

TSH RESOURCES BERHAD (197901005269 (49548 - D))
(Incorporated in Malaysia)

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS
31 DECEMBER 2024

TSH RESOURCES BERHAD
(Incorporated in Malaysia)

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TSH RESOURCES BERHAD
(Incorporated in Malaysia)

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and forest plantation. The principal activities of the subsidiaries are primarily involved in investment holding, oil palm cultivation and processing, generation and supply of electricity from biomass plants, forest plantation, manufacture and sales of downstream wood products and other related business activities. The principal activities and details of the subsidiaries are stated in Note 22 to the financial statements. There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	158,281	23,911
Attributable to:		
Owners of the Company	135,662	23,911
Non-controlling interests	22,619	-
	158,281	23,911

DIVIDENDS

Dividends paid, declared or proposed by the Company since the end of the previous financial year were as follows:

	Company RM'000
In respect of the financial year ended 31 December 2023	
First and final single-tier dividend of 2.5 sen per ordinary share, paid on 17 May 2024	34,505
In respect of the financial year ended 31 December 2024	
Interim single-tier dividend of 2.5 sen per ordinary share, paid on 20 December 2024	34,505
	69,010

The Directors do not recommend the payment of any final dividend in respect of the financial year ended 31 December 2024.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than the net foreign currency translation loss amounted to RM95,241,000 taken up in statements of changes in equity.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares and debentures during the financial year.

TREASURY SHARES

At the Annual General Meeting held on 20 May 2024, the shareholders of the Company by an ordinary resolution renewed the mandate given to the Company to repurchase up to ten per centum (10%) of its own ordinary shares.

During the financial year, the Company repurchased 13,166,000 of its issued ordinary shares from the open market at prices between RM1.20 to RM1.25 per ordinary share. The total consideration paid and payable for the repurchase was RM16,406,000 and was financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016.

As at 31 December 2024, the Company had 14,795,000 ordinary shares held as treasury shares with a carrying amount of RM17,873,000. The details of treasury shares are disclosed in Note 35 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

TSH Resources Berhad

Datuk Tan Aik Pen
Velayuthan A/L Tan Kim Song
Dato' Jasmy Bin Ismail
Natasha Binti Mohd Zulkifli
Paul Lim Joo Heng
Ina Hasniza binti Ibrahim
Tan Aik Kiong
Lim Fook Hin
Tan Aik Sim
Yap Boon Teck

(Appointed on 1 September 2024)

(Resigned on 1 September 2024)

(Retired on 1 September 2024)

DIRECTORS (continued)

Subsidiaries of TSH Resources Berhad

Pursuant to Section 253(2) of the Companies Act 2016 in Malaysia, the Directors of the subsidiaries of TSH Resources Berhad during the financial year and up to the date of this report are as follows:

Datuk Tan Aik Pen	
Velayuthan A/L Tan Kim Song	(Appointed on 1 August 2024)
Tan Aik Sim	
Datuk Jaswant Singh Kler	
Paul Lim Joo Heng	
Lim Fook Hin	
Tan Aik Kiong	
Tan Ek Huat	
Asgari Bin Tun Mohd Fuad Stephens	
Fuad Bin Asgari Stephens (Alternate to Asgari Bin Tun Mohd Fuad Stephens)	
Chen Chu Chai @ Anthony Tsen Sui Lin	
Tan Aik Choon	
Lok Huey Ming	
Ainahwati Binti Abd Sani	
John Bin Sindin	
Raden Harry Zulnardy	
Karsidi	
Michael Wong Chung Hau	
Michelle L. Brantley	
Fiona Lane	
Darwin Arriega*	
Haji Abdul Wahab*	
Mudappathi Sugunan Nair	
Mohamed Alkaf bin Abdul Rahman	(Appointed on 6 November 2024)
Asran bin Sutasmin	(Appointed on 15 November 2024)
M Murali Manikam	(Resigned on 6 November 2024)
Peter Dodoo	
Wong Twee Jong	(Resigned on 7 March 2025)
Ong Chu Yaw	
Li Fui Yee	
Goh Kian Yin	
Roland Lajoie Hubert	
Ong Chau Jinn	
R Krishna Moorthy Ramasamy	(Appointed on 26 September 2024)
Joshua Wong Yin Kai	(Appointed on 6 November 2024)
Syamsul Bahri Ilyas	(Appointed on 7 March 2025)
Bambang Sulistiono	(Appointed on 7 March 2025)
Chok Kon Fatt	(Appointed on 7 March 2025)

* Ceased office on 30 July 2024 due to winding up of the subsidiary.

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares of the Company and of its related corporations during the financial year ended 31 December 2024 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	Number of ordinary shares		
	Balance as at 1.1.2024	Acquired/ Transferred	Balance as at 31.12.2024
Shares in the Company			
<u>Direct interests:</u>			
Datuk Tan Aik Pen	342,708,887	-	342,708,887
Tan Aik Kiong	57,348,265	-	57,348,265
Lim Fook Hin	2,102,000	-	2,102,000
<u>Indirect interests:</u>			
Tan Aik Kiong	27,125	-	27,125
Lim Fook Hin	500,000	-	500,000

By virtue of Section 8(4)(c) of the Companies Act 2016 in Malaysia, Datuk Tan Aik Pen is also deemed to be interested in the ordinary shares of all the subsidiaries to the extent that the Company has an interest.

None of the other Directors in office at the end of the financial year had any interest in the ordinary shares of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director, or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than deemed benefits arising from related party transactions entered into in the ordinary course of business as disclosed in Note 42 to the financial statements.

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

DIRECTORS' REMUNERATION

Directors' remuneration of the Group and of the Company for the financial year ended 31 December 2024 were as follows:

	Group RM'000	Company RM'000
Executive:		
Salaries and bonus	6,198	3,196
Other emoluments	884	553
Total Executive Directors' remuneration (excluding benefits-in-kind)	7,082	3,749
Estimated money value of benefits-in-kind	313	305
Total Executive Directors' remuneration (including benefits-in-kind)	7,395	4,054
Non-Executive:		
Fees	819	312
Salaries	350	-
Other emoluments	1,265	1,250
Total Non-Executive Directors' remuneration (excluding benefits-in-kind)	2,434	1,562
Estimated money value of benefits-in-kind	259	259
Total Non-Executive Directors' remuneration (including benefits-in-kind)	2,693	1,821
Total Directors' remuneration	10,088	5,875

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

During the financial year, the Directors and Officers of the Group are covered by a Directors and Officers Liability Insurance ("D&O Policy") for any liability incurred in the discharge of their duties, subject to the terms of the D&O Policy. The amount of insurance premium paid by the Company during the financial year was RM84,000.

There were no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature except for the effects arising from recognition of prior periods depreciation charges of approximately RM21,974,000 in respect of property, plant and equipment and right-of-use assets which were classified as assets held for sale since the previous financial years.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
 - (i) which would render the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
 - (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
 - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

**OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY
(continued)**

(III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 4 April 2022, PT Bulungan Citra Agro Persada ("PT BCAP"), a 90% owned subsidiary of the Company entered into a conditional sale, purchase and compensation of land agreement ("CSPA") with PT Kawasan Industri Kalimantan Indonesia ("KIKI") and PT Kalimantan Industrial Park Indonesia ("KIPI") for the proposed disposal by PT BCAP of 13,214.90 hectares of certificated land together with 683.36 hectares of uncertified land adjoining thereto (collectively referred to as "the Sale Land") for a total cash consideration of IDR2,428.86 billion (or equivalent to approximately RM731,090,000).

During the year 2022 and 2023, the disposal of 7,817.36 hectares of the Sale Land and 574.56 hectares of the uncertified land were completed.

KIKI, KIPI and BCAP had on 7 August 2024, mutually agreed to terminate the acquisitions of the remaining Sale Land due to the non-fulfilment of a condition precedent namely, the signing of the Minutes of Clean and Clear by KIKI or KIPI and BCAP by the Extended Long Stop Date as well as the inability of the parties to mutually agree upon an alternative measure for the closing of the remaining Sale Land within 30 days from the expiry of the Extended Long Stop Date.

AUDITORS

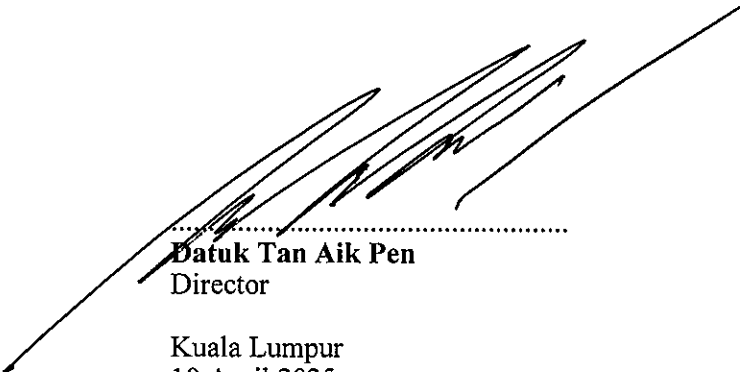
The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

AUDITORS' REMUNERATION

Auditors' remuneration of the Group and of the Company for the financial year ended 31 December 2024 were as follows:

	Group RM'000	Company RM'000
Statutory audit		
- BDO PLT	527	183
- Other auditors	353	-
Other services		
- BDO PLT	101	97
	<u>981</u>	<u>280</u>

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



.....
Dafuk Tan Aik Pen
Director

Kuala Lumpur
10 April 2025




.....
Lim Fook Hin
Director

TSH RESOURCES BERHAD
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 17 to 125 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,



.....
Datuk Tan Aik Pen
Director

Kuala Lumpur
10 April 2025



.....
Lim Fook Hin
Director

STATUTORY DECLARATION

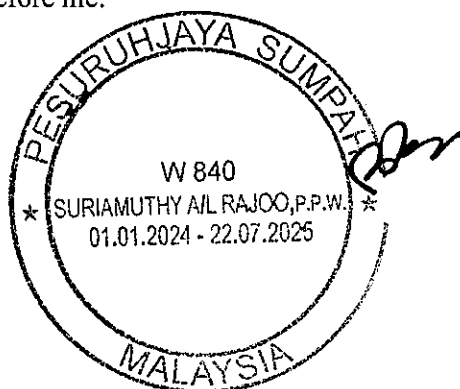
I, Fong Ging Pang (CA 9024), being the officer primarily responsible for the financial management of TSH Resources Berhad, do solemnly and sincerely declare that the financial statements set out on pages 17 to 125 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly)
declared by the abovenamed at)
Kuala Lumpur, this)
10 April 2025)



Fong Ging Pang

Before me:



Tingkat 20, Ambank Group Building
No. 55, Jalan Raja Chulan
50200 Kuala Lumpur



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TSH RESOURCES BERHAD
(Incorporated in Malaysia)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TSH Resources Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 17 to 125.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TSH RESOURCES BERHAD (continued)
(Incorporated in Malaysia)**

Key Audit Matters (continued)

a. Impairment of plasma receivables

As at 31 December 2024, the Group had plasma receivables amounted to RM34,060,000, which was net of impairment losses of RM14,895,000. The details of plasma receivables and its credit risks have been disclosed in Note 26(b)(ii) to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgement in determining the probability of default by plasma receivables, appropriate forward-looking information i.e. Gross Domestic Product ("GDP") and crude palm oil prices, significant increase in credit risk and estimated cash flows recoverable in worst-case scenarios.

Audit response

Our audit procedures, with the involvement of the component auditors, included the following:

Impairment assessment of plasma receivables

- (i) evaluated assessments performed by management and assessed adequacy of expected credit losses based on expected cash flows recoverable from plasma receivables, which were derived from expectation of repayment patterns from plasma receivables, either through funding from banks and/or cash flows through sales of fresh fruit bunches;
- (ii) assessed and evaluated reasonableness of discount rate used in calculating the present value of non-current plasma receivables over their expected repayment periods;
- (iii) recomputed the probability of default using historical data and forward-looking information adjustment;
- (iv) assessed the appropriateness of the indicators of significant increase in credit risk applied by the management and the resultant basis for classification of exposure into respective stages; and



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TSH RESOURCES BERHAD (continued)
(Incorporated in Malaysia)**

Key Audit Matters (continued)

a. Impairment of plasma receivables (continued)

Audit response (continued)

Our audit procedures, with the involvement of the component auditors, included the following (continued):

Impairment assessment of plasma receivables (continued)

- (v) evaluated basis used by management in determining cash flows recoverable in worst-case scenarios, where applicable.

b. Impairment of amount due from a subsidiary

As at 31 December 2024, non-current non-trade amount due from a subsidiary of the Company was RM90,147,000 which was net of impairment losses of RM2,053,000 as disclosed in Note 26 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgement in determining the probability of default by the subsidiary, appropriate forward-looking information, significant increase in credit risk and estimated cash flows recoverable in worst-case scenarios.

Audit response

Our audit procedures included the following:

- (i) recomputed probability of default using historical data and forward-looking adjustment;
- (ii) assessed the appropriateness of the indicators of significant increase in credit risk applied by the management and the resultant basis for classification of exposure into respective stages;



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TSH RESOURCES BERHAD (continued)
(Incorporated in Malaysia)**

Key Audit Matters (continued)

b. Impairment of amount due from a non-current subsidiary (continued)

Audit response (continued)

Our audit procedures included the following (continued):

- (iii) evaluated basis used by management in determining cash flows recoverable in worst-case scenarios; and
- (iv) assessed actual loss events subsequent to the end of reporting period for its relationship with the indicators of significant increase in credit risk applied by management.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TSH RESOURCES BERHAD (continued)
(Incorporated in Malaysia)**

Responsibilities of the Directors for the Financial Statements (continued)

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Group and of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TSH RESOURCES BERHAD (continued)
(Incorporated in Malaysia)**

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

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (continued):

- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TSH RESOURCES BERHAD (continued)
(Incorporated in Malaysia)**

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 22 to the financial statements.

Other Matters

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

A handwritten signature in black ink that reads 'BDO PLT'.

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Kuala Lumpur
10 April 2025

A handwritten signature in black ink, appearing to read 'Lum Chiew Mun'.

Lum Chiew Mun
03039/04/2027 J
Chartered Accountant

TSH RESOURCES BERHAD
(Incorporated in Malaysia)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
	Note	2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
Revenue	6	1,019,807	1,066,516	69,647	114,524
Cost of sales	7	(636,922)	(668,077)	(4,005)	(3,140)
Gross profit		382,885	398,439	65,642	111,384
Other items of income					
Interest income	8	12,794	13,398	11,911	17,806
Dividend income	9	332	1	1	1
Other income	10	28,191	50,260	3,074	14,700
Net impairment write back on financial assets	12	-	-	2,336	314
Other items of expenses					
Marketing and distribution costs		(22,948)	(30,310)	-	-
Administrative expenses		(182,271)	(190,171)	(40,964)	(53,131)
Finance costs	11	(12,570)	(20,147)	(12,700)	(21,710)
Other expenses		(11,025)	(28,167)	(3,330)	(49,695)
Net impairment losses on financial assets	12	(2,857)	(3,662)	-	-
Share of profit of associate, net of tax		18,887	11,189	-	-
Share of profit/(loss) of joint ventures, net of tax		8,452	(2,993)	-	-
Profit before tax	12	219,870	197,837	25,970	19,669
Taxation	15	(61,589)	(72,012)	(2,059)	(5,831)
Profit for the financial year		158,281	125,825	23,911	13,838

TSH RESOURCES BERHAD
(Incorporated in Malaysia)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Other comprehensive (loss)/income					
Item that may be reclassified subsequently to profit or loss:					
Foreign currency translations	15(d)	(111,066)	96,886	-	-
Net gain/(loss) on financial assets measured at fair value through other comprehensive income ("FVOCI")	15(d)	135	(261)	-	-
Cumulative (gain)/ loss on financial assets measured at FVOCI reclassified to profit or loss upon redemption/ disposal	15(d)	(34)	97	-	-
		(110,965)	96,722	-	-
Item that may not be reclassified subsequently to profit or loss:					
Remeasurements of net defined benefit liabilities	15(d)	1,879	(676)	-	-
Other comprehensive (loss)/ income for the financial year, net of tax		(109,086)	96,046	-	-
Total comprehensive income for the financial year		49,195	221,871	23,911	13,838
Profit attributable to:					
Owners of the Company		135,662	95,112	23,911	13,838
Non-controlling interests		22,619	30,713	-	-
		158,281	125,825	23,911	13,838

TSH RESOURCES BERHAD
(Incorporated in Malaysia)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Total comprehensive income attributable to:					
Owners of the Company		42,096	180,639	23,911	13,838
Non-controlling interests		7,099	41,232	-	-
		49,195	221,871	23,911	13,838
Earnings per share attributable to owners of the Company (sen per share):					
Basic earnings per share	16	9.83	6.89		
Diluted earnings per share	16	9.83	6.89		

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

TSH RESOURCES BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	18	1,337,950	1,277,756	51,639	52,842
Right-of-use assets	19	248,536	253,435	8,188	8,249
Biological assets	20	366,362	366,003	273,782	274,506
Intangible assets	21	42,148	44,319	-	-
Investments in subsidiaries	22	-	-	677,973	676,694
Investments in associates	23	84,873	78,645	61,259	61,259
Investments in joint ventures	24	111,542	103,090	20,750	20,750
Deferred tax assets	25	192	473	-	-
Other receivables	26	34,060	47,910	90,147	198,830
Investment securities	27	64,529	28,094	-	50
Derivative assets	31	-	717	-	717
		2,290,192	2,200,442	1,183,738	1,293,897
Current assets					
Biological assets	20	20,131	14,697	-	-
Inventories	28	102,683	93,718	1,567	1,048
Trade and other receivables	26	44,130	36,214	5,153	11,418
Other current assets	29	3,080	5,320	464	216
Tax recoverable		20,979	17,995	1	1
Investment securities	27	-	1	-	1
Derivative assets	31	298	295	298	161
Short term funds	32	2,961	5,349	160	155
Cash and bank balances	33	263,361	250,138	37,357	31,207
		457,623	423,727	45,000	44,207
Assets held for sale	34	-	220,853	-	-
TOTAL CURRENT ASSETS		457,623	644,580	45,000	44,207
TOTAL ASSETS		2,747,815	2,845,022	1,228,738	1,338,104
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	35	740,512	740,512	740,512	740,512
Treasury shares	35	(17,873)	(1,467)	(17,873)	(1,467)
Other reserves	36	(264,017)	(168,877)	-	-
Retained earnings	37	1,545,031	1,476,805	194,053	239,152
		2,003,653	2,046,973	916,692	978,197
Non-controlling interests		257,380	258,308	-	-
TOTAL EQUITY		2,261,033	2,305,281	916,692	978,197

TSH RESOURCES BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024 (continued)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
LIABILITIES					
Non-current liabilities					
Loans and borrowings	38	58,579	110,963	58,579	110,963
Retirement benefits	39	22,489	22,982	-	-
Lease liabilities	19	863	955	12	32
Deferred tax liabilities	25	87,619	86,973	3,003	3,468
		169,550	221,873	61,594	114,463
Current liabilities					
Loans and borrowings	38	201,108	191,157	154,433	119,294
Trade and other payables	40	108,381	123,475	95,999	126,127
Lease liabilities	19	351	420	20	23
Current tax payable		7,392	2,816	-	-
		317,232	317,868	250,452	245,444
TOTAL LIABILITIES		486,782	539,741	312,046	359,907
TOTAL EQUITY AND LIABILITIES		2,747,815	2,845,022	1,228,738	1,338,104

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

TSH RESOURCES BERHAD
(Incorporated in Malaysia)
STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

<-----Attributable to owners of the Company----->									
<-----Non-distributable-----><-----Non-distributable----->									

TSH RESOURCES BERHAD
(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)**

<div><-----Attributable to owners of the Company-----></div>											
<div><-Non-distributable->DistributableNon-distributable-></div>											

TSH RESOURCES BERHAD
(Incorporated in Malaysia)
STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

