

BATU KAWAN BERHAD

196501000504 (6292-U)
(Incorporated in Malaysia)

**Interim Financial Report
for the Third Quarter ended 30 June 2025**

Directors are pleased to announce the unaudited financial results of the Group for the third quarter ended 30 June 2025.

Condensed Consolidated Statement of Profit or Loss For the Third Quarter ended 30 June 2025

(The figures have not been audited.)

	Individual Quarter			Cumulative Quarter		
	3 months ended			9 months ended		
	30 June			30 June		
	2025	2024	+/(-) %	2025	2024	+/(-) %
	RM'000	RM'000		RM'000	RM'000	
Revenue	6,608,905	5,683,556	16.3	19,242,179	17,176,549	12.0
Operating expenses	(6,018,812)	(5,267,381)	14.3	(17,811,444)	(15,971,426)	11.5
Other operating income	81,947	77,043	6.4	287,201	267,100	7.5
Finance costs	(129,368)	(121,522)	6.5	(384,901)	(348,028)	10.6
Net reversal of impairment /(impairment losses) on financial assets	2,293	11,505	(80.1)	(27)	(190)	(85.8)
Share of results of associates	1,245	2,401	(48.1)	(51,038)	(75,078)	(32.0)
Share of results of joint ventures	(1,613)	(1,174)	37.4	4,371	(3,301)	N/M
Profit before taxation	544,597	384,428	41.7	1,286,341	1,045,626	23.0
Taxation	(144,274)	(97,495)	48.0	(415,624)	(307,670)	35.1
NET PROFIT FOR THE PERIOD	400,323	286,933	39.5	870,717	737,956	18.0
Profit attributable to:						
Equity holders of the Company	182,924	131,037	39.6	398,407	327,493	21.7
Non-controlling interests	217,399	155,896	39.5	472,310	410,463	15.1
	400,323	286,933	39.5	870,717	737,956	18.0
Earnings per share for profit attributable to equity holders of the Company (sen)						
Basic	46.9	33.3		102.2	83.3	
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 Third Quarter ended 30 June 2025

(The figures have not been audited.)

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30 June		30 June	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Net profit for the period	400,323	286,933	870,717	737,956
Other comprehensive (loss)/income that will be reclassified subsequently to profit or loss				
Currency translation differences	(138,951)	(204,974)	16,357	(133,821)
Share of other comprehensive income/(loss) in associates	160	-	20,785	(15,477)
	(138,791)	(204,974)	37,142	(149,298)
Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss				
Net change in fair value of equity instrument	89,165	35,744	132,259	90,083
Share of other comprehensive (loss)/income in associates	(84)	-	(10,965)	2,384
Share of other comprehensive income/(loss) in joint ventures	-	3	-	(315)
Remeasurement of defined benefit plans	-	-	-	(34)
	89,081	35,747	121,294	92,118
Total other comprehensive (loss)/income for the period	(49,710)	(169,227)	158,436	(57,180)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	350,613	117,706	1,029,153	680,776
Total comprehensive income attributable to:				
Equity holders of the Company	164,817	61,769	482,370	313,818
Non-controlling interests	185,796	55,937	546,783	366,958
	350,613	117,706	1,029,153	680,776

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 30 June 2025

(The figures have not been audited.)

	At 30 June 2025 <u>RM'000</u>	At 30 September 2024 <u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant & equipment	13,277,546	13,413,300
Right-of-use assets	1,477,185	1,525,995
Investment properties	94,703	56,989
Inventories	2,020,516	2,014,809
Goodwill on consolidation	459,273	445,982
Intangible assets	60,239	79,378
Investments in associates	2,402,008	2,358,089
Investments in joint ventures	256,237	260,906
Other investments	1,084,616	924,778
Other receivables	347,850	382,715
Deferred tax assets	498,566	483,179
Derivative financial assets	428	460
	<u>21,979,167</u>	<u>21,946,580</u>
Current assets		
Inventories	3,973,089	3,300,945
Biological assets	190,433	230,589
Trade and other receivables	3,965,065	3,177,016
Contract assets	43,040	56,374
Tax recoverable	111,511	200,573
Derivative financial assets	86,564	204,986
Short term funds	180,300	140,894
Cash and cash equivalents	3,313,167	2,786,024
	<u>11,863,169</u>	<u>10,097,401</u>
TOTAL ASSETS	<u>33,842,336</u>	<u>32,043,981</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 30 June 2025

(The figures have not been audited.)

