

# **BATU KAWAN BERHAD**

196501000504 (6292-U)  
(Incorporated in Malaysia)

**Interim Financial Report  
for the Second Quarter ended 31 March 2025**

Directors are pleased to announce the unaudited financial results of the Group for the second quarter ended 31 March 2025.

## Condensed Consolidated Statement of Profit or Loss For the Second Quarter ended 31 March 2025

(The figures have not been audited.)

	Individual Quarter			Cumulative Quarter		
	3 months ended			6 months ended		
	31 March			31 March		
	2025	2024	+/(-)	2025	2024	+/(-)
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	6,509,644	5,660,490	15.0	12,633,274	11,492,993	9.9
Operating expenses	(6,036,186)	(5,231,498)	15.4	(11,792,632)	(10,704,045)	10.2
Other operating income	2,934	40,966	(92.8)	205,254	190,057	8.0
Finance costs	(128,460)	(111,042)	15.7	(255,533)	(226,506)	12.8
Net impairment losses on financial assets	(3,345)	(4,165)	(19.7)	(2,320)	(11,695)	(80.2)
Share of results of associates	(57,279)	(82,631)	(30.7)	(52,283)	(77,479)	(32.5)
Share of results of joint ventures	2,963	(751)	N/M	5,984	(2,127)	N/M
<b>Profit before taxation</b>	<b>290,271</b>	<b>271,369</b>	7.0	<b>741,744</b>	<b>661,198</b>	12.2
Taxation	(104,769)	(89,682)	16.8	(271,350)	(210,175)	29.1
<b>NET PROFIT FOR THE PERIOD</b>	<b>185,502</b>	<b>181,687</b>	2.1	<b>470,394</b>	<b>451,023</b>	4.3
Profit attributable to:						
Equity holders of the Company	87,885	84,720	3.7	215,483	196,456	9.7
Non-controlling interests	97,617	96,967	0.7	254,911	254,567	0.1
	185,502	181,687	2.1	470,394	451,023	4.3
Earnings per share for profit attributable to equity holders of the Company (sen)						
Basic	22.5	21.5		55.2	49.9	
Diluted	N/A	N/A		N/A	N/A	

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 2024.

## Condensed Consolidated Statement of Other Comprehensive Income For the Second Quarter ended 31 March 2025

(The figures have not been audited.)

	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	31 March		31 March	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<b>Net profit for the period</b>	<b>185,502</b>	<b>181,687</b>	<b>470,394</b>	<b>451,023</b>
<b>Other comprehensive (loss)/income that will be reclassified subsequently to profit or loss</b>				
Currency translation differences	(114,862)	31,743	155,308	71,153
Share of other comprehensive income/(loss) in associates	20,625	(15,477)	20,625	(15,477)
	(94,237)	16,266	175,933	55,676
<b>Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss</b>				
Net change in fair value of equity instrument	18,395	54,578	43,094	55,487
Share of other comprehensive (loss)/income in associates	(10,881)	2,384	(10,881)	2,384
Share of other comprehensive loss in joint ventures	-	(318)	-	(318)
Remeasurement of defined benefit plans	-	-	-	(34)
	7,514	56,644	32,213	57,519
<b>Total other comprehensive (loss)/income for the period</b>	<b>(86,723)</b>	<b>72,910</b>	<b>208,146</b>	<b>113,195</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>98,779</b>	<b>254,597</b>	<b>678,540</b>	<b>564,218</b>
Total comprehensive income attributable to:				
Equity holders of the Company	54,493	118,199	317,553	253,197
Non-controlling interests	44,286	136,398	360,987	311,021
	98,779	254,597	678,540	564,218

The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the Annual Report for the year ended 30 September 2024.

## Condensed Consolidated Statement of Financial Position As at 31 March 2025

(The figures have not been audited.)

	At 31 March 2025 <u>RM'000</u>	At 30 September 2024 <u>RM'000</u>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	13,442,161	13,413,300
Right-of-use assets	1,504,537	1,525,995
Investment properties	72,598	56,989
Inventories	2,018,739	2,014,809
Goodwill on consolidation	451,018	445,982
Intangible assets	65,908	79,378
Investments in associates	2,391,414	2,358,089
Investments in joint ventures	258,826	260,906
Other investments	1,001,571	924,778
Other receivables	365,526	382,715
Deferred tax assets	500,903	483,179
Derivative financial assets	468	460
	<u>22,073,669</u>	<u>21,946,580</u>
<b>Current assets</b>		
Inventories	3,889,577	3,300,945
Biological assets	157,361	230,589
Trade and other receivables	4,096,056	3,177,016
Contract assets	52,930	56,374
Tax recoverable	129,961	200,573
Derivative financial assets	14,819	204,986
Short term funds	207,825	140,894
Cash and cash equivalents	2,815,160	2,786,024
	<u>11,363,689</u>	<u>10,097,401</u>
<b>TOTAL ASSETS</b>	<u><b>33,437,358</b></u>	<u><b>32,043,981</b></u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with  
the Annual Report for the year ended 30 September 2024.