		<----- Attributable to owners of the Company ----->				<-----Non-distributable----->				<-----Non-distributable----->															
		Equity attributable to owners of the Company,								Foreign currency translation reserve				Share of associate reserve				Fair value reserve				Non-controlling interests			
		Equity, total	RM'000	Share capital	RM'000	Treasury shares	RM'000	Retained earnings	RM'000	Other reserves, total	RM'000	Capital reserve	RM'000	Foreign currency translation reserve	RM'000	Share of associate reserve	RM'000	Fair value reserve	RM'000	Non-controlling interests					
2023		Note	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000					
Group																									
Balance as at 1 January 2023			2,132,058	1,900,839	740,512	(1,467)	1,416,700	(254,906)				9,630	(264,636)	100	-					231,219					
Profit for the financial year			125,825	95,112	-	-	95,112	-				-	-	-	-					30,713					
Other comprehensive income/(loss)																									
Foreign currency translations		15(d)	96,886	86,193	-	-	-	86,193				-	86,193	-	-					10,693					
Net loss on financial assets measured at FVOCI		15(d)	(261)	(261)	-	-	-	(261)				-	-	-	(261)					-					
Cumulative loss on financial assets measured at FVOCI reclassified to profit or loss upon disposal		15(d)	97	97	-	-	-	97				-	-	-	97					-					
Remeasurements of net defined benefit liabilities		15(d)	(676)	(502)	-	-	(502)	-				-	-	-	-					(174)					
Other comprehensive income/(loss) for the financial year, net of tax			96,046	85,527	-	-	(502)	86,029				-	86,193	-	(164)					10,519					
Total comprehensive income/(loss) for the financial year			221,871	180,639	-	-	94,610	86,029				-	86,193	-	(164)					41,232					

TSH RESOURCES BERHAD
(Incorporated in Malaysia)
STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

		Attributable to owners of the Company				Non-distributable					
		<-Non-distributable->		Distributable		<-Non-distributable		>			
2023	Note	Equity attributable to owners of the Company,		Treasury shares	Retained earnings	Other reserves, total	Foreign currency translation reserve		Share of associate reserve	Fair value reserve	Non-controlling interests
		Equity, total	Share capital				RM'000	RM'000			
Group											
Transactions with owners											
Additional interest in subsidiaries		2,736	-	-	-	-	-	-	-	-	2,736
Reduction of interest upon winding up of subsidiaries		(252)	-	-	-	-	-	-	-	-	(252)
Dividends paid on ordinary shares	17	(34,505)	(34,505)	-	(34,505)	-	-	-	-	-	-
Dividends paid to non-controlling interests		(16,627)	-	-	-	-	-	-	-	-	(16,627)
Total transactions with owners		(48,648)	(34,505)	-	(34,505)	-	-	-	-	-	(14,143)
Balance as at 31 December 2023		2,305,281	2,046,973	740,512	(1,467)	1,476,805	(168,877)	9,630	(178,443)	100	258,308

TSH RESOURCES BERHAD
(Incorporated in Malaysia)
STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

2024	Note	Equity, total RM'000	<-----Non-distributable----->		Distributable
			Share capital RM'000	Treasury shares RM'000	Retained earnings RM'000
Company					
Balance as at 1 January 2024		978,197	740,512	(1,467)	239,152
Profit for the financial year		23,911	-	-	23,911
Other comprehensive income for the financial year, net of tax		-	-	-	-
Total comprehensive income for the financial year		23,911	-	-	23,911
Transactions with owners					
Repurchase of treasury shares	35	(16,406)	-	(16,406)	-
Dividends paid on ordinary shares	17	(69,010)	-	-	(69,010)
Total transactions with owners		(85,416)	-	(16,406)	(69,010)
Balance as at 31 December 2024		916,692	740,512	(17,873)	194,053

TSH RESOURCES BERHAD
(Incorporated in Malaysia)
STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

2023	Note	Equity, total RM'000	<---Non-distributable--->			Distributable
			Share capital RM'000	Treasury shares RM'000		Retained earnings RM'000
Company						
Balance as at 1 January 2023		998,864	740,512	(1,467)		259,819
Profit for the financial year		13,838	-	-		13,838
Other comprehensive income for the financial year, net of tax		-	-	-		-
Total comprehensive income for the financial year		13,838	-	-		13,838
Transactions with owners						
Dividends paid on ordinary shares	17	(34,505)	-	-		(34,505)
Total transactions with owners		(34,505)	-	-		(34,505)
Balance as at 31 December 2023		978,197	740,512	(1,467)		239,152

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

TSH RESOURCES BERHAD

(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		219,870	197,837	25,970	19,669
Adjustments for:					
Depreciation of biological assets	20	1,181	1,181	1,181	1,181
Bad debts written off/(recovered)		65	(118)	-	-
Depreciation of property, plant and equipment	12	116,423	90,255	2,374	2,214
Depreciation of right-of-use assets	12	10,615	9,705	61	61
Dividend income	9	(332)	(1)	(1)	(1)
Fair value loss/(gain) on forward currency contracts		580	(4,115)	580	(4,145)
Fair value loss/(gain) on commodity future contracts		134	(149)	-	-
Gain on disposal of:					
- property, plant and equipment	10	(902)	(446)	(218)	(143)
- assets held for sale		-	(27,604)	-	-
Gain on lease reassessments	10	(43)	(31)	-	-
Gain on remeasurement of financial guarantee contracts	40(d)	(35)	(24)	(108)	(249)
(Gain)/Loss from fair value adjustment of forest planting expenditure	20	(188)	(341)	754	(2,613)
Gain on redemption of financial assets	10	(6)	-	-	-
Loss on disposal of financial assets	12	-	192	-	-
Impairment losses on:					
- property, plant and equipment	18	3,249	-	-	-
- goodwill	21	-	7,769	-	-
- investment in subsidiaries	22(c)	-	-	860	46,784
- investment securities	27(h)	1	-	1	-
- trade receivables	26(a)	797	138	-	-
- other receivables	26(b)	4,257	4,206	-	-
Interest expense	11	12,570	20,147	12,700	21,710
Interest income	8	(12,794)	(13,398)	(11,911)	(17,806)
Inventories written off	28(c)	651	6,798	-	-
Investment securities written off	27(g)	50	-	50	-
Loss on striking off of a subsidiary	12	-	-	24	-
Net gain from fair value adjustment of fresh fruit bunches	20	(6,607)	(432)	-	-
Net unrealised foreign exchange (gain)/loss		(5,328)	7,080	(1,555)	(4,431)
Net write back of inventories written down	28	(8,299)	(6,375)	-	-
Property, plant and equipment written off		260	449	1	-
Share of profit of associate		(18,887)	(11,189)	-	-
Share of (profit)/loss of joint ventures		(8,452)	2,993	-	-
Subtotal		88,960	86,690	4,793	42,562

TSH RESOURCES BERHAD

(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Subtotal (continued)		88,960	86,690	4,793	42,562
Waiver of debt on amount due from subsidiaries		-	-	229	-
Write back of impairment losses on:					
- trade receivables	26(a)	(468)	(358)	-	-
- other receivables	26(b)	(1,729)	(324)	-	(11)
- amounts due from subsidiaries	26(c)	-	-	(2,336)	(303)
Total adjustments		86,763	86,008	2,686	42,248
Operating cash flows before changes in working capital		306,633	283,845	28,656	61,917
Changes in working capital					
Decrease/(Increase) in inventories		968	35,704	(519)	524
Decrease/(Increase) in receivables		10,856	6,323	(409)	4,306
(Decrease)/Increase in payables		(22,056)	(11,506)	(3,159)	429
Increase in retirement benefits obligations		3,436	3,824	-	-
Total changes in working capital		(6,796)	34,345	(4,087)	5,259
Cash flows from operations		299,837	318,190	24,569	67,176
Income tax paid		(64,288)	(92,819)	(2,524)	(3,854)
Income tax refunded		5,076	1,310	-	-
Net cash flows from operating activities		240,625	226,681	22,045	63,322
CASH FLOWS FROM INVESTING ACTIVITIES					
Additions of right-of-use assets		(3,462)	(4,690)	-	-
Additional investments in subsidiaries	22(d)	-	-	(20,809)	(37,769)
Distribution for return of capital from liquidation of a subsidiary	22(e)	-	-	-	468
Dividends received from:					
- associate	23(d)	12,659	9,981	-	-
- investment securities	9	331	-	-	-
- short term funds	9	1	1	1	1
Forest planting expenditure		(1,351)	(1,974)	(1,210)	(1,198)
Interest received		12,794	13,398	11,911	17,806
Withdrawal/(Placement) of deposits with maturity of over 3 months		496	(3)	-	-
Proceeds from disposal of:					
- property, plant and equipment		2,845	2,257	383	143
- assets held for sale		-	28,716	-	-
- other investment		-	2,040	-	-
Purchase of investment securities		(42,682)	(29,261)	-	-
Redemption of investment securities		4,195	-	-	-
Subtotal		(14,174)	20,465	(9,724)	(20,549)

TSH RESOURCES BERHAD

(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (continued)

		Group		Company	
	Note	2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
Subtotal (continued)		(14,174)	20,465	(9,724)	(20,549)
Purchase of property, plant and equipment		(52,595)	(57,410)	(1,338)	(1,609)
Withdrawal of deposits pledged with licensed banks		-	1,028	-	-
Redemptions of non-cumulative redeemable convertible preference shares 22(d)		-	-	20,346	77,982
Repayments from subsidiaries		-	-	108,152	99,276
Net cash flows (used in)/from investing activities		(66,769)	(35,917)	117,436	155,100
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid	17	(69,010)	(34,505)	(69,010)	(34,505)
Dividends paid to non-controlling interests		(8,027)	(16,627)	-	-
Interest paid		(12,512)	(20,077)	(12,698)	(21,707)
Repayments to subsidiaries		-	-	(18,817)	(42,315)
Net (repayments)/drawdowns of bankers' acceptances	38(i)	(15,704)	24,817	-	-
Net drawdowns/(repayments) of revolving credits	38(i)	29,800	(105,500)	40,000	(42,500)
Net repayments of Sukuk Murabahah Medium Term Notes	38(i)	-	(90,000)	-	-
Net repayments of term loans	38(i)	(56,466)	(88,519)	(56,466)	(88,519)
Payments of lease interest	19(j)	(58)	(70)	(2)	(3)
Payments of lease liabilities	19(j)	(430)	(649)	(23)	(23)
Proceeds from issuance of preference shares to non-controlling interest		-	2,736	-	-
Repurchase of treasury shares		(16,310)	-	(16,310)	-
Net cash flows used in financing activities		(148,717)	(328,394)	(133,326)	(229,572)
Net increase/(decrease) in cash and cash equivalents		25,139	(137,630)	6,155	(11,150)
Effects of exchange rate changes		(14,258)	12,433	-	-
Cash and cash equivalents as at beginning of financial year		251,034	376,231	31,362	42,512
Cash and cash equivalents as at end of financial year	33(d)	261,915	251,034	37,517	31,362

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

TSH RESOURCES BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

1. CORPORATE INFORMATION

TSH Resources Berhad (“the Company”) is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad and Main Board of Singapore Exchange Securities Trading Limited (“SGX-ST”).

The registered office of the Company is located at Level 10, Menara TSH, No. 8 Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur.

The principal place of business of the Company is located at Bangunan TSH, TB 9, KM 7, Apas Road, 91000 Tawau, Sabah.

The consolidated financial statements for the financial year ended 31 December 2024 comprise the Company and its subsidiaries and the interests of the Group in associates and joint ventures. These financial statements are presented in Ringgit Malaysia (“RM”), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 10 April 2025.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and forest plantation. The principal activities of the subsidiaries are primarily involved in investment holding, oil palm cultivation and processing, generation and supply of electricity from biomass plants, forest plantation, manufacture and sales of downstream wood products and other related business activities. The principal activities and details of the subsidiaries are stated in Note 22 to the financial statements. There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year.

3. BASIS OF PREPARATION

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

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 43.1 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

3. BASIS OF PREPARATION (continued)

The Group has positive cash flows from its business activities and has sufficient credit facilities in place to meet its operational requirements (as disclosed further in Note 5(b)(ii) to the financial statements), notwithstanding that the current liabilities of the Company exceeded its current assets by RM205,452,000 as at 31 December 2024. In addition, the Group and the Company carried out cash flows review for the next twelve (12) months to ensure that the business operations have sufficient funds available to meet their obligations as and when they fall due. Historical results of the treasury management show that the Group and the Company have the ability to meet their obligations as and when they fall due and the Group and the Company have not defaulted on any obligations due or payable to financial institutions or creditors.

The Directors are confident that the Group and the Company will continue to operate profitably and generate sufficient cash flows from operations in the foreseeable future, together with continuous financial support from the lenders and shareholders.

4. SEGMENT INFORMATION

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss in the consolidated financial statements.

For management purposes, the Group is organised into business units based on their products and services, and the operation of oil palm plantations, manufacture and sale of crude palm oil and palm kernel has been designated as a reportable segment under "Palm products" segment.

Other non-reportable segments include manufacture and sale of downstream wood products, operation of a forest management unit, and generation and supply of electricity from biomass plants, which do not individually meet the quantitative thresholds in respect of profit or loss required for separate disclosure as reporting segments. Accordingly, financial information for these segments has been combined and presented under the "Others" segment.

Group financing (including finance costs), income taxes, share of results of associate and joint ventures are managed on a group basis and are not allocated to operating segments.

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4. SEGMENT INFORMATION (continued)

2024	Palm products RM'000	Others RM'000	Adjustment and eliminations RM'000	Notes	Total RM'000
Revenue					
External customers	966,514	53,293	-		1,019,807
Inter-segment	17,548	-	(17,548)	(a)	-
Total revenue	984,062	53,293	(17,548)		1,019,807
Results					
Interest income	39,942	192	(27,340)		12,794
Dividend income	332	-	-		332
Depreciation	(114,689)	(13,530)	-		(128,219)
Gain on disposal of property, plant and equipment	814	88	-		902
Other material non-cash items	12,771	(80)	-	(b)	12,691
Segment profit/(loss)	232,772	(12,706)	(196)	(c)	219,870
Assets:					
Additions to non-current assets	52,344	5,320	-	(d)	57,664
Segment assets	1,875,297	576,234	296,284	(e)	2,747,815
Segment liabilities	116,425	13,871	356,486	(f)	486,782

4. SEGMENT INFORMATION (continued)

2023	Palm products RM'000	Others RM'000	Adjustment and eliminations RM'000	Notes	Total RM'000
Revenue					
External customers	998,080	68,436	-		1,066,516
Inter-segment	22,224	-	(22,224)	(a)	-
Total revenue	1,020,304	68,436	(22,224)		1,066,516
Results					
Interest income	60,374	1,361	(48,337)		13,398
Dividend income	1	-	-		1
Depreciation	(87,805)	(13,336)	-		(101,141)
Gain on disposal of assets held for sale	27,604	-	-		27,604
Gain on disposal of property, plant and equipment	618	(172)	-		446
Other material non-cash items	(9,698)	(4,648)	-	(b)	(14,346)
Segment profit/(loss)	251,587	(11,805)	(41,945)	(c)	197,837
Assets:					
Additions to non-current assets (including assets held for sale)	51,083	13,459	-	(d)	64,542
Segment assets (including assets held for sale)	1,981,589	588,421	275,012	(e)	2,845,022
Segment liabilities	119,628	18,517	401,596	(f)	539,741

4. SEGMENT INFORMATION (continued)

Notes: Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements.

- (a) Inter-segment revenue is eliminated on consolidation.
- (b) Other material non-cash items consist of the following items as presented in the respective notes to the financial statements:

	2024 RM'000	2023 RM'000
Fair value (loss)/gain on forward currency contracts	(580)	4,115
Fair value (loss)/gain on commodity future contracts	(134)	149
Gain from fair value adjustments of forest planting expenditure	188	341
Impairment losses on goodwill	-	(7,769)
Impairment loss on property, plant and equipment	(3,249)	-
Inventories written off	(651)	(6,798)
Net gain from fair value adjustments of fresh fruit bunches	6,607	432
Net impairment losses on other receivables	(2,528)	(3,882)
Net impairment (losses)/write back on trade receivables	(329)	220
Net unrealised foreign exchange gain/(loss)	5,328	(7,080)
Net write back of inventories written down	8,299	6,375
Property, plant and equipment written off	(260)	(449)
	12,691	(14,346)

- (c) The following items are added to/(deducted from) segment profit to arrive at "Profit before tax" presented in the statements of comprehensive income:

	2024 RM'000	2023 RM'000
Share of profit of associate	18,887	11,189
Share of profit/(loss) of joint ventures	8,452	(2,993)
Finance costs	(12,570)	(20,147)
Unallocated corporate expenses	(14,965)	(29,994)
	(196)	(41,945)

- (d) Additions to non-current assets (including assets held for sale) consist of:

	2024 RM'000	2023 RM'000
Property, plant and equipment	52,880	57,910
Biological assets	1,352	2,001
Right-of-use assets - land use rights	3,432	4,631
	57,664	64,542

4. SEGMENT INFORMATION (continued)

- (e) The following items are added to segment assets to arrive at total assets reported in the statements of financial position:

	2024 RM'000	2023 RM'000
Investments in associates	84,873	78,645
Investments in joint ventures	111,542	103,090
Tax recoverable	20,979	17,995
Deferred tax assets	192	473
Unallocated amounts	78,698	74,809
	296,284	275,012

- (f) The following items are added to segment liabilities to arrive at total liabilities reported in the statements of financial position:

	2024 RM'000	2023 RM'000
Deferred tax liabilities	87,619	86,973
Loans and borrowings	259,687	302,120
Unallocated amounts	9,180	12,503
	356,486	401,596

Geographical information

Revenue and non-current assets information are presented based on the geographical location of customers and assets respectively. The amounts of non-current assets do not include financial instruments and deferred tax assets.

	Revenue		Non-current assets	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysia	326,785	305,414	998,467	996,928
Indonesia	668,275	724,094	1,192,944	1,126,320
United States of America	12,270	16,323	-	-
Southwest Pacific	8,112	13,628	-	-
Others	4,365	7,057	-	-
	1,019,807	1,066,516	2,191,411	2,123,248

5. CAPITAL AND FINANCIAL RISK MANAGEMENT

(a) Capital management

The objectives of the Group's capital management are to ensure that it maintains a good credit rating and healthy capital ratios in order to support a balanced growth objective in its business, maintain an optimal capital structure to reduce the cost of capital and ultimately maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions and the free cash flow position. To achieve this objective, the Group may adjust the Group internal plans in its expansion of plantation land areas and plantation programme. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2024 and 31 December 2023.

The Group monitors capital using a debt/equity ratio, which among other things is aimed at ensuring its financial covenant under the current banking facilities of 1.25 level is met. However, the Group seeks to maintain a net debt/equity ratio at below 1.0 level.

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Loans and borrowings	259,687	302,120	213,012	230,257
Less: Cash and bank balances	(263,361)	(250,138)	(37,357)	(31,207)
Less: Short term funds	(2,961)	(5,349)	(160)	(155)
Net (cash)/debt	(6,635)	46,633	175,495	198,895
Total equity	2,261,033	2,305,281	916,692	978,197
Debt*/equity ratio	0.11	0.13	0.23	0.24
Net debt/equity ratio	-	0.02	0.19	0.20

* Represents loans and borrowings.

Pursuant to the requirements of Practice Note No. 17/2005 of the Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of more than twenty-five percent (25%) of the issued and paid-up capital and such shareholders' equity is not less than RM40,000,000. The Group has complied with this requirement for the financial year ended 31 December 2024.

(b) Financial risk management

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk.

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Directors and Head of Finance. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial years, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

5. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management (continued)

(i) Credit risk

The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including short term funds and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Information regarding credit enhancements for trade and other receivables and credit risk concentration profiles has been disclosed in Note 26 to the financial statements.

(ii) Liquidity risk

The Group maintains sufficient levels of cash and cash equivalent and banking facilities at a reasonable level to meet its working capital requirements. As far as possible, the Group raises committed funding from financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness. While the Group is in net current assets position, the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities. In this regard, the Group maintains centralised treasury functions where all strategic funding requirements of the Company are managed. The Company diligently manages its debt maturity profile, operating cash flows and various sources of funding after taking in account of refinancing, repayment and funding requirements to provide an adequate liquidity buffer. Besides maintaining a reasonable level of cash and cash convertible investments to meet its working capital needs, the Company also ensures it has sufficient undrawn credit facilities available to complement its overall liquidity management. As at 31 December 2024, the Company has RM282,378,000 in unused credit facilities.

