SD Guthrie Berhad 200401009263 (647766-V)

Level 10, Main Block, SD Guthrie Tower
No. 2, Jalan PJU 1A/7, Ara Damansara
47301 Petaling Jaya
Selangor Darul Ehsan
Malaysia

T +(603) 7848 4000
F +(603) 7848 5360
W SDGuthrie.com

QUARTERLY REPORT
On the consolidated results for the second quarter ended 30 June 2025

The Directors are pleased to announce the following:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
Amounts in RM million unless otherwise stated

		Quarter ended 30 June		%	Half year-ended 30 June		%
	Note	2025	2024	+/(-)	2025	2024	+/(-)
Revenue	A8, A9	**5,169**	4,965	4	**9,986**	9,307	7
Operating expenses		**(4,434)**	(4,367)		**(8,512)**	(8,315)	
Other operating income		**41**	24		**138**	68	
Other gains/(losses)		**26**	(2)		**16**	(50)	
Operating profit	B5, A9	**802**	620	29	**1,628**	1,010	61
Share of results of joint ventures		**(3)**	7		**(10)**	(7)	
Share of results of associates		**5**	2		**4**	2	
Profit before interest and tax	A9	**804**	629	28	**1,622**	1,005	61
Finance income		**5**	6		**11**	13	
Finance costs		**(26)**	(40)		**(51)**	(77)	
Profit before tax		**783**	595	32	**1,582**	941	68
Tax expense	B6	**(234)**	(136)		**(417)**	(229)	
Profit for the financial period		**549**	459	20	**1,165**	712	64
Profit for the financial period attributable to:							
– equity holders of the Company		**505**	415	22	**1,072**	626	71
– Perpetual Sukuk		**31**	31		**62**	62	
– non-controlling interests		**13**	13		**31**	24	
		549	459	20	**1,165**	712	64
Basic/diluted earnings per share attributable to equity holders of the Company:							
Basic (sen)	B12	**7.3**	6.0	22	**15.5**	9.1	70

* Less than 1 million

The unaudited condensed consolidated statement of profit or loss should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 31 December 2024.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Amounts in RM million unless otherwise stated

	Quarter ended 30 June		%	Half year-ended 30 June		%
	2025	**2024**	+/(-)	**2025**	**2024**	+/(-)
Profit for the financial period	**549**	459	20	**1,165**	712	64
Other comprehensive (loss)/ income:						
Items that will be reclassified subsequently to profit or loss:						
Currency translation differences (losses)/gains:						
– subsidiaries	**(424)**	(249)		**(631)**	(89)	
– joint ventures and associates	**(19)**	(2)		**(20)**	1	
Cash flow hedge						
– changes in fair value	**-** *	44		**(33)**	(7)	
– transfers from/(to) profit or loss	**1**	(6)		**6**	(8)	
Tax (expenses)/credit relating to components of other comprehensive (loss)/income	**-** *	(9)		**7**	4	
	(442)	(222)		**(671)**	(99)	
Items that will be not reclassified subsequently to profit or loss:						
Actuarial gains on defined benefit pension plans	**-** *	2		- *	2	
Investments at fair value through other comprehensive income ("FVOCI"):						
– changes in fair value	**-** *	- *		**-** *	- *	
Share of other comprehensive income/(loss) of joint ventures	**-** *	-		**-**	-	
Tax (expense)/credit relating to components of other comprehensive income/(loss)	**-** *	-		**-** *	- *	
	- *	2		**-** *	2	
Total other comprehensive (loss)/ income for the financial period	**(442)**	(220)		**(671)**	(97)	
Total comprehensive income for the financial period	**107**	239		**494**	615	
Total comprehensive income for the financial period attributable to:						
– equity holders of the Company	**71**	204	(65)	**419**	539	(22)
– Perpetual Sukuk	**31**	31	-	**62**	62	-
– non-controlling interests	**5**	4	25	**13**	14	(7)
Total	**107**	239	(55)	**494**	615	(20)

* Less than 1 million

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 31 December 2024.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
Amounts in RM million unless otherwise stated

	Note	Unaudited As at 30 June 2025	Audited As at 31 December 2024
Non-current assets			
Property, plant and equipment		**19,188**	19,365
Investment properties		**8**	8
Right-of-use assets		**1,894**	1,959
Joint ventures		**612**	373
Associates		**53**	52
Intangible assets		**2,834**	2,995
Investments at fair value through other comprehensive income ("FVOCI")		**32**	32
Deferred tax assets		**421**	451
Tax recoverable		**90**	203
Trade and other receivables		**56**	62
		25,188	25,500
Current assets			
Inventories		**3,220**	2,842
Biological assets		**217**	252
Trade and other receivables		**2,596**	2,408
Tax recoverable		**260**	238
Amounts due from related parties		**-** *	- *
Derivatives	B9	**33**	30
Bank balances, deposits and cash		**557**	625
		6,883	6,395
Non-current assets held for sale [(1)]		**148**	152
Total assets	A9	**32,219**	32,047
Equity			
Share capital		**1,634**	1,634
Reserves		**16,462**	16,853
Attributable to equity holders of the Company		**18,096**	18,487
Perpetual Sukuk		**2,231**	2,231
Non-controlling interests		**439**	443
Total equity		**20,766**	21,161

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
Amounts in RM million unless otherwise stated

	Note	Unaudited As at 30 June 2025	Audited As at 31 December 2024
Non-current liabilities			
Retirement benefits		**196**	180
Deferred income		**-** *	- *
Deferred tax liabilities		**2,674**	2,686
Borrowings	B8	**3,221**	3,360
Lease liabilities		**191**	177
Trade and other payables		**52**	53
		6,334	6,456
Current liabilities			
Trade and other payables		**2,254**	2,384
Contract liabilities		**77**	67
Amounts due to related parties		**9**	14
Retirement benefits		**21**	20
Lease liabilities		**26**	28
Tax payable		**267**	152
Derivatives	B9	**25**	12
Borrowings	B8	**2,426**	1,742
		5,105	4,419
Liabilities directly associated with non-current assets held for sale (2)		**14**	11
Total liabilities		**11,453**	10,886
Total equity and liabilities		**32,219**	32,047
Net assets per share attributable to equity holders of the Company (RM)		**2.62**	2.67

Note:

(1) **Non-current assets held for sale**		
Non-current assets held for sale		
– property, plant and equipment	**27**	27
Disposal group held for sale		
– property, plant and equipment	**95**	101
– right of use assets	**1**	1
– tax assets	**8**	15
– receivables	**3**	1
– bank balances	**4**	2
– other assets	**10**	5
	148	152
(2) **Liabilities directly associated with non-current assets held for sale**		
Disposal group held for sale		
– payables	**10**	7
– retirement benefits	**4**	4
– other liabilities	**-** *	- *
	14	11

* Less than 1 million

The unaudited condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 31 December 2024.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Amounts in RM million unless otherwise stated