	At 30 June 2025 <u>RM'000</u>	At 30 September 2024 <u>RM'000</u>
EQUITY AND LIABILITIES		
Current liabilities		
Trade and other payables	2,218,183	1,998,442
Contract liabilities	184,326	173,174
Deferred income	8,347	8,629
Lease liabilities	20,730	25,535
Borrowings	6,289,426	4,786,820
Tax payable	151,672	57,394
Derivative financial liabilities	21,652	66,374
Dividend payable	193,142	-
	<u>9,087,478</u>	<u>7,116,368</u>
Net current assets	<u>2,775,691</u>	<u>2,981,033</u>
Non-current liabilities		
Deferred tax liabilities	1,094,025	1,130,103
Lease liabilities	345,407	347,574
Deferred income	66,813	72,909
Provision for retirement benefits	557,235	548,523
Borrowings	6,435,722	6,950,130
	<u>8,499,202</u>	<u>9,049,239</u>
Total liabilities	<u>17,586,680</u>	<u>16,165,607</u>
Net assets	<u>16,255,656</u>	<u>15,878,374</u>
Equity attributable to owners of the Company		
Share capital	507,587	507,587
Reserves	7,229,526	7,004,086
	<u>7,737,113</u>	<u>7,511,673</u>
Less: Cost of treasury shares	(196,022)	(136,919)
Total equity attributable to equity holders of the Company	<u>7,541,091</u>	<u>7,374,754</u>
Non-controlling interests	8,714,565	8,503,620
Total equity	<u>16,255,656</u>	<u>15,878,374</u>
TOTAL EQUITY AND LIABILITIES	<u>33,842,336</u>	<u>32,043,981</u>
Net assets per share attributable to equity holders of the Company (RM)	19.38	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 Third Quarter ended 30 June 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	-	-	3,029	25,953	63,534	389,854	482,370	546,783	1,029,153
Transactions with owners:									
Issuance of shares to non-controlling interests	-	-	-	-	-	-	-	2,942	2,942
Effect of changes in shareholdings in subsidiaries	-	-	3,789	48	2,035	(29,043)	(23,171)	1,439	(21,732)
Shares buy back	-	(59,103)	-	-	-	-	(59,103)	-	(59,103)
Employees' share grant scheme	-	-	-	-	-	-	-	809	809
Dividend paid - FY2024 final	-	-	-	-	-	(155,926)	(155,926)	-	(155,926)
Dividend payable - FY2025 interim	-	-	-	-	-	(77,833)	(77,833)	-	(77,833)
Dividends payable to non-controlling interests	-	-	-	-	-	-	-	(115,309)	(115,309)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(225,719)	(225,719)
	-	(59,103)	3,789	48	2,035	(262,802)	(316,033)	(335,838)	(651,871)
At 30 June 2025	507,587	(196,022)	939,140	(117,918)	698,408	5,709,896	7,541,091	8,714,565	16,255,656

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 Third Quarter ended 30 June 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 (loss)/income for the period	-	-	(643)	(56,295)	42,364	328,392	313,818	366,958	680,776
Transactions with owners:									
Issuance of shares to non-controlling interests	-	-	-	-	-	-	-	6,300	6,300
Purchase of shares from non-controlling interests	-	-	-	-	-	(734)	(734)	(1,435)	(2,169)
Redemption of redeemable preference shares	-	-	525	-	-	(525)	-	-	-
Effect of changes in shareholdings in subsidiaries	-	-	2,828	2,059	1,276	(2,809)	3,354	(557,720)	(554,366)
Realisation of foreign exchange reserve upon liquidation of a subsidiary	-	-	-	(10,232)	-	-	(10,232)	-	(10,232)
Shares buy back	-	(12,646)	-	-	-	-	(12,646)	-	(12,646)
Dividend paid - FY2023 final	-	-	-	-	-	(157,352)	(157,352)	-	(157,352)
Dividend paid - FY2024 interim	-	-	-	-	-	(78,548)	(78,548)	-	(78,548)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(173,600)	(173,600)
Dividends payable to non-controlling interests	-	-	-	-	-	-	-	(114,251)	(114,251)
	-	(12,646)	3,353	(8,173)	1,276	(239,968)	(256,158)	(840,706)	(1,096,864)
At 30 June 2024	507,587	(125,755)	943,464	288,472	596,688	5,701,119	7,911,575	8,870,149	16,781,724

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 30 June 2025

(The figures have not been audited.)