At the end of the reporting period, approximately 77% and 72% (2023: 63% and 52%) of the Group's and of the Company's loans and borrowings will mature in less than one year based on the carrying amount reflected in the financial statements.

The analysis of financial instruments by remaining contractual maturities is disclosed in Notes 19, 38 and 40 to the financial statements.

(iii) Interest rate risk

The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings. The Group's policy is to manage interest cost using a mix of fixed and floating rate debts.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Notes 19, 26, 33, 38 and 40 to the financial statements.

5. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management (continued)

(iv) Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, which are United States Dollars (USD), Australian Dollars (AUD), Euro (EUR), Indonesia Rupiah (IDR), Singapore Dollar (SGD) and RM. The foreign currencies in which these transactions are denominated are mainly USD.

Approximately 98% (2023: 96%) of the Group's sales and 97% (2023: 94%) of cost of sales are denominated in the respective functional currencies of the Group entities. The Group's trade receivable and trade payable balances at the end of the reporting period have similar exposures.

The Group may require its operating entities to use forward currency contracts to eliminate the currency exposures on any individual transactions for which payment is anticipated more than one month after the Group has entered into a firm commitment for a sale or purchase. The forward currency contracts must be in the same currency as the hedged item. It is the Group's policy not to enter into forward contracts until a firm commitment is in place. It is the Group's policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item to maximise hedge effectiveness.

At 31 December 2024, the Group hedged 100% (2023: 100%) of its foreign currency denominated loans and borrowings for which firm commitments existed at the end of the reporting period.

The Group's significant exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk are as follows:

Group	USD RM'000	AUD RM'000	EUR RM'000	IDR RM'000	SGD RM'000	RM RM'000
2024						
Investment securities	11,235	-	-	-	-	-
Trade and other receivables	2,736	3,455	364	-	-	276
Cash and bank balances	1,292	3	2	12,712	1,150	3,674
Loans and borrowings	(30,433)	-	-	-	-	-
Trade and other payables	(4,179)	(1,475)	(1,953)	-	-	(26)
2023						
Investment securities	7,471	-	-	-	-	-
Trade and other receivables	2,563	3,511	538	-	-	278
Cash and bank balances	2,596	540	96	9,279	38	26,174
Loans and borrowings	(61,506)	-	-	-	-	-
Trade and other payables	(1,583)	(446)	(1,158)	-	-	(25)

5. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management (continued)

(iv) Foreign currency risk (continued)

The Group's significant exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk are as follows (continued):

Company	USD RM'000	IDR RM'000	SGD RM'000
2024			
Trade and other receivables	-	1,671	125
Cash and bank balances	410	12,143	1,150
Loans and borrowings	(30,433)	-	-
Trade and other payables	-	(46,512)	(908)

Company	USD RM'000	IDR RM'000	SGD RM'000
2023			
Trade and other receivables	-	109,287	123
Cash and bank balances	236	8,678	38
Loans and borrowings	(61,506)	-	-
Trade and other payables	-	(50,162)	(845)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's and Company's profit net of tax to a reasonably possible change in the USD, AUD, EUR, IDR, SGD and RM exchange rates against the respective functional currency of the Group entities, with all other variables held constant.

		Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
USD/RM	- strengthened by 5%	(1,196)	(2,273)	(1,141)	(2,328)
	- weakened by 5%	1,196	2,273	1,141	2,328
USD/SGD	- strengthened by 5%	461	355	-	-
	- weakened by 5%	(461)	(355)	-	-
AUD/RM	- strengthened by 5%	75	137	-	-
	- weakened by 5%	(75)	(137)	-	-
EUR/RM	- strengthened by 5%	(60)	(20)	-	-
	- weakened by 5%	60	20	-	-
IDR/RM	- strengthened by 5%	461	330	(1,242)	2,576
	- weakened by 5%	(461)	(330)	1,242	(2,576)

5. CAPITAL AND FINANCIAL RISK MANAGEMENT (continued)

(b) Financial risk management (continued)

(iv) Foreign currency risk (continued)

Sensitivity analysis for foreign currency risk (continued)

The following table demonstrates the sensitivity of the Group's and Company's profit net of tax to a reasonably possible change in the USD, AUD, EUR, IDR, SGD and RM exchange rates against the respective functional currency of the Group entities, with all other variables held constant. (continued)

		Group		Company	
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
IDR/SGD	- strengthened by 5%	22	23	-	-
	- weakened by 5%	(22)	(23)	-	-
SGD/RM	- strengthened by 5%	44	2	14	(26)
	- weakened by 5%	(44)	(2)	(14)	26
RM/SGD	- strengthened by 5%	7	7	-	-
	- weakened by 5%	(7)	(7)	-	-
RM/IDR	- strengthened by 5%	142	998	-	-
	- weakened by 5%	(142)	(998)	-	-

The effects of the changes in the exchange rates to the equity are not presented as they are not significant.

(v) Market price risk

The Group is exposed to equity price risk arising from its investment in quoted equity instruments. The quoted equity instruments in Malaysia are listed on the Bursa Malaysia and are classified as held for trading.

The sensitivity analysis of market price risk has been disclosed in Note 27 to the financial statements.

6. REVENUE

		Group		Company	
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
Revenue from contracts with customers:					
- Sales of oil palm products		966,513	998,080	-	-
- Sales of wood products		29,801	40,088	-	-
- Supply of electricity		13,537	13,978	-	-
- Sales of cocoa beans and cocoa products		-	7,966	-	-
- Sales of timber and latex		7,250	4,271	7,250	4,067
- Supply and installation services		1,815	1,116	-	-
- Sales of ramets and laran plantlet and plantable		891	1,017	-	-
		1,019,807	1,066,516	7,250	4,067

6. REVENUE (continued)

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Other revenue				
- Management fees	-	-	17,548	22,224
- Dividend income from subsidiaries, associate and joint ventures	-	-	44,849	88,233
	1,019,807	1,066,516	69,647	114,524
Timing of revenue recognition				
- Over time	1,815	1,116	-	-
- At a point in time	1,017,992	1,065,400	7,250	4,067
	1,019,807	1,066,516	7,250	4,067

Disaggregation of revenue from contracts with customers has been presented in the operating segments, Note 4 to the financial statements, which has been presented based on geographical location from which the sale transactions originated.

(a) Sales of goods and supply of electricity

Revenue from sales of goods and supply of electricity are recognised at a point in time when the products have been transferred or the services have been rendered to the customers and coincides with the delivery of products and services and acceptance by customers.

There is no right of return and service-type warranty provided to the customers on the sales of products and services rendered.

There is no significant financing component in the revenue arising from sales of products and services rendered as the sales or services are made on the normal credit terms not exceeding twelve (12) months.

(b) Supply and installation service contracts

Revenue from supply and installation service contracts is measured at the fixed transaction price agreed under the agreement.

Revenue from supply and installation service contracts is recognised over the period of the contract using the input method by reference to the costs incurred for work performed to date against the estimated costs to completion if control of the asset transfers over time.

If control of asset transfers at a point in time, revenue is recognised at a point in time when the customer obtains control of the asset.

Significant judgement is required in determining performance obligations, transaction price allocation and costs in applying the input method to recognise revenue over time.

The Group identifies performance obligations that are distinct and material, which are judgmental in the context of contract. Transaction prices were determined based on estimated margins prior to its allocation to the identified performance obligation. The Group also estimated total contract costs in applying the input method to recognise revenue over time.

6. REVENUE (continued)

(c) Management fees

Management fees are recognised during the period in which the services are rendered.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

7. COST OF SALES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cost of inventories sold	622,215	655,509	4,005	3,140
Supply and installation service costs	1,528	755	-	-
Cost of production of electricity	13,179	11,813	-	-
	636,922	668,077	4,005	3,140

8. INTEREST INCOME

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest income from:				
Amounts due from subsidiaries	-	-	10,858	16,837
Financial assets	1,530	1,064	-	-
Plasma receivables	2,096	3,147	-	-
Short-term deposits	9,168	9,187	1,053	969
	12,794	13,398	11,911	17,806

Interest income

Interest income is recognised on an accrual basis using the effective interest method.

9. DIVIDEND INCOME

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Dividend income from:				
Short term funds	1	1	1	1
Investment securities	331	-	-	-
	332	1	1	1

Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

10. OTHER INCOME

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Bad debts recovered	-	118	-	-
Fair value gain on forward currency contracts	-	4,115	-	4,145
Fair value gain on commodity future contracts	-	149	-	-
Fair value gain on short term funds	93	162	4	4
Gain from fair value adjustment of forest planting expenditure (Note 20)	188	341	-	2,613
Gain on disposal of:				
- property, plant and equipment	902	446	218	143
- assets held for sale (Note 34)	-	27,604	-	-
Gain on lease reassessments	43	31	-	-
Gain on redemption of financial assets	6	-	-	-
Gain on remeasurement of financial guarantees contracts (Note 40(d))	35	24	108	249
Insurance claims received and receivable	505	2,385	-	-
Management fee	3,274	3,392	-	-
Net gain from fair value adjustment of fresh fruit bunches (Note 20)	6,607	432	-	-
Net gain on foreign exchange				
- unrealised	5,328	-	1,555	4,431
Net write back of inventories written down (Note 28(d))	8,299	6,375	-	-
Realised gain from commodity future contracts	-	313	-	-
Rental income	1,168	1,073	958	2,992
Sales of scrap iron	303	462	-	-
Miscellaneous	1,440	2,838	231	123
	28,191	50,260	3,074	14,700

Rental income

Rental income is recognised on a straight line basis over the period of tenancy.

11. FINANCE COSTS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest expense on:				
Amounts due to subsidiaries	-	-	2,830	7,093
Bank overdrafts	22	29	-	-
Bankers' acceptances	1,272	1,287	-	-
Lease liabilities	58	70	2	3
Revolving credits	4,329	5,769	2,979	3,762
Term loans	6,889	10,853	6,889	10,852
Others	-	10	-	-
	12,570	18,018	12,700	21,710
Islamic financing distribution payment:				
Sukuk Murabahah Medium Term Notes	-	2,195	-	-
Total finance costs	12,570	20,213	12,700	21,710
Less: Interest expense capitalised in bearer plants and forest planting expenditure	-	(66)	-	-
Net finance costs	12,570	20,147	12,700	21,710

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

In the previous financial year, interest expense capitalised under bearer plants of the Group amounted to RM56,000 and under biological assets of the Group amounted to RM10,000 at interest rates ranging from 4.99% to 5.44%.

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12. PROFIT BEFORE TAX

- (a) Other than those disclosed elsewhere in the financial statements, the following items have been included in arriving at profit before tax:

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Depreciation of biological assets	20	1,181	1,181	1,181	1,181
Auditors' remuneration: BDO PLT and affiliates					
- statutory audits		527	520	183	174
- non-statutory audit					
- tax compliance and advisory services		159	65	-	-
- other services		101	544	97	539
Other auditors					
- statutory audits:					
- current year		353	349	-	-
- under provision in prior years		2	2	-	-
Bad debts written off		65	-	-	-
Depreciation of property, plant and equipment		116,423	90,255	2,374	2,214
Depreciation of right-of-use assets		10,615	9,705	61	61
Employee benefits expense	13	120,830	123,530	24,917	28,653
Fair value loss on commodity future contract		134	-	-	-
Fair value loss on forward currency contracts		580	-	580	-
Inventories written off	28(c)	651	6,798	-	-
Impairment losses on:					
- property, plant and equipment	18	3,249	-	-	-
- goodwill	21	-	7,769	-	-
- investment in subsidiaries	22(c)	-	-	860	46,784
- investment securities	27(h)	1	-	1	-
Waiver of debt on amount due from subsidiaries		-	-	229	-
Investment securities written off	27(g)	50	-	50	-
Loss from fair value adjustment of forest planting expenditure	20	-	-	754	-
Losses on striking off of a subsidiary		-	-	24	-
Loss on disposal of financial assets		-	192	-	-
Net loss on foreign exchange:					
- realised		233	1,889	437	2,036
- unrealised		-	7,080	-	-
Non-Executive Directors' remuneration	14	2,434	4,845	1,562	1,735
Property, plant and equipment written off		260	449	1	-
Realised loss on commodity future contracts		118	-	-	-
Realised loss on forward currency contracts		-	295	-	-
Rental expenses on premises		106	112	92	112

12. PROFIT BEFORE TAX (continued)

(b) Net impairment (losses)/write back on financial assets recognised in profit or loss were as follows:

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Impairment losses on:					
- trade receivables	26(a)	(797)	(138)	-	-
- other receivables	26(b)	(4,257)	(4,206)	-	-
		(5,054)	(4,344)	-	-
Write back of impairment losses on:					
- trade receivables	26(a)	468	358	-	-
- other receivables	26(b)	1,729	324	-	11
- amounts due from subsidiaries	26(c)	-	-	2,336	303
		2,197	682	2,336	314
Net impairment (losses)/write back on financial assets		(2,857)	(3,662)	2,336	314

13. EMPLOYEE BENEFITS EXPENSE

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Wages and salaries		103,908	105,815	23,141	25,911
Contributions to defined contribution plan		3,525	4,476	1,868	2,789
Social security contributions		9,143	9,100	163	172
Increase in liability for defined benefit plan		5,248	5,346	-	-
		121,824	124,737	25,172	28,872
Less: Amount capitalised in bearer plants	18(d)	(557)	(732)	-	-
Less: Amount capitalised in forest planting expenditure	20(a)	(437)	(475)	(255)	(219)
		120,830	123,530	24,917	28,653

Included in employee benefits expense of the Group and of the Company are Executive Directors' remuneration amounting to RM7,082,000 (2023: RM5,232,000) and RM3,749,000 (2023: RM5,163,000) respectively as further disclosed in Note 14 to the financial statements.

14. DIRECTORS' REMUNERATION

The details of remuneration received and receivable by Directors of the Company during the financial year are as follows:

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Executive:					
Salaries and bonus		6,198	4,510	3,196	4,448
Other emoluments		884	722	553	715
Total Executive Directors' remuneration (excluding benefits-in-kind)	13	7,082	5,232	3,749	5,163
Estimated money value of benefits-in-kind		313	284	305	284
Total Executive Directors' remuneration (including benefits-in-kind)		7,395	5,516	4,054	5,447
Non-Executive:					
Fees		819	358	312	281
Salaries		350	2,730	-	-
Other emoluments		1,265	1,757	1,250	1,454
Total Non-Executive Directors' remuneration (excluding benefits-in-kind)	12	2,434	4,845	1,562	1,735
Estimated money value of benefits-in-kind		259	303	259	303
Total Non-Executive Directors' remuneration (including benefits-in-kind)		2,693	5,148	1,821	2,038
Total Directors' remuneration		10,088	10,664	5,875	7,485

The number of Directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of Directors	
	2024	2023
Executive Directors:		
RM1,250,000 - RM1,300,000	1	-
RM1,850,000 - RM1,900,000	-	1
RM2,850,000 - RM2,900,000	1	-
RM3,200,000 - RM3,250,000	1	-
RM3,600,000 - RM3,650,000	-	1

14. DIRECTORS' REMUNERATION (CONTINUED)

The number of Directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below: (continued)

	Number of Directors	
	2024	2023
Non-Executive Directors:		
Below RM50,000	1	3
RM50,000 - RM100,000	3	3
RM100,000 - RM150,000	1	-
RM150,000 - RM200,000	-	1
RM400,000 - RM450,000	1	-
RM800,000 - RM850,000	1	-
RM1,000,000 - RM1,050,000	-	1
RM1,050,000 - RM1,100,000	1	-
RM3,650,000 - RM3,700,000	-	1

During the financial year, there was redesignation of a non-executive director to an executive director.

15. TAXATION

(a) Major components of taxation

The major components of taxation for the financial years ended 31 December 2024 and 31 December 2023 are:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Statements of comprehensive income:				
Current income tax:				
- Malaysian income tax	4,374	3,439	-	-
- Foreign tax	46,640	50,559	-	-
- Withholding tax on foreign dividend income	6,419	12,332	2,524	3,854
	57,433	66,330	2,524	3,854

15. TAXATION (CONTINUED)

(a) Major components of taxation (continued)

The major components of taxation for the financial years ended 31 December 2024 and 31 December 2023 are: (continued)

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Statements of comprehensive income: (continued)				
Under/(Over) provision in prior years:				
- Malaysian income tax	36	91	-	17
- Foreign income tax	2,462	(42)	-	-
	2,498	49	-	17
Deferred tax				
- Origination and reversal of temporary differences	1,289	3,520	(754)	42
- Under provision in prior years	369	2,113	289	1,918
	1,658	5,633	(465)	1,960
Taxation recognised in profit and loss	61,589	72,012	2,059	5,831

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15. TAXATION (continued)

(b) Reconciliation between taxation and accounting profit

The reconciliation between taxation and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2024 and 31 December 2023 is as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit before tax	219,870	197,837	25,970	19,669
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	52,769	47,481	6,233	4,720
Different tax rates in other countries	(4,101)	(4,756)	-	-
Tax effects in respect of:				
Non-deductible expenses	16,352	13,587	4,223	19,218
Income not subject to taxation	(2,215)	(6,388)	(11,210)	(23,896)
Revenue expenditure capitalised in biological assets	-	(23)	-	-
Share of profit of associate	(4,533)	(2,685)	-	-
Share of (profit)/loss of joint ventures	(2,028)	718	-	-
Effect of utilisation of previously unrecognised tax losses, unabsorbed allowances and other deductible temporary differences	(7,075)	(65)	-	-
Effect of different tax rate for small and medium scale company	(10)	(7)	-	-
Deferred tax assets not recognised	3,144	9,656	-	-
Withholding tax on foreign dividend income	6,419	12,332	2,524	3,854
Under provision of current tax expense in prior years	2,498	49	-	17
Under provision of deferred tax in prior years	369	2,113	289	1,918
Taxation recognised in profit and loss	61,589	72,012	2,059	5,831

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

15. TAXATION (continued)

(c) Value-added tax ("VAT")

Revenue, expenses and assets are recognised net of the amount of VAT except:

- (i) Where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable, and
- (ii) Receivables and payables that are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

(d) Tax effect on each component of other comprehensive income is as follows:

	Before tax RM'000	Tax effect RM'000	After tax RM'000
Group			
At 31 December 2024			
Item that may be reclassified to profit or loss in subsequent periods:			
Foreign currency translations	(111,066)	-	(111,066)
Net gain on financial assets measured at fair value through other comprehensive income ("FVOCI")	135	-	135
Cumulative gain on financial assets measured at FVOCI reclassified to profit or loss upon redemption	(34)	-	(34)
	(110,965)	-	(110,965)
Item that may not be reclassified to profit or loss in subsequent periods:			
Remeasurement of net retirement benefit obligations	2,362	(483)	1,879
At 31 December 2023			
Item that may be reclassified to profit or loss in subsequent periods:			
Foreign currency translations	96,886	-	96,886
Net loss on financial assets measured at fair value through other comprehensive income ("FVOCI")	(261)	-	(261)
Cumulative loss on financial assets measured at FVOCI reclassified to profit or loss upon disposal	97	-	97
	96,722	-	96,722
Item that may not be reclassified to profit or loss in subsequent periods:			
Remeasurement of net retirement benefit obligations	(870)	194	(676)

16. EARNINGS PER ORDINARY SHARE

(a) Basic

Basic earnings per ordinary share amounts are calculated by dividing profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares outstanding during the financial year after deducting treasury shares.

	Group	
	2024	2023
Profit attributable to owners of the Company used in the computation of basic or diluted earnings per share (RM'000)	135,662	95,112
Weighted average number of ordinary shares in issue ('000)	1,379,606	1,380,174
Basic earnings per ordinary share (sen)	9.83	6.89

(b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

There have been no other transactions involving ordinary shares or potential ordinary shares between the end of the reporting period and the date of authorisation of these financial statements.

17. DIVIDENDS

	Group and Company	
	2024	2023
	RM'000	RM'000
Recognised during the year:		
First and final single-tier dividend for financial year ended 31 December 2023 of 2.5 sen per ordinary share	34,505	-
Interim single-tier dividend for financial year ended 31 December 2024 of 2.5 sen per ordinary share	34,505	-
Final single-tier dividend for financial year ended 31 December 2022 of 2.5 sen per ordinary share	-	34,505
	69,010	34,505

The Directors do not recommend the payment of any final dividend in respect of the financial year ended 31 December 2024.

