)	**40**	(107)
AUD	**(60)**	(82)	**(60)**	(82)

A 10% (2025: 10%) weakening of Ringgit Malaysia against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

Interest rate risk

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

Risk management objectives, policies and processes for managing the risk

The Group has entered into interest rate swap with a notional contract amount of RM13,928,000 in order to achieve an appropriate mix of fixed and floating rate exposure at 31 March 2025, the swap matures over the next five years following the maturity of a fixed rate bank loan of 1.05% and has a floating swap rate of AUD Bank Bill Swap Rate ("BBSY") - 1 month.

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.6 Market risk (continued)

Currency risk (continued)

Exposure to interest rate risk

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

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Fixed rate instruments				
Financial assets	**5,791**	1,984	**73,650**	73,650
Financial liabilities	**(695,351)**	(365,717)	**(640,809)**	(308,360)
Lease liabilities	**(32,971)**	(28,979)	**(5,139)**	(5,184)
	(722,531)	(392,712)	**(572,298)**	(239,894)
Floating rate instruments				
Financial liabilities	**(18,471)**	(32,187)	**(1,014)**	(1,473)

Interest rate risk sensitivity analysis

(a) Fair value sensitivity analysis for fixed rate instruments

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

(b) Cash flow sensitivity analysis for variable rate instruments

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

	Profit or loss			
	Group		Company	
	100 bp increase RM'000	100 bp decrease RM'000	100 bp increase RM'000	100 bp decrease RM'000
2026				
Floating rate instruments	**(140)**	**140**	**(8)**	**8**
2025				
Floating rate instruments	(245)	245	(11)	11

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.6 Market risk (continued)

Other price risk

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

Risk management objectives, policies and processes for managing the risk

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

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

Price risk sensitivity analysis

Money market funds

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

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

	Profit or loss	
	Group RM'000	Company RM'000
2026		
100 bp increase	**1,944**	**1,933**
100 bp decrease	**(1,944)**	**(1,933)**
2025		
100 bp increase	640	629
100 bp decrease	(640)	(629)

30.7 Hedging activities

30.7.1 Currency risk - Transactions in foreign currency

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currency in which purchases are denominated and the respective functional currencies of the Group. The functional currencies of the Group entities are primarily the Ringgit Malaysia ("RM"). The currencies in which these purchases transactions are primarily denominated are U.S. Dollar ("USD") and Australian Dollar ("AUD").

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.7 Hedging activities (continued)

30.7.1 Currency risk - Transactions in foreign currency (continued)

The Group's risk management policy is to hedge up to 100% of its estimated foreign currency exposure in respect of forecast purchases over the following 12 months at any point in time. The Group purchases forward foreign exchange contracts to hedge foreign purchases transactions. The Group designates the forward foreign exchange contracts in their entirety to hedge its currency risk and applies a hedge ratio of 1:1. Most of these contracts have a maturity of less than one year from the reporting date. The Group determines the critical terms of the forward exchange contracts to align with the hedged items.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and have been effective in offsetting changes in cash flows of the hedged item.

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Group's own credit risk on the fair value of the forward foreign exchange contracts, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates; and

- changes in the timing of the hedged transactions.

30.7.2 Commodity price risk

The Group is exposed to commodity price risk due to fluctuations in Global Dairy Trade (GDT) whole milk powder prices.

The Group adopts a policy of ensuring that up to 100% of its commodity price risk exposure is at a fixed rate. This is achieved by entering into commodity futures as hedges of the variability in cash flows attributable to movements in commodity prices. The Group adjusts its hedge ratio for each commodity contract entered to minimise the potential ineffectiveness arising from such contracts.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference commodity prices, tenors, maturities and the notional or par amounts. The Group assesses whether the derivatives designated in each hedging relationship are expected to be and have been effective in offsetting changes in cash flows of the hedged item.

In these hedge relationships, the main sources of ineffectiveness are:

- the spot price of the whole milk powders does not move in correlation with those provided in derivative contracts by financial institutions that the Group enter into; and

- changes in the timing of the hedged transactions.

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.7 Hedging activities (continued)

30.7.3 Cash flow hedge

As at the end of the reporting period, the Group and the Company held the following instruments to hedge exposures to changes in foreign currency and commodity prices.

