

BATU KAWAN BERHAD

196501000504 (6292-U)
(Incorporated in Malaysia)

**Interim Financial Report
for the year ended 30 September 2024**

Directors are pleased to announce the unaudited financial results of the Group for the year ended 30 September 2024.

Condensed Consolidated Statement of Profit or Loss For the year ended 30 September 2024

(The figures have not been audited.)

	Individual Quarter			Cumulative Quarter		
	3 months ended			Year ended		
	30 September			30 September		
	2024	2023	+/(-) %	2024	2023	+/(-) %
	RM'000	RM'000		RM'000	RM'000	
Revenue	5,883,603	6,003,527	(2.0)	23,060,152	24,653,397	(6.5)
Operating expenses	(5,709,479)	(5,639,969)	1.2	(21,688,167)	(23,266,668)	(6.8)
Other operating income	205,081	13,072	*	472,181	577,472	(18.2)
Finance costs	(125,438)	(108,956)	15.1	(473,466)	(441,262)	7.3
Net reversals of impairment/ (impairment losses) on financial assets	(10,061)	(59,556)	(83.1)	(10,251)	(59,202)	(82.7)
Share of results of associates	(42,709)	(16,734)	*	(117,787)	(169,618)	(30.6)
Share of results of joint ventures	(536)	(5,653)	(90.5)	(3,837)	(15,419)	(75.1)
Profit before taxation	200,461	185,731	7.9	1,238,825	1,278,700	(3.1)
Taxation	(171,573)	(18,548)	*	(480,857)	(192,907)	149.3
NET PROFIT FOR THE PERIOD/YEAR	28,888	167,183	(82.7)	757,968	1,085,793	(30.2)
 (Loss)/Profit attributable to:						
Equity holders of the Company	(19,761)	52,753	N/M	298,856	490,917	(39.1)
Non-controlling interests	48,649	114,430	(57.5)	459,112	594,876	(22.8)
	28,888	167,183	(82.7)	757,968	1,085,793	(30.2)
 Earnings per share for profit attributable to equity holders of the Company (sen)						
Basic	(5.0)	13.4		76.0	124.8	
Diluted	N/A	N/A		N/A	N/A	

* More than 100%

N/M - Not meaningful

N/A - Not applicable

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with
the Annual Report for the year ended 30 September 2023.

Condensed Consolidated Statement of Other Comprehensive Income For the year ended 30 September 2024

(The figures have not been audited.)

	Individual Quarter		Cumulative Quarter	
	3 months ended		Year ended	
	30 September		30 September	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Net profit for the period/year	28,888	167,183	757,968	1,085,793
Other comprehensive (loss)/income that will be reclassified subsequently to profit or loss				
Currency translation differences	(938,187)	(205,758)	(1,072,008)	385,612
Share of other comprehensive income/(loss) in associates	5,225	(83,193)	(10,252)	(40,811)
	(932,962)	(288,951)	(1,082,260)	344,801
Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss				
Net change in fair value of equity instrument	68,029	34,083	158,112	(50,868)
Share of other comprehensive income/(loss) in associates	10,611	6,437	12,995	(14,716)
Share of other comprehensive income/(loss) in joint ventures	26	-	(289)	(18)
Remeasurement of defined benefit plans	(28,491)	(12,486)	(28,525)	(12,486)
	50,175	28,034	142,293	(78,088)
Total other comprehensive (loss)/income for the period	(882,787)	(260,917)	(939,967)	266,713
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD/YEAR	(853,899)	(93,734)	(181,999)	1,352,506
Total comprehensive income attributable to:				
Equity holders of the Company	(432,744)	(67,606)	(127,802)	628,300
Non-controlling interests	(421,155)	(26,128)	(54,197)	724,206
	(853,899)	(93,734)	(181,999)	1,352,506

The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the Annual Report for the year ended 30 September 2023.

Condensed Consolidated Statement of Financial Position
As at 30 September 2024

(The figures have not been audited.)

	At 30 September 2024	At 30 September 2023
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	13,413,300	13,434,647
Right-of-use assets	1,525,995	1,386,506
Investment properties	56,990	30,372
Inventories	2,014,809	2,012,424
Goodwill on consolidation	445,982	461,665
Intangible assets	79,378	110,144
Investments in associates	2,358,089	2,317,427
Investments in joint ventures	260,906	242,282
Other investments	924,777	922,278
Other receivables	382,715	401,069
Deferred tax assets	483,179	492,716
Derivative financial assets	460	1,249
	<u>21,946,580</u>	<u>21,812,779</u>
Current assets		
Inventories	3,300,945	3,038,795
Biological assets	230,589	222,324
Trade and other receivables	3,177,016	3,638,516
Contract assets	56,374	74,489
Tax recoverable	200,573	236,006
Derivative financial assets	204,986	48,152
Short term funds	140,894	119,415
Cash and cash equivalents	2,786,024	2,717,057
	<u>10,097,401</u>	<u>10,094,754</u>
TOTAL ASSETS	<u>32,043,981</u>	<u>31,907,533</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with
the Annual Report for the year ended 30 September 2023.

Condensed Consolidated Statement of Financial Position As at 30 September 2024

(The figures have not been audited.)