18. PROPERTY, PLANT AND EQUIPMENT

Group	Bearer plants RM'000	Plantation infrastructure RM'000	Buildings RM'000	Motor vehicles RM'000	Plant, machinery and equipment RM'000	Furniture, fittings and renovation RM'000	Assets under construction RM'000	Total RM'000
2024								
Carrying amount								
Balance as at 1 January 2024	869,286	61,446	178,939	10,439	114,658	34,207	8,781	1,277,756
Additions	10,605	47	1,886	4,536	12,956	1,897	20,953	52,880
Disposals	-	-	(1,109)	(721)	(107)	(6)	-	(1,943)
Write-offs	(103)	(1)	(79)	-	(68)	(6)	(3)	(260)
Reclassifications	-	10,761	3,847	-	5,398	(19)	(19,987)	-
Reclassified from assets held for sale (Note 34(c))	199,193	1,766	6,944	-	577	80	-	208,560
Depreciation charged for the financial year	(63,578)	(9,937)	(13,588)	(4,411)	(23,637)	(1,460)	-	(116,611)
Impairment losses	(3,249)	-	-	-	-	-	-	(3,249)
Exchange differences	(65,417)	(3,494)	(6,526)	(596)	(2,686)	(146)	(318)	(79,183)
Balance as at 31 December 2024	946,737	60,588	170,314	9,247	107,091	34,547	9,426	1,337,950

18. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	Bearer plants RM'000	Plantation infrastructure RM'000	Buildings RM'000	Motor vehicles RM'000	Plant, machinery and equipment RM'000	Furniture, fittings and renovation RM'000	Assets under construction RM'000	Total RM'000
2023								
Carrying amount								
Balance as at 1 January 2023	855,054	58,100	183,795	7,410	107,146	34,082	10,969	1,256,556
Additions	11,299	320	808	6,308	13,127	1,438	24,610	57,910
Disposals	-	(218)	-	(114)	(1,462)	(17)	-	(1,811)
Write-offs	-	(30)	(129)	(1)	(214)	(75)	-	(449)
Reclassifications	-	9,938	1,141	-	16,144	-	(27,223)	-
Reclassified to assets held for sale	-	-	-	-	-	(15)	-	(15)
Depreciation charged for the financial year	(42,105)	(9,317)	(12,280)	(3,454)	(22,071)	(1,265)	-	(90,492)
Exchange differences	45,038	2,653	5,604	290	1,988	59	425	56,057
Balance as at 31 December 2023	869,286	61,446	178,939	10,439	114,658	34,207	8,781	1,277,756

18. PROPERTY, PLANT AND EQUIPMENT (continued)

Group	----- At 31.12.2024 -----			
	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	Carrying amount RM'000
Bearer plants	1,339,222	(373,059)	(19,426)	946,737
Plantation infrastructure	149,115	(88,527)	-	60,588
Buildings	362,590	(158,235)	(34,041)	170,314
Motor vehicles	45,638	(36,391)	-	9,247
Plant, machinery and equipment	464,095	(352,205)	(4,799)	107,091
Furniture, fittings and renovation	61,668	(26,101)	(1,020)	34,547
Assets under construction	194,290	-	(184,864)	9,426
	2,616,618	(1,034,518)	(244,150)	1,337,950

Group	----- At 31.12.2023 -----			
	Cost RM'000	Accumulated depreciation RM'000	Accumulated impairment losses RM'000	Carrying amount RM'000
Bearer plants	1,200,975	(314,222)	(17,467)	869,286
Plantation infrastructure	144,881	(83,435)	-	61,446
Buildings	359,676	(146,696)	(34,041)	178,939
Motor vehicles	49,480	(39,041)	-	10,439
Plant, machinery and equipment	455,971	(336,514)	(4,799)	114,658
Furniture, fittings and renovation	59,734	(24,506)	(1,021)	34,207
Assets under construction	193,645	-	(184,864)	8,781
	2,464,362	(944,414)	(242,192)	1,277,756

18. PROPERTY, PLANT AND EQUIPMENT (continued)

Company	Plantation infrastructure RM'000	Buildings RM'000	Motor vehicles RM'000	Plant, machinery and equipment RM'000	Furniture, fittings and renovation RM'000	Assets under construction RM'000	Total RM'000
2024							
Carrying amount							
Balance as at 1 January 2024	10,643	34,955	1,088	1,248	1,975	2,933	52,842
Additions	-	-	587	325	256	170	1,338
Disposals	-	-	(159)	(3)	(3)	-	(165)
Write-offs	-	-	-	(1)	-	-	(1)
Reclassifications	-	-	-	1,161	-	(1,161)	-
Depreciation charged for the financial year	(162)	(1,026)	(320)	(464)	(403)	-	(2,375)

Balance as at 31 December 2024	10,481	33,929	1,196	2,266	1,825	1,942	51,639
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Company	Plantation infrastructure RM'000	Buildings RM'000	Motor vehicles RM'000	Plant, machinery and equipment RM'000	Furniture, fittings and renovation RM'000	Assets under construction RM'000	Total RM'000
2023							
Carrying amount							
Balance as at 1 January 2023	10,806	35,975	1,359	1,086	2,281	1,942	53,449
Additions	-	7	-	509	102	991	1,609
Depreciation charged for the financial year	(163)	(1,027)	(271)	(347)	(408)	-	(2,216)
Balance as at 31 December 2023	10,643	34,955	1,088	1,248	1,975	2,933	52,842

18. PROPERTY, PLANT AND EQUIPMENT (continued)

Company	At 31.12.2024		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Plantation infrastructure	13,144	(2,663)	10,481
Buildings	51,188	(17,259)	33,929
Motor vehicles	6,829	(5,633)	1,196
Plant, machinery and equipment	15,668	(13,402)	2,266
Furniture, fittings and renovation	12,781	(10,956)	1,825
Assets under construction	1,942	-	1,942
	101,552	(49,913)	51,639

Company	At 31.12.2023		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Plantation infrastructure	13,144	(2,501)	10,643
Buildings	51,188	(16,233)	34,955
Motor vehicles	8,935	(7,847)	1,088
Plant, machinery and equipment	14,226	(12,978)	1,248
Furniture, fittings and renovation	12,549	(10,574)	1,975
Assets under construction	2,933	-	2,933
	102,975	(50,133)	52,842

- (a) All items of property, plant and equipment are initially recorded at cost. After initial recognition, property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses.
- (b) Bearer plants are living plants that are used in the production or supply of agriculture produce for more than one period and have remote likelihood of being sold as agriculture produce, except for incidental scrap sales. The bearer plants that are available for use are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes plantation expenditure, which represents the total cost incurred from land clearing to the point of harvesting. The mature bearer plants are depreciated over their estimated useful lives of twenty-two (22) to twenty-five (25) years on a straight-line basis. The immature bearer plants are not depreciated until such time when they are available for use.

Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Plantation infrastructure	4%
Buildings	2%
Motor vehicles	10% to 20%
Plant, machinery and equipment	5% to 33%
Furniture, fittings and renovation	5% to 10%

Assets under construction are stated at cost and not depreciated as the assets are not yet available for use.

18. PROPERTY, PLANT AND EQUIPMENT (continued)

- (c) Depreciation capitalised under bearer plants and biological assets during the financial year is as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Property, plant and equipment</u>				
Bearer plants (Note 18(d))	187	230	-	-
<u>Biological assets</u>				
Forest planting expenditure (Note 20(a))	1	7	1	2

- (d) Included in bearer plants during the financial year are:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment (Note 18(c))	187	230	-	-
Depreciation of right-of-use assets (Note 19(d))	101	270	-	-
Interest expense (Note 11)	-	56	-	-
Employee benefits expense (Note 13)	557	732	-	-

- (e) Management estimates the useful lives of plant and machinery to be between 3 to 20 years. These are common life expectancies applied in the palm oil and woods industries. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

Sensitivity analysis for depreciation rate

	Profit net of tax	
	Group	
	2024	2023
	RM'000	RM'000
Depreciation rate		
- increased by 10%	(2,364)	(2,207)
- decreased by 10%	2,364	2,207

- (f) The Group assessed whether there were any indicators of impairment of property, plant and equipment during the financial year. In doing this, management considered the current environment and performance of the Cash Generating Units ("CGUs"). Management considered the losses in certain subsidiaries in the current financial year as impairment indicators.

18. PROPERTY, PLANT AND EQUIPMENT (continued)

(f) (continued)

A CGU's recoverable amount is based on value-in-use. Management has made estimates about the future results and key assumptions applied to cash flow projections of the CGUs. These key assumptions are applied to cash flow projections of the CGUs and include forecast growth in future revenue, as well as determining an appropriate pre-tax discount rate.

The disclosures of the key inputs and assumptions are set out as follows:

- (i) The CPO price and pre-tax discount rate applied to the cash flow projections are as follows:

	2024	2023
CPO price (RM/MT)	4,000	3,800
Pre-tax discount rates (%)	10.00 - 13.00	10.00 - 13.00

- (ii) The calculations of value-in-use for the CGU are most sensitive to the following assumptions:

CPO price - CPO price is based on average historical price in the previous financial year immediately before the budgeted period.

FFB yields - FFB yields are based on the average yields achieved in the previous financial year immediately before the budgeted period.

Pre-tax discount rates - Discount rates reflect the current market assessment of the risks specific to each CGU.

During the current financial year, the Group had determined that the recoverable amount of the bearer plant in respect of a loss-making subsidiary in Indonesia was lower than its carrying amount. Accordingly, an impairment loss amounted to RM3,249,000 had been recognised within other expenses in the Statements of Comprehensive Income.

Sensitivity to changes in assumptions

With regards to the assessment of value-in-use, the management is not aware of any reasonably possible change in the above key assumptions that would cause the carrying amounts of the CGUs to materially exceed their recoverable amounts.

- (g) During the current financial year, the Company disposed a motor vehicle with carrying amount of RM1 to its subsidiary for a total consideration of RM90,000.

19. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group and the Company as lessee

Right-of-use assets

Group	Long term leasehold land RM'000	Land use rights RM'000	Short term leasehold land RM'000	Equipment RM'000	Buildings RM'000	Total RM'000
2024						
Carrying amount						
At 1 January 2024	83,296	168,774	678	74	613	253,435
Additions	-	3,432	624	-	97	4,153
Depreciation charged for the financial year	(1,577)	(8,664)	(170)	(23)	(282)	(10,716)
Reclassified from assets held for sale (Note 34(c))	-	12,293	-	-	-	12,293
Exchange differences	-	(10,246)	-	-	(15)	(10,261)
Reassessments	-	-	(353)	-	(15)	(368)
At 31 December 2024	81,719	165,589	779	51	398	248,536

19. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The Group and the Company as lessee (continued)

Right-of-use assets (continued)

Group	Long term leasehold land RM'000	Land use rights RM'000	Short term leasehold land RM'000	Equipment RM'000	Buildings RM'000	Total RM'000
2023						
Carrying amount						
At 1 January 2023	84,874	168,307	710	97	1,094	255,082
Additions	-	4,631	208	-	60	4,899
Depreciation charged for the financial year	(1,578)	(7,713)	(147)	(23)	(534)	(9,995)
Reclassified to assets held for sale	-	(3,765)	-	-	-	(3,765)
Exchange differences	-	7,314	-	-	31	7,345
Reassessments	-	-	(93)	-	(38)	(131)
At 31 December 2023	83,296	168,774	678	74	613	253,435

19. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The Group and the Company as lessee (continued)

Right-of-use assets (continued)

Group	At 31.12.2024		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Long term leasehold land	99,818	(18,099)	81,719
Land use rights	277,991	(112,402)	165,589
Short term leasehold land	1,215	(436)	779
Equipment	238	(187)	51
Buildings	3,347	(2,949)	398
	382,609	(134,073)	248,536
Group	At 31.12.2023		
	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Long term leasehold land	99,818	(16,522)	83,296
Land use rights	272,609	(103,835)	168,774
Short term leasehold land	712	(34)	678
Equipment	238	(164)	74
Buildings	3,324	(2,711)	613
Motor vehicle	176	(176)	-
	376,877	(123,442)	253,435
Company	Long term leasehold land RM'000	Equipment RM'000	Total RM'000
2024			
Carrying amount			
At 1 January 2024	8,196	53	8,249
Depreciation charged for the financial year	(38)	(23)	(61)
At 31 December 2024	8,158	30	8,188

19. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The Group and the Company as lessee (continued)

Right-of-use assets (continued)

Company	Long term leasehold land RM'000	Equipment RM'000	Total RM'000
2023			
Carrying amount			
At 1 January 2023	8,234	76	8,310
Depreciation charged for the financial year	(38)	(23)	(61)
At 31 December 2023	8,196	53	8,249

	At 31.12.2024		
Company	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Long term leasehold land	8,872	(714)	8,158
Equipment	202	(172)	30
	9,074	(886)	8,188

	At 31.12.2023		
Company	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Long term leasehold land	8,872	(676)	8,196
Equipment	202	(149)	53
	9,074	(825)	8,249

19. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The Group and the Company as lessee (continued)

Lease liabilities

Group	Short term leasehold land RM'000	Equipment RM'000	Buildings RM'000	Total RM'000
2024				
Carrying amount				
At 1 January 2024	1,106	55	214	1,375
Additions	624	-	67	691
Lease payments	(213)	(25)	(250)	(488)
Interest expense	45	2	11	58
Reassessments	(396)	-	(15)	(411)
Exchange difference	-	-	(11)	(11)
At 31 December 2024	1,166	32	16	1,214
2023				
Carrying amount				
At 1 January 2023	1,175	78	682	1,935
Additions	209	-	-	209
Lease payments	(198)	(26)	(495)	(719)
Interest expense	44	3	23	70
Reassessments	(124)	-	(38)	(162)
Exchange difference	-	-	42	42
At 31 December 2023	1,106	55	214	1,375
Company				Equipment RM'000
2024				
Carrying amount				
At 1 January 2024				55
Lease payments				(25)
Interest expense				2
At 31 December 2024				32
2023				
Carrying amount				
At 1 January 2023				78
Lease payments				(26)
Interest expense				3
At 31 December 2023				55

19. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The Group and the Company as lessee (continued)

Lease liabilities (continued)

Represented by:	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current liabilities	863	955	12	32
Current liabilities	351	420	20	23
Total lease liabilities	1,214	1,375	32	55
Lease liabilities owing to non-financial institutions	1,214	1,375	32	55

- (a) The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for any re-measurement of the lease liabilities.

The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The principal depreciation periods are as follows:

Long term leasehold land	over the remaining lease period from 32 to 906 years
Land use rights	over the lease period from 20 to 30 years
Short term leasehold land	over the lease period from 4 to 20 years
Equipment	over the lease period from 2 to 6 years
Buildings	over the lease period from 2 to 5 years

- (b) Included in land use rights of the Group are prepayments amounting to RM30,579,000 (2023: RM36,016,000), which the Group has yet to obtain the titles to use the rights as at the end of the reporting period.
- (c) The Group and the Company have certain leases of machineries with lease term of 12 months or less, and low value leases of office equipment of RM5,000 and below. The Group and the Company apply the “short-term lease” and “lease of low-value assets” exemptions for these leases.

19. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The Group and the Company as lessee (continued)

- (d) Depreciation capitalised under bearer plants and biological assets during the financial year is as follows:

	Group	
	2024	2023
	RM'000	RM'000
<u>Property, plant and equipment</u>		
Bearer plants (Note 18(d))	101	270
<u>Biological assets</u>		
Forest planting expenditure (Note 20(a))	-	20

- (e) The following are the amounts recognised in profit or loss:

	Group	
	2024	2023
	RM'000	RM'000
Depreciation charge of right-of-use assets (included in cost of sales and administrative expenses)	10,615	9,705
Interest expense on lease liabilities (included in finance costs)	58	70
Expense relating to short-term leases (included in administration expenses)	106	112
	10,779	9,887

	Company	
	2024	2023
	RM'000	RM'000
Depreciation charge of right-of-use assets (included in cost of sales and administrative expenses)	61	61
Interest expense on lease liabilities (included in finance costs)	2	3
Expense relating to short-term leases (included in administration expenses)	92	112
	155	176

- (f) During the financial year, the Group and the Company had total cash outflows for leases of RM594,000 (2023: RM831,000) and RM117,000 (2023: RM138,000) respectively.

19. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The Group and the Company as lessee (continued)

- (g) The following table sets out the carrying amounts, the weighted average incremental borrowing rates and the remaining maturities of the lease liabilities of the Group and the Company:

Group	Weighted average incremental borrowing rate per annum %	Within one year RM'000	One to two years RM'000	Two to five years RM'000	More than five years RM'000	Total RM'000
31 December 2024						
Lease liabilities						
Fixed rates	3.66% - 5.58%	351	162	453	248	1,214
31 December 2023						
Lease liabilities						
Fixed rates	3.51% - 5.58%	420	291	274	390	1,375
Company	Weighted average incremental borrowing rate per annum %	Within one year RM'000	One to two years RM'000	Two to five years RM'000	More than five years RM'000	Total RM'000
31 December 2024						
Lease liabilities						
Fixed rate	3.72% - 4.05%	20	8	4	-	32
31 December 2023						
Lease liabilities						
Fixed rate	3.72% - 4.05%	23	20	12	-	55

19. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The Group and the Company as lessee (continued)

- (h) Sensitivity analysis for lease liabilities as at the end of the reporting period is not presented as fixed rate instruments are not affected by change in interest rate.
- (i) The table below summarises the maturity profile of the lease liabilities of the Group and the Company at the end of the reporting period based on contractual undiscounted repayment obligations as follows:

Group	On demand or within one year RM'000	One to five years RM'000	More than five years RM'000	Total RM'000
31 December 2024				
Lease liabilities	401	721	285	1,407
31 December 2023				
Lease liabilities	472	676	445	1,593
Company				
31 December 2024				
Lease liabilities	20	12	-	32
31 December 2023				
Lease liabilities	26	33	-	59

- (j) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities from financing activities to the statements of financial position and statements of cash flows are as follows:

	Lease liabilities			
	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 January	1,375	1,935	55	78
Additions	691	209	-	-
Cash flows				
- Payments of lease liabilities	(430)	(649)	(23)	(23)
- Payments of lease interest	(58)	(70)	(2)	(3)
Non-cash flows				
- Interest expense	58	70	2	3
- Reassessments	(411)	(162)	-	-
- Exchange differences	(11)	42	-	-
At 31 December	1,214	1,375	32	55

19. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The Group and the Company as lessor

The Group and the Company have entered into non-cancellable lease agreements on certain properties, mainly for own use, for terms of between one (1) to five (5) years and renewable at the end of the lease period subject to an increase clause.