	Maturity Under 1 year RM'000
Group	
2026	
Foreign currency risk	
Forward exchange contracts	
Net exposure	**115,953**
Average RM:USD forward contract	**4.0760**
Average RM:AUD forward contract	**2.7134**
Commodity price risk	
Commodity options	
Net exposure	**38,680**
Average USD/MT commodity options	**3,397**
2025	
Foreign currency risk	
Forward exchange contracts	
Net exposure	93,770
Average RM:USD forward contract	4.4157
Average RM:AUD forward contract	2.7998
Commodity price risk	
Commodity options	
Net exposure	19,550
Average USD/MT commodity options	3,675

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.7 Hedging activities (continued)

30.7.3 Cash flow hedge (continued)

	Maturity Under 1 year RM'000
Company	
2026	
Foreign currency risk	
Forward exchange contracts	
Net exposure	**34,014**
Average RM:USD forward contract	**4.0493**
2025	
Foreign currency risk	
Forward exchange contracts	
Net exposure	32,135
Average RM:USD forward contract	4.4253
Average RM:AUD forward contract	2.7722

The amounts at the reporting date relating to items designated as hedged items were as follows:

	Cash flow hedge reserve RM'000
Group	
2026	
Foreign currency risk	
Forecast purchases - forward exchange contracts	**456**
Commodity price risk	
Forecast purchases - commodity future contracts	**2,021**
Total hedging reserve/hedging reserve attributable to owners of the Company	**2,477**
2025	
Foreign currency risk	
Forecast purchases - forward exchange contracts	(197)
Commodity price risk	
Forecast purchases - commodity future contracts	(232)
Total hedging reserve/hedging reserve attributable to owners of the Company	(429)

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.7 Hedging activities (continued)

30.7.3 Cash flow hedge (continued)

	Cash flow hedge reserve RM'000
Company	
2026	
Foreign currency risk	
Forecast purchases - forward exchange contracts	**(76)**
2025	
Foreign currency risk	
Forecast purchases - forward exchange contracts	81

	Changes in the value of hedging instrument recognised in other comprehensive income RM'000	Amount reclassified from hedge reserve to profit or loss RM'000	Line item in profit or loss affected by the reclassification RM'000
Group			
2026			
Foreign currency risk			
Forward exchange contracts	**599**	**260**	**Purchases**
Commodity price risk			
Commodity future contracts	**2,660**	**168**	**Purchases**
2025			
Foreign currency risk			
Forward exchange contracts	(260)	–	–
Commodity price risk			
Commodity future contracts	(168)	–	–
Company			
2026			
Foreign currency risk			
Forward exchange contracts	**(100)**	**(107)**	**Purchases**
2025			
Foreign currency risk			
Forward exchange contracts	107	–	–

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.7 Hedging activities (continued)

30.7.3 Cash flow hedge (continued)

	Foreign currency risk Forward exchange contracts RM'000	Commodity price risk Commodity future contracts RM'000
Group		
2026		
Hedging instruments		
Nominal amount	**115,953**	**38,680**
Carrying amount - assets	**599**	**2,660**
Line item in the statement of financial position where the hedging instrument is included	**Derivative financial assets**	**Derivative financial assets**
2025		
Hedging instruments		
Nominal amount	93,770	19,550
Carrying amount - liabilities	(260)	(168)
Line item in the statement of financial position where the hedging instrument is included	Derivative financial liabilities	Derivative financial liabilities
Company		
2026		
Hedging instruments		
Nominal amount	**34,014**	**–**
Carrying amount - liabilities	**(99)**	**–**
Line item in the statement of financial position where the hedging instrument is included	**Derivative financial liabilities**	**–**
2025		
Hedging instruments		
Nominal amount	32,135	–
Carrying amount - assets	107	–
Line item in the statement of financial position where the hedging instrument is included	Derivative financial assets	–

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.7 Hedging activities (continued)

30.7.3 Cash flow hedge (continued)

The following table provides reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting.

	Hedging reserve	
	2026 RM'000	2025 RM'000
Group		
At 1 April	**(429)**	–
Cash flow hedge		
- Foreign currency risk	**599**	(260)
- Commodity price risk	**2,660**	(168)
Amount reclassified to profit or loss		
- Foreign currency risk	**260**	–
- Commodity price risk	**168**	–
Tax on movements on reserve during the year (Note 9)	**(781)**	(1)
At 31 March	**2,477**	(429)
Company		
At 1 April	**81**	–
Cash flow hedge		
- Foreign currency risk	**(100)**	107
Amount reclassified to profit or loss		
- Foreign currency risk	**(107)**	–
Tax on movements on reserve during the year (Note 9)	**50**	(26)
	(76)	81