## Condensed Consolidated Statement of Financial Position As at 31 March 2025

(The figures have not been audited.)

	At 31 March 2025 RM'000	At 30 September 2024 RM'000
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	2,084,446	1,998,442
Contract liabilities	163,759	173,174
Deferred income	8,346	8,629
Lease liabilities	23,078	25,535
Borrowings	5,879,364	4,786,820
Tax payable	77,395	57,394
Derivative financial liabilities	42,659	66,374
	<u>8,279,047</u>	<u>7,116,368</u>
<b>Net current assets</b>	<b><u>3,084,642</u></b>	<b><u>2,981,033</u></b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	1,109,074	1,130,103
Lease liabilities	348,033	347,574
Deferred income	68,939	72,909
Provision for retirement benefits	549,060	548,523
Borrowings	6,951,115	6,950,130
	<u>9,026,221</u>	<u>9,049,239</u>
<b>Total liabilities</b>	<b><u>17,305,268</u></b>	<b><u>16,165,607</u></b>
<b>Net assets</b>	<b><u>16,132,090</u></b>	<b><u>15,878,374</u></b>
<b>Equity attributable to owners of the Company</b>		
Share capital	507,587	507,587
Reserves	7,142,747	7,004,086
	<u>7,650,334</u>	<u>7,511,673</u>
Less: Cost of treasury shares	(187,621)	(136,919)
Total equity attributable to equity holders of the Company	7,462,713	7,374,754
Non-controlling interests	8,669,377	8,503,620
<b>Total equity</b>	<b><u>16,132,090</u></b>	<b><u>15,878,374</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>33,437,358</u></b>	<b><u>32,043,981</u></b>
Net assets per share attributable to equity holders of the Company (RM)	19.15	18.80

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Report for the year ended 30 September 2024.

## Condensed Consolidated Statement of Changes in Equity For the Second Quarter ended 31 March 2025

(The figures have not been audited.)

	← Attributable to equity holders of the Company →								
	Share capital	Treasury shares	Capital reserve	Exchange fluctuation reserve	Fair value reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 October 2024	507,587	(136,919)	932,322	(143,919)	632,839	5,582,844	7,374,754	8,503,620	15,878,374
Total comprehensive income for the period	-	-	4,728	85,260	20,801	206,764	317,553	360,987	678,540
Transactions with owners:									
Issuance of shares to non-controlling interests	-	-	-	-	-	-	-	2,942	2,942
Effect of changes in shareholdings in subsidiaries	-	-	3,789	(109)	2,035	(28,681)	(22,966)	1,456	(21,510)
Shares buy back	-	(50,702)	-	-	-	-	(50,702)	-	(50,702)
Employees' share grant scheme	-	-	-	-	-	-	-	809	809
Dividend Paid - FY2024 final	-	-	-	-	-	(155,926)	(155,926)	-	(155,926)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(200,437)	(200,437)
	-	(50,702)	3,789	(109)	2,035	(184,607)	(229,594)	(195,230)	(424,824)
At 31 March 2025	507,587	(187,621)	940,839	(58,768)	655,675	5,605,001	7,462,713	8,669,377	16,132,090

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with  
the Annual Report for the year ended 30 September 2024.

## Condensed Consolidated Statement of Changes in Equity For the Second Quarter ended 31 March 2025

(Continued.)

(The figures have not been audited.)

	← Attributable to equity holders of the Company →								
	Share capital	Treasury shares	Capital reserve	Exchange fluctuation reserve	Fair value reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RM'000	RM'000	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 income for the period	-	-	310	28,735	25,226	198,926	253,197	311,021	564,218
Transactions with owners:									
Issuance of shares to non-controlling interests	-	-	-	-	-	-	-	3,150	3,150
Redemption of redeemable preference shares	-	-	525	-	-	(525)	-	-	-
Effect of changes in shareholdings in subsidiaries	-	-	2,829	2,059	1,275	13,286	19,449	(124,107)	(104,658)
Realisation of foreign exchange reserve upon liquidation of a subsidiary	-	-	-	(10,232)	-	-	(10,232)	-	(10,232)
Shares buy back	-	(3,824)	-	-	-	-	(3,824)	-	(3,824)
Dividend paid - FY2023 final	-	-	-	-	-	(157,352)	(157,352)	-	(157,352)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(159,606)	(159,606)
	-	(3,824)	3,354	(8,173)	1,275	(144,591)	(151,959)	(280,563)	(432,522)
At 31 March 2024	507,587	(116,933)	944,418	373,502	579,549	5,667,030	7,955,153	9,374,355	17,329,508

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with  
the Annual Report for the year ended 30 September 2024.