The Group and the Company have aggregate future minimum lease receivable as at the end of each reporting period as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Not later than 1 year	697	569	607	475
Later than 1 year but not later than 2 years	583	298	503	212
Later than 2 years but not later than 3 years	378	265	368	185
Later than 3 years but not later than 4 years	290	72	290	62
Later than 4 years but not later than 5 years	145	-	145	-
	2,093	1,204	1,913	934

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20. BIOLOGICAL ASSETS

Group	Forest planting expenditure (At fair value) RM'000	Forest planting expenditure (At cost) RM'000	Total RM'000
Non-current assets			
At cost/valuation			
At 1 January 2024	278,620	95,650	374,270
Additions during the financial year	1,352	-	1,352
Gain from fair value adjustment (Note 10)	188	-	188
At 31 December 2024	280,160	95,650	375,810
At 1 January 2023	276,278	95,650	371,928
Additions during the financial year	2,001	-	2,001
Gain from fair value adjustment (Note 10)	341	-	341
At 31 December 2023	278,620	95,650	374,270
Accumulated depreciation			
At 1 January 2024	-	(8,267)	(8,267)
Depreciation for the year:			
Recognised in profit or loss (Note 12)	-	(1,181)	(1,181)
At 31 December 2024	-	(9,448)	(9,448)
At 1 January 2023	-	(7,086)	(7,086)
Depreciation for the year:			
Recognised in profit or loss (Note 12)	-	(1,181)	(1,181)
At 31 December 2023	-	(8,267)	(8,267)
Net carrying amount:			
At cost/valuation			
At 31 December 2024	280,160	86,202	366,362
At 31 December 2023	278,620	87,383	366,003

20. BIOLOGICAL ASSETS (continued)

Company	Forest planting expenditure (At fair value) RM'000	Forest planting expenditure (At cost) RM'000	Total RM'000
Non-current assets			
At cost/valuation			
At 1 January 2024	187,123	95,650	282,773
Additions during the financial year	1,211	-	1,211
Loss from fair value adjustment (Note 12)	(754)	-	(754)
At 31 December 2024	187,580	95,650	283,230
At 1 January 2023	183,310	95,650	278,960
Additions during the financial year	1,200	-	1,200
Gain from fair value adjustment (Note 10)	2,613	-	2,613
At 31 December 2023	187,123	95,650	282,773
Accumulated depreciation			
At 1 January 2024	-	(8,267)	(8,267)
Depreciation for the year:			
Recognised in profit or loss (Note 12)	-	(1,181)	(1,181)
At 31 December 2024	-	(9,448)	(9,448)
At 1 January 2023	-	(7,086)	(7,086)
Depreciation for the year:			
Recognised in profit or loss (Note 12)	-	(1,181)	(1,181)
At 31 December 2023	-	(8,267)	(8,267)
Net carrying amount:			
At cost/valuation			
At 31 December 2024	187,580	86,202	273,782
At 31 December 2023	187,123	87,383	274,506

20. BIOLOGICAL ASSETS (continued)

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Current assets				
At fair value				
<u>Fresh fruit bunches</u>				
At beginning of financial year	14,697	13,531	-	-
Changes in fair value less costs to sell (Note 10)	6,607	432	-	-
Exchange differences	(1,173)	734	-	-
At end of financial year	20,131	14,697	-	-

The nature and purpose of each category of biological assets are as follows:

(a) Forest planting expenditure

- (i) Forest planting expenditure represents Industrial Timber Plantation expenses incurred on the development of the Group's Sustainable Forest Management Project under a Sustainable Forest Management License Agreement ("SFMLA") with the State Government of Sabah, in respect of a long term concession for 95,000 hectares of timber land under Forest Management Unit at Ulu Tungud, Sabah. The SFMLA area comprises Industrial Timber Plantation area, Conservation area and Natural Forest Management area.

The biological assets within Industrial Timber Plantation area is carried at its fair value with changes in fair value recognised in profit or loss. During the current financial year, the Group had carried out a valuation exercise to reflect the fair value of the Group's forest planting expenditure within the Industrial Timber Plantation area. CH Williams Talhar & Wong conducted the latest valuation exercise with a valuation report for the valuation as at 31 December 2024.

Areas beyond the Industrial Timber Plantation are either protected or have limited permitted use for commercial timber harvesting, as such, the direct and related cost incurred and capitalised under biological assets within these areas will be depreciated over the remaining concession period of 73 years as the fair value of such areas cannot be reliably measured without undue cost or effort.

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20. BIOLOGICAL ASSETS (continued)

(a) Forest planting expenditure (continued)

- (ii) The methods and assumptions used by management to determine fair values are as follows:

Investment method is adopted to value forest planting expenditure within the Industrial Timber Plantation area. For rubber, the annual income from latex is estimated based on yield and long term average price of the crop. Thereafter, the cost of production is deducted and the net income is derived. In the final year, the value of rubberwood that could be harvested from the old rubber trees to be felled before replanting is added. The whole income flow from latex and from the rubberwood in the last year is then capitalised using the net present value, discounted at the appropriate rate of return for the remaining cropping life of the rubber trees to obtain the value of the present crops.

For the other plantation trees, the present tree crop is valued as profits from timber extraction and sales obtained by deducting the production costs from sales revenue. This is discounted at the appropriate rate of return to obtain the value of the present tree crop. For both the rubber and the other plantation trees, the scrub value (infrastructure value only, and excluding land cost) to which the land reverts at the end of the economic life of the cultivations, deferred (discounted) for the period is then added to the value of the present crops. The fair value is derived from deducting the value of the infrastructures from the market value of the trees.

Biological assets	Valuation technique used	Significant unobservable inputs	Range	Inter-relationship between key unobservable inputs and fair value
Forest planting expenditure within the Industrial Timber Plantation area	Investment method	(a) Discount rate	2024: 10% - 15% (2023: 10% - 15%)	The higher the discount rate, the lower the fair value.
		(b) Estimated yield - rubber (kg/Ha)	2024: 675 - 1,940 (2023: 675 - 1,940)	The higher the yield rate, the higher the fair value.
		- wood/timber (M ³ /Ha)	2024: 108 - 200 (2023: 108 - 200)	
		(c) Estimated price - rubber (RM/KG)	2024: 6.50 (2023: 6.50)	The higher the price, the higher the fair value.
		- wood/timber (RM/M ³)	2024: 350 - 425 (2023: 350 - 425)	

20. BIOLOGICAL ASSETS (continued)

(a) Forest planting expenditure (continued)

(iii) Included in forest planting expenditure incurred during the financial year are:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment (Note 18(c))	1	7	1	2
Depreciation of right-of-use assets (Note 19(d))	-	20	-	-
Interest expense (Note 11)	-	10	-	-
Employee benefits expense (Note 13)	437	475	255	219

(iv) The fair value of forest planting expenditure of the Group and of the Company is categorised as Level 3 in the fair value hierarchy. There is no transfer between levels in the fair value hierarchy during the financial year.

(b) Fresh Fruit Bunches ("FFB") prior to harvest

- (i) The valuation model adopted by the Group and the Company considers the present value of the net cash flows expected to be generated from the sales of FFB. To arrive at the fair value, the management has considered the oil content of the unripe FFB and derived the assumption that the net cash flows to be generated from FFB prior to more than 15 days to harvest is negligible, therefore quantity of unripe FFB on bearer plant of up to 15 days prior to harvest was used for valuation purpose. The value of the unripe FFB was estimated to be approximately 80% of the ripe FFB, based on actual oil extraction rate and kernel extraction rate of the unripe FFB from the laboratory tests. Costs to sell include harvesting cost, transport and windfall profit levy.
- (ii) During the financial year, the Group harvested approximately 795,000 tonnes (2023: 905,000 tonnes) of FFB.
- (iii) The fair value measurement of the Group's biological assets are categorised within Level 3 of the fair value hierarchy. If the FFB selling price changes by 10%, fair value gain/loss for the Group would have equally increased or decreased by approximately RM2,956,000 (2023: RM2,317,000).

There were no transfers between all three (3) levels of the fair value hierarchy during the financial year.

21. INTANGIBLE ASSETS

Goodwill

	RM'000
Group	
Cost:	
At 1 January 2023	55,061
Exchange differences	1,738
At 31 December 2023 and 1 January 2024	56,799
Exchange differences	(2,171)
At 31 December 2024	54,628
Accumulated impairment:	
At 1 January 2023	(4,711)
Impairment during the financial year	(7,769)
At 31 December 2023	(12,480)
At 1 January 2024/31 December 2024	(12,480)
Net carrying amount	
At 31 December 2024	42,148
At 31 December 2023	44,319

Impairment tests for goodwill

The carrying amounts of goodwill allocated to each CGU are as follows:

	Group	
	2024	2023
	RM'000	RM'000
Segments:		
Palm products	42,148	44,319

The recoverable amounts of the CGU have been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. For palm product companies, cash flows projections are extrapolated to a period of up to twenty-three (23) years, which would cover the major life cycle of oil palm trees. Whilst for other companies, cash flows projections are extrapolated to the average economic useful lives of the assets.

Growth rate for the plantation segment is determined based on the management's estimate of commodity prices, FFB yields, oil extraction rates and also cost of productions whilst growth rates of other segments are determined based on the industry trends and past performances of the segments.

21. INTANGIBLE ASSETS (continued)

Goodwill (continued)

The key assumptions applied to the cash flow projections are as follows:

	2024	2023
CPO price (RM/MT)	4,000	3,800
Pre-tax discount rates (%)	10.00 - 13.00	10.00 - 13.00

The calculations of value-in-use for the CGU are most sensitive to the following assumptions:

Palm products segment:

CPO price - CPO price is based on average historical price in the previous financial year immediately before the budgeted period.

FFB yields - FFB yields are based on the average yields achieved in the previous financial year immediately before the budgeted period.

Pre-tax discount rates - Discount rates reflect the current market assessment of the risks specific to each CGU.

Others segment:

Budgeted gross profit margins - Gross profit margins are based on historical profit margin achieved. These are increased over the budget period for anticipated efficiency improvements.

Pre-tax discount rates - Discount rates reflect the current market assessment of the risks specific to each CGU.

In the previous financial year, impairment losses on goodwill amounting to RM7,769,000 have been recognised within other expenses in the Statements of Comprehensive Income.

Sensitivity to changes in assumptions

With regard to the assessment of value-in-use, the management is not aware of any reasonably possible change in the above key assumptions that would cause the carrying amounts of the CGUs to materially exceed their recoverable amounts.

22. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024	2023
	RM'000	RM'000
Unquoted shares, at cost:		
In Malaysia	236,721	236,986
Outside Malaysia	39,311	39,311
	276,032	276,297
ESOS granted to employees of subsidiaries	2,342	2,446
Non-cumulative redeemable convertible preference shares	448,856	447,693
	727,230	726,436
Less: Impairment losses	(49,257)	(49,742)
	677,973	676,694

22. INVESTMENTS IN SUBSIDIARIES (continued)

- (a) In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.
- (b) Management has made estimates about the future results and key assumptions applied to cash flow projections of subsidiaries in determining their recoverable amounts using the value-in-use model. These key assumptions include forecast growth in future revenue, as well as determining an appropriate pre-tax discount rate.

The disclosures of the key assumptions are similar to the impairment assessment on the intangible assets, which have been set out in Note 21 to the financial statements.

- (c) Impairment losses on investments in subsidiaries amounting to RM860,000 (2023: RM46,784,000) have been recognised within other expenses in the Statement of Comprehensive Income during the financial year in respect of certain subsidiaries due to continuous losses making of these subsidiaries. The net carrying amounts of investments in these subsidiaries amounted to RM8,446,000 (2023: RM13,356,000) as at 31 December 2024.
- (d) During the financial year, the Company:
 - (i) subscribed for an additional 11,420,000 non-cumulative redeemable convertible preference shares in certain subsidiaries for a total subscription consideration of RM20,809,000 by cash and remaining balance of RM6,500,000 was satisfied by way of contra against amount due from a subsidiary.
 - (ii) redeemed 9,300,000 non-cumulative redeemable convertible preference shares in certain subsidiaries at the total redemption amount of RM25,146,000. The consideration for the redemptions amounted to RM20,346,000 was satisfied by cash and remaining balance of RM4,800,000 was satisfied by way of contra against amount due to a subsidiary.
 - (iii) struck off TSH Timber Industries Sdn. Bhd from the register of Companies Commission of Malaysia upon the application by the Company and wound-up PT Aramico Komoditi and PT Sejahtera Aman Sejati which were the direct subsidiaries of the Company. The strike-off and winding up of the subsidiaries did not have any material impact on the financial statements of the Company.
- (e) In the previous financial year, the Company:
 - (i) subscribed for an additional 390,000 ordinary shares in certain subsidiaries for a total subscription consideration of RM767,000. The consideration for the subscriptions amounted to RM345,000 was satisfied by cash and remaining balance of RM422,000 was satisfied by way of contra against amount due from a subsidiary.
 - (ii) subscribed for an additional 52,040,000 non-cumulative redeemable convertible preference shares in certain subsidiaries for a total subscription consideration of RM37,424,000 by cash.
 - (iii) redeemed 93,335,000 non-cumulative redeemable convertible preference shares in certain subsidiaries at the total redemption amount of RM122,575,000. The consideration for the redemptions amounted to RM77,982,000 was satisfied by cash and remaining balance of RM44,593,000 was satisfied by way of contra against amount due to certain subsidiaries.

22. INVESTMENTS IN SUBSIDIARIES (continued)

(e) In the previous financial year, the Company: (continued)

- (iv) received distribution for return of capital of RM468,000 from PT Sejahtera Aman Sejati, the direct subsidiary of the Company which is under winding up process. The members' voluntary winding up of the subsidiary did not have any material impact on the financial statements of the Company.
- (v) struck off Polar Vertix Sdn. Bhd. which was the direct subsidiary of the Company from the register of Companies Commission of Malaysia upon the application by the Company. The strike-off of the subsidiary did not have any material impact on the financial statements of the Company.

(f) The details of the subsidiaries are as follows:

Name of subsidiaries	Principal place of business/ Country of incorporation	Principal activities	% of effective ownership interest held by the Group		% of ownership held by non-controlling interest	
			2024 %	2023 %	2024 %	2023 %
Held by the Company:						
TSH Plantation Sdn. Bhd. ⁱ	Malaysia	Operation of palm oil mills and investment holding	100	100	-	-
CocoaHouse Industries Sdn. Bhd. ⁱ	Malaysia	Dormant	100	100	-	-
CocoaHouse Sdn. Bhd. ⁱ	Malaysia	Investment holding	100	100	-	-
Ekowood International Berhad ⁱ	Malaysia	Manufacture and sale of downstream wood products	100	100	-	-
TSH Bio-Gas Sdn. Bhd. ⁱ	Malaysia	Operation of biogas power plant	100	100	-	-
LKSK Sdn. Bhd. ⁱ	Malaysia	Oil palm plantations	51	51	49	49
Tan Soon Hong Holdings Sdn. Bhd. ⁱ	Malaysia	Oil palm plantations and investment holding	100	100	-	-
TSH Bio-Energy Sdn. Bhd. ⁱ	Malaysia	Operation of a power plant	100	100	-	-
TSH Timber Industries Sdn. Bhd. ^{iv}	Malaysia	Dormant	-	100	-	-
POME Energy Sdn. Bhd. ⁱ	Malaysia	Dormant	100	100	-	-

22. INVESTMENTS IN SUBSIDIARIES (continued)

(f) The details of the subsidiaries are as follows (continued):

Name of subsidiaries	Principal place of business/ Country of incorporation	Principal activities	% of effective ownership interest held by the Group		% of ownership held by non-controlling interest	
			2024 %	2023 %	2024 %	2023 %
Held by the Company (continued):						
Landquest Sdn. Bhd. ⁱ	Malaysia	Oil palm plantations	56.68	56.68	43.32	43.32
TSH Sumbar Group Limited ⁱⁱⁱ	Seychelles	Investment holding	100	100	-	-
PT Aramico Komoditi ^{iv}	Indonesia	Dormant	-	74.42	-	25.58
TSH Logistics Sdn. Bhd. ⁱ	Malaysia	Investment holding	100	100	-	-
TSH Oversea Pte. Ltd. ⁱⁱⁱ	Singapore	Investment holding	100	100	-	-
TSH Global Plantation Pte. Ltd. ⁱⁱⁱ	Singapore	Investment holding	100	100	-	-
TSH Mitra Capital Pte. Ltd. ⁱⁱⁱ	Singapore	Investment holding	100	100	-	-
GlobeFlex Advisory Sdn. Bhd. ⁱ	Malaysia	Investment holding	100	100	-	-
Halaman Semesta Sdn. Bhd. ⁱ	Malaysia	Investment holding	100	100	-	-
Bagan Agresif Sdn. Bhd. ⁱ	Malaysia	Investment holding	100	100	-	-
Casa Logistic Sdn. Bhd. ⁱ	Malaysia	Investment holding	100	100	-	-
Rinukut Sdn. Bhd. ⁱ	Malaysia	Investment holding	100	100	-	-
TSH Sukuk Capital Sdn. Bhd. ⁱ	Malaysia	Dormant	100	100	-	-
TSH Sukuk Murabahah Sdn. Bhd. ⁱ	Malaysia	Undertake of Islamic Securities transactions	100	100	-	-
Icon Field Ventures Sdn. Bhd. ⁱ	Malaysia	Investment holding	100	100	-	-
TSH Agri Pte. Ltd. ⁱⁱⁱ	Singapore	Management services and trading of goods	100	100	-	-
PT Sejahtera Aman Sejati ^{iv}	Indonesia	Dormant	-	65	-	35

22. INVESTMENTS IN SUBSIDIARIES (continued)

(f) The details of the subsidiaries are as follows (continued):

Name of subsidiaries	Principal place of business/ Country of incorporation	Principal activities	% of effective ownership interest held by the Group		% of ownership held by non-controlling interest	
			2024	2023	2024	2023
			%	%	%	%
Held through Ekowood International Berhad						
Ekowood Malaysia Sdn. Bhd. ⁱ	Malaysia	Supply and installation of timber flooring	100	100	-	-
EkoLoc System Sdn. Bhd. ⁱ	Malaysia	Sub-licensing of strip lock system	100	100	-	-
Held through TSH Plantation Sdn. Bhd.						
TSH Plantation Management Sdn. Bhd. ⁱ	Malaysia	Operation of a palm oil mill	100	100	-	-
TSH Biotech Sdn. Bhd. ⁱ	Malaysia	Production and supply of tree plantlets and plantables grown through tissue culture process	100	100	-	-
TSH Forest Plantation Sdn. Bhd. ⁱ	Malaysia	Forest plantation	100	100	-	-
Held through CocoaHouse Sdn. Bhd.						
Afromal Cocoa Limited ^{ii/iii}	Ghana	Dormant	100	100	-	-
Held through Tan Soon Hong Holdings Sdn. Bhd.						
TSH Palm Products Sdn. Bhd. ⁱ	Malaysia	Investment holding	100	100	-	-
Held through TSH Palm Products Sdn. Bhd.						
Eko Pulp & Paper Sdn. Bhd. ⁱ	Malaysia	Dormant	100	100	-	-

22. INVESTMENTS IN SUBSIDIARIES (continued)

(f) The details of the subsidiaries are as follows (continued):

Name of subsidiaries	Principal place of business/ Country of incorporation	Principal activities	% of effective ownership interest held by the Group		% of ownership held by non-controlling interest	
			2024 %	2023 %	2024 %	2023 %
Held through TSH Sumbar Group Limited						
PT Andalas Agro Industri ⁱⁱⁱ	Indonesia	Operation of a palm oil mill and investment holding	70	70	30	30
PT Andalas Wahana Berjaya ⁱⁱⁱ	Indonesia	Oil palm plantations and operation of a palm oil mill	70	70	30	30
Held through TSH Oversea Pte. Ltd.						
PT Sarana Prima Multi Niaga ⁱⁱⁱ	Indonesia	Oil palm plantations and operation of a palm oil mill	90	90	10	10
PT Teguh Swakarsa Sejahtera ⁱⁱⁱ	Indonesia	Oil palm plantations	90	90	10	10
Held through PT Andalas Agro Industri						
PT Laras Internusa ⁱⁱⁱ	Indonesia	Oil palm plantations	69.77	69.77	30.23	30.23
Held through TSH Global Plantation Pte. Ltd.						
PT Farinda Bersaudara ⁱⁱⁱ	Indonesia	Oil palm plantations and operation of a palm oil mill	90	90	10	10
Held through TSH Mitra Capital Pte. Ltd.						
PT Mitra Jaya Cemerlang ⁱⁱⁱ	Indonesia	Oil palm plantations	90	90	10	10
Held through GlobeFlex Advisory Sdn. Bhd.						
PT Karya Unggulan Cemerlang ⁱⁱⁱ	Indonesia	Provision of management services	90	90	10	10
Held through TSH Logistics Sdn. Bhd.						
PT Bulungan Citra Agro Persada ⁱⁱⁱ	Indonesia	Oil palm plantations	90	90	10	10
Held through Halaman Semesta Sdn. Bhd.						
PT Munte Waniq Jaya Perkasa ⁱⁱⁱ	Indonesia	Oil palm plantations	90	90	10	10

22. INVESTMENTS IN SUBSIDIARIES (continued)

(f) The details of the subsidiaries are as follows (continued):

Name of subsidiaries	Principal place of business/ Country of incorporation	Principal activities	% of effective ownership interest held by the Group		% of ownership held by non-controlling interest	
			2024	2023	2024	2023
			%	%	%	%
Held through Bagan Agresif Sdn. Bhd.						
PT Andalas Wahana Sukses ⁱⁱⁱ	Indonesia	Oil palm plantations	90	90	10	10
Held through Casa Logistic Sdn. Bhd.						
PT Perkebunan Sentawar Membangun ⁱⁱⁱ	Indonesia	Oil palm plantations	90	90	10	10
Held through Rinukut Sdn. Bhd.						
RT Plantations Sdn. Bhd. ⁱ	Malaysia	Oil palm plantations	60	60	40	40
Held through Icon Field Ventures Sdn. Bhd.						
PT Prima Usaha Sukses ⁱⁱⁱ	Indonesia	Oil palm plantations	90	90	10	10

ⁱ Audited by BDO PLT, Malaysia.