	Attributable to equity holders of the Company										
Half year-ended 30 June 2025	**Share capital**	**Capital reserve**	**Hedging reserve**	**Merger reserve**	**Investments at FVOCI reserve**	**Exchange reserve**	**Retained profits**	**Total**	**Perpetual Sukuk**	**Non-controlling interests**	**Total equity**
At 1 January 2025	1,634	9	13	(18)	30	579	16,240	18,487	2,231	443	21,161
Profit for the financial period	-	-	-	-	-	-	1,072	1,072	62	31	1,165
Other comprehensive (loss)/income for the financial period	-	-	(20)	-	-	(633)	- *	(653)	-	(18)	(671)
Total comprehensive (loss)/income for the financial period	-	-	(20)	-	-	(633)	1,072	419	62	13	494
Transactions with equity holders:											
Dividends	-	-	-	-	-	-	(810)	(810)	-	(17)	(827)
Distribution to Perpetual Sukuk holders	-	-	-	-	-	-	-	-	(62)	-	(62)
At 30 June 2025	**1,634**	**9**	**(7)**	**(18)**	**30**	**(54)**	**16,502**	**18,096**	**2,231**	**439**	**20,766**

	Attributable to equity holders of the Company										
Half year-ended 30 June 2024	**Share capital**	**Capital reserve**	**Hedging reserve**	**Merger reserve**	**Investments at FVOCI reserve**	**Exchange reserve**	**Retained profits**	**Total**	**Perpetual Sukuk**	**Non-controlling interests**	**Total equity**
At 1 January 2024	1,634	9	8	(18)	21	1,284	14,804	17,742	2,231	433	20,406
Profit for the financial period	-	-	-	-	-	-	626	626	62	24	712
Other comprehensive (loss)/income for the financial period	-	-	(10)	-	-	(79)	2	(87)	-	(10)	(97)
Total comprehensive (loss)/income for the financial period	-	-	(10)	-	-	(79)	628	539	62	14	615
Transactions with equity holders:											
Dividends	-	-	-	-	-	-	(418)	(418)	-	(4)	(422)
Distribution to Perpetual Sukuk holders	-	-	-	-	-	-	-	-	(62)	-	(62)
At 30 June 2024	1,634	9	(2)	(18)	21	1,205	15,014	17,863	2,231	443	20,537

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 31 December 2024.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
Amounts in RM million unless otherwise stated

	Note	Half year-ended 30 June 2025	2024
Cash flows from operating activities			
Profit for the financial period		**1,165**	712
Adjustments for:			
Share of results of joint ventures and associates		**6**	5
Finance income		**(11)**	(13)
Finance costs		**51**	77
Gain on disposal of:			
– property, plant and equipment	B5	**(82)**	(16)
Depreciation and amortisation	B5	**710**	730
Unrealised fair value losses:			
– commodities contracts	B5	**6**	6
– forward foreign exchange contracts	B5	**3**	5
Unrealised foreign exchange losses	B5	**15**	1
Tax expense	B6	**417**	229
Fair value changes on biological assets		**26**	(28)
Retirement benefits		**25**	19
Net of (reversal)/impairment of:			
– property, plant and equipment	B5	**(3)**	22
– non-current assets held for sale	B5	**-**	13
– advances for plasma plantation projects	B5	**(1)**	1
– trade and other receivables	B5	**(1)**	(4)
Write off of:			
– inventories	B5	**1**	- *
– trade and other receivables	B5	**-**	- *
– property, plant and equipment	B5	**10**	10
– intangible assets	B5	**-**	- *
Write-down/(write back) of inventories	B5	**9**	(10)
Dividend income from other investments		**(2)**	(1)
		2,344	1,758
Changes in working capital:			
Inventories		**(423)**	(145)
Trade and other receivables		**(178)**	(391)
Trade and other payables		**(234)**	(37)
Related party balances		**(5)**	(5)
Cash generated from operations		**1,504**	1,180
Tax paid		**(141)**	(160)
Retirement benefits paid		**(15)**	(15)
Net cash generated from operating activities		**1,348**	1,005
Cash flows from investing activities			
Finance income received		**11**	13
Purchase of:			
– property, plant and equipment		**(832)**	(861)
– intangible assets		**(8)**	(16)
Investment in a joint venture		**(271)**	-
Advances for plasma plantation projects		**(2)**	(1)
Proceeds from sale of:			
– property, plant and equipment		**84**	17
Dividend received from :			
– other investments/FVOCI		**2**	1
– an associate		**2**	1
Net cash used in investing activities		**(1,014)**	(846)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
Amounts in RM million unless otherwise stated

		Half year-ended 30 June	
	Note	**2025**	**2024**
Cash flows from financing activities			
Distribution to Perpetual Sukuk holders		**(62)**	(62)
Finance costs paid		**(123)**	(152)
Loans raised		**2,888**	2,492
Loan repayments		**(2,294)**	(1,822)
Borrowing transaction cost paid		**(2)**	-
Repayment of lease liabilities		**(23)**	(31)
Dividends paid to shareholders		**(810)**	(812)
Dividends paid to non-controlling interests of subsidiaries		**(17)**	(4)
Net cash used in financing activities		**(443)**	(391)
Net changes in cash and cash equivalents during the financial period		**(109)**	(232)
Foreign exchange difference		**41**	5
Cash and cash equivalents at beginning of the financial period		**625**	830
Cash and cash equivalents at end of the financial period		**557**	603

* Less than 1 million

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 31 December 2024.

EXPLANATORY NOTES ON THE QUARTERLY REPORT – 30 JUNE 2025
Amounts in RM million unless otherwise stated

A. EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of preparation

This interim financial report is prepared in accordance with the requirements of paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and complies with the requirements of the Malaysian Financial Reporting Standard ("MFRS") 134 "Interim Financial Reporting" and other MFRSs issued by the Malaysian Accounting Standards Board ("MASB"). The interim financial report is unaudited and should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2024.

A2. Accounting policies

The accounting policies and presentation adopted for this interim financial report are consistent with those adopted for the audited consolidated financial statements for the financial year ended 31 December 2024 except as described below.

(a) Accounting pronouncements that are effective and have been adopted in preparing these financial statements :

(i) Amendments that are effective on or after 1 January 2025

- Amendments to MFRS 121 on The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

The adoption of these amendments does not have any significant impact on the current period or any prior periods and is not likely to affect future periods.

(b) Accounting pronouncements that are not yet effective and have not been early adopted in preparing these financial statements:

(i) Amendments that are effective on or after 1 January 2026

- Amendments to MFRS 9 and MFRS 7 on "Classification and Measurement of Financial Instruments" and "Contracts Referencing Nature-dependent Electricity"

(ii) Accounting pronouncement that is effective on or after 1 January 2027

- MFRS 18 on the Presentation and Disclosure in Financial Statements

The adoption of MFRS 18 will have no impact on the Group's net profit but will result in the changes of presentation of statement of profit or loss on the grouping of income and expenses categories, as well as additional disclosure on management-defined performance measures.