## Condensed Consolidated Statement of Cash Flows

### As at 31 March 2025

(The figures have not been audited.)

	<b>6 months ended 31 March</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	741,744	661,198
Adjustments for:		
Non-cash items	813,356	646,691
Non-operating items	194,573	163,867
Operating cash flows before changes in working capital	1,749,673	1,471,756
Changes in working capital		
Net change in current assets	(1,245,264)	275,476
Net change in current liabilities	35,006	(150,558)
Cash flows generated from operations	539,415	1,596,674
Interest received	5,879	6,214
Interest paid	(248,376)	(266,716)
Tax paid	(212,346)	(280,505)
Retirement benefits paid	(56,875)	(33,025)
<b>Net cash flows generated from operating activities</b>	<b>27,697</b>	<b>1,022,642</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(536,504)	(893,979)
Purchase of right-of-use assets	(865)	(28,990)
Property development expenditure	(3,930)	(2,423)
Purchase of shares in subsidiaries, net of cash	260	-
Purchase of shares in associates	(800)	(443,083)
Purchase of shares in joint ventures	(7,216)	(11,479)
Development of Investment property	(15,623)	(3,843)
Purchase of intangible assets	(526)	(1,021)
Proceeds from disposal of property, plant and equipment	2,385	16,818
Compensation from government on land acquired	3,259	13,934
Proceeds from disposal of other investments	153	107,406
Proceeds from capital reduction from an associate	-	2,498
Advance to associates	(9,240)	-
Repayment from joint ventures	9,914	2,147
Advances to investee companies	(12,508)	(15,208)
Net (placement)/withdrawal of short term funds	(54,850)	84,339
Decrease/(Increase) in other receivables	16,381	(17,417)
Dividends received	25,707	18,056
Interest received	29,683	33,355
<b>Net cash flows used in investing activities</b>	<b>(554,320)</b>	<b>(1,138,890)</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Report for the year ended 30 September 2024.



## Condensed Consolidated Statement of Cash Flows

### As at 31 March 2025

(The figures have not been audited.)

	<b>6 months ended 31 March</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from financing activities</b>		
Drawdown of term loans	87,232	747,061
Repayment of term loans	(394,466)	(230,174)
Lease payments	(20,201)	(12,384)
Net drawdown of short term borrowings	1,254,894	370,473
Dividends paid to shareholders of the Company	(155,926)	(157,352)
Dividends paid to non-controlling interests	(200,437)	(159,606)
Shares buy back	(50,702)	(3,824)
Proceeds from partial disposal of a subsidiary	-	21,933
Purchase of shares from non-controlling interests	(21,510)	(126,593)
Issuance of shares to non-controlling interests	2,942	3,150
<b>Net cash flows generated from financing activities</b>	<b>501,826</b>	<b>452,684</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(24,797)</b>	<b>336,436</b>
Effects of exchange rate changes	(5,053)	(8,695)
Cash and cash equivalents at beginning of year	2,783,163	2,632,928
<b>Cash and cash equivalents at end of year</b>	<b>2,753,313</b>	<b>2,960,669</b>
 Cash and cash equivalents at 31 March is represented by:		
Deposits with licensed banks	346,848	633,560
Money market funds	1,114,525	1,037,163
Cash and bank balances	1,353,787	1,358,321
Bank overdrafts	(61,847)	(68,375)
	<b>2,753,313</b>	<b>2,960,669</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Report for the year ended 30 September 2024.

## 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:

##### **Amendments to MFRSs effective for annual periods beginning on or after 1 January 2024**

- *Lease liability in a Sale and Leaseback* (Amendments to MFRS 16 *Leases*)
- *Classification of Liabilities as Current or Non-current* (Amendments to MFRS 101 *Presentation of Financial Statements*)
- *Non-current Liabilities with Covenants* (Amendments to MFRS 101 *Presentation of Financial Statements*)
- *Supplier Finance Arrangements* (Amendments to MFRS 107 and MFRS 7)

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 and farming 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 2,566,000 shares in the Company from the open market. The average price paid for the shares repurchased was RM19.70 per share and the total consideration paid, including transaction costs, was RM50.70 million. The shares bought back were financed by internally generated funds and held as treasury shares.