ⁱⁱ These subsidiaries were placed under members' voluntary winding-up/strike off.

ⁱⁱⁱ Not audited by BDO PLT or member firms of BDO International.

^{iv} Struck off/ Wound up and did not have any material effect to the financial performance.

22. INVESTMENTS IN SUBSIDIARIES (continued)

(g) Material partly-owned subsidiaries

Summarised financial information of partly-owned subsidiaries, which have non-controlling interests that are material to the Group is set out below. The summarised financial information presented below is the amount before inter-company elimination. The non-controlling interests ("NCI") in respect of other subsidiaries is not material to the Group.

(i) Summarised statements of financial position

	Subsidiaries of TSH Sumbar Group Limited		Subsidiaries of TSH Oversea Pte. Ltd.		Subsidiary of TSH Logistics Sdn. Bhd.		LKSK Sdn. Bhd.		Landquest Sdn. Bhd.		Subsidiary of Rinukut Sdn. Bhd.	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets and liabilities												
Non-current assets	407,347	420,972	395,900	336,004	271,710	319,681	39,914	40,345	30,660	31,248	81,142	83,389
Current assets	95,312	90,041	129,435	107,777	32,720	23,908	5,263	2,783	2,829	2,482	6,142	4,260
Total assets	502,659	511,013	525,335	443,781	304,430	343,589	45,177	43,128	33,489	33,730	87,284	87,649
Current liabilities	18,754	18,366	124,327	14,967	5,898	23,224	903	791	838	1,380	2,255	1,915
Non-current liabilities	7,985	9,148	8,402	7,654	3,410	2,416	9,397	9,437	5,916	5,853	92,000	94,935
Total liabilities	26,739	27,514	132,729	22,621	9,308	25,640	10,300	10,228	6,754	7,233	94,255	96,850
Net assets/(liabilities)	475,920	483,499	392,606	421,160	295,122	317,949	34,877	32,900	26,735	26,497	(6,971)	(9,201)
Carrying amounts of NCI	142,888	145,161	39,406	42,261	29,512	31,795	20,951	19,982	11,054	10,951	6,983	6,091

22. INVESTMENTS IN SUBSIDIARIES (continued)

(g) Material partly-owned subsidiaries (continued)

(ii) Summarised statements of comprehensive income

	Subsidiaries of TSH Sumbar Group Limited		Subsidiaries of TSH Oversea Pte. Ltd.		Subsidiary of TSH Logistics Sdn. Bhd.		LKSK Sdn. Bhd.		Landquest Sdn. Bhd.		Subsidiary of Rinukut Sdn. Bhd.	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Results												
Revenue	145,918	216,521	241,448	226,829	56,035	50,365	12,904	10,880	4,330	4,152	30,569	23,846
Profit/(Loss) for the year	23,064	64,121	80,506	65,328	1,486	54,038	3,978	2,598	238	263	2,229	(4,528)
Total comprehensive income/(loss) for the year	24,648	63,590	80,983	65,164	1,597	54,056	3,978	2,598	238	263	2,229	(4,528)
Profit/(Loss) allocated to NCI	7,185	19,410	8,098	6,533	157	5,405	1,949	1,273	103	113	892	(1,811)
Total comprehensive income/ (loss) allocated to NCI	7,049	19,142	8,057	6,478	81	5,405	1,949	1,273	103	113	892	(1,811)

(iii) Summarised cash flows

Net cash flows from operating activities	13,061	71,881	82,921	83,654	12,538	18,130	3,996	3,377	792	855	13,267	7,737
Net cash flows from/(used in) investing activities	6,246	(32,481)	(29,691)	(76,734)	(4,669)	11,219	(590)	(1,689)	(203)	(644)	(1,814)	(3,056)
Net cash flows used in financing activities	(29,353)	(32,549)	(77,013)	(7,284)	-	(29,800)	(2,000)	(5,800)	(515)	-	(10,448)	(4,864)
Net (decrease)/increase in cash and cash equivalents	(10,046)	6,851	(23,783)	(364)	7,869	(451)	1,406	(4,112)	74	211	1,005	(183)
Effect of exchange rate changes	(4,499)	3,232	(4,152)	3,342	(928)	766	-	-	-	-	-	-
Cash and cash equivalents at beginning of the year	67,044	56,961	61,865	58,887	13,819	13,504	1,344	5,456	287	76	918	1,101
Cash and cash equivalents at end of the year	52,499	67,044	33,930	61,865	20,760	13,819	2,750	1,344	361	287	1,923	918
Dividends paid to non- controlling interests	-	-	17,783	10,735	-	3,050	980	2,842	-	-	-	-

23. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Quoted equity shares in Malaysia				
At cost	61,259	61,259	61,259	61,259
Share of post-acquisition reserves	23,614	17,386	-	-
	84,873	78,645	61,259	61,259
Unquoted equity shares in Malaysia				
At cost	-*	-	-*	-
	84,873	78,645	61,259	61,259
 Fair value of investment in an associate for which there is published price quotation	 172,299	 137,629	 172,299	 137,629

* The amount is negligible as it is less than RM1,000.

- (a) Investments in associates are measured at cost in the separate financial statements of the Company and is accounted for using the equity method in the consolidated financial statements.
- (b) The details of the associates are as follows:

Name of associates	Principal place of business/ Country of incorporation	Principal activities	Effective interest	
			2024 %	2023 %
Innoprise Plantations Berhad *	Malaysia	Operation of oil palm plantations and palm oil mill, and producer and supplier of renewable energy	21.94	21.94
Inno Solar Sdn. Bhd. *	Malaysia	Dormant	30.00	-

* Not audited by BDO PLT or member firms of BDO International.

- (c) The financial year end of the above associates are coterminous with those of the Group.

23. INVESTMENTS IN ASSOCIATES (continued)

- (d) The summarised financial information of significant associate, not adjusted for the proportion of ownership interest held by the Group, is as follows:

- (i) Summarised statements of financial position

	2024 RM'000	2023 RM'000
Assets and liabilities		
Current assets	67,238	39,552
Non-current assets	369,187	362,903
Total assets	436,425	402,455
Current liabilities	30,544	23,289
Non-current liabilities	68,541	70,208
Total liabilities	99,085	93,497
Net assets	337,340	308,958

- (ii) Summarised statements of comprehensive income

	2024 RM'000	2023 RM'000
Results		
Revenue	277,782	227,133
Profit for the year	87,157	53,463
Total comprehensive income	87,157	53,463

- (iii) Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in associate.

	2024 RM'000	2023 RM'000
Net assets at 1 January	308,958	303,451
Total comprehensive income	87,157	53,463
Transaction with owners	(58,775)	(47,956)
Net assets at 31 December	337,340	308,958
Interest in associate (%)	21.94%	21.94%
	74,013	67,785
Goodwill	10,860	10,860
Carrying value of Group's interest in associate	84,873	78,645

- (iv) Dividends received from associate during the financial year amounted to RM12,659,000 (2023: RM9,981,000).
- (v) The fair value of quoted shares in Malaysia is determined by reference to the exchange quoted market bid prices at the close of the business at the end of the reporting period.

24. INVESTMENTS IN JOINT VENTURES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Unquoted shares, at cost	20,750	20,750	20,750	20,750
Share of post-acquisition reserves	90,792	82,340	-	-
	111,542	103,090	20,750	20,750

The Group has 50% of the voting rights of its joint arrangements. Under the contractual arrangements, unanimous consent is required from all parties to the agreements for all relevant activities. The Group's interest in joint ventures is accounted for using the equity method in the consolidated financial statements. In the separate financial statements of the Company, investments in joint ventures are measured at cost.

The joint arrangements are structured via separate entities and provide the Group with the rights to the net assets of the entities under the arrangements. Therefore, these entities are classified as joint ventures of the Group.

(a) Details of the joint ventures are as follows:

Name of joint ventures	Principal place of business/ Country of incorporation	Principal activities	Effective interest	
			2024 %	2023 %
TSH-Wilmar Sdn. Bhd.*	Malaysia	Operation of palm oil refinery mill and kernel crushing plant	50	50
TSH-Wilmar (BF) Sdn. Bhd.*	Malaysia	Operation of a power plant	50	50

* Audited by BDO PLT, Malaysia.

These joint ventures have the same reporting period as the Group.

(b) Summarised financial information of TSH-Wilmar Sdn. Bhd. and TSH-Wilmar (BF) Sdn. Bhd. is set out below. The summarised information represents the amounts in the financial statements of the joint ventures and not the Group's share of those amounts.

(i) Summarised statements of financial position

	TSH-Wilmar Sdn. Bhd.		TSH-Wilmar (BF) Sdn. Bhd.	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Non-current assets	51,457	50,972	11,250	11,831
Cash and cash equivalents	45,115	48,566	2,882	2,716
Other current assets	334,952	363,157	25,270	19,877
Total current assets	380,067	411,723	28,152	22,593
Total assets	431,524	462,695	39,402	34,424

24. INVESTMENTS IN JOINT VENTURES (continued)

- (b) Summarised financial information of TSH-Wilmar Sdn. Bhd. and TSH-Wilmar (BF) Sdn. Bhd. is set out below. The summarised information represents the amounts in the financial statements of the joint ventures and not the Group's share of those amounts. (continued)

- (i) Summarised statements of financial position (continued)

	TSH-Wilmar Sdn. Bhd.		TSH-Wilmar (BF) Sdn. Bhd.	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Non-current liabilities	4,353	1,419	1,510	1,378
Current liabilities	240,961	287,733	1,467	1,596
Total liabilities	245,314	289,152	2,977	2,974
Net assets	186,210	173,543	36,425	31,450

- (ii) Summarised statements of comprehensive income

	TSH-Wilmar Sdn. Bhd.		TSH-Wilmar (BF) Sdn. Bhd.	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Revenue	2,192,974	2,220,625	26,352	26,754
Depreciation and amortisation	(3,058)	(2,717)	(825)	(821)
Interest income	2,110	1,258	723	509
Interest expense	(6,277)	(6,681)	-	-
Profit/(Loss) before tax	15,818	(15,360)	6,562	9,879
Taxation	(3,151)	4,370	(1,587)	(2,402)
Profit/(Loss) after tax, total comprehensive income/(loss)	12,667	(10,990)	4,975	7,477

- (c) Reconciliations of the summarised financial information presented above to the carrying amount of the Group's interest in joint ventures are as follows:

	TSH-Wilmar Sdn. Bhd.		TSH-Wilmar (BF) Sdn. Bhd.	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Net assets at 1 January	173,543	184,533	31,450	23,973
Profit/(Loss) for the year	12,667	(10,990)	4,975	7,477
Net assets at 31 December	186,210	173,543	36,425	31,450
Interests in joint ventures	50%	50%	50%	50%
	93,105	86,772	18,213	15,725
Unrealised profit on inventories	224	593	-	-
Carrying value of Group's interests in joint ventures	93,329	87,365	18,213	15,725

25. DEFERRED TAX

(a) Deferred tax as at 31 December related to the following:

Group	At 1 January 2024 RM'000	Recognised in profit or loss (Note 15) RM'000	Recognised in other comprehensive income RM'000	Exchange differences RM'000	At 31 December 2024 RM'000
Deferred tax liabilities:					
Property, plant and equipment	55,797	1,874	-	(1,150)	56,521
Biological assets	72,615	1,312	-	(233)	73,694
Land use rights	7,049	(1,312)	-	(582)	5,155
Right-of-use assets	15,083	(291)	-	-	14,792
Others	(351)	423	-	34	106
	150,193	2,006	-	(1,931)	150,268
Deferred tax assets:					
Tax losses and unabsorbed capital allowances	(56,270)	(434)	-	125	(56,579)
Others	(7,423)	86	480	595	(6,262)
	(63,693)	(348)	480	720	(62,841)
	86,500	1,658	480	(1,211)	87,427

25. DEFERRED TAX (continued)

(a) Deferred tax as at 31 December related to the following (continued):

Group	At 1 January 2023 RM'000	Recognised in profit or loss (Note 15) RM'000	Recognised in other comprehensive income RM'000	Exchange differences RM'000	At 31 December 2023 RM'000
Deferred tax liabilities:					
Property, plant and equipment	52,033	3,098	-	666	55,797
Biological assets	68,304	4,405	-	(94)	72,615
Land use rights	7,916	(1,332)	-	465	7,049
Right-of-use assets	15,367	(284)	-	-	15,083
Others	398	(753)	-	4	(351)
	144,018	5,134	-	1,041	150,193
Deferred tax assets:					
Tax losses and unabsorbed capital allowances	(56,861)	695	-	(104)	(56,270)
Others	(6,628)	(196)	(194)	(405)	(7,423)
	(63,489)	499	(194)	(509)	(63,693)
	80,529	5,633	(194)	532	86,500

25. DEFERRED TAX (continued)

(a) Deferred tax as at 31 December related to the following (continued):

Company	At 1 January 2023 RM'000	Recognised in profit or loss (Note 15) RM'000	At 31 December 2023/ 1 January 2024 RM'000	Recognised in profit or loss (Note 15) RM'000	At 31 December 2024 RM'000
Deferred tax liabilities:					
Property, plant and equipment	5,055	(77)	4,978	(41)	4,937
Biological assets	45,746	624	46,370	(113)	46,257
	50,801	547	51,348	(154)	51,194
Deferred tax assets:					
Tax losses and unabsorbed capital allowances	(47,046)	1,334	(45,712)	(1,040)	(46,752)
Others	(2,247)	79	(2,168)	729	(1,439)
	(49,293)	1,413	(47,880)	(311)	(48,191)
	1,508	1,960	3,468	(465)	3,003

25. DEFERRED TAX (continued)

- (a) Deferred tax as at 31 December related to the following (continued):

Presented after appropriate offsetting:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Deferred tax assets, net*	(192)	(473)	-	-
Deferred tax liabilities, net*	87,619	86,973	3,003	3,468
	87,427	86,500	3,003	3,468

* The amount of set-off between deferred tax assets and deferred tax liabilities was RM62,649,000 (2023: RM63,220,000) for the Group.

- (b) Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2024	2023
	RM'000	RM'000
Unused tax losses		
- No expiry date	61,399	60,222
- Expires by 2026 to 2034	145,438	150,108
Unabsorbed capital allowances	11,014	10,758
Other deductible temporary differences	38,103	51,245
	255,954	272,333

The Group and the Company have assessed the likelihood of sufficient future profits available to recover the amounts of deductible temporary differences. Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not probable that taxable profits of the subsidiaries would be available against which the deductible temporary differences could be utilised. Unutilised tax losses of the subsidiaries incorporated in Malaysia can be carried forward up to 10 consecutive years of assessment immediately following the year of assessment under the tax legislation of Inland Revenue Board while the unused tax losses of certain foreign subsidiaries are available for carry forward in the jurisdiction in which the foreign subsidiaries operate for a period of 5 years from the year in which those tax losses arose.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the respective local tax authorities.

- (c) Unrecognised temporary differences relating to investments in subsidiaries

At the end of the reporting period, no deferred tax liability has been recognised for taxes that would be payable on the undistributed earnings of certain of the Group's foreign subsidiaries as the Group is able to control the timing of the reversal of temporary differences associated with the investments.

26. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current				
Trade receivables				
Amounts due from subsidiaries	-	-	1,588	1,093
Third parties	34,458	21,784	636	621
Joint ventures	1,767	5,488	-	-
Retention sums on contract (Note 30)	547	529	-	-
	36,772	27,801	2,224	1,714
Less: Allowance for impairment	(1,472)	(1,229)	-	-
Trade receivables, net	35,300	26,572	2,224	1,714
Other receivables				
Amounts due from related parties:				
- subsidiaries	-	-	1,785	8,345
- joint ventures	7	161	7	55
	7	161	1,792	8,400
Less: Allowance for impairment	-	-*	(52)	(273)
	7	161	1,740	8,127
Other deposits	1,407	1,645	290	471
Sundry receivables	8,980	9,299	2,169	2,376
	10,394	11,105	4,199	10,974
Less: Allowance for impairment	(1,564)	(1,463)	(1,270)	(1,270)
	8,830	9,642	2,929	9,704
	44,130	36,214	5,153	11,418
Non-current				
Other receivables				
Amounts due from subsidiaries	-	-	92,200	202,998
Plasma receivables (Note 26(b)(ii))	48,955	52,897	-	-
Sundry receivables	-	8,498	-	-
	48,955	61,395	92,200	202,998
Less: Allowance for impairment	(14,895)	(13,485)	(2,053)	(4,168)
	34,060	47,910	90,147	198,830
Total trade and other receivables (current and non-current)	78,190	84,124	95,300	210,248
Add: Cash and bank balances and deposits (Note 33)	263,361	250,138	37,357	31,207
Total financial assets at amortised cost	341,551	334,262	132,657	241,455

* The expected credit loss is immaterial.

26. TRADE AND OTHER RECEIVABLES (continued)

Trade and other receivables are classified as financial assets and measured at amortised cost.

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2023: 30 to 90 days) terms. They are recognised at their original invoice amounts, which represent their fair values on initial recognition.

The ageing analysis of the Group's and of the Company's trade receivables are as follows:

Group	2024		
	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Current	28,571	(9)	28,562
Past due			
- 1 to 30 days	3,166	(3)	3,163
- 31 to 60 days	11	-	11
- 61 to 90 days	170	(58)	112
- 91 to 120 days	-	-	-
- More than 121 days	3,839	(387)	3,452
	7,186	(448)	6,738
Credit impaired			
Individually impaired	1,015	(1,015)	-
	36,772	(1,472)	35,300

Group	2023		
	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Current	22,142	(52)	22,090
Past due			
- 1 to 30 days	2,838	(62)	2,776
- 31 to 60 days	-	-	-
- 61 to 90 days	-	-	-
- 91 to 120 days	-	-	-
- More than 121 days	2,361	(655)	1,706
	5,199	(717)	4,482
Credit impaired			
Individually impaired	460	(460)	-
	27,801	(1,229)	26,572

26. TRADE AND OTHER RECEIVABLES (continued)

(a) Trade receivables (continued)

The ageing analysis of the Group's and of the Company's trade receivables are as follows (continued):

Company	2024		
	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Current	2,224	-	2,224

Company	2023		
	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Current	1,714	-	1,714

Impairment losses

Impairment losses for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

The Group considers credit loss experience and observable data such as current changes and future forecasts in economic conditions by market segment of the Group as identified in Note 4 to the financial statements, based on the following common credit risk characteristics - geographic region and type of products purchased, to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

During this process, the probability of non-payment by the trade receivables is adjusted by forward-looking information i.e. Gross Domestic Product (GDP) and crude palm oil prices and multiplied by the amount of the expected loss to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within other expenses in the consolidated statement of comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

26. TRADE AND OTHER RECEIVABLES (continued)

(a) Trade receivables (continued)

Impairment losses (continued)

Movements in allowance for impairment accounts are as follows:

Group	Lifetime ECL* allowance RM'000	Credit impaired RM'000	Total allowance RM'000
At 1 January 2024	769	460	1,229
Charge for the financial year	33	764	797
Write back of impairment loss	(345)	(123)	(468)
Exchange differences	-	(86)	(86)
At 31 December 2024	457	1,015	1,472
At 1 January 2023	650	1,474	2,124
Charge for the financial year	119	19	138
Write back of impairment loss	-	(358)	(358)
Write-offs	-	(670)	(670)
Exchange differences	-	(5)	(5)
At 31 December 2023	769	460	1,229

* Expected credit losses

Credit impaired refers to individually determined debtors who are in significant financial difficulties as at the end of the reporting period.

The maximum exposures to credit risk of trade receivables of the Group and of the Company are represented by the carrying amounts of trade receivables recognised in the statements of financial position. These receivables are not secured by any collateral or credit enhancement as at the end of the current financial year.