	9 months ended 30 June	
	2025	2024
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	1,286,341	1,045,626
Adjustments for:		
Non-cash items	973,488	1,003,147
Non-operating items	270,216	229,120
Operating cash flows before changes in working capital	2,530,045	2,277,893
Changes in working capital		
Net change in current assets	(1,127,024)	(241,266)
Net change in current liabilities	138,933	62,424
Cash flows generated from operations	1,541,954	2,099,051
Interest received	9,265	8,695
Interest paid	(310,542)	(353,505)
Tax paid	(276,868)	(344,471)
Retirement benefits paid	(67,028)	(44,757)
Net cash flows generated from operating activities	896,781	1,365,013
Cash flows from investing activities		
Purchase of property, plant and equipment	(765,522)	(1,258,244)
Purchase of right-of-use assets	(4,008)	(36,502)
Property development expenditure	(5,707)	(2,498)
Purchase of shares in subsidiaries, net of cash	260	-
Purchase of additional shares in a subsidiary	(2,090)	-
Purchase of shares in associates	(800)	(443,128)
Purchase of shares in joint ventures	(8,210)	(15,081)
Development of investment property	(37,716)	(13,591)
Purchase of intangible assets	(1,226)	(1,303)
Proceeds from disposal of property, plant and equipment	5,457	17,585
Compensation from government on land acquired	3,570	45,488
Proceeds from disposal of ROU assets	51	-
Proceeds from disposal of other investments	153	110,381
Proceeds from capital reduction from an associate	-	2,498
Advance to an associate	(9,240)	-
Repayment from/(Advances to) joint ventures	8,708	(24,085)
(Advances to)/Repayment from investee companies	(7,699)	5,570
Net (placement)/withdrawal of short term funds	(33,301)	43,207
Decrease/(Increase) in other receivables	24,284	(19,378)
Dividends received	59,330	60,262
Interest received	42,242	48,304
Net cash flows used in investing activities	(731,464)	(1,480,515)

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 30 June 2025

(The figures have not been audited.)

	9 months ended 30 June	
	2025	2024
	RM'000	RM'000
Cash flows from financing activities		
Drawdown of term loans	88,793	1,029,115
Repayment of term loans	(382,741)	(303,816)
Lease payments	(27,581)	(25,088)
Net drawdown of short term borrowings	1,179,938	632,090
Dividends paid to shareholders of the Company	(155,926)	(157,352)
Dividends paid to non-controlling interests	(225,719)	(173,600)
Shares buy back	(59,103)	(12,646)
Proceeds from partial disposal of a subsidiary	-	21,934
Purchase of shares from non-controlling interests	(21,732)	(578,471)
Issuance of shares to non-controlling interests	2,942	6,300
Net cash flows generated from financing activities	398,871	438,466
Net increase in cash and cash equivalents	564,188	322,964
Effects of exchange rate changes	(56,337)	(37,667)
Cash and cash equivalents at beginning of year	2,783,163	2,632,927
Cash and cash equivalents at end of year	3,291,014	2,918,224
 Cash and cash equivalents at 30 June is represented by:		
Deposits with licensed banks	297,152	507,836
Money market funds	1,647,816	1,242,075
Cash and bank balances	1,368,199	1,168,313
Bank overdrafts	(22,153)	-
	3,291,014	2,918,224