	At 30 September 2024	At 30 September 2023
	RM'000	RM'000
EQUITY AND LIABILITIES		
Current liabilities		
Trade and other payables	1,998,442	2,088,432
Contract liabilities	173,174	135,224
Deferred income	8,629	8,656
Lease liabilities	25,535	28,306
Borrowings	4,786,820	2,894,693
Tax payable	57,394	42,022
Derivative financial liabilities	66,374	62,165
	7,116,368	5,259,498
Net current assets	2,981,033	4,835,256
Non-current liabilities		
Deferred tax liabilities	1,130,103	1,146,043
Lease liabilities	347,574	155,219
Deferred income	72,909	81,633
Provision for retirement benefits	548,523	552,739
Derivative financial liabilities	-	21
Borrowings	6,950,130	7,514,568
	9,049,239	9,450,223
Total liabilities	16,165,607	14,709,721
Net assets	15,878,374	17,197,812
Equity attributable to owners of the Company		
Share capital	507,587	507,587
Reserves	7,004,086	7,459,437
	7,511,673	7,967,024
Less: Cost of treasury shares	(136,919)	(113,109)
Total equity attributable to equity holders of the Company	7,374,754	7,853,915
Non-controlling interests	8,503,620	9,343,897
Total equity	15,878,374	17,197,812
TOTAL EQUITY AND LIABILITIES	32,043,981	31,907,533
Net assets per share attributable to equity holders of the Company (RM)	18.80	19.97

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Report for the year ended 30 September 2023.

Condensed Consolidated Statement of Changes in Equity

For the year ended 30 September 2024

(The figures have not been audited.)

	← Attributable to equity holders of the Company →						Non- controlling interests	Total equity	
	Share capital	Treasury shares	Capital reserve	Exchange fluctuation reserve	Fair value reserve	Retained earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			RM'000
At 1 October 2023	507,587	(113,109)	940,754	352,940	553,048	5,612,695	7,853,915	9,343,897	17,197,812
Total comprehensive (loss)/income for the period	-	-	(5,683)	(490,308)	78,039	290,150	(127,802)	(54,197)	(181,999)
Transactions with owners:									
Issuance of shares to non-controlling interests	-	-	-	-	-	-	-	8,225	8,225
Acquisition through business combination	-	-	-	-	-	-	-	21,658	21,658
Redemption of redeemable preference shares	-	-	(3,121)	-	-	3,121	-	-	-
Effect of changes in shareholdings in subsidiaries	-	-	372	3,681	1,752	(87,221)	(81,416)	(496,521)	(577,937)
Realisation of foreign exchange reserve upon liquidation of a subsidiary	-	-	-	(10,232)	-	-	(10,232)	-	(10,232)
Shares buy back	-	(23,810)	-	-	-	-	(23,810)	-	(23,810)
Dividend Paid - FY2023 final	-	-	-	-	-	(157,352)	(157,352)	-	(157,352)
Dividend Paid - FY2024 interim	-	-	-	-	-	(78,549)	(78,549)	-	(78,549)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(319,442)	(319,442)
	-	(23,810)	(2,749)	(6,551)	1,752	(320,001)	(351,359)	(786,080)	(1,137,439)
At 30 September 2024	507,587	(136,919)	932,322	(143,919)	632,839	5,582,844	7,374,754	8,503,620	15,878,374

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Report for the year ended 30 September 2023.

Condensed Consolidated Statement of Changes in Equity For the year ended 30 September 2024

(The figures have not been audited.)

	← Attributable to equity holders of the Company →						Non- controlling interests	Total equity	
	Share capital	Treasury shares	Capital reserve	Exchange fluctuation reserve	Fair value reserve	Retained earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			RM'000
At 1 October 2022	507,587	(109,400)	934,853	181,402	579,179	5,573,565	7,667,186	9,264,281	16,931,467
Total comprehensive income/(loss) for the period	-	-	6,107	171,593	(26,032)	476,632	628,300	724,206	1,352,506
Transactions with owners:									
Effect of changes in shareholdings in subsidiaries	-	-	(206)	(55)	(99)	(4,783)	(5,143)	(15,664)	(20,807)
Acquisition through business combination	-	-	-	-	-	-	-	15,927	15,927
Shares buy back	-	(3,709)	-	-	-	-	(3,709)	-	(3,709)
Employees' share grant scheme	-	-	-	-	-	-	-	5,830	5,830
Dividend paid - FY2022 final	-	-	-	-	-	(354,043)	(354,043)	-	(354,043)
Dividend payable - FY2023 Interim	-	-	-	-	-	(78,676)	(78,676)	-	(78,676)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(650,683)	(650,683)
	-	(3,709)	(206)	(55)	(99)	(437,502)	(441,571)	(644,590)	(1,086,161)
At 30 September 2023	507,587	(113,109)	940,754	352,940	553,048	5,612,695	7,853,915	9,343,897	17,197,812

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Report for the year ended 30 September 2023.

Condensed Consolidated Statement of Cash Flows As at 30 September 2024

(The figures have not been audited.)

	Year ended 30 September	
	2024	2023
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	1,238,825	1,278,700
Adjustments for:		
Non-cash items	1,566,508	1,330,299
Non-operating items	327,268	298,102
Operating cash flows before changes in working capital	3,132,601	2,907,101
Changes in working capital		
Net change in current assets	(243,545)	741,099
Net change in current liabilities	(13,334)	(305,813)
Cash flows generated from operations	2,875,722	3,342,387
Interest received	12,226	16,476
Interest paid	(541,702)	(456,503)
Tax paid	(430,782)	(682,005)
Retirement benefits paid	(53,719)	(52,723)
Net cash flows generated from operating activities	1,861,745	2,167,632
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,684,040)	(1,661,384)
Purchase of right-of-use assets	(35,687)	(14,695)
Property development expenditure	(2,674)	(20,827)
Purchase of shares in a subsidiary, net of cash	-	(108,892)
Purchase of shares in associates	(409,712)	(21,324)
Increase in investment in joint ventures	(19,539)	(9,630)
Development of Investment property	(24,973)	(4,297)
Purchase of other investments	-	(244,494)
Purchase of intangible assets	(4,480)	(1,755)
Proceeds from disposal of property, plant and equipment	22,098	9,382
Proceeds from disposal of a business line	-	79,334
Compensation from government on land acquired	55,347	42,372
Proceeds from disposal of other investments	110,378	105,338
Proceeds from capital reduction from an associate	2,498	-
(Advances to)/Repayment from joint ventures	(23,874)	174,114
Repayment from investee companies	15,079	5,970
Net (placement)/withdrawal of short term funds	(33,324)	148,833
Increase in other receivables	(14,646)	(15,436)
Dividends received	70,339	57,541
Interest received	64,897	65,609
Net cash flows used in investing activities	(1,912,313)	(1,414,241)

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Report for the year ended 30 September 2023.