30.8 Fair value information

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

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.8 Fair value information (continued)

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

	Fair value of financial instruments carried at fair value		Fair value of financial instruments not carried at fair value	Total fair value	Carrying amount
	Level 2 RM'000	Level 3 RM'000	Level 3 RM'000	RM'000	RM'000
Group					
2026					
Financial assets					
Derivatives designated as cash flow hedge					
- Commodity future contracts	**2,660**	**–**	**–**	**2,660**	**2,660**
- Forward exchange contracts	**599**	**–**	**–**	**599**	**599**
Other investments	**194,446**	**–**	**–**	**194,446**	**194,446**
	197,705	**–**	**–**	**197,705**	**197,705**
Financial liabilities					
Hire purchase liabilities	**–**	**–**	**(2,600)**	**(2,600)**	**(2,543)**
Term loans	**–**	**–**	**(18,498)**	**(18,498)**	**(18,471)**
Sukuk	**–**	**–**	**(630,809)**	**(630,809)**	**(630,809)**
Put option liability	**–**	**(75,592)**	**–**	**(75,592)**	**(75,592)**
	–	**(75,592)**	**(651,907)**	**(727,499)**	**(727,415)**
2025					
Financial assets					
Derivatives at fair value through profit or loss					
- Interest rate swap	86	–	–	86	86
Other investments	64,037	–	–	64,037	64,037
	64,123	–	–	64,123	64,123
Financial liabilities					
Derivatives designated as cash flow hedge					
- Commodity future contracts	(168)	–	–	(168)	(168)
- Forward exchange contracts	(260)	–	–	(260)	(260)
Hire purchase liabilities	–	–	(8,886)	(8,886)	(8,743)
Term loans	–	–	(28,196)	(28,196)	(28,125)
Sukuk	–	–	(303,405)	(303,405)	(303,405)
Put option liability	–	(55,833)	–	(55,833)	(55,833)
	(428)	(55,833)	(340,487)	(396,748)	(396,534)

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.8 Fair value information (continued)

	Fair value of financial instruments carried at fair value	Fair value of financial instruments not carried at fair value	Total fair value	Carrying amount
	Level 2 RM'000	Level 3 RM'000	RM'000	RM'000
Companny				
2026				
Financial assets				
Other investments	**193,292**	**–**	**193,292**	**193,292**
Financial liabilities				
Derivatives designated as cash flow hedge				
- Forward exchange contracts	**(99)**	**–**	**(99)**	**(99)**
Term loans	**–**	**(1,042)**	**(1,042)**	**(1,014)**
Sukuk	**–**	**(630,809)**	**(630,809)**	**(630,809)**
	(99)	**(631,851)**	**(631,950)**	**(631,922)**
2025				
Financial assets				
Derivatives designated as cash flow hedge				
- Forward exchange contracts	107	–	107	107
Other investments	62,921	–	62,921	62,921
	63,028	–	63,028	63,028
Financial liabilities				
Term loans	–	(1,541)	(1,541)	(1,473)
Sukuk	–	(303,405)	(303,405)	(303,405)
	–	(304,946)	(304,946)	(304,878)

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

30. FINANCIAL INSTRUMENTS (CONTINUED)

30.8 Fair value information (continued)

Level 2 fair value

Derivatives

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

Money market funds

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

Level 3 fair value

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

(a) Financial instruments not carried at fair value

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

31. ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Current year's addition	**181,006**	109,010	**65,289**	17,516
Less: Property, plant and equipment acquired from hire purchase liabilities	**(49)**	(2,274)	**–**	–
	180,957	106,736	**65,289**	17,516

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

32. CAPITAL MANAGEMENT

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

The Directors monitor the adequacy of capital on an ongoing basis, whilst maintaining optimal debt-to-equity ratio that complies with debt covenants.

The debt-to-equity ratios at 31 March 2026 and 31 March 2025 were as follows:

	2026 RM'000	2025 RM'000
Total loans and borrowings (Note 18)	**713,822**	397,904
Lease liabilities	**32,971**	28,979
Less: Cash and cash equivalents (Note 14)	**(171,587)**	(58,785)
Less: Other investments (Note 13)	**(194,446)**	(64,037)
Net debt	**380,760**	304,061
Total equity (including NCI)	**827,880**	728,239
Add: Put option reserve	**75,592**	55,833
Total equity	**903,472**	784,072
Debt-to-equity ratio	**0.42**	0.39

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

33. CAPITAL COMMITMENT

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Capital expenditure commitment				
Property, plant and equipment				
Contracted but not provided for	**72,173**	13,683	**18,208**	9,881
Intangible assets				
Contracted but not provided for	**28**	385	**28**	385
	72,201	14,068	**18,236**	10,266

34. CONTINGENCIES

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

The court hearing was conducted in February 2025. On 11 April 2025, the court released a judgement in favour of SPC by dismissing THMCA's legal action.