#### A7. Dividends paid

	6 months ended 31 March	
	RM'000	RM'000
Dividends proposed in financial year ("FY") 2024, paid in FY 2025:		
Final 40 sen per share single tier	155,926	-
Dividends proposed in FY 2023, paid in FY 2024:		
Final 40 sen per share single tier	-	157,352
	155,926	157,352

Dividend was paid on the number of outstanding shares in issue and fully paid of 389,815,263 (2024: 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	Manufacturing	Property Development	Investment Holding/ Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>6 months ended 31 March 2025</b>						
Revenue						
External revenue	1,814,366	10,518,726	83,777	216,405	-	12,633,274
Inter-segment revenue	1,305,192	54,149	-	413,058	(1,772,399)	-
Total revenue	3,119,558	10,572,875	83,777	629,463	(1,772,399)	12,633,274
Results						
Operating results	1,047,514	24,392	12,857	(22,168)	(19,019)	1,043,576
Finance costs	(4,937)	(94,991)	(1,763)	(172,861)	19,019	(255,533)
Share of results of associates	3,224	7,910	(30)	(63,387)	-	(52,283)
Share of results of joint ventures	-	7,279	-	(1,295)	-	5,984
Segment results	1,045,801	(55,410)	11,064	(259,711)	-	741,744
Profit before taxation						741,744
<b>6 months ended 31 March 2024</b>						
Revenue						
External revenue	1,951,256	9,232,074	127,046	182,617	-	11,492,993
Inter-segment revenue	792,144	23,718	-	262,017	(1,077,879)	-
Total revenue	2,743,400	9,255,792	127,046	444,634	(1,077,879)	11,492,993
Results						
Operating results	746,574	183,174	21,767	41,048	(25,253)	967,310
Finance costs	(6,656)	(70,519)	(1,913)	(172,671)	25,253	(226,506)
Share of results of associates	1,773	7,914	1	(87,167)	-	(77,479)
Share of results of joint ventures	-	(1,928)	-	(199)	-	(2,127)
Segment results	741,691	118,641	19,855	(218,989)	-	661,198
Profit before taxation						661,198

##### b) Segment assets

	Plantation	Manufacturing	Property Development	Investment Holding/ Others	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 31 March 2025</b>					
Operating assets	11,158,926	13,826,677	2,816,978	2,353,673	30,156,254
Associates	23,179	106,707	14,718	2,246,810	2,391,414
Joint ventures	-	64,129	-	194,697	258,826
Segment assets	11,182,105	13,997,513	2,831,696	4,795,180	32,806,494
Tax assets					630,864
Total assets					33,437,358
<b>At 30 September 2024</b>					
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

c) Segment liabilities

	Plantation RM'000	Manufacturing RM'000	Property Development RM'000	Investment Holding/ Others RM'000	Consolidated RM'000
<b>At 31 March 2025</b>					
Segment liabilities	944,391	6,344,914	293,358	8,536,136	16,118,799
Tax liabilities					1,186,469
Total liabilities					17,305,268
<b>At 30 September 2024</b>					
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

**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.

**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.

**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 2024.

**A12. Capital commitments**

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

	At 31 March 2025 RM'000	At 30 September 2024 RM'000
<b>Capital expenditure</b>		
Approved and contracted	525,895	607,420
Approved but not contracted	606,536	913,461
	1,132,431	1,520,881
<b>Joint venture</b>		
Share of capital commitment of a joint venture	56,027	57,699

**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.

	6 months ended 31 March	
	2025 RM'000	2024 RM'000
a) Transactions with associates and joint ventures:		
Sales of goods	203,194	221,047
Purchase of goods	1,073,002	700,761
Service charges paid	1,280	972
Research and development services paid	8,559	7,579