Condensed Consolidated Statement of Cash Flows As at 30 September 2024

(The figures have not been audited.)

	Year ended 30 September	
	2024 RM'000	2023 RM'000
Cash flows from financing activities		
Drawdown of term loans	1,370,861	238,240
Repayment of Islamic Medium Term Notes	-	(500,000)
Repayment of term loans	(509,405)	(534,487)
Lease payments	(30,186)	(32,600)
Net drawdown of short term borrowings	645,834	768,845
Dividends paid to shareholders of the Company	(235,901)	(432,719)
Dividends paid to non-controlling interests	(319,442)	(650,683)
Shares buy back	(23,810)	(3,709)
Capital reduction paid to a non-controlling interest	-	(1,127)
Purchase of shares from non-controlling interests	(578,213)	(19,954)
Proceeds from partial disposal of shares in a subsidiary	21,934	-
Issuance of shares to non-controlling interests	8,225	-
Net cash flows generated from/(used in) financing activities	349,897	(1,168,194)
Net increase/(decrease) in cash and cash equivalents	299,329	(414,803)
Effects of exchange rate changes	(149,094)	16,442
Cash and cash equivalents at beginning of year	2,632,928	3,031,289
Cash and cash equivalents at end of year	2,783,163	2,632,928
Cash and cash equivalents at 30 September is represented by:		
Deposits with licensed banks	473,840	674,654
Money market funds	1,071,595	656,498
Cash and bank balances	1,240,589	1,385,905
Bank overdrafts	(2,861)	(84,129)
	2,783,163	2,632,928

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Report for the year ended 30 September 2023.

Notes to Interim Financial Report

A. Explanatory Notes as required by Malaysian Financial Reporting Standard (“MFRS”) 134

A1. Statement of compliance

The interim financial report is unaudited and has been prepared in compliance with Malaysian Financial Reporting Standard (“MFRS”) 134 *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Bursa Malaysia Securities Berhad’s (“Bursa Securities”) Main Market Listing Requirements.

A2. Accounting policies

The Interim Financial Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 September 2024. The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the year ended 30 September 2024 except for the adoption of the following standards, interpretation and amendments to MFRSs:

New MFRS and Amendments to MFRSs effective for annual periods beginning on or after 1 January 2023

- MFRS 17 *Insurance Contracts*
- Amendments to MFRS 17 *Insurance Contracts*
- *Initial Application of MFRS 17 and MFRS 9 - Comparative Information* (Amendments to MFRS 17 Insurance Contracts)
- *Disclosure of Accounting Policies* (Amendments to MFRS 101 Presentation of Financial Statements)
- *Definition of Accounting Estimates* (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)
- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* (Amendments to MFRS 112 Income Taxes)

The application of these new MFRS and amendments to MFRSs has no significant effect to the financial statements of the Group.

A3. Seasonal and cyclical operations

The Group’s plantation operations are affected by seasonal crop production, weather conditions and fluctuations in commodity prices.

A4. Unusual items

There were no items affecting the assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

A5. Material changes in estimates

There were no significant changes in the amounts of estimates reported in prior interim periods or prior financial years that have a material effect in the current interim period.

A6. Issuance and repayment of debt and equity securities

There were no issuances and repayments of debt securities, share buybacks, share cancellations or resale of treasury shares for the financial year to-date except for share buybacks of 1,210,800 shares in the Company from the open market. The average price paid for the shares repurchased was RM19.62 per share and the total consideration paid, including transaction costs, was RM23.81 million. The shares bought back were financed by internally generated funds and held as treasury shares.

A7. Dividends paid

	Year ended 30 September	
	2024 RM'000	2023 RM'000
Interim 20 sen per share single tier (2023: 20 sen per share single tier)	78,549	78,676
Dividends proposed in financial year ("FY") 2023, paid in FY 2024:		
Final 90 sen per share single tier	157,352	-
Dividends proposed in FY 2022, paid in FY 2023:		
Final 90 sen per share single tier	-	354,043
	<u>235,901</u>	<u>432,719</u>

Final dividends were paid on the number of outstanding shares in issue and fully paid of 393,380,963 (2023: 393,380,963).

Interim dividend were paid on the number of outstanding shares in issue and fully paid of 392,741,463 (2023: 393,380,963).

A8. Segment information

Segment information is presented in respect of the Group's reportable segments which are based on the Group's management and internal reporting structure.

a) Segment revenue and results

	Plantation RM'000	Manufacturing RM'000	Property Development RM'000	Investment Holding/ Others RM'000	Elimination RM'000	Consolidated RM'000
Year ended						
30 September 2024						
Revenue						
External revenue	3,774,138	18,769,184	229,429	287,401	-	23,060,152
Inter-segment revenue	1,460,284	70,116	-	675,596	(2,205,996)	-
Total revenue	<u>5,234,422</u>	<u>18,839,300</u>	<u>229,429</u>	<u>962,997</u>	<u>(2,205,996)</u>	<u>23,060,152</u>
Results						
Operating results	1,656,941	303,844	49,503	(130,761)	(45,612)	1,833,915
Finance costs	(16,068)	(147,951)	(2,964)	(352,095)	45,612	(473,466)
Share of results of associates	4,209	13,757	(100)	(135,653)	-	(117,787)
Share of results of joint ventures	-	(1,056)	-	(2,781)	-	(3,837)
Segment results	<u>1,645,082</u>	<u>168,594</u>	<u>46,439</u>	<u>(621,290)</u>	<u>-</u>	<u>1,238,825</u>
Profit before taxation						<u>1,238,825</u>
Year ended						
30 September 2023						
Revenue						
External revenue	3,535,092	20,563,847	218,106	336,352	-	24,653,397
Inter-segment revenue	1,709,605	31,555	-	1,136,645	(2,877,805)	-
Total revenue	<u>5,244,697</u>	<u>20,595,402</u>	<u>218,106</u>	<u>1,472,997</u>	<u>(2,877,805)</u>	<u>24,653,397</u>
Results						
Operating results	1,190,529	531,880	64,694	167,442	(49,546)	1,904,999
Finance costs	(19,469)	(136,686)	(2,430)	(332,223)	49,546	(441,262)
Share of results of associates	4,649	19,696	(18)	(193,945)	-	(169,618)
Share of results of joint ventures	-	(20,600)	-	5,181	-	(15,419)
Segment results	<u>1,175,709</u>	<u>394,290</u>	<u>62,246</u>	<u>(353,545)</u>	<u>-</u>	<u>1,278,700</u>
Profit before taxation						<u>1,278,700</u>