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

34. CONTINGENCIES (CONTINUED)

The Group has lodged an appeal against the decision. As such, in the Directors' opinion, the disclosure of any further information about the above matter would be prejudicial to the interests of the Group.

35. RELATED PARTIES

Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and the Company are shown below. The balances related to the below transactions are shown in Notes 8, 10 and 20.

		Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
A.	**Subsidiaries**				
	Sales of raw milk	**–**	–	**1,868**	1,845
	Sales of goods	**–**	–	**62,037**	67,156
	Sales of property, plant and equipment	**–**	–	**128**	3
	Purchase of goods	**–**	–	**(15,884)**	(10,159)
	Purchase of biological assets	**–**	–	**(14)**	(1,666)
	Commission payable	**–**	–	**(5,678)**	(3,663)
	Loan interest income	**–**	–	**3,095**	3,095
	Management fee income	**–**	–	**554**	499
	Rental income	**–**	–	**96**	96
B.	**Associate**				
	Sales of goods	**1,203**	–	**220**	–
	Purchase of goods	**(26)**	–	**–**	–
	Royalties expense	**(2)**	–	**–**	–
C.	**Companies connected to Directors**				
	Short-term lease	**12**	12	**–**	–
D.	**Key management personnel**				
	Directors				
	Fees	**601**	606	**601**	606
	Remuneration	**1,485**	372	**–**	–
		2,086	978	**601**	606
	Other key management personnel				
	Remuneration	**7,393**	7,243	**672**	460
		9,479	8,221	**1,273**	1,066

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

Notes to the Financial Statements (continued)

For the year ended 31 March 2026

36. DECONSOLIDATION OF A SUBSIDIARY

On 1 December 2025, the Company entered into agreements with Koh Mi Trading Sdn Bhd, a major franchisee of "Jomcha" chains of beverage outlets, for a disposal of 51% equity interest in Jomcha. This resulted in the divestment of the Group's interest in Jomcha from 100% to 49% .Consequently, the Group has lost control in Jomcha, resulting it to become an associate company of the Group.

36.1 Effect of deconsolidation of a subsidiary on the financial position of the Group

		Group 2026 RM'000
Property, plant and equipment	2	**7,687**
Right-of-use assets	3	**1,298**
Inventories		**1,023**
Cash and cash equivalents		**1,344**
Trade and other receivables		**2,194**
Trade and other payables		**(5,067)**
Lease liabilities		**(1,273)**
Total identifiable net assets		**7,206**
Fair values of Jomcha as at 1 December 2025		**13,206**
Fair values of interest retained by Group in Jomcha at 49%		**6,471**
Gain arising from deconsolidation of a subsidiary		**915**
Consideration received, satisfied in cash		**1,650**
Cash and cash equivalents disposed of		**(1,344)**
Net cash inflow		**306**

36.2 Cash flows from disposal of a subsidiary

	Group 2026 RM'000
Net cash from investing activities	**306**

37. SUBSEQUENT EVENT

The Group has also entered into Share Sale Agreements to purchase an ice cream company in Sabah, which produces and sells ice cream under the Amelia brand. The Company has extensive logistics capability with 25 owned trucks and distribution points of about 3,500 freezers between itself and its distributors in Kota Kinabalu, Tawau and Inanam covering grocery stores, mini marts and supermarkets. This acquisition will enable the Group to immediately own a distribution network and drop points to enable distribution of CPG ice cream products in Sabah, instead of the long process of building our own distribution and sales network. The Group also plans to utilize the space in the Amelia factory to run a pasteurised line for the East Malaysia and Brunei markets.