Other than the above, the accounting pronouncements listed above are not expected to have any significant effect on the financial statements.

A3. Seasonal and cyclical factors

The Group’s operations are not materially affected by seasonal or cyclical factors except for the fresh fruit bunch production which may be affected by the vagaries of weather and cropping patterns.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

Except as disclosed in B1 and B2, there were no material unusual items affecting the Group’s assets, liabilities, equity, net income or cash flows during the quarter under review.

A5. Material changes in estimates

There were no material effects from estimates made in prior periods or previous year.

A6. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review.

Amounts in RM million unless otherwise stated

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A7. Dividends paid

Dividends paid during the quarter ended 30 June 2025 are as follows:

	Half year-ended 30 June
	2025
In respect of financial year ended 31 December 2024:	
- Final dividend of 11.71 sen per share, paid in cash on 23 May 2025	**810**

A8. Revenue

The Group derived the following types of revenue:

	Note	Half year-ended 30 June	
		2025	**2024**
Revenue from contracts with customers	A8(a)	**9,969**	9,292
Revenue from other sources	A8(b)	**17**	15
Total revenue		**9,986**	9,307
(a) Disaggregation of revenue from contracts with customers			
Upstream			
– Malaysia		**479**	449
– Indonesia		**688**	465
– Papua New Guinea and Solomon Islands ("PNG/SI")		**140**	172
Downstream		**8,626**	8,149
Other operations		**36**	57
		9,969	9,292
Sales of palm based products, other refined edible oils, sugar, beef and other agricultural products		**9,875**	9,178
Freight services		**64**	82
Tolling services		**30**	32
		9,969	9,292
Timing of revenue recognition			
– at point in time		**9,875**	9,178
– over time		**94**	114
		9,969	9,292
(b) Revenue from other sources			
Dividend (gross) received/receivable from investments		**2**	1
Rental income		**15**	14
		17	15

(c) Revenue expected to be recognised in relation to unsatisfied performance obligations

The following table shows the revenue expected to be recognised in the future relating to performance obligations that were unsatisfied (or partially unsatisfied) as at 30 June 2025:

	Expected timing of recognition During the quarter ending 30 September 2025
Deferred income	**77**

Amounts in RM million unless otherwise stated

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A9. Segment information

	Upstream Malaysia	Upstream Indonesia	Upstream PNG/SI	Downstream	Renewable energy	Industrial development	Other operations	Inter-segment elimination	Total
Half year-ended 30 June 2025									
Segment revenue:									
External sales	**494**	**689**	**140**	**8,627**	**-**	**-**	**36**	**-**	**9,986**
Inter-segment sales	**1,936**	**444**	**1,509**	**186**	**3**	**-**	**189**	**(4,267)**	**-**
Total revenue	**2,430**	**1,133**	**1,649**	**8,813**	**3**	**-**	**225**	**(4,267)**	**9,986**
Segment results:									
Operating profit/(loss):									
– recurring activities	**579**	**374**	**460**	**207**	**(1)**	**- ***	**9**	**-**	**1,628**
– non-recurring transactions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Share of results of joint ventures and associates	**-**	**-**	**-**	**(5)**	**(3)**	**-**	**2**	**-**	**(6)**
Profit/(Loss) before interest and tax	**579**	**374**	**460**	**202**	**(4)**	**- ***	**11**	**-**	**1,622**

	Upstream Malaysia	Upstream Indonesia	Upstream PNG/SI	Downstream	Renewable energy	Industrial development	Other operations	Inter-segment elimination	Total
Half year-ended 30 June 2024									
Segment revenue, restated: **									
External sales	462	465	172	8,151	-	-	57	-	9,307
Inter-segment sales	1,651	515	1,244	269	3	-	252	(3,934)	-
Total revenue	2,113	980	1,416	8,420	3	-	309	(3,934)	9,307
Segment results, restated: **									
Operating profit/(loss):									
– recurring activities	324	191	174	351	(1)	- *	(2)	-	1,037
– non-recurring transactions	(10)	(13)	-	-	-	-	(4)	-	(27)
Share of results of joint ventures and associates	-	-	-	(5)	(1)	-	1	-	(5)
Profit/(Loss) before interest and tax	314	178	174	346	(2)	- *	(5)	-	1,005

* Less than 1 million
** Refer to Note A14

Amounts in RM million unless otherwise stated

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A9. Segment information (continued)

As at 30 June 2025	Upstream Malaysia	Upstream Indonesia	Upstream PNG/SI	Downstream	Renewable energy	Industrial development	Other operations	Inter-segment elimination	Total
Segment assets:									
Operating assets	**10,926**	**5,445**	**7,192**	**6,768**	**36**	**33**	**235**	**-**	**30,635**
Joint ventures and associates	**-**	**-**	**-**	**629**	**-**	**-**	**36**	**-**	**665**
Non-current assets held for sale	**21**	**113**	**-**	**-**	**-**	**6**	**-**	**-**	**140**
	10,947	**5,558**	**7,192**	**7,397**	**36**	**39**	**271**	**-**	**31,440**
Tax assets									**771**
Tax assets from non-current assets held for sale									**8**
Total assets									**32,219**

As at 30 June 2024	Upstream Malaysia	Upstream Indonesia	Upstream PNG/SI	Downstream	Renewable energy	Industrial development	Other operations	Inter-segment elimination	Total
Segment assets, restated: **									
Operating assets	10,562	5,762	8,043	6,120	7	25	273	-	30,792
Joint ventures and associates	-	-	-	425	3	-	34	-	462
Non-current assets held for sale	15	112	-	-	-	-	-	-	127
	10,577	5,874	8,043	6,545	10	25	307	-	31,381
Tax assets									921
Tax assets from non-current assets held for sale									12
Total assets									32,314

** Refer to Note A14

Amounts in RM million unless otherwise stated

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A10. Capital commitments

	As at 30 June 2025	As at 31 December 2024
Authorised capital expenditure contracted but not provided for	**660**	749

A11. Significant related party transactions

Significant related party transactions conducted were as follows:

	Half year-ended 30 June	
	2025	**2024**
(a) Transactions with joint venture and associates		
(i) Purchase of chemical products		
– Emery Oleochemicals UK	**-** *	2
(i) Purchase of palm oil		
– Thai Eastern Trat Company Limited	**54**	43

(b) Transactions with related parties

Permodalan Nasional Berhad ("PNB") and the fund managed by its subsidiary, Amanah Saham Nasional Berhad, together owns 54.761% as at 30 June 2025 of the issued share capital of the Company. PNB is an entity controlled by the Malaysian Government through Yayasan Pelaburan Bumiputra ("YPB"). The Group considers that, for the purpose of MFRS 124 "Related Party Disclosures", the Malaysian Government is in the position to exercise significant influence over it. As a result, the Malaysian Government and Malaysian Government's controlled bodies (collectively referred to as government related entities) are related parties of the Group and the Company.