b) Segment assets

	Plantation	Manufacturing	Property Development	Investment Holding/ Others	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
At 30 September 2024					
Operating assets	11,221,664	12,482,137	2,860,466	2,176,967	28,741,234
Associates	23,475	97,663	4,708	2,232,243	2,358,089
Joint ventures	-	57,982	-	202,924	260,906
Segment assets	11,245,139	12,637,782	2,865,174	4,612,134	31,360,229
Tax assets					683,752
Total assets					32,043,981
At 30 September 2023					
Operating assets	11,685,333	11,470,924	2,716,803	2,746,042	28,619,102
Associates	29,052	99,630	7,805	2,180,940	2,317,427
Joint ventures	-	66,063	-	176,219	242,282
Segment assets	11,714,385	11,636,617	2,724,608	5,103,201	31,178,811
Tax assets					728,722
Total assets					31,907,533

c) Segment liabilities

	Plantation	Manufacturing	Property Development	Investment Holding/ Others	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
At 30 September 2024					
Segment liabilities	870,228	5,220,719	282,919	8,604,244	14,978,110
Tax liabilities					1,187,497
Total liabilities					16,165,607
At 30 September 2023					
Segment liabilities	1,309,944	4,298,902	274,633	7,638,177	13,521,656
Tax liabilities					1,188,065
Total liabilities					14,709,721

A9. Material Event Subsequent to Reporting Date

There were no material events that arisen which have not been reflected in the interim report in the interval between the end of reporting period and the date of this report except for the following:

On 30 October 2024, the Company via its group subsidiary, KLK Land Sdn Bhd ("KLKL"), entered into a Shareholders' Agreement ("SHA") with AME industrial Park Sdn Bhd ("AMEIP"), a company principally involved in investment holding and property development, and Oasis Innovation Sdn Bhd ("Oasis Innovation"), wherein KLKL and AMEIP hold 40% and 60% equity interest respectively therein, to jointly undertake an industrial development on a parcel of freehold land (with a net development area of approximately 151.2 acres) in the State of Selangor ("Joint Development").

The Joint Development is premised on the acquisition by Oasis Innovation from the Company's subsidiary Kuala Lumpur Kepong Berhad ("KLK") of a parcel of freehold land together with the oil palm trees planted thereon (measuring approximately 178.0 acres) for RM230.5 million in Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor.

AME Development Sdn Bhd will oversee the Joint Development as project manager.

The Joint Development will enable the Group to unlock the value of the Group's property development potential in Peninsular Malaysia. The Joint Development with AMEIP allows KLKL to leverage AMEIP's extensive experience, ensuring a successful and strategic expansion into industrial property development.

Barring unforeseen circumstances, the SHA shall be completed in the fourth quarter of calendar year 2024 and the acquisition of freehold land from KLK shall be completed in the third quarter of calendar year 2025, upon KLK's receipt of the purchase price for the land.

A10. Changes in composition of the Group

There were no other changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings and discontinued operations during the current quarter under review except for the following:

On 4 September 2024, the Company's group subsidiary, KL-Kepong Plantations and Trading Pte Ltd ("KLKPT") and PT ADEI Plantation & Industry had completed the acquisition of the remaining 10% equity interest in PT Tekukur Indah ("TKI") for a cash consideration of RM1.0 million. TKI became a wholly-owned subsidiary of KLKPT upon the completion of acquisition.

The changes in composition of the Group will not have any material effect on the Company's share capital, the shareholding of the Company's substantial shareholders, the net assets and the gearing of the Group nor the earnings of the Group for the financial year ending 30 September 2024.

Other than as disclosed above, there were no other material changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinued operations during the quarter under review.

A11. Changes in contingent liabilities and contingent assets

There were no material changes in the contingent liabilities or contingent assets since the last annual financial statements for the year ended 30 September 2023.

A12. Capital commitments

At the end of the reporting year, the Group's capital commitments were as follows:

	At 30 September 2024 RM'000	At 30 September 2023 RM'000
Capital expenditure		
Approved and contracted	607,420	1,018,306
Approved but not contracted	913,461	1,579,127
	<u>1,520,881</u>	<u>2,597,433</u>
Joint venture		
Share of capital commitment of a joint venture	57,699	31,194
	<u>57,699</u>	<u>31,194</u>

A13. Significant Related Party Transactions

The significant related party transactions set out below were carried out in the normal course of business and on terms and conditions not more materially different from those obtainable in transactions with unrelated parties.