Analysis of Shareholdings

As at 30 June 2026

Total Number of Issued Shares	:	1,884,753,736
Class of Shares	:	Ordinary Shares
Number of Holders	:	15,636
Voting Rights	:	One vote per share

DISTRIBUTION OF SHAREHOLDERS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
Less than 100	381	2.4367	5,641	0.0003
100 to 1,000	6,397	40.9120	3,292,927	0.1747
1,001 to 10,000	6,946	44.4231	28,674,308	1.5214
10,001 to 100,000	1,533	9.8043	44,402,054	2.3559
100,001 to 94,237,686*	373	2.3855	751,249,410	39.8593
94,237,687 and above**	6	0.0384	1,057,129,396	56.0885
TOTAL	**15,636**	**100.000**	**1,884,753,736**	**100.000**

Notes:

* *Less than 5% of issued shares*

** *5% and above of issued shares*

LIST OF SUBSTANTIAL SHAREHOLDERS

No.	Name	No. of Ordinary Shares			
		Direct Interest	%	Indirect Interest	%
1.	Rainforest Capital Sdn. Bhd.	508,122,694	26.9596	–	–
2.	Employees Provident Fund Board	352,560,778	18.7059	–	–
3.	Farmchoice Foods Sdn. Bhd.	195,012,873	10.3469	–	–
4.	Kumpulan Wang Persaraan (Diperbadankan)	111,926,100	5.9385	26,304,000[1]	1.3956
5.	Loi Tuan Ee	1,087,200	0.0577	703,135,567[2]	37.3065
6.	Loi Foon Kion	1,800,000	0.0955	508,122,694[3]	26.9596

Notes:

[1] *Deemed interest via KWAP's Fund Manager.*

[2] *Deemed interest by virtue of his shareholdings in Farmchoice Foods Sdn. Bhd. and Rainforest Capital Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 ("**the Act**").*

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

Analysis of Shareholdings

As at 30 June 2026 (continued)

LIST OF DIRECTORS' SHAREHOLDINGS

No.	Name	No. of Ordinary Shares			
		Direct Interest	%	Indirect Interest	%
1.	Loi Tuan Ee	1,087,200	0.0577	703,135,567[1]	37.3065
2.	Loi Foon Kion	1,800,000	0.0955	508,122,694[2]	26.9596
3.	Stephen John Watson Hagger	948,000	0.0503	6,200[3]	0.0003
4.	Dato' Dr. Quaza Nizamuddin bin A. Hassan Nizam	300,000	0.0159	–	–
5.	Jocelyn Ng Lai Leng	500,000	0.0265	–	–
6.	Nik Fazila binti Nik Mohamed Shihabuddin	–	–	–	–

Notes:

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

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

[3] Deemed interest by virtue of shareholdings of his children, Benjamin Edward Teoh Watson Hagger and Georgina Penelope Teoh Watson Hagger pursuant to Section 8 of the Act.

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR RAINFOREST CAPITAL SDN BHD (PB)	364,000,000	19.3129
2.	HSBC NOMINEES (TEMPATAN) SDN BHD BJB SG FOR FARMCHOICE FOODS SDN. BHD.	195,012,873	10.3469
3.	RAINFOREST CAPITAL SDN. BHD.	144,122,694	7.6468
4.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	143,648,178	7.6216
5.	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	107,887,751	5.7242
6.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	102,457,900	5.4361
7.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (NOMURA)	62,438,435	3.3128
8.	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA	45,000,000	2.3876
9.	AMANAHRAYA TRUSTEES BERHAD PUBLIC ISLAMIC SELECT TREASURES FUND	28,690,300	1.5222
10.	PERMODALAN NASIONAL BERHAD	28,490,000	1.5116
11.	AMANAHRAYA TRUSTEES BERHAD PUBLIC ISLAMIC OPPORTUNITIES FUND	22,528,100	1.1953
12.	LEMBAGA TABUNG HAJI	19,918,000	1.0568
13.	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	16,346,563	0.8673
14.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (ABERDEEN)	15,765,300	0.8365

Analysis of Shareholdings

As at 30 June 2026 (continued)

No.	Name	No. of Shares	%
15.	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD EMERGING MARKETS STOCK INDEX FUND	15,639,401	0.8298
16.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR PRINCIPAL DALI ASIA PACIFIC EQUITY GROWTH FUND	12,562,400	0.6665
17.	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR ISHARES CORE MSCI EMERGING MARKETS ETF	12,090,400	0.6415
18.	AMANAHRAYA TRUSTEES BERHAD PUBLIC SMALLCAP FUND	12,074,900	0.6407
19.	HASSAN BIN HUSSAIN	11,855,200	0.6290
20.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA SHARIAH GROWTH OPPORTUNITIES FUND (50156 TR01)	11,820,700	0.6272
21.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (BNP NAJMAH EQ)	11,355,100	0.6025
22.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG VALUE FUND	11,350,000	0.6022
23.	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA 2	11,000,000	0.5836
24.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LSF)	10,013,100	0.5313
25.	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA 3 – DIDIK	10,000,000	0.5306
26.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG DIVIDEND FUND	9,800,000	0.5200
27.	HSBC NOMINEES (ASING) SDN BHD JPMCB NA FOR VANGUARD FIDUCIARY TRUST COMPANY INSTITUTIONAL TOTAL INTERNATIONAL STOCK MARKET INDEX TRUST II	8,264,758	0.4385
28.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR PRINCIPAL DALI EQUITY GROWTH FUND	8,026,000	0.4258
29.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (RHB INV)	7,300,000	0.3873
30.	AMANAH RAYA BERHAD KUMPULAN WANG BERSAMA SYARIAH	6,870,000	0.3645