(c) Transactions entered into with Government related entities include the following:

	Half year-ended 30 June	
	2025	**2024**
(i) Purchase of heavy equipment, spare parts and services		
– Sime Darby Industrial Sdn Bhd	**12**	9
– Kubota Malaysia Sdn Bhd	**9**	7
(ii) Lease of agricultural land		
– Kumpulan Sime Darby Berhad	**5**	6
(iii) Rental expenses		
– Sime Darby Property Group	**4**	8
(d) Transactions entered into with person connected to a director		
(i) Purchase of heavy equipment, spare part and services		
– Datuk Mohd Anwar Yahya	1	- *

* Less than 1 million

Amounts in RM million unless otherwise stated

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A12. Material events subsequent to the end of the financial period

Other than the corporate proposal as disclosed in B7(c), there were no material events in the interval between the end of the quarter under review and 1 August 2025, being a date not earlier than 7 days from the date of issuance of the report.

A13. Commitments and contingent liabilities – unsecured

(a) Guarantees

In the ordinary course of business, the Group may issue surety bonds and letters of credit, which the Group provides to customers to secure advance payment, performance under contracts or in lieu of retention being withheld on contracts. A liability from the performance guarantees would only arise in the event the Group fails to fulfil its contractual obligations.

The financial guarantees are as follows:

	As at 30 June 2025	**As at 31 December 2024**
Guarantees in respect of credit facilities granted to:		
– a joint venture	**2**	2
– plasma stakeholders	**84**	98
	86	100

A14. Effect of entry into new business verticals

The Group had, in May 2024, announced its entry into new business verticals – renewable energy and industrial development, to create diversified and sustainable revenue streams. Based on information reviewed by the Group Leadership Council, two additional operating segments were established for the purposes of allocating resources and assessing performance:

(i) segregation and reclassification of the renewable energy business from Other Operations to the Renewable Energy operating segment; and

(ii) a new segment, Industrial Development.

The comparative figures for the segment information have been restated as disclosed in A9, B1 and B2.

Amounts in RM million unless otherwise stated

A. EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTINUED)

A15. Effect of significant changes in the composition of the Group

On 29 November 2024, SD Guthrie International Limited ("SDGI"), a wholly owned subsidiary of SD Guthrie Berhad, through its investment holding entity SDGI Den Haag B.V. ("SDGI DH"), entered into a Sales & Purchase agreement ("SPA") and a Subscription & Shareholders' Agreement ("SSA") with BGR Beheer B.V. ("BGR"). These agreements facilitate the acquisition of a 48% equity interest in Marvesa Supply Chain Services B.V. ("Marvesa") and include mutual call and put options for the remaining 52% equity interest. The call and put options for the remaining 52% equity interest are exercisable at two distinct intervals, four and six years from the completion date, at a price determined by an agreed Exit Price formula as defined in the SSA. The acquisition is completed on 31 January 2025 at a total cash consideration of EUR54.0 million (approximately RM249.4 million).

The acquisition of Marvesa is accounted for as Investment in Joint Venture. An external valuer had been engaged to perform a Purchase Price Allocation ("PPA") exercise, whereby a fair value assessment was carried out on Marvesa's identifiable assets and liabilities to identify any excess of the purchase consideration over the fair value of SDGI's share of the identifiable net assets.

The PPA exercise was completed during the quarter. The details of the fair value assessment are as follows:

	As at date of completion	
	EUR'mil	**RM'mil**
Purchase consideration	54	249
Add: transaction costs capitalised	5	22
Purchase consideration inclusive of transaction costs	59	271
Less: fair value of share of the identifiable net assets	(25)	(113)
Goodwill on acquisition	34	158

The resulting goodwill and other identifiable net assets from the acquisition have been subsumed within the carrying amount of the Group's Investment in Joint Venture.

Amounts in RM million unless otherwise stated

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of group performance

(a) Current quarter ended 30 June 2025 against the previous year corresponding quarter ended 30 June 2024

	Quarter ended 30 June		+/(–)
	2025	**2024 Restated****	**%**
Revenue	**5,169**	4,965	4
Segment results:			
Upstream Malaysia	**294**	206	43
Upstream Indonesia	**165**	107	54
Upstream PNG/SI	**201**	111	81
Downstream	**126**	225	(44)
Renewable energy	**-** *	- *	
Industrial development	**-** *	- *	
Other operations	**18**	(3)	>100
Recurring profit before interest and tax	**804**	646	24
Non-recurring transactions	**-**	(17)	
Profit before interest and tax	**804**	629	28
Finance income	**5**	6	
Finance costs	**(26)**	(40)	
Profit before tax	**783**	595	32
Tax expense	**(234)**	(136)	
Profit for the financial period	**549**	459	20
Perpetual Sukuk	**(31)**	(31)	
Non-controlling interests	**(13)**	(13)	
Profit after tax attributable to equity holders of the Company	**505**	415	22

* Less than 1 million
** Refer to Note A14

For the quarter ended 30 June 2025, the Group registered a net profit of RM505 million, a 22% increase from the previous corresponding quarter's net profit of RM415 million. This was mainly due to stronger performance from the Upstream segment, which compensated for the lower profits from the Downstream segment.

Finance costs reduced by 35% year-on-year ("YoY"), driven by both lower borrowings and lower average interest rates which declined to 4.8% per annum from 5.1% per annum in the previous corresponding quarter.

The Group's effective tax rate for the quarter was 30%, which includes the witholding tax paid on dividends from foreign subsidiaries.

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B1. Review of group performance (continued)

(a) Current quarter ended 30 June 2025 against the previous year corresponding quarter ended 30 June 2024 (continued)

An analysis of the results of each segment is as follows:

Upstream

The Upstream segment's recurring profit before interest and tax ("PBIT") rose by 56% to RM660 million in the current quarter, primarily attributed to the following factors:

i) Higher average realised prices of crude palm oil ("CPO") and palm kernel ("PK") by 3% and 50%, respectively;
ii) An increase in the fresh fruit bunch ("FFB") production by 4% to 2.29 million MT, driven by improvements across all countries; and
iii) Higher oil extraction rate ("OER") which increased from 20.82% to 21.19%.

	CPO price realised (RM per MT)			FFB production (MT'000)		
	Quarter ended 30 June		+/(–)	Quarter ended 30 June		+/(–)
Segment	**2025**	2024	**%**	**2025**	2024	**%**
Upstream Malaysia	**4,232**	4,135	2	**1,222**	1,199	2
Upstream Indonesia	**3,643**	3,691	(1)	**574**	527	9
Upstream PNG/SI	**4,494**	4,146	8	**490**	469	4
Group	**4,146**	4,029	3	**2,286**	2,195	4

	PK price realised (RM per MT)			CPO Extraction Rate (%)		
	Quarter ended 30 June		+/(–)	Quarter ended 30 June		+/(–)
Segment	**2025**	2024	**%**	**2025**	2024	**pp**
Upstream Malaysia	**3,361**	2,295	46	**20.76**	20.22	0.54
Upstream Indonesia	**3,010**	1,879	60	**21.24**	21.14	0.10
Upstream PNG/SI	**-**	-	-	**22.05**	21.82	0.23
Group	**3,247**	2,166	50	**21.19**	20.82	0.37

Downstream

The Downstream segment reported a lower PBIT of RM126 million in the current quarter as compared to RM225 million in the previous corresponding quarter, due to weaker profits generated by the refineries and operations across Asia Pacific and Europe, impacted by both lower margins and reduced volume demand, further compounded by the lower share of profits from joint ventures. However, this decline was partially mitigated by stronger profits from the operations in Oceania which benefited from improved sales volume and margins.