		6 months ended 31 March	
		2025 RM'000	2024 RM'000
b)	Transactions with companies in which certain Directors are common directors and/or have direct or deemed interest:		
	<b>Sales of goods</b>		
	Chlor-AI Chemical Pte Ltd	13,150	16,017
	Siam Taiko Marketing Co Ltd	965	920
	Taiko Acid Works Sdn Bhd	4,817	5,101
	TMK Chemical Berhad	66,754	94,860
	<b>Storage tanks rental received</b>		
	TMK Chemical Berhad	1,272	2,414
	<b>Purchases of goods</b>		
	Borneo Taiko Clay Sdn Bhd	2,687	3,392
	Bukit Katho Estate Sdn Bhd	5,115	4,300
	Chlor-AI Chemical Pte Ltd	11,262	32,854
	Kampar Rubber & Tin Co Sdn Bhd	6,468	5,624
	Kekal & Deras Sdn Bhd	1,629	1,340
	Ladang Tai Tak (Kota Tinggi) Sdn Bhd	-	14,014
	Malay Rubber Plantations (M) Sdn Bhd	8,798	7,392
	PT Agro Makmur Abadi	60,775	52,199
	PT Java Taiko Mineralindo	1,707	1,725
	PT Safari Riau	24,666	20,545
	Taiko Acid Works Sdn Bhd	1,034	805
	Taiko Clay Marketing Sdn Bhd	2,700	3,278
	Taiko Drum Industries Sdn Bhd	2,537	1,047
	TMK Chemical Berhad	13,779	24,815
	<b>Management fees paid</b>		
	Farming Management Services Pty Ltd	1,613	1,536
	<b>Aircraft operating expenses and management services paid</b>		
	Smooth Route Sdn Bhd	1,262	1,524
c)	Transactions between subsidiaries and their non-controlling interests:		
	<b>Sales of goods</b>		
	Alami Commodities Sdn Bhd	11,918	-
	Mitsui & Co Ltd	95,716	77,636
	Mitsui & Co (Malaysia) Sdn Bhd	160,553	181,299
	Mitsui & Co (USA) Sdn Bhd	18,203	4,514
	<b>Purchases of goods</b>		
	PT Tanjung Sarana Lestari	447,886	538,667
	<b>Rental of land</b>		
	PT Perkebunan Nusantara II	23,997	12,697

**B1. Detailed analysis of performance**

**2<sup>nd</sup> Quarter FY2025 vs 2<sup>nd</sup> Quarter FY2024**

	Quarter Ended		Changes %
	31 March		
	2025	2024	
	RM'000	RM'000	
Revenue	6,509,644	5,660,490	15.0
Segment results:			
Plantation	460,726	365,759	26.0
Manufacturing	(20,760)	78,350	N/M
Property development	3,518	7,768	(54.7)
Investment holding/Others	(153,213)	(180,508)	(15.1)
Profit before taxation	290,271	271,369	7.0

N/M - Not meaningful

The Group's pre-tax profit for the current quarter improved to RM290.27 million (2Q2024: RM271.37 million) on the back of higher revenue at RM6.51 billion (2Q2024: RM5.66 billion). Comments on the respective business segments are as follows:

**Plantation's** profit improved 26.0% to RM460.73 million (2Q2024: RM365.76 million) mainly due to higher CPO and PK selling prices realised coupled with net gain of RM2.28 million (2Q2024: RM4.06 million net loss) from fair value changes on outstanding derivative contracts. However, the increase in profit was partially offset by drop in CPO and PK sales volumes and fair value loss of RM53.42 million (2Q2024: RM1.80 million gain) on valuation of unharvested fresh fruit bunches.

Notwithstanding higher revenue at RM5.59 billion (2Q2024: RM4.58 billion), **Manufacturing** segment recorded a loss of RM20.76 million (2Q2024: RM78.35 million profit) due to losses reported by non-oleochemical sub-segment, refineries and kernel crushing plant operations, partially mitigated by increase in profit contribution from oleochemical sub-segment. Industrial chemical sub-segment's profit was lower from lower caustic soda sale volume.

**Property Development's** profit fell 54.7% to RM3.52 million (2Q2024: RM7.77 million) on the back of 30.0% lower revenue at RM39.69 million (2Q2024: RM56.72 million).

Included in **Investment Holdings/Others** were unrealised foreign currency exchange translation loss of RM38.01 million (2Q2024: RM22.20 million loss) on inter-company loans denominated in foreign currencies, and surplus on sale of land and government acquisition of RM3.94 million (2Q2024: RM5.70 million). Farming sector recorded a profit of RM34.59 million (2Q2024: RM11.10 million loss) due to majority of its sales recognised in the current quarter. The segment also accounted for a decrease in share of equity loss of RM63.32 million (2Q2024: RM87.24 million share of equity 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, impairment loss and restructuring costs.

**Todate 2<sup>nd</sup> Quarter FY2025 vs Todate 2<sup>nd</sup> Quarter FY2024**

	Todate Ended		Changes %
	31 March		
	2025	2024	
	RM'000	RM'000	
Revenue	12,633,274	11,492,993	9.9
Segment results:			
Plantation	1,045,801	741,691	41.0
Manufacturing	(55,410)	118,641	N/M
Property development	11,064	19,855	(44.3)
Investment holding/Others	(259,711)	(218,989)	18.6
Profit before taxation	741,744	661,198	12.2

N/M - Not meaningful

The Group's pre-tax profit was 12.2% higher at RM741.74 million (Todate 2Q2024: RM661.20 million) on 9.9% higher revenue at RM12.63 billion (Todate 2Q2024: RM11.49 billion). Comments on the respective business segments are as follows:

**Plantation's** profit was 41.0% higher at RM1.05 billion (Todate 2Q2024: RM741.69 million) mainly due to higher CPO and PK selling prices. However, the improvement in profit was partially offset by decrease in CPO and PK sales volume, higher fair value loss of RM18.71 million (Todate 2Q2024: RM7.70 million loss) on unharvested fresh fruit bunches valuation and higher net loss of RM7.49 million (Todate 2Q2024: RM3.06 million net loss) from fair value changes on outstanding derivatives contracts.