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

	9 months ended 30 June	
	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
9 months ended 30 June 2025						
Revenue						
External revenue	2,739,623	16,071,151	150,374	281,031	-	19,242,179
Inter-segment revenue	1,927,586	81,413	-	481,783	(2,490,782)	-
Total revenue	4,667,209	16,152,564	150,374	762,814	(2,490,782)	19,242,179
Results						
Operating results	1,674,963	115,279	22,786	(68,228)	(26,891)	1,717,909
Finance costs	(7,353)	(136,577)	(2,625)	(265,237)	26,891	(384,901)
Share of results of associates	4,424	8,587	(55)	(63,994)	-	(51,038)
Share of results of joint ventures	-	4,931	-	(560)	-	4,371
Segment results	1,672,034	(7,780)	20,106	(398,019)	-	1,286,341
Profit before taxation						1,286,341
9 months ended 30 June 2024						
Revenue						
External revenue	2,849,141	13,872,768	205,271	249,369	-	17,176,549
Inter-segment revenue	1,232,401	43,007	-	317,889	(1,593,297)	-
Total revenue	4,081,542	13,915,775	205,271	567,258	(1,593,297)	17,176,549
Results						
Operating results	1,118,985	263,244	41,297	87,133	(38,626)	1,472,033
Finance costs	(10,800)	(111,298)	(2,556)	(262,000)	38,626	(348,028)
Share of results of associates	2,874	9,340	(22)	(87,270)	-	(75,078)
Share of results of joint ventures	-	(1,597)	-	(1,704)	-	(3,301)
Segment results	1,111,059	159,689	38,719	(263,841)	-	1,045,626
Profit before taxation						1,045,626

b) Segment assets

	Plantation	Manufacturing	Property Development	Investment Holding/ Others	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
At 30 June 2025					
Operating assets	11,180,512	13,628,836	2,943,470	2,821,196	30,574,014
Associates	24,379	103,815	14,693	2,259,121	2,402,008
Joint ventures	-	59,939	-	196,298	256,237
Segment assets	11,204,891	13,792,590	2,958,163	5,276,615	33,232,259
Tax assets					610,077
Total assets					33,842,336
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

c) Segment liabilities

	Plantation RM'000	Manufacturing RM'000	Property Development RM'000	Investment Holding/ Others RM'000	Consolidated RM'000
At 30 June 2025					
Segment liabilities	1,117,410	6,147,513	343,744	8,539,174	16,147,841
Tax liabilities					1,245,697
Dividend payable					193,142
Total liabilities					17,586,680
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

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 30 June 2025 RM'000	At 30 September 2024 RM'000
Capital expenditure		
Approved and contracted	436,092	607,420
Approved but not contracted	469,989	913,461
	906,081	1,520,881
Joint venture		
Share of capital commitment of a joint venture	55,592	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.

	9 months ended 30 June	
	2025 RM'000	2024 RM'000
a) Transactions with associates and joint ventures:		
Sales of goods	302,134	302,318
Purchase of goods	1,602,788	1,111,124
Service charges paid	1,992	1,679
Research and development services paid	12,816	13,398

		9 months ended 30 June	
		2025 RM'000	2024 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	20,177	23,682
	Siam Taiko Marketing Co Ltd	1,419	1,247
	Taiko Acid Works Sdn Bhd	7,643	7,167
	TMK Chemical Berhad	90,520	136,094
	Storage tanks rental received		
	TMK Chemical Berhad	1,874	3,622
	Purchases of goods		
	Borneo Taiko Clay Sdn Bhd	4,197	4,839
	Bukit Katho Estate Sdn Bhd	7,591	6,304
	Chlor-AI Chemical Pte Ltd	11,262	32,854
	Kampar Rubber & Tin Co Sdn Bhd	9,945	8,711
	Kekal & Deras Sdn Bhd	2,504	2,101
	Ladang Tai Tak (Kota Tinggi) Sdn Bhd	-	14,014
	Malay Rubber Plantations (M) Sdn Bhd	13,865	11,392
	PT Agro Makmur Abadi	84,265	70,758
	PT Java Taiko Mineralindo	2,219	2,625
	PT Safari Riau	37,257	29,929
	Taiko Acid Works Sdn Bhd	2,115	5,246
	Taiko Clay Marketing Sdn Bhd	4,439	4,822
	Taiko Drum Industries Sdn Bhd	3,955	1,112
	TMK Chemical Berhad	18,178	33,114
	Management fees paid		
	Farming Management Services Pty Ltd	2,399	2,290
	Aircraft operating expenses and management services paid		
	Smooth Route Sdn Bhd	1,334	1,929
c)	Transactions between subsidiaries and their non-controlling interests:		
	Sales of goods		
	Alami Commodities Sdn Bhd	28,249	-
	Mitsui & Co Ltd	140,858	107,297
	Mitsui & Co (Malaysia) Sdn Bhd	286,435	253,459
	Mitsui & Co (USA) Inc	36,011	9,491
	Mitsui Plastic Trading (Shanghai) Co Ltd	-	723
	Purchases of goods		
	PT Tanjung Sarana Lestari	670,724	577,918
	Rental of land		
	PT Perkebunan Nusantara I	26,914	15,657