	Year ended 30 September	
	2024 RM'000	2023 RM'000
a) Transactions with associates and joint ventures:		
Sales of goods	393,972	599,597
Purchase of goods	1,721,696	1,738,845
Service charges paid	2,239	1,944
Research and development services paid	17,195	16,857
	<u>17,195</u>	<u>16,857</u>

	Year ended 30 September	
	2024 RM'000	2023 RM'000
b) Transactions with companies in which certain Directors are common directors and/or have direct or deemed interest:		
Sales of goods		
Chlor-AI Chemical Pte Ltd	32,214	31,467
Siam Taiko Marketing Co Ltd	1,733	1,406
Taiko Acid Works Sdn Bhd	10,028	10,453
Taiko Marketing (S) Pte Ltd	-	1,035
TMK Chemical Berhad	171,096	232,064
Storage tanks rental received		
TMK Chemical Berhad	4,716	4,563
Service charged received		
Chlor-AI Chemical Pte Ltd	347	-
Purchases of goods		
Borneo Taiko Clay Sdn Bhd	6,197	6,117
Bukit Katho Estate Sdn Bhd	8,468	8,261
Chlor-AI Chemical Pte Ltd	43,652	7,419
Kampar Rubber & Tin Co Sdn Bhd	11,786	12,239
Kekal & Deras Sdn Bhd	2,963	2,607
Ladang Tai Tak (Kota Tinggi) Sdn Bhd	14,817	10,624
Mah Sing Plastics Industries Sdn Bhd	3,535	-
Malay Rubber Plantations (M) Sdn Bhd	16,317	14,114
PT Agro Makmur Abadi	92,490	85,275
PT Bumi Karyatama Raharja	-	1,007
PT Java Taiko Mineralindo	3,017	2,586
PT Safari Riau	41,810	44,312
Taiko Acid Works Sdn Bhd	5,755	2,472
Taiko Clay Marketing Sdn Bhd	6,328	6,881
Taiko Drum Industries Sdn Bhd	2,536	2,031
Taiko Marketing (S) Pte Ltd	-	40,804
TMK Chemical Berhad	39,962	54,391
Management fees paid		
Farming Management Services Pty Ltd	3,142	3,609
Handling Charges paid		
TMK Chemical Berhad	133	1,940
Fixed cost earned		
Taiko Acid Works Sdn Bhd	28	29
Aircraft operating expenses and management services paid		
Smooth Route Sdn Bhd	2,379	2,068
	<u>2,379</u>	<u>2,068</u>
c) Transactions between subsidiaries and their non-controlling interests:		
Sales of goods		
Mitsui & Co Ltd	139,867	120,184
Mitsui & Co (Malaysia) Sdn Bhd	380,950	318,920
Mitsui & Co (USA) Sdn Bhd	19,478	-
Mitsui Plastic Trading (Shanghai) Co Ltd	723	1,730
Purchases of goods		
Alami Commodities Sdn Bhd	3,563	-
PT Kimia Tirta Utama	-	23,423
PT Sawit Asahan Indah	-	2,664
PT Tanjung Bina Lestari	-	10,468
PT Tanjung Sarana Lestari	801,400	1,480,509
Rental of land		
PT Perkebunan Nusantara II	38,542	32,259
	<u>38,542</u>	<u>32,259</u>

B1. Detailed analysis of performance
4th Quarter FY2024 vs 4th Quarter FY2023

	Quarter Ended		Changes
	30 September		
	2024	2023	
	RM'000	RM'000	%
Revenue	5,883,603	6,003,527	(2.0)
Segment results:			
Plantation	534,562	426,042	25.5
Manufacturing	15,629	(84,119)	N/M
Property development	7,720	14,784	(47.8)
Investment holding/Others	(357,450)	(170,976)	*
Profit before taxation	200,461	185,731	7.9

* More than 100%
N/M - Not meaningful

The Group's pre-tax profit for the current quarter improved to RM200.46 million (4Q2023: RM185.73 million) despite revenue was marginally lower at RM5.88 billion (4Q2023: RM6.00 billion). Comments on the respective business segments are as follows:

Plantation's profit improved 25.5% to RM534.56 million (4Q2023: RM426.04 million) mainly due to higher CPO and PK selling prices realised coupled with lower CPO production cost and higher fair value gain of RM37.61 million (4Q2023: RM33.88 million net gain) on valuation of unharvested fresh fruit bunches. However, the increase in profit was partially offset by drop in CPO and PK sales volumes.

Manufacturing segment recorded a profit of RM15.63 million (4Q2023: RM84.12 million loss) while revenue dropped marginally to RM4.90 billion (4Q2023: RM4.96 billion). Profit from Oleochemical sub-segment was offset by the losses from non-oleochemical sub-segment, refineries and kernel crushing plant operations. Chlor-alkali sub-segment's profit was 9.3% higher contributed by higher caustic selling price.

Property Development's profit fell 47.8% to RM7.72 million (4Q2023: RM14.78 million) on the back of 64.5% lower revenue at RM24.16 million (4Q2023: RM68.01 million).

Included in **Investment Holdings/Others** were unrealised foreign currency exchange translation loss of RM1.12 million (4Q2023: RM52.23 million loss) on inter-company loans denominated in foreign currencies and a share of equity loss of RM48.42 million (4QFY2023: RM 24.61 million loss) from an overseas associate, Synthomer plc ("Synthomer"). The loss reported by Synthomer was mainly due to its weak performance coupled with non-operating charges incurred on amortisation of acquired intangibles and restructuring costs. There was also a recognition of RM180.00 million impairment loss (4QFY2023: Nil) on investment in Synthomer.