List of Top 10 Properties

No.	Location	Description	Current Use	Tenure	Remaining Lease Period (Expiry Date)	Age of Building	Approximate Land Area (sq.m.)	Net Book Value RM'000
1	Lot 61314, Bandar Baru Enstek. Seremban, Negeri Sembilan	Freehold industrial land	Establishment of a new manufacturing hub	Freehold			32,590	72,415
2	Plot D, KM6, Muadzam Shah, Jalan Muadzam - Rompin, 26700, Pahang Darul Makmur	Dairy farm, One single-storey factory building and two storey office building	Farming, Processing facility, Warehouse and Office	Leasehold 33 years	21 years (expiring 04.04.2047)	8 years	4,472,550	32,071
3	85 McCormick Road, Kyabram VIC 3620	Single storey factory building	Processing facility, Warehouse and Office	Freehold		6 years	69,978	28,072
4	Lot PT 12802, Mukim Batu Kurau, Daerah Larut Matang, 34010 Perak	Dairy farm, One single-storey factory building and two storey office building	Farming, Processing facility, Warehouse and Office	Leasehold 2 years	1 year (expiring 14.10.2027)	4 years	3,350,800	25,223
5	HSD 5570 PT 11701, Kampung Kundang, Mukim Bebar, Daerah Pekan, Pahang Darul Makmur	Dairy farm	Farming	Leasehold 30 years	24 years (expiring 31.12.2050)		2,023,430	23,030
6	947 & 999 McEwan Road, Kyabram, Victoria	Dairy farm	Farming	Freehold			1,204,900	15,396
7	PTD 2975, Batu 13, Jalan Mersing, 81900 Kota Tinggi, Johor.	Dairy farm	Farming	Leasehold 99 years	8 years (expiring 04.01.2035)		1,905,890	9,417
8	Lot 6384, Jalan Petaling, Kawasan Preindustrian Larkin, 80300 Johor Bahru, Johor	Leasehold industrial land		Leasehold 99 years	15 years (expiring 22.11.2041)		7,426	8,206
9	894 Sinclair Road, Kyvalley VIC 3621	Dairy farm	Farming	Freehold			452,752	4,431
10	11& 11-1, Jalan Petaling, Kawasan Perindustrian Larkin, 80300 Johor Bahru, Johor.	One single-storey factory building and two storey office building	Processing facility and Office	Leasehold 99 years	15 years (expiring 23.10.2041)	39	3,836	2,354

Group Corporate Directory

As at 30 June 2026

MALAYSIA

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

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

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

Desaru, Johor
PTD 1721, KM 10, Jalan Sedili Kechil,
Mukim Sedili Kechil,
81900 Kota Tinggi, Johor Darul Takzim

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

Taiping, Perak
PT 12802, Mukim Batu Kurau,
Pondok Tanjung,
34010 Daerah Larut Matang, Perak

Inside Scoop
9, Jalan PJU 1A/8, Taman Perindustrian
Jaya, 47301 Petaling Jaya, Selangor

Sin Wah
Jalan Gangsa SD 5/3h, Bandar Sri
Damansara, 52200 Kuala Lumpur

AUSTRALIA

Kyabram, Victoria
85 McCormick Road, Kyabram,
Victoria 3620.
Tel : +61(0)3-5852 1111

Greater Shepparton, Victoria
315 Fidge Road, Undera,
Victoria 3629

Fitzroy, Victoria
16-18 St David St, Fitzroy,
Victoria 3605

PHILIPPINES

Philippines
Global Aseana Business Park 2, Quezon
Rd., San Pablo Libutad, San Simon,
Pampanga

Legends:

- HQ Office and Processing Facility
- Farm and Processing Facility
- Processing Facility
- Farm