Despite 13.9% higher revenue at RM10.52 billion (Todate 2Q2024: RM9.23 billion), **Manufacturing** recorded a loss of RM55.41 million (Todate 2Q2024: RM118.64 million profit) mainly due to higher loss from non-oleochemical sub-segment and refinery operations which was partially mitigated by improved profit from the oleochemical sub-segment. Notwithstanding higher selling price, Industrial Chemical division's profit was lower from lower sales volumes and higher production cost.

**Property Development's** profit fell 44.3% to RM11.06 million (Todate 2Q2024: RM19.85 million) on the back of lower revenue of RM83.78 million (Todate 2Q2024: RM127.05 million).

Included in **Investment Holdings/Others** were unrealised foreign currency exchange translation loss of RM77.51 million (Todate 2Q2024: RM13.97 million loss) on inter-company loans denominated in foreign currencies; a RM5.49 million surplus (Todate 2Q2024: RM23.37 million surplus) on sale of land and government acquisition; and lower share of equity loss of RM63.32 million (Todate 2Q2024: RM87.24 million loss) from an overseas associate, Synthomer plc. Farming sector recorded a profit of RM34.78 million (Todate 2Q2024: RM3.45 million loss).

**B2. Comparison of current quarter's results to the preceding quarter**  
**2<sup>nd</sup> Quarter FY2025 vs 1<sup>st</sup> Quarter FY2025**

	Quarter Ended		Changes %
	31 March 2025 RM'000	31 December 2024 RM'000	
Revenue	6,509,644	6,123,630	6.3
Segment results:			
Plantation	460,726	585,075	(21.3)
Manufacturing	(20,760)	(34,650)	(40.1)
Property development	3,518	7,546	(53.4)
Investment holding/Others	(153,213)	(106,498)	43.9
Profit before taxation	290,271	451,473	(35.7)

For the current quarter, the Group's pre-tax profit dipped 35.7% to RM290.27 million as compared to RM451.47 million reported in the preceding quarter despite 6.3% improvement in revenue to RM6.51 billion (1Q2025: RM6.12 billion). Comments on the respective business segments are as follows:

**Plantation's** profit dipped 21.3% to RM460.73 million (1Q2025: RM585.08 million) mainly from lower CPO and PK sales volumes, higher CPO production cost and fair value loss of RM53.42 million (1Q2025: RM34.72 million gain) on unharvested fresh fruit bunches valuation. The drop in profit was partially mitigated by higher CPO and PK selling prices and net gain of RM2.28 million (1Q2025: RM9.77 million net loss) from fair value changes on outstanding derivative contracts.

Notwithstanding an improvement in revenue to RM5.59 billion (1Q2025: RM4.93 billion), **Manufacturing** segment recorded a loss of RM20.76 million (1Q2025: RM34.65 million loss) mainly impacted by larger losses from refineries and kernel crushing operations which was partially cushioned by profit contribution from oleochemical sub-segment. Industrial chemical sub-segment's profit dropped mainly contributed by lower caustic soda sales volume.

**Property Development's** profit slipped 53.4% to RM3.52 million (1Q2025: RM7.55 million) on the back of 10.0% lower revenue at RM39.69 million (1Q2025: RM44.09 million).

Included in **Investment Holdings/Others** were unrealised foreign currency exchange translation loss of RM38.01 million (1Q2025: RM39.50 million loss) on inter-company loans denominated in foreign currencies; a surplus of RM3.94 million (1Q2025: RM4.54 million) from sale of land and government acquisitions; RM34.59 million profit (1Q2025: RM186,000 profit) recorded by Farming sector and a share of equity loss amounted to RM63.32 million (1Q2025: Nil) from an overseas associate, Synthomer.



### B3. Prospects

The Group's Plantation segment profit was 41% higher at RM1.05 billion for 1H FY2025 compared to the same period last year, mainly driven by stronger CPO and Palm Kernel ("PK"), partially offset by reduced Fresh Fruit Bunch yields and oil extraction rates. CPO prices are expected to soften within the range of RM3,800 to RM4,200 per metric tonne.