Todate FY2024 vs Totdate FY2023

	Todate Ended		Changes %
	30 September		
	2024	2023	
	RM'000	RM'000	
Revenue	23,060,152	24,653,397	(6.5)
Segment results:			
Plantation	1,645,083	1,175,709	39.9
Manufacturing	168,594	394,290	(57.2)
Property development	46,439	62,246	(25.4)
Investment holding/Others	(621,291)	(353,545)	75.7
Profit before taxation	1,238,825	1,278,700	(3.1)

The Group's pre-tax profit dropped by 3.1% to RM1.24 billion (Todate 4Q2023: RM1.28 billion) on 6.5% lower revenue at RM23.06 billion (Todate 4Q2023: RM24.65 billion). Comments on the respective business segments are as follows:

Plantation's profit soared 39.9% to RM1.65 billion (Todate 4Q2023: RM1.18 billion) from higher CPO and PK sales volumes coupled with stronger CPO and PK selling prices realised. The improvement was also contributed by lower CPO production cost, net unrealised gain of RM2.26 million (Todate 4Q2023: RM81.57 million net unrealised loss) from fair value changes on outstanding derivatives contracts and higher fair value gain of RM27.69 million (Todate 4Q2023: RM10.12 million gain) on unharvested fresh fruit bunches valuation.

Manufacturing's profit dipped 57.2% to RM168.59 million (Todate 4Q2023: RM394.29 million) on the back of 8.7% lower revenue at RM18.77 billion (Todate 4Q2023: RM20.56 billion). Despite better profit from the Oleochemical sub-segment, this segment's todate profit was lower mainly due to higher loss reported by the non-oleochemical sub-segment coupled with losses from refineries and kernel crushing plant operations. Chlor-alkali sub-segment's profit was 39.1% lower largely from lower selling prices and sales volumes coupled with higher production cost.

Despite 5.2% higher revenue at RM229.43 million (Todate 4Q2023: RM218.11 million), **Property Development's** profit was 25.4% lower at RM46.44 million (Todate 4Q2023: RM62.25 million) mainly due to recognition of development profits from phases with lower gross margin.

Included in **Investment Holdings/Others** were lower share of equity loss of RM135.66 million (Todate 4Q2023: RM194.33 million loss) and impairment loss of RM180.00 million (Todate 4Q2023: Nil) on investment in Synthomer, a RM63.04 million surplus (Todate 4Q2023: RM52.43 million surplus) on sale of land and government acquisition, and fair value surplus of RM8.56 million (Todate 3Q2023: Nil) on deemed disposal of a joint venture. Farming sector recorded RM36.13 million loss (Todate 4Q2023: RM29.22 million profit) which was due to drop in sales volume of crop from lower crop production affected by adverse weather conditions.

B2. Comparison of current quarter's results to the preceding quarter
4th Quarter FY2024 vs 3rd Quarter FY2024

	Quarter Ended		Changes %
	30 September 2024 RM'000	30 June 2024 RM'000	
Revenue	5,883,603	5,683,556	3.5
Segment results:			
Plantation	534,562	369,368	44.7
Manufacturing	15,629	41,048	(61.9)
Property development	7,720	18,864	(59.1)
Investment holding/Others	(357,450)	(44,852)	*
Profit before taxation	200,461	384,428	(47.9)

* More than 100%

For the current quarter, the Group's pre-tax profit was 47.9% lower at RM200.46 million as compared to RM384.43 million reported in the preceding quarter with 3.5% improvement in revenue to RM5.88 billion (3Q2024: RM5.68 billion). Comments on the respective business segments are as follows:

Plantation's profit improved by 44.7% to RM534.56 million (3Q2024: RM369.37 million) mainly from higher PK selling price realised, higher CPO and PK sales volumes coupled with lower CPO production cost. The improvement was further contributed by net unrealised gain of RM5.23 million (2Q2024: RM87,000 net gain) from fair value changes on outstanding derivative contracts and fair value gain of RM37.61 million (3Q2024: RM2.21 million) on unharvested fresh fruit bunches valuation. However, increase in profit was partially offset by lower CPO selling price realised.

Notwithstanding higher revenue at RM4.90 million (3Q2024: RM4.64 million), **Manufacturing** segment's profit slipped 61.9% to RM15.63 million (3Q2024: RM41.05 million) mainly impacted by higher loss from non-oleochemical sub-segment, refineries and kernel crushing plant operation. Chlor-alkali sub-segment's profit improved by 12.2% mainly contributed by higher sales volume and selling prices.

Property Development's profit slipped 59.1% to RM7.72 million (3Q2024: RM18.86 million) on the back of lower revenue at RM24.16 million (3Q2024: RM78.23 million).

Included in **Investment Holdings/Others** were unrealised foreign currency exchange translation loss of RM1.12 million (3Q2024: RM24.57 million loss) on inter-company loans denominated in foreign currencies, a surplus of RM4.48 million (3Q2024: RM35.19 million) from sale of land and government acquisitions, and a share of equity loss of RM48.42 million (3QFY2024: Nil) from Synthomer. The loss reported by Synthomer was mainly due to its weak performance coupled with non-operating charges incurred on amortisation of acquired intangibles and restructuring costs. There was also a recognition of RM180.00 million impairment loss (3QFY2024: Nil) on investment in Synthomer. The preceding quarter recorded a fair value surplus of RM8.56 million on deemed disposal of a joint venture.

B3. Prospects

For the financial year ended 2024, the Group reported a pre-tax profit of RM1.24 billion, driven by a strong Plantation segment's contribution of RM1.65 billion. This year's Group pre-tax profit included exceptional non-cash losses of RM366.51 million, which consist of a RM135.66 million share of equity loss in Kuala Lumpur Kepong Berhad's ("KLK") 26.89% associate company, Synthomer plc, a RM180.00 million KLK's impairment of investment in Synthomer and a RM50.85 million inventory write-down from KLK's hardwood flooring business.

The Group's Plantation segment had a better year mainly driven by higher crude palm oil ("CPO") prices, improved productivity, and cost optimisation initiatives. Since CPO prices have strengthened to RM5,000 per metric tonne level due to concerns over reduced production and the anticipated Indonesian B40 biodiesel mandate next year, the Group expects CPO prices to remain robust in the coming year.