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Fifteenth Annual General Meeting ("**15th AGM**") of Farm Fresh Berhad ("**Company**") will be held at Ballroom 2, Connexion Conference & Event Centre, Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia on Thursday, 24 September 2026 at 2.30 p.m., and at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:

AGENDA

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 March 2026 together with Reports of the Directors and the Auditors thereon. — Please refer to Explanatory Note 1

2. To re-elect Mr. Loi Tuan Ee as Director in accordance with Clause 76(3) of the Constitution of the Company. — Ordinary Resolution 1

3. To re-elect Dato' Dr. Quaza Nizamuddin bin A. Hassan Nizam as Director in accordance with Clause 76(3) of the Constitution of the Company. — Ordinary Resolution 2

4. To re-elect Mr. Stephen John Watson Hagger as Director in accordance with Clause 78 of the Constitution of the Company. — Ordinary Resolution 3

5. To approve the payment of a final single-tier dividend of 2.00 sen per ordinary share for the financial year ended 31 March 2026. — Ordinary Resolution 4

6. To approve the payment of Directors' fees of up to RM550,000.00 per annum for the period from 25 September 2026 to the next Annual General Meeting of the Company to be held in 2027. — Ordinary Resolution 5

7. To approve the payment of Directors' benefits of up to RM80,000.00 per annum to Non-Executive Chairman and Non-Executive Directors for the period from 25 September 2026 to the next AGM of the Company to be held in 2027. — Ordinary Resolution 6

8. To re-appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. — Ordinary Resolution 7

AS SPECIAL BUSINESS

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

9. **AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 FOR THE DIRECTORS TO ALLOT SHARES OR GRANT RIGHTS** — Ordinary Resolution 8

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

Notice of Annual General Meeting

THAT pursuant to Section 85 of the Companies Act 2016, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares of the Company arising from any issuance of new shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016.

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

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

BY ORDER OF THE BOARD

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

Kuala Lumpur
Dated : 31 July 2026

Explanatory Notes on Ordinary Businesses:

1. Item 1 of the Agenda

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

2. Items 2, 3 and 4 of the Agenda

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

Based on the results of the Board Evaluation conducted for the financial year ended 31 March 2026, the performance of the retiring Directors was found to be satisfactory. In addition, the retiring Directors had provided their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.

Notice of Annual General Meeting

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

Loi Tuan Ee	:	Mr. Loi Tuan Ee has consistently demonstrated strong involvement in Board deliberations and discussions, supporting the Board in fulfilling its governance and oversight responsibilities. His contributions have been constructive in shaping key decisions and strengthening the Company's strategic direction. Mr. Loi Tuan Ee has exercised his due care and carried out his professional duties proficiently during his tenure as the Group Managing Director and Group Chief Executive Officer of the Company.
Dato' Dr. Quaza Nizamuddin bin A. Hassan Nizam	:	Dato' Dr. Quaza Nizamuddin bin A. Hassan Nizam fulfils the requirements of independence set out in the Main Market Listing Requirements ("**MMLR**") of Bursa Securities. He remains objective and independent in expressing his views and participating in Board's deliberations and decision-making process. Dato' Dr. Quaza Nizamuddin bin A. Hassan Nizam has exercised his due care and carried out his professional duties proficiently during his tenure as an Independent Non-Executive Director of the Company.
Stephen John Watson Hagger	:	Mr. Stephen John Watson Hagger has over 30 years of leadership experience in the Malaysia capital markets. The Board believes that with his vast experience, he is able to provide valuable input to steer the Company forward. Mr. Stephen John Watson Hagger has exercised his due care and carried out his professional duties proficiently during his tenure as an Independent Non-Executive Director of the Company.

3. Item 9 of the Agenda

The Company had, during its Fourteenth Annual General Meeting held on 25 September 2025, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Sections 75 and 76 of the Companies Act 2016. The Company did not issue any shares pursuant to this mandate obtained.

The Ordinary Resolution 8 proposed under item 9 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Companies Act 2016. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total ten per centum (10%) of the issued share/ total number of voting shares of the Company for such purpose as the Directors consider would be in the interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. The authority will also provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding investment project(s) and/or working capital. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting of the Company.

Notes:

1. A member of the Company who is entitled to attend, speak and vote at this 15th AGM may appoint a proxy to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his(her) proxy without limitation.

Notice of Annual General Meeting

2. Where a member appoints more than one (1) proxy to attend and vote at the 15th AGM, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each proxy.