Although the Oleochemical sub-segment saw an improved operational performance with increased profit contributions from operations in China and Europe, the Group's overall Manufacturing segment however recorded a loss for 1HFY2025 of RM55.41 million due to losses in the midstream refinery sub-segment due to heightened market volatility, and a RM142.62 million net mark-to-market non-cash loss on hedged US dollar sales. The Group's Industrial Chemical sub-segment reported 25% lower profits on lower sales volumes from planned plant shutdowns.

The Group recognised an equity-accounted loss of RM63.32 million from its associate, Synthomer, arising from its results for the second half of 2024.

The Group's Plantation segment continue to be the primary earnings driver. Given the challenging macroeconomic outlook and volatility in commodity markets following recent tariff developments, the Group is cautious over the outlook for the remainder of FY2025.

### 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

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>31 March</b>		<b>31 March</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current tax expenses				
Malaysian taxation	48,003	44,602	118,611	94,005
Overseas taxation	71,314	60,330	180,361	137,652
	<u>119,317</u>	<u>104,932</u>	<u>298,972</u>	<u>231,657</u>
(Over)/Under provision of taxation				
in respect of previous years				
Malaysian taxation	(11)	1,363	(734)	1,357
Overseas taxation	4,631	4,190	6,103	17,194
	<u>4,620</u>	<u>5,553</u>	<u>5,369</u>	<u>18,551</u>
Deferred tax				
Origination and reversal of				
temporary differences	(25,119)	(19,794)	(38,340)	(39,534)
Under/(Over) provision in respect of previous year	5,951	(1,009)	5,349	(499)
	<u>(19,168)</u>	<u>(20,803)</u>	<u>(32,991)</u>	<u>(40,033)</u>
	<u>104,769</u>	<u>89,682</u>	<u>271,350</u>	<u>210,175</u>

**Reconciliation of effective taxation**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>31 March</b>		<b>31 March</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit before taxation	290,271	271,369	741,744	661,198
Taxation at Malaysia income tax rate of 24% (FY2024: 24%)	69,665	65,128	178,019	158,687
Effect of different tax rates in foreign jurisdiction	(68)	(9,666)	(9,625)	(16,778)
Withholding tax on foreign dividend and interest income	15,109	22,621	30,807	33,913
Expenses not deductible for tax purposes	10,542	7,409	52,280	33,065
Tax exempt and non-taxable income	(5,950)	(23,690)	(29,387)	(52,348)
Tax incentives	(12,339)	(4,229)	(14,528)	(5,538)
Deferred tax assets not recognised during the period	12,203	7,384	33,124	9,815
(Utilisation)/Reversal of previously unrecognised tax losses and unabsorbed capital allowances	(6,410)	475	(7,519)	(992)
Tax effect on associates' and joint ventures' results	13,036	20,011	11,112	19,105
Under provision of tax expense in respect of previous years	4,620	5,553	5,369	18,551
Under/(Over) provision of deferred tax in respect of previous years	5,951	(1,009)	5,349	(499)
Tax on remittance of foreign-sourced income	(1,589)	-	15,980	-
Foreign capital gain tax on disposal of subsidiaries	-	-	-	14,012
Others	(1)	(305)	369	(818)
Tax expense	104,769	89,682	271,350	210,175

**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 31 March 2025					
	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 348	1,673	Euro 3,523	16,925	Euro 3,871	18,598
<u>Unsecured</u>						
Bank overdraft	-	-	Euro 12,872	61,847	Euro 12,872	61,847
Revolving credit	-	-	Euro 102,000	490,265	Euro 102,000	490,265
	USD 2,100	9,323	USD 42,880	190,285	USD 44,980	199,608
	-	-	GBP 61,000	350,323	GBP 61,000	350,323
	-	-	AUD 8,500	23,716	AUD 8,500	23,716
	-	-	-	142,000	-	142,000
Trade financing	-	-	USD 103,157	457,757	USD 103,157	457,757
	-	-	Euro 65,204	313,307	Euro 65,204	313,307
	-	-	Rp 334,052,612	89,526	Rp 334,052,612	89,526
	-	-	RMB 480,819	293,780	RMB 480,819	293,780
	-	-	-	1,482,020	-	1,482,020
Term loans	EUR 1,951	9,377	EUR 30,493	146,518	EUR 32,444	155,895
	-	-	AUD 2,717	7,581	AUD 2,717	7,581
	-	1,930,742	-	123,395	-	2,054,137
Banker's acceptance	-	-	-	590,119	-	590,119
Islamic medium term notes	-	5,000,000	-	1,100,000	-	6,100,000
Total	-	6,951,115	-	5,879,364	-	12,830,479