(b) Other receivables

- (i) Impairment for amounts due from subsidiaries, joint ventures, plasma receivables, other receivables and deposits are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month expected credit losses along with gross interest income are recognised. At the end of the reporting period, the Group assesses whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which credit risk had increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while twelve-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the twelve months after the end of the reporting period. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

26. TRADE AND OTHER RECEIVABLES (continued)

(b) Other receivables (continued)

(i) (continued)

The Group determined significant increase in credit risk based on past due information, i.e. overdue amounts more than 90 days.

The probabilities of non-payment by amounts due from subsidiaries, joint ventures, plasma receivables, other receivables and deposits are adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the twelve-month or lifetime expected credit loss for amounts due from subsidiaries, joint ventures, plasma receivables, other receivables and deposits.

It requires management to exercise significant judgement in determining the probability of default by amounts due from subsidiaries, joint ventures, plasma receivables, other receivables and deposits, appropriate forward-looking information i.e. Gross Domestic Product (GDP), crude palm oil prices, significant increase in credit risk and estimated cash flows recoverable in worst-case scenarios.

Movements in allowance for impairment accounts for current and non-current other receivables (included plasma receivables) are as follows:

Group	12-month ECL RM'000	Lifetime ECL - not credit impaired RM'000	Lifetime ECL - credit impaired RM'000	Total allowance RM'000
At 1 January 2024	193	7,658	7,097	14,948
Charge for the financial year	125	-	4,132	4,257
Write back of impairment loss	-	(1,729)	-	(1,729)
Written off	(24)	-	-	(24)
Exchange differences	-	(993)	-	(993)
At 31 December 2024	294	4,936	11,229	16,459
At 1 January 2023	195	9,101	1,270	10,566
Charge for the financial year	24	-	4,182	4,206
Write back of impairment loss	(26)	(298)	-	(324)
Reclassified from stage 2 to stage 3	-	(1,645)	1,645	-
Exchange differences	-	500	-	500
At 31 December 2023	193	7,658	7,097	14,948

26. TRADE AND OTHER RECEIVABLES (continued)

(b) Other receivables (continued)

(i) (continued)

Company	12-month ECL RM'000	Lifetime ECL - credit impaired RM'000	Total allowance RM'000
At 1 January 2023	11	1,270	1,281
Write back of impairment loss	(11)	-	(11)
31 December 2023/2024	-	1,270	1,270

Credit impaired refers to individually determined debtors who are in significant financial difficulties as at the end of the reporting period.

(ii) Plasma receivables

The Indonesian government requires oil palm plantation companies to develop new plantations together with the local small landholders. This form of assistance to local small landholders is generally known as the "Plasma Scheme". Once developed, the plasma plantations are transferred to the small landholders who then operate the plasma plantations under the supervision of the developer. In line with this requirement, certain subsidiaries have commitments to develop plantations under the Plasma Scheme. The funding for the development of the plantations under the Plasma Scheme is provided by the designated banks and/or by the subsidiaries. The subsidiaries also provide corporate guarantees for the loans advanced by the banks.

The Group through this partnership scheme also provides technical assistance to the plasma farmers to maintain the productivity of plasma plantations as part of the Group's strategy to strengthen relationship with plasma farmers. This is expected to improve the repayments of plasma receivables.

The accumulated development costs net of funds received are presented as plasma receivables in the consolidated statement of financial position under the Palm Products segment. An analysis of the movements in the plasma receivables is as follows:

	Group	
	2024 RM'000	2023 RM'000
Balance at 1 January	52,897	49,445
(Net repayments from)/Additional net investments	(3,942)	3,452
	48,955	52,897
Less: Allowance for impairment	(14,895)	(13,485)
Balance at 31 December	34,060	39,412

26. TRADE AND OTHER RECEIVABLES (continued)

(b) Other receivables (continued)

- (iii) Non-current receivables of the Group are carried at amortised cost and the discount rates used are based on the effective interest rate of approximately 11% (2023: 11%), which are reasonable approximation of their fair values.

(c) Amounts due from subsidiaries

Non-current amounts due from subsidiaries are interest bearing, unsecured and not payable within the next twelve (12) months. The carrying amount of non-current amounts due from subsidiaries approximates its fair value as its interest rate is priced at reasonable approximation of the market interest rate as at the end of the reporting period.

Except for the current amounts due from certain subsidiaries totalling RM1,222,000 (2023: RM7,640,000) that are interest bearing, the current amounts due from other subsidiaries are non-interest bearing, unsecured and are payable within the next twelve (12) months in cash and cash equivalents.

The effective interest rate per annum of amounts due from subsidiaries as at the end of the reporting period were as follows:

	Company			
	2024	2023	2024	2023
	%	%	RM'000	RM'000
Floating rate				
Current amounts due from subsidiaries	5.13 - 5.45	5.01 - 5.49	1,222	7,640
Non-current amount due from a subsidiary	8.15	7.90 - 8.15	92,200	94,935
Fixed rate				
Non-current amounts due from subsidiaries	-	5.50	-	108,063

At the end of reporting date, if interest rates had been 25 basis points higher/lower, with all other variables held constant, the Company's profit net of tax would have been RM178,000 (2023: RM195,000) higher/lower, arising mainly as a result of higher/lower interest income on amount due from subsidiaries. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

Impairment for amounts due from subsidiaries are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 26(b) to the financial statements.

26. TRADE AND OTHER RECEIVABLES (continued)

(c) Amounts due from subsidiaries (continued)

Movements in the allowance for impairment accounts for amounts due from subsidiaries are as follows:

Company	12-month ECL RM'000	Lifetime ECL - not credit impaired RM'000	Lifetime ECL - credit impaired RM'000	Total RM'000
2024				
At beginning of financial year	829	3,586	26	4,441
Write back of impairment losses	(813)	(1,523)	-	(2,336)
At end of financial year	16	2,063	26	2,105
2023				
At beginning of financial year	1,132	3,586	26	4,744
Write back of impairment losses	(303)	-	-	(303)
At end of financial year	829	3,586	26	4,441

(d) Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the end of reporting period are as follows:

	Group		Group	
	2024 RM'000	% of total	2023 RM'000	% of total
By industry sectors:				
Palm products	25,240	70%	18,666	67%
Others	11,532	30%	9,135	33%
	36,772	100%	27,801	100%

As at the end of the reporting period, approximately:

- 5% (2023: 20%) of the trade receivables of the Group were due from related parties.
- 50% (2023: 52%) of the trade and other receivables of the Group were due from plasma receivables.
- 97% (2023: 98%) of the trade and other receivables of the Company were due from subsidiaries.

27. INVESTMENT SECURITIES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Current				
- Equity instruments (quoted in Malaysia)	-	1	-	1
Non-current				
- Debt instruments (unquoted)	64,529	28,044	-	-
- Equity instruments (unquoted)	-	50	-	50
	64,529	28,094	-	50
	64,529	28,095	-	51

- The equity instruments were classified as financial assets at fair value profit or loss pursuant to MFRS 9 *Financial Instruments*.
- The debt instruments were classified as financial assets at fair value through other comprehensive income pursuant to MFRS 9.
- All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group and the Company commit to purchase or sell the asset.
- Fair value of quoted ordinary shares in Malaysia is determined by reference to the exchange quoted market bid prices at the close of the business on the end of the reporting period.
- The fair value of quoted and unquoted equity instruments of the Group and of the Company is categorised as Level 1 and Level 3 respectively in the fair value hierarchy.
- Unquoted debt instruments represent unquoted bonds, measured at Level 2 in the fair value hierarchy. The fair value of unquoted bonds is determined by reference to published market bid price of unquoted fixed income securities based on information provided by banks.
- During the financial year, the non-current unquoted equity instruments amounted to RM50,000 has been written off.
- During the financial year, the quoted equity instruments amounted to RM800 has been fully impaired.
- There is no transfer between levels in the hierarchy during the financial year.
- The following table shows a reconciliation of Level 3 fair values:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Balance at 1 January/ 31 December	-	50	-	50

- Sensitivity analysis for equity price risk

At the end of the reporting period, if the FTSE Bursa Malaysia KLCI had been 5% higher/lower, with all other variables held constant, the impact to the Group's and the Company's profit net of tax and equity would be minimal.

28. INVENTORIES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cost				
Raw materials	9,044	9,456	-	-
Finished goods	13,714	11,382	542	136
Nursery	6,313	3,460	433	419
Stores and supplies	39,009	36,364	592	493
	68,080	60,662	1,567	1,048
Net realisable value				
Work-in-progress	10,426	8,087	-	-
Finished goods	24,177	24,969	-	-
	34,603	33,056	-	-
	102,683	93,718	1,567	1,048

- (a) Oil palm and wood products are valued on the weighted average method.
- (b) During the financial year, the amount of inventories recognised as an expense in cost of sales of the Group and of the Company were RM622,215,000 (2023: RM655,509,000) and RM4,005,000 (2023: RM3,140,000) respectively.
- (c) A write off of inventories amounting to RM651,000 (2023: RM6,798,000) were made by the Group during the financial year.
- (d) The Group reversed RM8,299,000 (2023: RM6,375,000) in respect of inventories written down in the previous financial year that were subsequently not required due to subsequent sales of products and the increase in selling price of commodities.

29. OTHER CURRENT ASSETS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Contract assets (Note 30)	220	68	-	-
Prepayments	2,860	5,252	464	216
	3,080	5,320	464	216

30. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2024 RM'000	2023 RM'000
Contract assets (Note 29):		
Construction contracts	220	68
	220	68
Contract liabilities (Note 40):		
Construction contracts	(22)	(33)
Deferred revenue	(4,479)	(1,264)
	(4,501)	(1,297)
	(4,281)	(1,229)

(a) Construction contracts

	Group	
	2024 RM'000	2023 RM'000
Supply and installation service costs incurred to date	7,795	17,912
Attributable profits	1,339	2,886
	9,134	20,798
Less: Progress billings	(8,936)	(20,763)
Contract liabilities		
Construction contracts	198	35
Retention sums on contracts, included within trade receivables (Note 26)	547	529
Analysed as follows:		
Contract assets	220	68
Contract liabilities	(22)	(33)
	198	35

The Group provides flooring installation works on contract basis for timber flooring supplied to customers.

Construction contracts represent the timing differences in revenue recognition and the milestone billings. The milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts.

Contract assets are transferred to receivables when the rights to economic benefits become unconditional. This usually occurs when the Group issues billing to the customer. Contract liabilities are recognised as revenue when performance obligations are satisfied.

30. CONTRACT ASSETS/(LIABILITIES) (continued)

(b) Deferred revenue

A reconciliation of the deferred revenue is as follows:

	Group 2024 RM'000	2023 RM'000
At 1 January	1,264	700
Additions during the financial year	17,481	18,693
Recognised as revenue during the financial year	(14,266)	(18,129)
At 31 December	4,479	1,264

Deferred revenue represents billing to the customers for the sale of wood products, which performance obligation has not been satisfied as at the end of the reporting period.

(c) Contract value yet to be recognised as revenue

Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, are as follows:

	2025 RM'000	Group 2026 RM'000	Total RM'000
31 December 2024			
Contract liabilities	4,501	-	4,501
	2024 RM'000	2025 RM'000	Total RM'000
31 December 2023			
Contract liabilities	1,297	-	1,297

- (d) Impairment for contract assets are recognised based on the simplified approach within MFRS 9 using lifetime expected credit losses as disclosed in Note 26(a) to the financial statements.
- (e) No expected credit loss is recognised arising from contract assets as it is negligible.
- (f) There were no significant changes in the contract assets and liabilities during the financial year.

31. DERIVATIVES

	2024			2023		
	Contract/ notional amount RM'000	Assets RM'000	Liabilities RM'000	Contract/ notional amount RM'000	Assets RM'000	Liabilities RM'000
Group						
Non-hedging derivatives:						
Non-current						
Forward currency contracts	-	-	-	31,212	717	-
Current						
Forward currency contracts	30,433	298	-	30,294	161	-
Commodity futures contracts	-	-	-	6,832	134	-
		298	-		295	-
Total		298	-		1,012	-
Company						
Non-hedging derivatives:						
Non-current						
Forward currency contracts	-	-	-	31,212	717	-
Current						
Forward currency contracts	30,433	298	-	30,294	161	-
Total		298	-		878	-

- (a) Derivative assets are classified as financial assets measured at fair value through profit or loss whereas derivative liabilities are classified as financial liabilities measured at fair value through profit or loss.
- (b) The Group and the Company use forward currency contracts and commodity futures contract to manage some of its transactions exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.
- Forward currency contracts are used to hedge the Group's loans and borrowings denominated in USD.
- (c) The commodity futures contracts were used to hedge prices fluctuation of CPO commodity.
- (d) During the financial year, the Group and the Company recognised a loss of RM714,000 (2023: net gain of RM4,264,000) and net loss of RM580,000 (2023: net gain of RM4,145,000) respectively arising from fair value changes of derivative assets. The fair value changes are attributable to changes in foreign exchange spot and forward rate and price fluctuation of CPO commodity.

31. DERIVATIVES (continued)

- (e) Fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

Fair value of outstanding commodity future contracts was calculated by reference to quoted market prices for contracts with similar maturity profiles.

- (f) Commodity future contracts were categorised as Level 1 in the fair value hierarchy, whilst forward currency contracts are categorised as Level 2 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.

32. SHORT TERM FUNDS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
At fair value through profit or loss				
Investment in fixed income trust funds in Malaysia	2,961	5,349	160	155

- (a) Investment in fixed income trust funds in Malaysia represent investments in highly liquid money market instruments, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.
- (b) Fair values of short term funds are determined by reference to the quoted prices at the close of business at the end of each reporting period.
- (c) Short term funds are categorised as Level 1 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.

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33. CASH AND BANK BALANCES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash at banks and on hand	194,124	239,263	36,624	25,515
Deposits with licensed banks	69,237	10,875	733	5,692
Cash and bank balances	263,361	250,138	37,357	31,207

- (a) Cash and bank balances are classified as financial assets and measured at amortised cost.
- (b) Deposits are made for varying periods of between one day and one year depending on the immediate cash requirements of the Group and the Company and earn interests at the respective short-term deposit rates.

The effective interest rate of deposits with both licensed banks of the Group and of the Company ranged from 1.05% to 6.50% (2023: 2.50% to 3.50%) and 1.05% to 3.00% (2023: 2.70% to 3.00%) per annum respectively.

- (c) Deposits with licensed banks of the Group amounting to RM3,691,000 (2023: RM3,957,000) are pledged as securities for bank guarantees facilities granted.
- (d) For the purpose of the consolidated statements of cash flows, cash and cash equivalents comprise the following:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances and deposits	263,361	250,138	37,357	31,207
Short term funds (Note 32)	2,961	5,349	160	155
Less:				
Bank overdrafts (Note 38)	(716)	-	-	-
Deposits pledged with licensed banks	(3,691)	(3,957)	-	-
Deposits with maturity of over 3 months	-	(496)	-	-
Cash and cash equivalents	261,915	251,034	37,517	31,362

- (e) Sensitivity analysis for cash and bank balances at the end of the reporting period is not presented as fixed rate instrument is not affected by changes in interest rates.
- (f) No expected credit loss is recognised arising from deposits with licensed banks because the probability of default by these financial institutions is negligible.

34. ASSETS HELD FOR SALE

- (a) On 4 April 2022, PT Bulungan Citra Agro Persada ("PT BCAP"), a 90% owned subsidiary of the Company entered into a conditional sale, purchase and compensation of land agreement ("CSPA") with PT Kawasan Industri Kalimantan Indonesia ("KIKI") and PT Kalimantan Industrial Park Indonesia ("KIPI") for the proposed disposal by PT BCAP of 13,214.90 hectares of certificated land together with 683.36 hectares of uncertified land adjoining thereto (collectively referred to as "the Sale Land") for a total cash consideration of IDR2,428.86 billion (or equivalent to approximately RM731,090,000).

On 8 August 2022, the disposal of 7,817.36 hectares of the Sale Land was completed.

On 18 January 2023, the disposal for 574.56 hectares of the uncertified land was completed for cash consideration amounted to RM28,717,000, which is subject to 2.5% tax on the cash consideration amounted to RM718,000 and this has been recognised in administrative expenses within Statements of Comprehensive Income during the financial year. The Group recorded a gain on disposal of RM27,604,000 in the financial statements.

KIKI, KIPI and BCAP had on 7 August 2024, mutually agreed to terminate the acquisitions of the remaining Land. The reason for the termination is due to the non-fulfilment of a condition precedent namely, the signing of the Minutes of Clean and Clear by KIKI or KIPI, as the case may be, and BCAP by the Extended Long Stop Date and the inability of the parties to mutually agree upon an alternative measure for the closing of the remaining Land within 30 days from the expiry of the Extended Long Stop Date.

The termination has resulted in the recognition of prior periods depreciation charges of approximately RM21,974,000 in respect of property, plant and equipment and right-of-use assets which were classified as Assets Held for Sale since the previous financial years.

- (c) As at the end of financial year, the assets held for sale of the Group are as follows:

Group	As at 1 January 2024 RM'000	Reclassifications RM'000	As at 31 December 2024 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	208,560	(208,560)	-
Right-of-use assets	12,293	(12,293)	-
Assets held for sale	220,853	(220,853)	-

35. SHARE CAPITAL AND TREASURY SHARES

	Number of ordinary shares		<----- Amount ----->	
	Share capital (Issued and fully paid with no par value) '000	Treasury shares '000	Share capital (Issued and fully paid with no par value) RM'000	Treasury shares RM'000
At 1 January 2024	1,381,803	(1,629)	740,512	(1,467)
Repurchase of treasury shares	-	(13,166)	-	(16,406)
At 31 December 2024	1,381,803	(14,795)	740,512	(17,873)
At 1 January 2023/ 31 December 2023	1,381,803	(1,629)	740,512	(1,467)

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one (1) vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

Treasury shares

Reacquired shares are classified as treasury shares, recognised based on the amount of consideration paid and presented as a deduction from total equity.

This amount relates to the acquisition cost of treasury shares. The shareholders of the Company, by an ordinary resolution passed in an annual general meeting held on 20 May 2024, renewed their approval for the Company's plan to repurchase its own ordinary shares. The Directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company repurchased 13,166,000 of its issued ordinary shares from the open market at prices between RM1.20 to RM1.25 per ordinary share. The total consideration paid and payable for the repurchase was RM16,406,000 and was financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016.

Of the total 1,381,803,000 (2023: 1,381,803,000) issued and fully paid ordinary shares as at 31 December 2024, 14,795,000 (2023: 1,629,000) are held as treasury shares by the Company. As at 31 December 2024, the number of outstanding ordinary shares in issue after set off is therefore 1,367,008,000 (2023: 1,380,174,000) ordinary shares.

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36. OTHER RESERVES

Group	Capital reserve RM'000	Foreign currency translation reserve RM'000	Share of associate reserve RM'000	Fair value reserve RM'000	Total RM'000
At 1 January 2024	9,630	(178,443)	100	(164)	(168,877)
Other comprehensive income/(loss):					
Foreign currency translations	-	(95,241)	-	-	(95,241)
Net gain on financial assets measured at FVOCI	-	-	-	135	135
Cumulative gain on financial assets measured at FVOCI reclassified to profit or loss upon redemption	-	-	-	(34)	(34)
At 31 December 2024	9,630	(273,684)	100	(63)	(264,017)
At 1 January 2023	9,630	(264,636)	100	-	(254,906)
Other comprehensive (loss)/income:					
Foreign currency translations	-	86,193	-	-	86,193
Net loss on financial assets measured at FVOCI	-	-	-	(261)	(261)
Cumulative loss on financial assets measured at FVOCI reclassified to profit or loss upon disposal	-	-	-	97	97
At 31 December 2023	9,630	(178,443)	100	(164)	(168,877)

The nature and purpose of each category of reserve are as follows:

(a) Capital reserve

This reserve comprises all the amounts capitalised arising from the redemption of non-cumulative redeemable preference shares in the subsidiaries and cancellation of treasury shares.

(b) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items, which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

36. OTHER RESERVES (continued)

(c) Share of associate reserve

This reserve represents the Group's share of reserve of the associate arising from the share options granted by the associate to its employees.