Other operations

The profits reported by the Group's Other operations mainly arose from agri services business and research operations.

Amounts in RM million unless otherwise stated

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B1. Review of group performance (continued)

(b) Half year ended 30 June 2025 against the previous year corresponding period ended 30 June 2024

	Half year-ended 30 June		**+/(–)**
	2025	**2024 Restated****	**%**
Revenue	**9,986**	9,307	7
Segment results:			
Upstream Malaysia	**579**	324	79
Upstream Indonesia	**374**	191	96
Upstream PNG/SI	**460**	174	>100
Downstream	**202**	346	(42)
Renewable energy	**(4)**	(2)	>(100)
Industrial development	**-** *	- *	
Other operations	**11**	(1)	>100
Recurring profit before interest and tax	**1,622**	1,032	57
Non-recurring transactions	**-**	(27)	100
Profit before interest and tax	**1,622**	1,005	61
Finance income	**11**	13	
Finance costs	**(51)**	(77)	
Profit before tax	**1,582**	941	68
Tax expense	**(417)**	(229)	
Profit for the financial year	**1,165**	712	64
Perpetual Sukuk	**(62)**	(62)	
Non-controlling interests	**(31)**	(24)	
Profit after tax attributable to equity holders of the Company	**1,072**	**626**	71

* Less than 1 million
** Refer to Note A14

For the half year ended 30 June 2025, the Group posted net earnings of RM1,072 million, a year-on-year increase of 71%, attributed to higher profit from the Upstream segment, which compensated for the decline in profits from the Downstream segment.

Finance costs reduced by 34% in the current period, largely driven by lower borrowings and lower average interest rate which declined to 4.9% per annum from 5.2% per annum in the previous corresponding period.

The Group's effective tax rate stood at 26% for the period.

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B1. Review of group performance (continued)

(b) Half year ended 30 June 2025 against the previous year corresponding period ended 30 June 2024

An analysis of the results of each segment is as follows:

Upstream

The Upstream segment reported a recurring PBIT of RM1,413 million, more than doubled the previous corresponding period's profit of RM689 million, largely due to:

i) Higher CPO and PK average realised prices by 10% and 60%, respectively;
ii) An increase in the FFB production by 3%, driven by improvements in our operations in Indonesia, Papua New Guinea ("PNG") and Solomon Islands ("SI"); and
iii) Higher OER which increased from 21.00% to 21.18%.

	CPO price realised (RM per MT)			**FFB production (MT'000)**		
	Half year-ended 30 June		**+/(–)**	**Half year-ended 30 June**		**+/(–)**
Segment	**2025**	**2024**	**%**	**2025**	**2024**	**%**
Upstream Malaysia	**4,423**	4,068	9	**2,193**	2,241	(2)
Upstream Indonesia	**3,845**	3,675	5	**1,135**	1,034	10
Upstream PNG/SI	**4,706**	4,044	16	**963**	899	7
Group	**4,339**	3,961	10	**4,291**	4,174	3

	PK price realised (RM per MT)			**CPO Extraction Rate (%)**		
	Half year-ended 30 June		**+/(–)**	**Half year-ended 30 June**		**+/(–)**
Segment	**2025**	**2024**	**%**	**2025**	**2024**	**pp**
Upstream Malaysia	**3,487**	2,233	56	**20.56**	20.34	0.22
Upstream Indonesia	**2,917**	1,687	73	**21.12**	21.38	(0.26)
Upstream PNG/SI	**-**	-	-	**22.44**	22.00	0.44
Group	**3,292**	2,056	60	**21.18**	21.00	0.18

Downstream

The Downstream segment reported a PBIT of RM202 million, a 42% decline compared to RM346 million in the previous corresponding period, with weaker performance across all regions, impacted by lower margins and reduced volume demand, except for Oceania which recorded improved profits mainly driven by higher sales volume.

Renewables

The segment's results comprised losses reported by bio-energy companies.

Other operations

The profits reported by the Group's Other operations mainly arose from the agri services business and research operations.

Amounts in RM million unless otherwise stated

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B2. Material changes in profit for the current quarter as compared with the immediate preceding quarter

	Quarter ended		
	30 Jun 2025	**31 Mar 2025**	**+/(–) %**
Revenue	**5,169**	4,817	7
Segment results:			
Upstream Malaysia	**294**	285	3
Upstream Indonesia	**165**	209	(21)
Upstream PNG/SI	**201**	259	(22)
Downstream	**126**	76	66
Renewable energy	**-** *	(4)	100
Industrial development	**-** *	- *	
Other operations	**18**	(7)	>100
Recurring profit before interest and tax	**804**	818	(2)
Finance income	**5**	6	
Finance costs	**(26)**	(25)	
Profit before tax	**783**	799	(2)
Tax expense	**(234)**	(183)	
Profit for the financial period	**549**	616	(11)
Perpetual Sukuk	**(31)**	(31)	
Non-controlling interests	**(13)**	(18)	
Profit after tax attributable to equity holders of the Company	**505**	567	(11)

* Less than 1 million

The Group registered net earnings of RM505 million, an 11% decline from RM567 million recorded in the preceding quarter, primarily due to lower profits from the Upstream segment mitigated by stronger performance from the Downstream segment.

Finance costs were marginally higher due to increased borrowings, mitigated by lower average interest rate which declined from 5.0% to 4.8%.

The Group's effective tax rate for the quarter was 30%.

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED) (CONTINUED)

B2. Material changes in profit for the current quarter as compared with the immediate preceding quarter (continued)

An analysis of the results of each segment is as follows:

Upstream

Recurring PBIT for the Upstream segment declined to RM660 million from the preceding quarter's profit of RM753 million, primarily driven by lower CPO and PK average realised prices which decreased by 9% and 3%, respectively. This was partially mitigated by a 14% increase in FFB production and improvement in OER from 21.17% to 21.19%.