The Group's Manufacturing segment, especially the oleochemical sub-segment, has seen a good recovery mainly driven by strong profit contributions in Malaysia operations and a return to profitability in the Europe operations, despite ongoing challenges in China due to sluggish demand. The midstream refinery sub-segment however continues to face margin pressures due to overcapacity in the refining industry and the unexpected rise in CPO prices. The Group's Industrial Chemical sub-segment reported lower profits mainly due to lower sales volumes and a drop in caustic soda selling prices.

Overall, the Group therefore expects a stronger performance for the financial year 2025, supported by strong CPO prices and ongoing improvements in the oleochemical sub-segment.

B4. Variance of actual profit from forecast profit

The Group did not issue any forecast profit or profit guarantee during the current financial year to-date.

B5. Taxation

	Individual Quarter		Cumulative Quarter	
	3 months ended		Year ended	
	30 September		30 September	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Current tax expenses				
Malaysian taxation	51,445	43,453	197,975	188,594
Overseas taxation	75,609	77,741	274,975	223,035
	<u>127,054</u>	<u>121,194</u>	<u>472,950</u>	<u>411,629</u>
Under/(Over) provision of taxation in respect of previous years				
Malaysian taxation	3,656	(62)	1,945	(47,268)
Overseas taxation	4,728	(6,503)	22,298	12,461
	<u>8,384</u>	<u>(6,565)</u>	<u>24,243</u>	<u>(34,807)</u>
Deferred tax				
Origination and reversal of temporary differences	46,266	(92,343)	(7,982)	(167,004)
Relating to changes in tax rates	-	(33)	-	(33)
Over provision in respect of previous year	(10,131)	(3,705)	(8,354)	(16,878)
	<u>36,135</u>	<u>(96,081)</u>	<u>(16,336)</u>	<u>(183,915)</u>
	<u>171,573</u>	<u>18,548</u>	<u>480,857</u>	<u>192,907</u>

Reconciliation of effective taxation

	Individual Quarter		Cumulative Quarter	
	3 months ended 30 September		Year ended 30 September	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	200,461	185,731	1,238,825	1,278,700
Taxation at Malaysia income tax rate of 24% (FY2023: 24%)	48,111	44,575	297,318	306,888
Effect of different tax rates in foreign jurisdiction	10,666	17,075	(16,135)	(11,689)
Withholding tax on foreign dividend and interest income	15,427	3,063	64,870	29,409
Expenses not deductible for tax purposes	117,390	39,118	174,595	101,763
Tax exempt and non-taxable income	(26,365)	19,341	(113,111)	(112,347)
Tax incentives	(23,570)	(29,609)	(33,704)	(43,858)
Deferred tax assets not recognised during the period	25,863	16,229	54,473	24,453
(Utilisation)/Reversal of previously unrecognised tax losses and unabsorbed capital allowances	(3,072)	2,357	(4,652)	(5,887)
Expiry of tax losses	-	3,569	-	3,569
Tax effect on associates' and joint ventures' results	10,379	5,373	29,190	44,409
Recognition of deferred tax assets not taken up previously	-	(94,524)	-	(94,524)
Under/(Over) provision of tax expense in respect of previous years	8,384	(6,565)	24,243	(34,807)
Over provision of deferred tax in respect of previous years	(10,131)	(3,705)	(8,354)	(16,878)
Effect of changes in tax rates on deferred tax	-	(33)	-	(33)
Others	(1,509)	2,284	12,124	2,439
Tax expense	171,573	18,548	480,857	192,907

B6. Status of corporate proposals

There were no corporate proposals announced.

B7. Group borrowings

As at the end of the reporting period, the Group's borrowings were as follows:

	At 30 September 2024								
	Long Term		Short Term		Total Borrowings				
	Foreign Denomination	RM Denomination	Foreign Denomination	RM Denomination	Foreign Denomination	RM Denomination			
	'000	RM'000	'000	RM'000	'000	RM'000			
<u>Secured</u>									
Term Loans	Euro	113	518	Euro	1,337	6,142	Euro	1,450	6,660
<u>Unsecured</u>									
Bank overdraft	-	-	-	Euro	623	2,861	Euro	623	2,861
Revolving credit	-	-	-	Euro	82,000	376,491	Euro	82,000	376,491
	USD	3,780	15,593	USD	9,040	37,278	USD	12,820	52,871
	-	-	-	GBP	65,000	358,475	GBP	65,000	358,475
	-	-	-	AUD	31,000	88,362	AUD	31,000	88,362
	-	-	-	-	-	72,000	-	-	72,000
Trade financing	-	-	-	USD	47,712	196,738	USD	47,712	196,738
	-	-	-	Euro	47,142	216,443	Euro	47,142	216,443
	-	-	-	Rp	148,163,225	40,359	Rp	148,163,225	40,359
	-	-	-	-	-	1,433,714	-	-	1,433,714
Term loans	-	-	-	USD	30,000	123,705	USD	30,000	123,705
	EUR	1,951	8,960	EUR	30,983	142,253	EUR	32,934	151,213
	-	-	-	AUD	2,604	7,423	AUD	2,604	7,423
	-	-	-	RMB	310,025	182,139	RMB	310,025	182,139
	-	1,925,059	-	-	-	123,385	-	-	2,048,444
Banker's acceptance	-	-	-	USD	15,066	62,124	USD	15,066	62,124
	-	-	-	-	-	216,928	-	-	216,928
Islamic medium term notes	-	5,000,000	-	-	1,100,000	-	-	-	6,100,000
Total	-	6,950,130	-	4,786,820	-	11,736,950	-	-	11,736,950