B1. Detailed analysis of performance
3rd Quarter FY2025 vs 3rd Quarter FY2024

	Quarter Ended		
	30 June		
	2025	2024	Changes
	RM'000	RM'000	%
Revenue	6,608,905	5,683,556	16.3
Segment results:			
Plantation	626,233	369,368	69.5
Manufacturing	47,630	41,048	16.0
Property development	9,042	18,864	(52.1)
Investment holding/Others	(138,308)	(44,852)	N/M
Profit before taxation	544,597	384,428	41.7

N/M - Not meaningful

The Group's pre-tax profit for the current quarter improved to RM544.60 million (3Q2024: RM384.43 million) on the back of higher revenue at RM6.61 billion (3Q2024: RM5.68 billion). Comments on the respective business segments are as follows:

Plantation's profit improved significantly to RM626.23 million (3Q2024: RM369.37 million) mainly due to higher CPO and PK selling prices realised coupled with improvement in CPO and PK sales volume. The increase in profit was further contributed by fair value gain of RM3.79 million (3Q2024: RM2.21 million loss) on valuation of unharvested fresh fruit bunches and higher gain of RM7.70 million (3Q2024: RM87,000 gain) from fair value changes on outstanding derivative contracts.

Manufacturing segment's profit was 16.0% higher at RM47.63 million (3Q2024: RM41.05 million profit) with revenue increased 19.6% to RM5.55 billion (3Q2024: RM4.64 billion) contributed by strong recovery in the refineries which rebounded from a loss in the same quarter last year. However, this was partially offset by lower profit contribution from oleochemical sub-segment. Industrial Chemical sub-segment's profit was higher from higher caustic soda sale volume and selling price.

Property Development's profit fell 52.1% to RM9.04 million (3Q2024: RM18.86 million) on the back of 14.9% lower revenue at RM66.60 million (3Q2024: RM78.23 million).

Included in **Investment Holdings/Others** were unrealised foreign currency exchange translation loss of RM59.44 million (3Q2024: RM24.54 million loss) on inter-company loans denominated in foreign currencies, and surplus on sale of land and government acquisition of RM3.71 million (3Q2024: RM35.19 million). Previous year had accounted for a fair value surplus of RM8.56 million on deemed disposal of a joint venture.

Todate 3rd Quarter FY2025 vs Todate 3rd Quarter FY2024

	Todate Ended		
	30 June		
	2025	2024	Changes
	RM'000	RM'000	%
Revenue	19,242,179	17,176,549	12.0
Segment results:			
Plantation	1,672,034	1,111,059	50.5
Manufacturing	(7,780)	159,689	N/M
Property development	20,106	38,719	(48.1)
Investment holding/Others	(398,019)	(263,841)	50.9
Profit before taxation	1,286,341	1,045,626	23.0

N/M - Not meaningful

The Group's pre-tax profit was 23.0% higher at RM1.29 billion (Todate 3Q2024: RM1.05 billion) on 12.0% higher revenue at RM19.24 billion (Todate 3Q2024: RM17.18 billion). Comments on the respective business segments are as follows:

Plantation's profit was 50.5% higher at RM1.67 billion (Todate 3Q2024: RM1.11 billion) mainly due to higher CPO and PK selling prices, coupled with higher CPO sales volume and net gain of RM204,000 (Todate 3Q2024: RM2.97 million loss) from fair value changes on outstanding derivatives contracts. However, the improvement in profit was partially offset by higher fair value loss of RM14.92 million (Todate 3Q2024: RM9.91 million loss) on unharvested fresh fruit bunches valuation.