3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("**SICDA**"), he(she) may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

4. Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

   An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of the SICDA.

5. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.

6. The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited with the Share Registrar, GAP Advisory Sdn. Bhd. at E-10-4, Megan Avenue 1, 189, Jalan Tun Razak, 50400 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or email to *ir.shareregistry@gapadvisory.my* not less than forty eight (48) hours before the time appointed for holding the 15th AGM (no later than Tuesday, 22 September 2026 at 2.30 p.m.) or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.

7. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the SICDA, the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.

8. In respect of deposited securities, only members whose names appear in the Record of Depositors on 17 September 2026 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 15th AGM.

9. Any alteration in the Proxy Form must be initialed.

10. Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all the resolutions set out in the Notice of 15th AGM will be put to the vote by poll.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 15th AGM and/or any adjournment thereof, a member of the Company:

(i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 15th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 15th AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");

(ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents) for the Purposes; and

(iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty.

PROXY FORM

Number of Shares Held	
CDS Account No.	

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

FORM OF PROXY

I/We, _____ NRIC/Passport No. _____
(FULL NAME IN BLOCK LETTERS)
of _____
(FULL ADDRESS)
contact no. _____ email address _____ being a member / members of **Farm Fresh Berhad** ("**Company**") hereby appoint the person(s) below as my/our proxy(ies) to vote for me/us and on my/our behalf at the Fifteenth Annual General Meeting ("**15th AGM**") of the Company to be held at Ballroom 2, Connexion Conference & Event Centre, Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia on Thursday, 24 September 2026 at 2.30 p.m., and at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:

IMPORTANT NOTE:
Please (i) tick [✓] either **ONE** of the option (a) or (b) for the number of proxy which you wish to appoint, (ii) complete the details of your proxy/proxies and the proportion of your shareholding to be represented (if applicable), (iii) please tick [✓] option (c) if you would like to appoint the Chairman of the 15th AGM as the proxy or failing the proxy to vote on your behalf and (iv) sign or execute this form.

Option	Name of proxy(ies)	NRIC/ Passport No.	Email Address & Phone Number	Proportion of shareholding to be represented
(a)	**Appoint ONE proxy only** *(Please complete details of proxy below)*			
				100%
(b)	**Appoint MORE THAN ONE proxy** *(Please complete details of proxies below)*			
Proxy 1				%
Proxy 2				%
				100%
(c)	**The Chairman of the 15th AGM as my/our proxy and/or failing the above proxy to vote for me/us on my/our behalf**			

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

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

NO.	RESOLUTIONS	FOR		AGAINST	
		PROXY 1	PROXY 2	PROXY 1	PROXY 2
	Ordinary Business				
Ordinary Resolution 1	To re-elect Mr. Loi Tuan Ee as Director in accordance with Clause 76(3) of the Constitution of the Company.				
Ordinary Resolution 2	To re-elect Dato' Dr. Quaza Nizamuddin bin A. Hassan Nizam as Director in accordance with Clause 76(3) of the Constitution of the Company.				
Ordinary Resolution 3	To re-elect Mr. Stephen John Watson Hagger as Director in accordance with Clause 78 of the Constitution of the Company.				
Ordinary Resolution 4	To approve the payment of a final single-tier dividend of 2.00 sen per ordinary share for the financial year ended 31 March 2026.				
Ordinary Resolution 5	To approve the payment of Directors' fees of up to RM550,000.00 per annum for the period from 25 September 2026 to the next Annual General Meeting of the Company to be held in 2027.				
Ordinary Resolution 6	To approve the payment of Directors' benefits of up to RM80,000.00 per annum to Non-Executive Chairman and Non-Executive Directors for the period from 25 September 2026 to the next AGM of the Company to be held in 2027.				
Ordinary Resolution 7	To re-appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.				
	Special Business				
Ordinary Resolution 8	Authority under Sections 75 and 76 of the Companies Act 2016 for the Directors to allot shares or grant rights.				

Dated this _____ day of _____ 2026

_____
Signature / Common Seal of Shareholder

Contact No: _____

Fold this flap for sealing

Notes:

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AFFIX
STAMP

GAP Advisory Sdn. Bhd.
[Registration No.: 202001042098 (1398419-T)]
E-10-4 Megan Avenue 1
189, Jalan Tun Razak
50400 Kuala Lumpur

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(ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents) for the Purposes; and

(iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty.

www.farmfresh.com.my

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

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

Tel. No.: +607-232 3463