	At 31 March 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 787	4,017	Euro 1,413	7,202	Euro 2,200	11,219
<u>Unsecured</u>						
Bank overdraft	-	-	Euro 13,410	68,375	Euro 13,410	68,375
Revolving credit	-	-	Euro 80,000	407,912	Euro 80,000	407,912
	-	-	AUD 8,000	24,650	AUD 8,000	24,650
	-	-	GBP 68,500	408,548	GBP 68,500	408,548
	USD 11,865	56,123	USD 14,605	69,037	USD 26,470	125,160
	-	-	-	87,000	-	87,000
Trade financing	-	-	USD 42,117	198,985	USD 42,117	198,985
	-	-	Euro 46,549	237,349	Euro 46,549	237,349
	-	-	-	1,326,557	-	1,326,557
Term loans	-	-	USD 30,000	141,735	USD 30,000	141,735
	Euro 32,935	167,930	Euro 987	5,032	Euro 33,922	172,962
	-	-	AUD 1,681	5,181	AUD 1,681	5,181
	-	-	RMB 70,000	45,801	RMB 70,000	45,801
	-	1,717,696	-	123,334	-	1,841,030
Export credit refinancing	-	-	-	2,877	-	2,877
Banker's acceptance	-	-	-	101,066	-	101,066
Islamic medium term notes	-	6,100,000	-	-	-	6,100,000
Total	-	8,045,766	-	3,260,641	-	11,306,407

<u>Exchange Rates Applied</u>	At 31 March	
	2025	2024
USD / RM	4.4375	4.7245
Euro / RM	4.8050	5.0989
Rp1,000/RM	0.2680	0.2980
RMB / RM	0.6110	0.6543
GBP / RM	5.7430	5.9642
AUD / RM	2.7901	3.0813

#### 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 31 March 2025, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

	<b>Contract / Notional value Net long/(short) RM'000</b>	<b>Fair value Net gains/(losses) RM'000</b>
a) Forward foreign exchange contracts:		
- Less than 1 year	(2,755,295)	(20,431)
b) Commodity futures contracts:		
- Less than 1 year	(423,263)	(7,479)
c) Interest rate swap contracts:		
- Less than 1 year	2,586	70
- 1 year to 3 years	5,136	237
- more than 3 years	4,241	231

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 period ended 31 March 2025, 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) An interim single tier dividend of 20 sen per share has been authorised by the Directors in respect of the financial year ending 30 September 2025 (2024: 20 sen) and will be paid to the shareholders on 31 July 2025. The entitlement date for the dividend shall be 10 July 2025.

A Depositor with Bursa Malaysia Depository Sdn Bhd shall qualify for the entitlement to the dividend only in respect of:

- Securities deposited into the Depositor's Securities Account before 12.30 p.m. on 8 July 2025 in respect of securities which are exempted from mandatory deposit;
- Securities transferred into the Depositor's Securities Account before 4.30 p.m. on 10 July 2025 in respect of transfers; and
- Securities bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

- b) Total dividend for the current financial year to-date is single tier dividend of 20 sen per share (2024: 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.

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>31 March</b>		<b>31 March</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Net profit for the period attributable to equity holders of the Company (RM'000)	87,885	84,720	215,483	196,456
Weighted average number of shares ('000)	390,183	393,357	390,183	393,357
Earnings per share (sen)	22.5	21.5	55.2	49.9

**B13. Audit report of preceding annual financial statements**

The auditors' report on the financial statements for the year ended 30 September 2024 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:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>31 March</b>		<b>31 March</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest income	(20,898)	(21,552)	(41,100)	(44,527)
Dividend income	(2,449)	(3,943)	(19,860)	(18,112)
Other income	(20,357)	(30,790)	(57,361)	(66,282)
Interest expense	128,460	111,042	255,533	226,506
Depreciation and amortisation	275,357	280,023	551,154	554,147
Provision for and write-off of receivables	3,344	4,733	2,320	4,239
Write-back of inventories	(15,521)	(7,664)	(733)	(1,847)
Surplus on disposal of land	(1,773)	(4,628)	(2,341)	(10,528)
Surplus arising from government acquisition of land	(2,168)	(1,073)	(3,144)	(12,840)
Foreign exchange loss	67,924	10,987	9,577	62,251
Loss/(Gain) on derivatives	34,932	(9,126)	250,567	(70,881)
Exceptional items	-	-	-	-

By Order of the Board  
YAP MOW KIEN  
CHIEW CINDY  
Company Secretaries

22 May 2025