Despite 15.8% higher revenue at RM16.07 billion (Todate 3Q2024: RM13.87 billion), **Manufacturing** recorded a loss of RM7.78 million (Todate 3Q2024: RM159.69 million profit) mainly due to loss from non-oleochemical sub-segment and refineries operations coupled with lower profit contribution from the oleochemical sub-segment. Excluding a one-off exchange fluctuation reserve gain recognised from the liquidation of a foreign subsidiary in 2024, the Industrial Chemical sub-segment reported a stable result with higher caustic soda prices supporting lower sales volume.

Property Development's profit fell 48.1% to RM20.11 million (Todate 3Q2024: RM38.72 million) on the back of lower revenue of RM150.37 million (Todate 3Q2024: RM205.27 million).

Included in **Investment Holdings/Others** were unrealised foreign currency exchange translation loss of RM136.94 million (Todate 3Q2024: RM39.52 million loss) on inter-company loans denominated in foreign currencies; a lower surplus of RM9.19 million (Todate 3Q2024: RM58.56 million surplus) on sale of land and government acquisition; and lower share of equity loss of RM63.81 million (Todate 3Q2024: RM87.24 million loss) from an overseas associate, Synthomer plc. Farming sector recorded a profit of RM17.05 million (Todate 3Q2024: RM23.42 million loss). Previous year had accounted for a fair value surplus of RM8.56 million on deemed disposal of a joint venture.

B2. Comparison of current quarter's results to the preceding quarter
3rd Quarter FY2025 vs 2nd Quarter FY2025

	Quarter Ended		Changes %
	30 June 2025 RM'000	31 March 2025 RM'000	
Revenue	6,608,905	6,509,644	1.5
Segment results:			
Plantation	626,233	460,726	35.9
Manufacturing	47,630	(20,760)	N/M
Property development	9,042	3,518	*
Investment holding/Others	(138,308)	(153,213)	(9.7)
Profit before taxation	544,597	290,271	87.6

* More than 100%

N/M - Not meaningful

For the current quarter, the Group's pre-tax profit improved 87.6% to RM544.60 million as compared to RM290.27 million reported in the preceding quarter with marginal increase in revenue to RM6.61 billion (2Q2025: RM6.51 billion). Comments on the respective business segments are as follows:

Despite a weaker CPO selling price realised, **Plantation's** profit was 35.9% higher at RM626.23 million (2Q2025: RM460.73 million) mainly from higher PK selling price realised, coupled with higher CPO and PK sales volumes, fair value gain of RM3.79 million (2Q2025: RM53.42 million loss) on unharvested fresh fruit bunches valuation and higher gain of RM7.70 million (2Q2025: RM2.28 million gain) from fair value changes on outstanding derivative contracts.

Notwithstanding marginal decline in revenue to RM5.55 billion (2Q2025: RM5.59 billion), **Manufacturing** segment recorded a profit of RM47.63 million (2Q2025: RM20.76 million loss) contributed by strong profit contribution from the refineries which recorded a loss in the preceding quarter, as well as reduced loss from non-oleochemical sub-segment. However, the improvement in profit was partially offset by lower profit contribution from oleochemical sub-segment. Industrial Chemical sub-segment's profit improved mainly contributed by higher caustic soda sales volume.

Property Development's profit improved substantially to RM9.04 million (2Q2025: RM3.52 million) on the back of 67.8% higher revenue at RM66.60 million (2Q2025: RM39.69 million).

Included in **Investment Holdings/Others** were unrealised foreign currency exchange translation loss of RM59.44 million (2Q2025: RM38.01 million loss) on inter-company loans denominated in foreign currencies; and RM17.05 million loss (2Q2025: RM34.59 million profit) recorded by Farming sector. Previous quarter had accounted for a share of equity loss amounted to RM63.32 million from an overseas associate, Synthomer plc. The loss posted by Synthomer plc was mainly caused by its weak performance coupled with non-operating charges incurred on amortisation of acquired intangibles, impairment loss and restructuring costs.