	At 30 September 2023								
	Long Term		Short Term		Total Borrowings				
	Foreign Denomination	RM Denomination	Foreign Denomination	RM Denomination	Foreign Denomination	RM Denomination			
	'000	RM'000	'000	RM'000	'000	RM'000			
<u>Secured</u>									
Term Loans	Euro	1,344	6,670	Euro	1,710	8,488	Euro	3,054	15,158
<u>Unsecured</u>									
Bank overdraft	-	-	-	Euro	16,949	84,129	Euro	16,949	84,129
Revolving credit	-	-	-	Euro	80,000	397,104	Euro	80,000	397,104
	-	-	-	AUD	20,000	60,428	AUD	20,000	60,428
	-	-	-	GBP	14,000	80,189	GBP	14,000	80,189
	USD	15,225	71,633	USD	13,450	61,578	USD	28,675	133,211
	-	-	-	-	-	247,700	-	-	247,700
Trade financing	-	-	-	USD	24,291	114,054	USD	24,291	114,054
	-	-	-	-	-	1,171,302	-	-	1,171,302
Term loans	USD	-	-	USD	43,650	204,469	USD	43,650	204,469
	Euro	34,468	171,091	Euro	2,955	14,669	Euro	37,423	185,760
	-	1,165,174	-	-	-	123,328	-	-	1,288,502
Export credit refinancing	-	-	-	-	-	3,666	-	-	3,666
Banker's acceptance	-	-	-	USD	9,686	45,073	USD	9,686	45,073
	-	-	-	-	-	278,516	-	-	278,516
Islamic medium term notes	-	6,100,000	-	-	-	-	-	-	6,100,000
Total	-	7,514,568	-	2,894,693	-	10,409,261	-	-	10,409,261

<u>Exchange Rates Applied</u>	At 30 September	
	2024	2023
USD / RM	4.1235	4.6953
Euro / RM	4.5913	4.9638
Rp1,000/RM	0.2724	0.3038
RMB / RM	0.5875	0.6431
GBP / RM	5.5150	5.7278
AUD / RM	2.8504	3.0214

B8. Derivative financial instruments

The Group has entered into forward foreign exchange contracts as hedges for committed sales and purchases denominated in foreign currencies. The hedging of the foreign currencies is to minimise the exposure of the Group to fluctuations in foreign exchange on receipts and payments.

The commodity future contracts are entered into with the objective of managing and hedging the Group's exposure to the adverse price movements in the vegetable oil commodities.

The interest rate swap contracts are entered into to convert floating rate liabilities to fixed rate liabilities to reduce the Group's exposure from adverse fluctuations in interest rates on underlying debt instruments.

The commodity swap contracts are entered into with the objective of managing and hedging the Group's exposure to the adverse price movement in the methane gas futures.

As at 30 September 2024, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

	Contract / Notional value Net long/(short) RM'000	Fair value Net gains/(losses) RM'000
a) Forward foreign exchange contracts:		
- Less than 1 year	(2,558,865)	162,576
b) Commodity futures contracts:		
- Less than 1 year	(467,633)	(23,982)
c) Interest rate swap contracts:		
- Less than 1 year	4,939	160
- 1 year to 3 years	4,908	235
- more than 3 years	4,052	225
d) Commodity swap contracts:		
- Less than 1 year	(969)	(143)

Derivative financial instruments are recognised at fair value on contract dates and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss from the re-measurement is recognised in profit or loss.

For the year ended 30 September 2024, there have been no significant changes to the Group's exposure to credit risk, market risk and liquidity risk from the previous financial year. Since the previous financial year, there have been no changes to the Group's risk management objectives, policies and processes.

B9. Fair value changes of financial liabilities

The Group does not have any financial liabilities which are measured at fair value through profit or loss except for derivative financial instruments.

B10. Material Litigation

There was no pending material litigation as at the date of this report.

B11. Dividend

- a) The Directors will recommend the payment of a final dividend for the financial year ended 30 September 2024 at a later date.
- b) Total dividend for the current financial year to-date is single tier dividend of 20 sen per share (2023: 20 sen).

B12. Earnings Per Share

Basic earnings per share

The earnings per share is calculated by dividing the net profit for the period attributable to equity holders of the Company by the weighted average number of shares of the Company in issue during the period.

	Individual Quarter		Cumulative Quarter	
	3 months ended		Year ended	
	30 September		30 September	
	2024	2023	2024	2023
Net (loss)/profit for the period attributable to equity holders of the Company (RM'000)	(19,761)	52,753	298,856	490,917
Weighted average number of shares ('000)	393,048	393,412	393,048	393,412
Earnings per share (sen)	(5.0)	13.4	76.0	124.8
	(5.03)	13.41	76.04	124.78

B13. Audit report of preceding annual financial statements

The auditors' report on the financial statements for the year ended 30 September 2023 was not subject to any qualifications.

B14. Condensed Consolidated Statement of Profit or Loss

Profit before taxation for the period is arrived at after charging/(crediting) the following items:

	Individual Quarter		Cumulative Quarter	
	3 months ended		Year ended	
	30 September		30 September	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest income	(22,136)	(23,340)	(94,079)	(97,284)
Dividend income	(5,125)	(5,622)	(52,084)	(45,876)
Other income	(75,652)	(75,627)	(216,120)	(135,479)
Interest expense	125,438	108,956	473,466	441,262
Depreciation and amortisation	277,755	276,224	1,119,180	1,061,738
Provision for and write-off of receivables	11,465	59,574	13,351	60,423
Provision for and write-off of inventories	76,172	44,975	87,066	57,416
Surplus on disposal of a business line	-	(1,683)	-	(76,443)
Surplus on disposal of land	(337)	(3,821)	(14,579)	(10,212)
Surplus arising from government acquisition of land	(9,542)	-	(53,860)	(42,218)
Impairment of property, plant and equipment	2,955	27,821	2,955	27,821
Impairment of investment in an associate	180,000	-	180,000	-
Write-back of impairment of property, plant and equipment	(4,568)	-	(4,568)	-
Foreign exchange loss	57,916	92,130	167,272	153,762
Gain on derivatives	(118,258)	(30,287)	(149,065)	(68,041)
Exceptional items	-	-	-	-

By Order of the Board
GOH SWEE ENG
YAP MIOW KIEN
CHIEW CINDY
Company Secretaries

26 November 2024