	CPO price realised (RM per MT)			FFB production (MT'000)		
	Quarter ended		+/(–)	Quarter ended		+/(–)
Segment	**Jun 2025**	Mar 2025	**%**	**Jun 2025**	Mar 2025	**%**
Upstream Malaysia	**4,232**	4,693	(10)	**1,222**	972	26
Upstream Indonesia	**3,643**	4,062	(10)	**574**	561	2
Upstream PNG/SI	**4,494**	4,938	(9)	**490**	473	4
Group	**4,146**	4,576	(9)	**2,286**	2,006	14

	PK price realised (RM per MT)			CPO Extraction Rate (%)		
	Quarter ended		+/(–)	Quarter ended		+/(–)
Segment	**Jun 2025**	Mar 2025	**%**	**Jun 2025**	Mar 2025	**pp**
Upstream Malaysia	**3,361**	3,637	(8)	**20.76**	20.32	0.44
Upstream Indonesia	**3,010**	2,824	7	**21.24**	20.99	0.25
Upstream PNG/SI	**-**	-	-	**22.05**	22.84	(0.79)
Group	**3,247**	3,342	(3)	**21.19**	21.17	0.02

Downstream

The Downstream segment's recurring PBIT increased by 66% to RM126 million, supported by stronger profits from differentiated refineries in Asia Pacific which benefited from higher sales volume. The operations in Europe also reported higher profits despite a decline in both sales volume and margins, driven by lower overheads. These compensated the losses from the Asia Pacific bulk operations, impacted by both lower sales volume and margins.

Other operations

The profits reported by the Group's Other operations mainly arose from the agri services business and research operations.

Amounts in RM million unless otherwise stated

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B3. Prospects

CPO price is expected to remain volatile in the second half of 2025 as the industry enters into its peak output cycle, supported by improved weather conditions, softer biodiesel demand amidst the low crude oil price environment, and the ongoing global macroeconomic uncertainty. Whilst the price discount of palm oil relative to other vegetable oils is likely to support stronger demand from key markets, persistent macroeconomic headwinds, coupled with uncertainties in the global trade environment following the US' revised tariff measures, are adding further volatility to the overall operating environment.

The Group anticipates improvement in FFB production in the second half of the year, supported by better operating conditions as well as productivity enhancement efforts across our operations in Malaysia, Indonesia, Papua New Guinea and Solomon Islands. The Group's diversified geographical presence also provides it with greater flexibility in managing evolving trade policies and local tax regulations. Additionally, the Group's focus on its new business pillars has gained traction and is expected to enhance the Group's performance. This reflects our proactive approach to long-term growth and the strong momentum we are carrying into the second half of the year.

The Group remains committed to delivering resilient and competitive performance supported by strategic execution and proactive measures in navigating a dynamic market environment.

B4. Variance of actual profit from profit forecast or profit guarantee

There was no profit forecast or profit guarantee issued during the quarter under review.

B5. Operating profit

Included in the operating profit are:

	Quarter ended 30 June		**Half year-ended 30 June**	
	2025	**2024**	**2025**	**2024**
Depreciation and amortisation	**(354)**	(363)	**(710)**	(730)
Unrealised fair value gains/(losses):				
– commodities contracts	**1**	14	**(6)**	(6)
– forward foreign exchange contracts	**(2)**	(6)	**(3)**	(5)
Gain on disposals of:				
– property, plant and equipment	**9**	1	**82**	16
Net of reversal/(impairment) of:				
– property, plant and equipment	**3**	(12)	**3**	(22)
– non-current assets held for sale	**-**	(13)	**-**	(13)
– advances for plasma plantation projects	**1**	- *	**1**	(1)
– trade and other receivables	**1**	- *	**1**	4
Unrealised foreign exchange gains/(losses)	**51**	17	**(15)**	(1)
(Write-down)/write back of inventories	**(33)**	(5)	**(9)**	10
Write off of:				
– inventories	**1**	- *	**(1)**	- *
– trade and other receivables	**-**	- *	**-**	- *
– property, plant and equipment	**(6)**	(6)	**(10)**	(10)
– intangible assets	**-**	- *	**-**	- *

* Less than 1 million.

Amounts in RM million unless otherwise stated

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B6. Tax expense

	Quarter ended 30 June		Half year-ended 30 June	
	2025	**2024**	**2025**	**2024**
In respect of current financial period:				
– current tax	**156**	81	**357**	192
– deferred tax	**79**	54	**60**	36
	235	135	**417**	228
In respect of prior financial period:				
– current tax	**(1)**	1	**-** *	1
Tax expenses	**234**	136	**417**	229

* Less than 1 million.

For the quarter ended 30 June 2025, the Group recorded a total tax expense of RM234 million on the back of a profit before tax of RM783 million. This reflects an effective tax rate of 30%, mainly due to withholding tax on dividends from foreign subsidiaries and effects of certain non-deductible expenses.

For the half year ended 30 June 2025, the Group recorded an effective tax rate of 26%, with a total tax expense of RM417 million on the back of a profit before tax of RM1,582 million.

B7. Status of announced corporate proposals

(a) Proposed Joint Venture with TH Properties Sdn. Bhd. on a HALMAS-certified Managed Industrial Park

On 21 August 2024, SD Guthrie signed a Memorandum of Understanding with TH Properties Sdn. Bhd. (THP) to develop a HALMAS-certified Managed Industrial Park on 464 acres of land in the Group's Bukit Pelandok estate in Negeri Sembilan. HALMAS or 'Halal Malaysia' is an accreditation given to Halal Park Operators which comply with the requirements set out by the Halal Development Corporation Berhad (HDC), an agency under the Ministry of Investment, Trade, and Industry of Malaysia (MITI).

(b) Proposed Joint Venture with AME Industrial Park Sdn. Bhd. on a Green Industrial Park

On 4 November 2024, SD Guthrie and AME Elite Consortium Berhad through AME Elite's wholly owned subsidiary AME Industrial Park Sdn. Bhd., signed a Memorandum of Understanding (MoU) to jointly develop a green industrial park within the Johor-Singapore Special Economic Zone. The development is proposed on 641 acres of prime land in the Group's Kulai estate in Johor. SD Guthrie and AME Elite had on 26 June 2025 agreed to extend the MOU for a period of 3 months to 30 September 2025.

(c) Memorandum of Understanding with Permodalan Negeri Selangor Berhad to develop an Edu-Technology Park and Food Security Hub

On 8 July 2025, SD Guthrie entered into a Memorandum of Understanding (MoU) with Permodalan Negeri Selangor Berhad (PNSB), a wholly owned subsidiary of the Selangor State Government, to explore the development of an Edu-Technology Park and Food Security Hub on approximately 470 acres of the Group's land in Carey Island, Selangor. This site forms part of a broader masterplan that includes 1,296 acres of land owned by Yayasan Selangor.

The Edu-Technology Park will feature artificial intelligence, smart infrastructure, and green energy technology, while Yayasan Selangor will develop an international-standard campus to enhance educational access and build human capital.

With on-going feasibility studies, the Group aims to formalise the collaboration with definitive agreements, where applicable, during the financial year ending 31 December 2025.