B3. Prospects

The Group's Plantation segment reported a 50% increase in profit for year-to-date Q3 FY2025 of RM1,672.0 million compared to the same period last year, driven mainly by stronger CPO and Palm Kernel ("PK") prices and improved CPO sales volume. Initiatives to improve Fresh Fruit Bunch ("FFB") yields are providing tangible results. Looking ahead, prices are expected to remain volatile in the second half of 2025 due to macroeconomic uncertainties and softness as the industry enters its peak production cycle. However, firmer biodiesel demand in Indonesia, coupled with tighter global soybean supply improving palm oil's price competitiveness, should provide underlying demand support.

The Group's overall Manufacturing segment recorded a loss for year-to-date Q3 FY2025 of RM7.8 million due to lower profit contribution from Oleochemicals and losses incurred by the non-Oleochemical and midstream Refining sub-segments. The macroeconomic environment is expected to remain challenging with midstream Refining margins expected to stay tight while Oleochemicals expect to see gradual improvement. The Group's Industrial Chemical sub-segment reported stable results with higher caustic soda selling prices supporting lower sales volume.

The Group's Plantation segment remains the primary earnings driver. Given challenging macroeconomic conditions, heightened geopolitical tensions and volatility in commodity markets, the Group continues to remain 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

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30 June		30 June	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Current tax expenses				
Malaysian taxation	73,011	52,525	191,622	146,530
Overseas taxation	85,370	61,714	265,731	199,366
	158,381	114,239	457,353	345,896
(Over)/Under provision of taxation				
in respect of previous years				
Malaysian taxation	(5,463)	(3,068)	(6,197)	(1,711)
Overseas taxation	644	376	6,747	17,570
	(4,819)	(2,692)	550	15,859
Deferred tax				
Origination and reversal of				
temporary differences	(1,705)	(16,328)	(40,045)	(55,862)
(Over)/Under provision in respect of previous year	(7,583)	2,276	(2,234)	1,777
	(9,288)	(14,052)	(42,279)	(54,085)
	144,274	97,495	415,624	307,670

Reconciliation of effective taxation

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30 June		30 June	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	544,597	384,428	1,286,341	1,045,626
Taxation at Malaysia income tax rate of 24% (FY2024: 24%)	130,703	92,263	308,722	250,950
Effect of different tax rates in foreign jurisdiction	(8,480)	(10,023)	(18,105)	(26,801)
Withholding tax on foreign dividend and interest income	6,761	15,530	37,568	49,443
Expenses not deductible for tax purposes	36,461	20,783	88,741	53,848
Tax exempt and non-taxable income	(24,152)	(34,398)	(53,539)	(86,746)
Tax incentives	5,348	(4,596)	(9,180)	(10,134)
Deferred tax assets not recognised during the period	3,485	18,795	36,609	28,610
(Utilisation)/Reversal of previously unrecognised tax losses and unabsorbed capital allowances	3,990	(588)	(3,529)	(1,580)
Tax effect on associates' and joint ventures' results	88	(294)	11,200	18,811
(Over)/Under provision of tax expense in respect of previous years	(4,819)	(2,692)	550	15,859
(Over)/Under provision of deferred tax in respect of previous years	(7,583)	2,276	(2,234)	1,777
Tax on remittance of foreign-sourced income	2,428	-	18,408	-
Others	44	439	413	13,633
Tax expense	144,274	97,495	415,624	307,670

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 June 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 340	1,688	Euro 3,113	15,455	Euro 3,453	17,143
<u>Unsecured</u>						
Bank overdraft	-	-	Euro 4,462	22,153	Euro 4,462	22,153
Revolving credit	-	-	Euro 103,000	511,441	Euro 103,000	511,441
	USD 1,260	5,305	USD 42,093	177,291	USD 43,353	182,596
	-	-	GBP 51,000	295,045	GBP 51,000	295,045
	-	-	AUD 27,000	74,844	AUD 27,000	74,844
	-	-	-	142,000	-	142,000
Trade financing	-	-	USD 80,464	338,916	USD 80,464	338,916
	-	-	Euro 86,866	431,280	Euro 86,866	431,280
	-	-	Rp 316,313,682	82,052	Rp 316,313,682	82,052
	-	-	RMB 421,598	247,899	RMB 421,598	247,899
	-	-	-	1,441,829	-	1,441,829
Term loans	EUR 2,295	11,393	EUR 30,247	150,172	EUR 32,542	161,565
	-	-	AUD 2,918	8,089	AUD 2,918	8,089
	-	1,917,336	-	137,328	-	2,054,664
Banker's acceptance	-	-	USD 14,234	60,272	USD 14,234	60,272
	-	-	-	553,360	-	553,360
Islamic medium term notes	-	4,500,000	-	1,600,000	-	6,100,000
Total	-	6,435,722	-	6,289,426	-	12,725,148