(d) Fair value reserve

This reserve is used to record fair value changes arising from the Group's investments in financial instruments measured at FVOCI.

37. RETAINED EARNINGS

The Company may distribute dividends out of its entire retained earnings under the single-tier system.

38. LOANS AND BORROWINGS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Short term borrowings				
Secured:				
Term loans	52,433	52,294	52,433	52,294
	52,433	52,294	52,433	52,294
Unsecured:				
Bank overdrafts	716	-	-	-
Bankers' acceptances	25,159	40,863	-	-
Revolving credits	122,800	93,000	102,000	62,000
Term loans	-	5,000	-	5,000
	148,675	138,863	102,000	67,000
	201,108	191,157	154,433	119,294
Long term borrowings				
Secured:				
Term loans	58,579	110,963	58,579	110,963
	58,579	110,963	58,579	110,963
Total borrowings				
Bank overdrafts	716	-	-	-
Bankers' acceptances	25,159	40,863	-	-
Revolving credits	122,800	93,000	102,000	62,000
Terms loans	111,012	168,257	111,012	168,257
	259,687	302,120	213,012	230,257

38. LOANS AND BORROWINGS (continued)

- (a) Borrowings are classified as financial liabilities and measured at amortised cost.
- (b) The effective interest rates per annum of loans and borrowings as at the end of the reporting period were as follows:

	Group		Company	
	2024 %	2023 %	2024 %	2023 %
Floating rate				
Bank overdrafts	7.35	-	-	-
Bankers' acceptances	3.76 - 4.27	3.87 - 4.35	-	-
Revolving credits	4.11 - 4.90	4.19 - 4.91	4.11 - 4.25	4.19 - 4.29
Terms loans	3.00 - 6.14	3.00 - 7.12	3.00 - 6.14	3.00 - 7.12

- (c) The borrowings of the Group and of the Company are secured by the following:
- (i) A letter of negative pledge over the assets of the Company with certain bankers;
- (ii) Certain landed properties of the Group as follows: and

	Group	
	2024 RM'000	2023 RM'000
Property, plant and equipment:		
- buildings	3,314	3,963
- bearer plants	87,078	88,152
Land use rights	859	1,151
	91,251	93,266

- (iii) Biological assets of the Company amounted to approximately RM109,657,000 (2023: RM110,174,000).
- (d) Sukuk Murabahah Medium Term Notes

TSH Sukuk Murabahah Sdn. Bhd., a wholly owned subsidiary of the Company, issued the first series of Sukuk Murabahah Medium Term Notes amounted to RM90,000,000, in nominal value, for tenure of 7 years in June 2016. In the financial year 2021, the Company issued the second series of Sukuk Murabahah Medium Term Notes amounted to RM60,000,000, in nominal value for tenure of 5 years.

The Group fully redeemed the first and second series of Sukuk Murabahah Medium Term Notes during the financial year ended 2023 and 2022 respectively.

The unutilised portion of the Sukuk Murabahah Medium Term Notes as at 31 December 2024 amounted to RM150,000,000 (2023: RM150,000,000).

38. LOANS AND BORROWINGS (continued)

- (e) The maturity of the term loans is as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Not later than 1 year	52,433	57,294	52,433	57,294
Later than 1 year and not later than 2 years	21,000	53,212	21,000	53,212
Later than 2 years and not later than 5 years	-	21,000	-	21,000
Later 5 years or more	37,579	36,751	37,579	36,751
	111,012	168,257	111,012	168,257

- (f) The carrying amounts of the current portion of loans and borrowings are reasonable approximation of fair value due to the insignificant impact of discounting.

The fair values of non-current loans and borrowings that carry floating interest rates approximate their carrying amounts as they are repriced to market interest rates on or near the reporting date.

The fair value of borrowings is categorised as Level 2 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.

- (g) The maturity profile of loans and borrowings of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations is summarised in the table below:

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
As at 31 December 2024				
Loans and borrowings	203,884	21,506	48,469	273,859
As at 31 December 2023				
Loans and borrowings	197,493	77,746	48,529	323,768
Company				
As at 31 December 2024				
Loans and borrowings	157,208	21,506	48,469	227,183
As at 31 December 2023				
Loans and borrowings	125,630	77,746	48,529	251,905

38. LOANS AND BORROWINGS (continued)

- (h) At the end of the reporting period, if interest rates had been 25 basis points lower/higher, with all other variables held constant, the Group's and the Company's profit net of tax would have been RM493,000 (2023: RM572,000) and RM404,000 (2023: RM437,000) higher/lower respectively, arising mainly as a result of lower/higher interest expense (net of interest expense capitalised) on loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

The effects of the changes in the interest rates to the equity are not presented as they are not affected by the changes in interest rates.

- (i) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and the Company's statements of cash flows as cash flows from financing activities.

	1.1.2024 RM'000	Cash flows RM'000	Non-cash changes* RM'000	31.12.2024 RM'000
Group				
Bankers' acceptances	40,863	(15,704)	-	25,159
Revolving credits	93,000	29,800	-	122,800
Terms loans	168,257	(56,466)	(779)	111,012
Loans and borrowings	302,120	(42,370)	(779)	258,971
Company				
Revolving credits	62,000	40,000	-	102,000
Terms loans	168,257	(56,466)	(779)	111,012
Loans and borrowings	230,257	(16,466)	(779)	213,012

	1.1.2023 RM'000	Cash flows RM'000	Non-cash changes* RM'000	31.12.2023 RM'000
Group				
Bankers' acceptances	16,046	24,817	-	40,863
Revolving credits	198,500	(105,500)	-	93,000
Terms loans	254,096	(88,519)	2,680	168,257
Sukuk Murabahah Medium Term Notes	90,000	(90,000)	-	-
Loans and borrowings	558,642	(259,202)	2,680	302,120
Company				
Revolving credits	104,500	(42,500)	-	62,000
Terms loans	254,096	(88,519)	2,680	168,257
Loans and borrowings	358,596	(131,019)	2,680	230,257

* Represents foreign exchange differences.

39. RETIREMENT BENEFITS

	Group	
	2024 RM'000	2023 RM'000
At 1 January	22,982	17,324
Charge for the year recognised in profit or loss	5,248	5,346
Interest cost	1,386	1,325
Current service cost	4,967	4,770
Past service cost	(1,105)	(749)
Recognised in other comprehensive income:		
Actuarial (losses)/ gains arising from changes in assumption in respect of current year	(2,347)	870
Actual benefit payment	(1,812)	(1,522)
Exchange differences	(1,582)	964
At 31 December	22,489	22,982
The amounts recognised on the statements of financial position are determined as follows:		
Present value of obligations	22,489	22,982
Net liabilities	22,489	22,982

- (a) The Group provides additional provisions for employee service entitlements in order to meet the minimum benefits required to be paid to qualified employees, as required under the Indonesian Labour Law No. 6/2023 (the "Labour Law"). The said additional provisions, which are unfunded, are estimated using actuarial calculations. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.
- (b) The Group's obligation under the defined benefit plan is determined based on the latest actuarial valuations by an independent actuary in December 2024.
- (c) Principal actuarial assumptions used at the end of the reporting period in respect of the Group's defined benefit plans are as follows:

	2024 %	2023 %
Discount rate	7.25	6.75
Expected return of salary increase	4.00	4.00

39. RETIREMENT BENEFITS (continued)

- (d) The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as at the end of the reporting period, assuming if all other assumptions were held constant:

		31 December 2024 Impact on defined benefits obligation Increase/(Decrease) RM'000	31 December 2023 Impact on defined benefits obligation Increase/(Decrease) RM'000
Discount rate	+ 1%	5,469	5,454
	- 1%	(4,143)	(4,046)
Future salary	+ 1%	6,008	5,938
	- 1%	(3,605)	(3,563)
Mortality	+ 10%	6,408	6,333
	- 10%	(5,340)	(5,278)
Disable or illness	+ 5%	6,141	6,069
	- 5%	(5,607)	(5,542)

40. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current				
Trade payables				
Third parties	29,777	26,786	-	-
Other payables				
Amounts due to subsidiaries	-	-	85,891	112,919
Accruals	28,734	36,157	3,920	5,936
Contract liabilities (Note 30)	4,501	1,297	-	-
Other deposits	489	18,036	373	373
Sundry payables	44,842	41,126	5,668	6,644
Financial guarantee contracts	38	73	147	255
	78,604	96,689	95,999	126,127
	108,381	123,475	95,999	126,127

40. TRADE AND OTHER PAYABLES (continued)

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Total trade and other payables	108,381	123,475	95,999	126,127
Add: Lease liabilities (Note 19)	1,214	1,375	32	55
Add: Loans and borrowings (Note 38)	259,687	302,120	213,012	230,257
Total financial liabilities carried at amortised cost	369,282	426,970	309,043	356,439

Trade and other payables are classified as financial liabilities and measured at amortised cost.

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and the Company range from 30 to 60 days (2023: 30 to 60 days).

(b) Other deposits

In the previous financial year, included in other deposits of the Group were downpayments received amounted to IDR59,209,000,000 or equivalent to RM17,644,000 for the proposed disposals as disclosed in Note 45 to the financial statements. Following the termination of the proposed disposals during the financial year, the Group has refunded the said downpayments, free of interest.

(c) Amounts due to subsidiaries

Except for the current amounts due to certain subsidiaries totalling RM38,294,000 (2023: RM61,911,000) that are interest bearing, the current amounts due to other subsidiaries are non-interest bearing, unsecured and are payable within the next twelve (12) months.

The effective interest rate per annum of amounts due to subsidiaries as at the end of the reporting period were as follows:

	2024	2023	Company	
	%	%	2024	2023
			RM'000	RM'000
Floating rate				
Current amounts due to subsidiaries	5.13 - 5.45	5.01 - 5.49	38,294	61,911

40. TRADE AND OTHER PAYABLES (continued)

(c) Amounts due to subsidiaries (continued)

At the end of reporting date, if interest rates had been 25 basis points lower/higher, with all other variables held constant, the Company's profit net of tax would have been RM73,000 (2023: RM118,000) higher/lower, arising mainly as a result of lower/higher interest expense on amount due to subsidiaries. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

The effects of the changes in the interest rates to the equity are not presented as they are not affected by the changes in the interest rates.

Sensitivity analysis for fixed rate interest bearing amounts due to subsidiaries as at the end of the reporting period is not presented as they are not affected by changes in interest rates.

(d) Financial guarantees contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognised as financial liabilities at the time the guarantees are issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with the expected loss model under MFRS 9 and the amount initially recognised less amortisation.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

The nominal amounts of financial guarantees provided by the Group and by the Company are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Banking facilities granted to subsidiaries	-	-	28,900	50,000
Guarantee given to a financial institution under a Plasma Scheme	11,993	24,227	2,275	10,815

The movement of the financial guarantee contracts during the financial year is as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
At 1 January	73	97	255	504
Fair value changes on financial guarantee contracts	(35)	(24)	(108)	(249)
At 31 December	38	73	147	255

40. TRADE AND OTHER PAYABLES (continued)

- (e) The maturity profile of the trade and other payables of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations is summarised in the table below:

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
Group				
As at 31 December 2024				
Trade and other payables	108,381	-	-	108,381
As at 31 December 2023				
Trade and other payables	123,475	-	-	123,475
Company				
As at 31 December 2024				
Trade and other payables	97,930	-	-	97,930
As at 31 December 2023				
Trade and other payables	129,501	-	-	129,501

41. COMMITMENTS

Capital expenditure as at the end of the reporting period is as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Capital expenditure:				
Property, plant and equipment:				
Approved and contracted for	6,735	13,707	-	170
Approved but not contracted for	55,954	48,593	3,326	875
	62,689	62,300	3,326	1,045

42. SIGNIFICANT RELATED PARTY DISCLOSURES

- (a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group has related party relationship with its direct and indirect subsidiaries, associate, joint ventures, Directors and key management personnel.

42. SIGNIFICANT RELATED PARTY DISCLOSURES (continued)

(a) Identities of related parties (continued)

In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Note	2024 RM'000	2023 RM'000
Group			
Joint ventures:			
Sales of crude palm oil	(i)	(243,214)	(229,411)
Sales of palm kernel	(i)	(38,784)	(31,588)
Transportation fees income	(i)	(234)	(953)
Sale of laran plantlet & plantable to a subsidiary of an associate	(i)	(803)	(887)
Purchase of fresh fruit bunches from a company in which the family member of a Director of the Company has equity interests	(ii)	1,497	1,820
Purchase of fresh fruit bunches from spouse of a Director	(ii)	1,016	980
Company			
Transactions with subsidiaries:			
Interest income	(iii)	(10,858)	(16,837)
Interest expense on advances	(iii)	2,830	7,093
Management fees income		(17,548)	(22,224)
Dividend income		(32,189)	(78,252)
Rental income	(i)	(250)	(2,290)
Management fees expenses		3,341	3,300
Transactions with an associate:			
Dividends income		(12,660)	(9,981)

42. SIGNIFICANT RELATED PARTY DISCLOSURES (continued)

(a) Identities of related parties (continued)

- (i) The sales of products, rental and rendering of services to a subsidiary, subsidiary of an associate, and joint ventures were made according to the published prices, market value or negotiation between both parties and other conditions.
- (ii) The purchase of fresh fruit bunches from a company in which the family member of a Director of the Company has equity interests and/or spouse of a Director were made according to the published prices.
- (iii) The interest income and expense arose from the amounts due from/to subsidiaries. Further details are disclosed in Note 26 and Note 40 to the financial statements.

Information regarding outstanding balances arising from related party transactions as at 31 December 2024 is disclosed in Note 26 and Note 40 to the financial statements.

(b) Compensation of key management personnel

The remuneration of Directors, which also includes the members of key management during the year is disclosed in Note 14 to the financial statements.

43. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

43.1 New MFRSs adopted during the current financial year

The Group and the Company adopted the following Amendments of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
Amendments to MFRS 16 <i>Lease liability in a sale and leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

The adoption of the above Amendments did not have any material effect on the financial performance or position of the Group and of the Company.

43. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs (continued)

43.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2025

The following are Standards and Amendments of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group and the Company:

Title	Effective Date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
<i>Annual Improvements to MFRS Accounting Standards – Volume 11</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries Without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

44. CONTINGENT LIABILITIES

- 44.1** PT Sarana Prima Multi Niaga (“PT SPMN”), a subsidiary of the Group submitted judicial reviews to the Supreme Court of Republic of Indonesia on the Notices of Tax Underpaid Assessment received for fiscal year 2011 showing underpayments on Value Added Tax and Withholding Tax Articles 4(2) and 23 amounting to equivalent RM4,016,000 (including penalty and interest). In March 2023, the Supreme Court of Republic of Indonesia ruled in favour in PT SPMN in relation to one of the Notices of Tax Underpaid on Withholding Tax Articles 23. Based on consultation with the tax consultant, the Group is of the opinion that PT SPMN has a valid defence against the said Tax Office’s assessments.
- 44.2** PT Teguh Swakarsa Sejahtera (“PT TSS”), a subsidiary of the Group has an outstanding appeal at the local Tax Court on the Notice of Tax Underpaid Assessment received for fiscal year 2016 showing an underpayment of Corporate Income Tax amounting to equivalent RM7,593,000 (including penalty and interest). In June 2023, PT TSS submitted a tax appeal to the Local Tax Court on Tax Loss Carry Forward amounting to approximately RM8,424,000 for fiscal year 2019. Based on consultation with the tax consultants, the Group is of the opinion that PT TSS has a valid defence against the said Tax Office’s assessments.
- 44.3** PT Bulungan Citra Agro Persada (“PT BCAP”), a subsidiary of the Group has outstanding appeals at the local Tax Court on Notices of Tax Underpaid Assessment received for fiscal year 2019 showing underpayments on Value Added Tax and Withholding Tax Articles 4(2) and 21 amounting to equivalent RM970,000 (including penalty and interest). Based on consultation with the tax consultant, the Group is of the opinion that PT BCAP has a valid defence against the said Tax Office’s assessments.

44. CONTINGENT LIABILITIES (continued)

- 44.4 PT Farinda Bersaudara (“PT FDB”), a subsidiary of the Group has outstanding appeals at the local Tax Court on Notices of Tax Underpaid Assessment received for fiscal year 2019 showing underpayments on Value Added Tax and Withholding Tax Articles 4(2) and 21 amounting to equivalent RM7,541,000 (including penalty and interest). In February 2025, The Tax Court decision partially granted the Taxpayer appeals for Value Added Tax and Withholding Tax for fiscal year 2019 which resulted to amount payable equivalent RM2,957,000 (including penalty and interest).

However, based on the tax consultant’s review on the Tax Court decision, there is a mistake in Value Added Tax calculation made by the Tax Court and the amount payable before submission to Judicial Review shall be equivalent RM322,000 (including penalty and interest). The tax consultant is of the opinion that PT FDB can submit to Tax Court for Hearing on Rectification of verdict. Accordingly, the Group has recognised the amount of RM322,000 in the statement of profit or loss during the current financial year. Based on consultation with tax consultant, the Group is of the opinion that PT FDB has a valid defence against the said Tax Court decision and will submit for Judicial Review.

PT FDB also has outstanding appeals at the local Tax Court on Notices of Tax Underpaid Assessment received for fiscal year 2020 showing underpayments on Corporate Income Tax, Value Added Tax and Withholding Tax Articles 4(2) amounting to equivalent RM11,038,000 (including penalty and interest). In February 2025, the Tax Court decision granted the Taxpayer appeals for Value Added Tax and Withholding Tax Articles 4(2) and partially accepted appeal for Corporate Income Tax for fiscal year 2020. Accordingly, the Group has recognised the Corporate Income Tax underpaid amount of equivalent RM3,289,000 (including penalty and interest) in accordance with the Tax Court’s decision in the statement of profit or loss during the current financial year. Based on consultation with tax consultant, the Group is of the opinion that PT FDB has a valid defence against the said Tax Court decision and will submit for Judicial Review.

- 44.5 PT Andalas Wahana Sukses (“PT AWS”), a subsidiary of the Group has outstanding appeal at the local Tax Court on Notices of Tax Underpaid Assessment received for fiscal year 2020 showing underpayments on Corporate Income Tax and Withholding Tax Articles 23 amounting to RM4,986,000 (including penalty and interest). In February 2025, the Tax Court decision fully ruled in favour of PT AWS except for Corporate Income Tax of other income adjustment amounting to equivalent RM7,000. The Group has decided to accept the tax court decision.

In July 2024, PT AWS submitted a tax appeal to the local Tax Court on Notices of Tax Underpaid Assessment received for fiscal year 2021 showing underpayments on Corporate Income Tax, Value Added Tax, and Withholding Tax Articles 23 amounting to RM481,000 (including penalty and interest). Based on consultation with the tax consultant, the Group is of the opinion that PT AWS has a valid defence against the said Tax Office’s assessments.

In accordance with MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets*, the Group discloses the contingent liabilities relating to the tax cases of the subsidiaries in Indonesia as there is a present obligation that arose from past event, although the amounts of obligation could not be measured with sufficient reliabilities at this juncture.

45. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 4 April 2022, PT Bulungan Citra Agro Persada (“PT BCAP”), a 90% owned subsidiary of the Company entered into a conditional sale, purchase and compensation of land agreement (“CSPA”) with PT Kawasan Industri Kalimantan Indonesia (“KIKI”) and PT Kalimantan Industrial Park Indonesia (“KIPI”) for the proposed disposal by PT BCAP of 13,214.90 hectares of certificated land together with 683.36 hectares of uncertified land adjoining thereto (collectively referred to as “the Sale Land”) for a total cash consideration of IDR2,428.86 billion (or equivalent to approximately RM731,090,000).

During the year 2022 and 2023, the disposal of 7,817.36 hectares of the Sale Land and 574.56 hectares of the uncertified land were completed.

KIKI, KIPI and BCAP had on 7 August 2024, mutually agreed to terminate the acquisitions of the remaining Sale Land due to the non-fulfilment of a condition precedent namely, the signing of the Minutes of Clean and Clear by KIKI or KIPI and BCAP by the Extended Long Stop Date as well as the inability of the parties to mutually agree upon an alternative measure for the closing of the remaining Sale Land within 30 days from the expiry of the Extended Long Stop Date.