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B7. Status of announced corporate proposals (continued)

(d) Joint Venture with Eco World Development Group Berhad and NS Corporation to Develop an Industrial Park

On 20 May 2025, SD Guthrie signed a shareholders agreement with Eco World Development Group Berhad (EcoWorld) and NS Corporation (NS Corp), following a sales and purchase agreement signed on 18 April 2025, to jointly develop an integrated industrial park on 1,195 acres of land in the Group's Bukit Pelandok estate in Negeri Sembilan. Eco Business Park 7 Sdn. Bhd. (EBP 7), a special purpose vehicle, is established for this development. EcoWorld holds 55% of EBP 7, while SD Guthrie Land Ventures Sdn. Bhd., a wholly subsidiary of SD Guthrie holds a 30% stake. The remaining 15% stake is held by NS Corp. The industrial park, to be developed over nine years will feature industrial lots, ready-built factories, and commercial properties tailored to high-growth sectors, including those in the aerospace, electrical and electronics, logistics, and biotechnology industries.

(e) Joint Venture with Sime Darby Property Berhad to Develop an Industrial and Logistics Hub

On 20 June 2025, SD Guthrie signed a joint venture agreement with Sime Darby Property Berhad (SDP), to develop an industrial and logistics hub on 2,000 acres of land in Carey Island, Selangor. Carey Island Development Consortium Sdn. Bhd. (CIDC), a special purpose vehicle, has been established to undertake land value enhancement activities aimed at unlocking and maximising capital appreciation. CIDC is jointly owned by Sime Darby Property Sepang DC (Holdco) Sdn. Bhd., a wholly owned subsidiary of SDP, and SD Guthrie Land Ventures Sdn. Bhd., a wholly owned subsidiary of SD Guthrie, with each party holding a 50% equity stake. The industrial and logistics hub will feature world-class logistics facilities, integrated supply chains, and high value industrial developments to attract global players and investments.

Other than the above, there was no other corporate proposal announced but not completed as at 1 August 2025, being a date not earlier than 7 days from the date of issuance of the report.

Amounts in RM million unless otherwise stated

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B8. Borrowings and debt securities

Borrowings of the Group as at 30 June 2025 are as follows:

	Secured	Unsecured	Total
Long-term			
Term loans	-	2,025	**2,025**
Revolving credits-i	-	710	**710**
Bonds	-	496	**496**
Unamortised deferred financing expenses	-	(10)	**(10)**
	-	3,221	**3,221**
Short-term			
Term loans	-	353	**353**
Revolving credits-i	-	1,082	**1,082**
Revolving credits	-	965	**965**
Trade facilities	29	-	**29**
Unamortised deferred financing expenses	-	(3)	**(3)**
	29	2,397	**2,426**
Total	29	5,618	**5,647**
Borrowings of the Group consist of:			
– principal	29	5,631	**5,660**
– unamortised deferred financing expenses	-	(13)	**(13)**
	29	5,618	**5,647**

Borrowings of the Group in RM equivalent analysed by currencies in which they are denominated are as follows:

	Long-term	Short-term	Total
European Union Euro	496	29	**525**
Ringgit Malaysia	2,221	1,687	**3,908**
United States Dollar	504	710	**1,214**
	3,221	2,426	**5,647**

Amounts in RM million unless otherwise stated

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B9. Derivatives

The Group uses forward foreign exchange contracts, commodity forward and futures contracts to manage its exposure to various financial risks.

The fair values of these derivatives as at 30 June 2025 are as follows:

	Classification in Statement of Financial Position				
	Assets		Liabilities		Net
	Non-current	Current	Non-current	Current	fair value
Forward foreign exchange contracts	-	8	-	24	**(16)**
Commodities contracts	-	25	-	1	**24**
	-	33	-	25	**8**

The description, notional amount and maturity profile of each derivative are as follows:

Forward foreign exchange

Forward foreign exchange contracts were entered into by subsidiaries in currencies other than their functional currencies in order to manage exposure to fluctuations in foreign currency exchange rates on specific transactions.

The forward foreign currency contracts are stated at fair value, using the prevailing market rates. All changes in fair value of the forward foreign currency contracts are recognised in the statement of other comprehensive income unless it does not meet the conditions for the application of hedge accounting, in which case, the changes to the fair value of the derivatives are taken to profit or loss.

As at 30 June 2025, the notional amount, fair value and maturity tenor of the forward foreign exchange contracts are as follows:

Maturity tenor	Notional amount	Net fair value liabilities
Less than 1 year	1,446	**(16)**

Commodities contracts

Commodity forward and futures contracts were entered into by the Group to manage exposure to adverse movements in crude palm oil prices. Certain contracts are entered into and continue to be held for the purpose of the receipt or delivery of the physical commodity in accordance with the Group's expected purchase, sale or usage requirements, except for those contracts below.

The outstanding contracts as at 30 June 2025 that were not held for the purpose of physical delivery are as follows:

	Quantity (metric tonne)	Notional amount	Net fair value assets/ (liabilities)
Less than 1 year:			
– Purchase contracts	111,941	468	22
– Sale contracts	25,701	104	2
			24

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B10. Material litigation

Save as disclosed below, there were no pending material litigations against the Group which might materially and adversely affect the Group's financial position.

(a) New Britain Palm Oil Limited ("NBPOL") v. Masile Incorporated Land Group ("Masile"), NBPOL v. Rikau Incorporated Land Group ("Rikau") & NBPOL v. Meloks Incorporated Land Group ("Meloks") (collectively, "Defendants")

NBPOL, a wholly-owned subsidiary of the Company, had on 31 August 2011 initiated 3 separate legal actions against the Defendants in the National Court of Justice at Waigani, Papua New Guinea (Court). All 3 actions relate to the same cause of action whereby the Defendants had defaulted in their obligations to surrender their Special Agricultural Business Leases (SABL) to NBPOL for registration of the sub-leases despite having received benefits from NBPOL under the sub-lease agreements (SLA). Such benefits received by the Defendants include rental paid by NBPOL for 3,720 Ha of land under the SABL (Land), royalties for the FFB harvested from the Land, and 31,250 ordinary shares in NBPOL respectively issued to each of the Defendants.

On 25 June 2018, the Court rendered its decision on NBPOL's claims against Meloks in NBPOL's favour. In its decision, the Court declared the SLA entered into between NBPOL and Meloks to be valid and an order of specific performance was made against Meloks to deliver the SABL to NBPOL and to do all acts and things necessary to enable NBPOL to register the SLA entered into between NBPOL and Meloks. On 10 October 2018, Meloks surrendered the SABL to NBPOL. However, in view that Meloks had laminated the SABL, Meloks had to execute an application for the official copy of the SABL which NBPOL lodged with the registrar of titles together with NBPOL's application for registration of the SLA. The laminated plastic subsequently dislodged from Melok's SABL. However, NBPOL and Meloks were required to execute a new SLA to facilitate the registration of the SLA as the date of the SLA has to be the same or after the date of the SABL.