	At 30 June 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 621	3,142	Euro 1,042	5,269	Euro 1,663	8,411
<u>Unsecured</u>						
Revolving credit	-	-	Euro 95,000	480,219	Euro 95,000	480,219
	-	-	AUD 23,000	72,351	AUD 23,000	72,351
	-	-	GBP 65,000	387,712	GBP 65,000	387,712
	USD 10,185	48,105	USD 14,920	70,424	USD 25,105	118,529
	-	-	-	51,800	-	51,800
Trade financing	-	-	USD 40,925	193,068	USD 40,925	193,068
	-	-	Euro 47,197	238,572	Euro 47,197	238,572
	-	-	Rp 65,612,781	18,903	Rp 65,612,781	18,903
	-	-	-	1,387,219	-	1,387,219
Term loans	Euro 32,935	166,478	Euro 494	2,496	Euro 33,429	168,974
	-	-	USD 30,000	141,525	USD 30,000	141,525
	-	-	AUD 2,275	7,156	AUD 2,275	7,156
	-	-	RMB 149,500	97,040	RMB 149,500	97,040
	-	1,876,240	-	123,380	-	1,999,620
Export credit refinancing	-	-	-	2,577	-	2,577
Banker's acceptance	-	-	-	227,710	-	227,710
Islamic medium term notes	-	6,100,000	-	-	-	6,100,000
Total	-	8,193,965	-	3,507,421	-	11,701,386

Exchange Rates Applied	At 30 June	
	2025	2024
USD / RM	4.2120	4.7175
Euro / RM	4.9649	5.0548
Rp1,000/RM	0.2594	0.2881
RMB / RM	0.5880	0.6491
GBP / RM	5.7852	5.9648
AUD / RM	2.7720	3.1457

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 June 2025, 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	(2,560,535)	60,610
b) Commodity futures contracts:		
- Less than 1 year	(1,698,743)	4,714
c) Interest rate swap contracts:		
- Less than 1 year	798	27
- 1 year to 3 years	5,307	215
- more than 3 years	4,382	213

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 30 June 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) The Directors do not recommend the payment of any dividend for the quarter ended 30 June 2025.

An interim single tier dividend of 20 sen per share (2024: 20 sen) was declared by the directors on 22 May 2025 and was paid on 31 July 2025.

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.

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30 June		30 June	
	2025	2024	2025	2024
Net profit for the period attributable to equity holders of the Company (RM'000)	182,924	131,037	398,407	327,493
Weighted average number of shares ('000)	389,892	393,357	389,892	393,357
Earnings per share (sen)	46.9	33.3	102.2	83.3

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:

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30 June		30 June	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Interest income	(19,993)	(27,416)	(61,093)	(71,943)
Dividend income	(33,731)	(28,847)	(53,591)	(46,959)
Other income	(24,392)	(72,088)	(81,753)	(138,370)
Interest expense	129,368	121,522	384,901	348,028
Depreciation and amortisation	277,093	287,278	828,247	841,425
(Write-back)/Provision for and write-off of receivables	(2,293)	(2,353)	27	1,886
Provision for and write-off of inventories	26,118	12,741	25,385	10,894
Surplus on disposal of land	(3,395)	(3,714)	(5,736)	(14,242)
Surplus arising from government acquisition of land	(312)	(31,478)	(3,456)	(44,318)
Foreign exchange loss	113,817	47,105	123,394	109,356
(Gain)/Loss on derivatives	(130,848)	42,746	119,719	(28,135)
Exceptional items	-	-	-	-

By Order of the Board
JARROD QUAH SWEE JIN
CHIEW CINDY
Company Secretaries

27 August 2025