Masile and Rikau then had to consider whether to continue defending against NBPOL's claims in view of the Court's decision on the trial relating to NBPOL's claims against Meloks or to conclude on the same basis as Meloks given that the facts, issues and evidences are similar. Parties then agreed to enter into Consent Court Orders (CCOs) on terms similar to the order made in respect of Meloks and the CCOs were formally endorsed by the Court on 15 December 2020. Masile and Rikau surrendered their respective SABLs to NBPOL on 30 July 2020. However, the SABL received from Masile was laminated whilst the SABL received from Rikau was a copy and therefore NBPOL had to obtain the official copy of the SABLs and compile the relevant documents (including execution of new SLAs) before it could proceed with the registration of the SLAs. The issues related to the lamination of Masile's SABL and obtaining an official copy of Rikau's SABL as stated above have been resolved.

The SLAs were executed by the Defendants on 4 October 2024 and affixed with the Defendants' respective common seals. The stamp duty assessed by the Internal Revenue Commission on the SLAs have been paid and the SLAs are now pending lodgement for Ministerial Approval for the SLAs to be registered with the PNG National Department for Lands.

(b) Chantico Ship Management Ltd ("Chantico") vs. SD Guthrie International Zwijndrecht Refinery B.V. (formerly known as Sime Darby Oils Zwijndrecht Refinery B.V.) ("SDGIZR")

SDGIZR, an indirect wholly-owned subsidiary of the Company, is involved in litigation in respect of a vessel known as the mv Geraki (formerly known as mv Cap Thanos). This vessel was carrying vegetable oils for 9 different cargo owners (7 European cargo owners including SDGIZR, and 2 Algerian cargo owners). The percentage of SDGIZR's cargo on board was about 14.4%. The vessel was auctioned and in April 2011 was sold to Chantico. All cargo were eventually discharged in April/May 2013. Beginning in 2012, Chantico started various proceedings against the cargo owners.

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B10. Material litigation (continued)

Save as disclosed below, there were no pending material litigations against the Group which might materially and adversely affect the Group's financial position. (continued)

(b) Chantico Ship Management Ltd ("Chantico") vs. SD Guthrie International Zwijndrecht Refinery B.V. (formerly known as Sime Darby Oils Zwijndrecht Refinery B.V.) ("SDGIZR")

The following two lawsuits proceeded to trial:

(i) Proceedings before the Court of Piraeus which started in October 2014 (“Lawsuit 1”)

The claims by Chantico are based on alleged actions in tort (i.e. alleged delay of discharge of cargo) and the current total amount claimed from all 9 cargo owners, jointly and severally, is EUR6 million (approximately RM29.8 million). The hearing for Lawsuit 1 concluded on 25 September 2018.

(ii) Proceedings before the Court of Piraeus which started in December 2015 (“Lawsuit 2”)

The claim in these proceedings is based on the alleged damage to the vessel and loss of profit caused by the alleged actions in tort during transshipment and heating of the cargo. The claim against the 9 cargo owners and the third party, jointly and severally, amounts to EUR9.3 million (approximately RM46.1 million) and an additional claim was filed against all cargo owners, jointly and severally, of EUR380,000 (approximately RM1.9 million) for port and anchorage dues. The hearing for Lawsuit 2 concluded on 25 September 2018.

SDGIZR’s Greek lawyer estimated the exposure (and all of the other 8 cargo owners, jointly and severally) at EUR2.1 million (approximately RM10.4 million) for Lawsuit 1 and EUR 145,000 (approximately RM0.7 million) for Lawsuit 2, all amounts inclusive of interest.

On 25 November 2020 the Court of Piraeus rendered its judgement dismissing all of Chantico's claims in Lawsuit 1 and Lawsuit 2.

Chantico appealed to the Piraeus Court of Appeal and the Appeal for Lawsuit 1 and Lawsuit 2 were heard on 17 November 2022. On 29 January 2024, SDGIZR was informed that the Piraeus Court of Appeal dismissed Chantico's appeal in both Lawsuit 1 and Lawsuit 2. The judgment of the Piraeus Court of Appeal was subject to appeal to the Supreme Court on issues of law only within 60 days from the date of service of the judgment on Chantico. The time limit to file the appeal to the Supreme Court against the judgment of the Piraeus Court of Appeal expired and the judgment of the Piraeus Court of Appeal was deemed final and unappealable. Chantico's lawsuits were dismissed, and this matter was considered closed.

However, on 18 June 2024, Chantico filed a new lawsuit 3 (“Lawsuit 3”) with the Piraeus Court against the same defendants in Lawsuit 1 and Lawsuit 2 (1) for loss of profits on alleged acts and omissions in tort (similar to that as pursued in Lawsuit 1), or (2) alternatively on liability for unjust enrichments. In Lawsuit 3, the claim in tort, jointly and severally against all defendants, is calculated at USD 2,958,660, the equivalent of which in EUR is indicated against four different exchange rates of four different dates. The alternative claim on unjust enrichment is calculated at USD 4,416,850 (alternatively EUR 3,332,817 (approximately RM16.5 million)) and is claimed from each of the defendants on a pro-rate basis. Chantico claims from SDGIZR 14.426 % of the total, i.e. USD 637,174.78 (alternatively EUR 480,793.62 (approximately RM2.4 million)). SDGIZR's Greek lawyer is of the view that the prospect of successfully defending Lawsuit 3 is in the region of 70%. No provision is made at this juncture.

B. EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B11. Dividend

The Board has declared an interim single tier dividend of 7.75 sen per share in respect of the financial year ending 31 December 2025 ("Interim Dividend"). The Interim Dividend which is not taxable in the hands of the shareholders pursuant to the paragraph 12B of Schedule 6 of the Income Tax Act 1967 will be paid on 31 October 2025 and the entitlement date for the dividend payment is 17 October 2025.

A depositor shall qualify for entitlement to the dividend only in respect of:

(i) shares deposited into the depositor's securities account before 12.30 p.m. on 16 October 2025 in respect of shares which are exempted from mandatory deposit;

(ii) shares transferred into the depositor's securities account before 4.30 p.m. on 17 October 2025 in respect of transfers; and

(iii) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

The dividends for the financial year ending 31 December 2025 are as follows:

	Year ending 31 December 2025		Year ended 31 December 2024	
	Net per share (sen)	**RM'million**	**Net per share (sen)**	**RM'million**
Interim dividend	**7.75**	**536**	4.65	322
Final dividend	**-**	**-**	11.71	810
	7.75	**536**	16.36	1,132

B12. Earnings per share

Basic earnings per share attributable to equity holders of the Company are computed as follows:

	Quarter ended 30 June		Half year-ended 30 June	
	2025	**2024**	**2025**	**2024**
Profit for the financial period	**505**	415	**1,072**	626
Weighted average number of ordinary shares in issue (million units)	**6,916**	6,916	**6,916**	6,916
Basic earnings per share (sen)	**7.3**	6.0	**15.5**	9.1

The diluted earnings per share of the Group is similar to the basic earnings per share as the Group does not have any material potential dilutive ordinary shares in issue.

By Order of the Board

Petaling Jaya
7 August 2025

Azrin Nashiha Abdul Aziz
Group Secretary