



United Malacca Berhad

Registration No.191001000010 (1319-V)

Annual
Report
2025

115 years  **1910-2025**



111th Annual General Meeting

Date Friday, 26 September 2025

Time 11.30 a.m

Venue Level 1, AMES Hotel
Jalan PKAK 2, Pusat Komersial Ayer Keroh
75450 Ayer Keroh, Melaka

WHAT'S INSIDE THIS REPORT



The digital version of
UNITED MALACCA BERHAD
Annual Report 2025 is
available at our website.

Go to
www.unitedmalacca.com.my
or scan the QR code
with your smartphone.



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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 111th Annual General Meeting (AGM) of the Company will be held at Level 1, AMES Hotel Jalan PKAK 2, Pusat Komersial Ayer Keroh, 75450 Ayer Keroh, Melaka on Friday, 26 September 2025 at 11.30 a.m. for the following businesses:

AGENDA

ORDINARY BUSINESS

- | | |
|---|-----------------------|
| 1. To receive the Audited Financial Statements for the financial year ended 30 April 2025 and the Reports of the Directors and Auditors thereon. | Please Refer Note (5) |
| 2. To approve the payment of Directors' fees amounting to RM847,774 to the Directors of the Company and its subsidiaries for the financial year ended 30 April 2025. (Refer Note 6) | [Resolution 1] |
| 3. To approve the payment of Directors' remuneration (excluding Directors' fees) amounting to RM344,000 to the Directors of the Company for the financial year ended 30 April 2025. (Refer Note 7) | [Resolution 2] |
| 4. To re-elect Dato Dr. Nik Ramlah Binti Nik Mahmood who retires by rotation in accordance with Clause 130 of the Company's Constitution. (Refer Note 8) | [Resolution 3] |
| <p>To record the retirement of Mr. Teo Leng who retires by rotation under Clause 130 of the Company's Constitution and has decided not to seek re-election. He will remain as director until the conclusion of the 111th Annual General Meeting.</p> | |
| 5. To elect Mr. Tee Lip Zhun who retires in accordance with Clause 135 of the Company's Constitution. (Refer Note 9) | [Resolution 4] |
| 6. To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company for the financial year ending 30 April 2026 and to authorise the Board of Directors to determine their remuneration. (Refer Note 10) | [Resolution 5] |
| 7. To transact any other business of which due notice shall have been given. | |

By Order of the Board

Yong Yoke Hiong (SSM PC No. 201908001562) (MAICSA 7021707)

Pang Poh Chen (SSM PC No. 201908001514) (MAICSA 7069479)

Company Secretaries
Melaka

Date: 25 August 2025

NOTES:

- (1) Only members whose name registered in the General Meeting Record of Depositors on or before 5.00 p.m. on 19 September 2025 shall be eligible to attend and vote at the 111th Annual General Meeting (111th AGM) or appoint proxy(ies) to attend and vote on his/her behalf.
- (2) A member of the Company entitled to attend and vote at the meeting is allowed to appoint a proxy to attend and vote in his stead. A proxy need not be a shareholder of the Company. A member cannot appoint more than two (2) proxies to attend the 111th AGM. Where a member appoints two (2) proxies, both appointments shall be invalid unless the member specifies the number of shares to be represented by each proxy.
- (3) For the proxy to be valid, the duly executed instrument appointing a proxy must be deposited at the registered office of the Company on the 6th Floor, No. 61, Jalan Melaka Raya 8, Taman Melaka Raya, 75000 Melaka not less than twenty-four (24) hours before the time appointed for holding the 111th AGM or any adjournment thereof.
- (4) **Voting by poll**
According to Paragraph 8.29A(1) of the Main Listing Requirements of Bursa Malaysia Securities Berhad, all Resolutions set out in the Notice of the 111th AGM will be put to vote by poll.

NOTICE OF ANNUAL GENERAL MEETING

(continued)

(5) Agenda 1

The Audited Financial Statements for the financial year ended 30 April 2025 together with the accompanying Reports, will be presented at the Company's 111th AGM following Section 340(1)(a) of the Companies Act 2016, under Agenda 1 for discussion only. No voting is required.

(6) Agenda 2

According to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

During the year, the Board, through the Nomination and Remuneration Committee, reviewed the structure and quantum of fees accorded to the Chairperson and the other Directors. After review, the Board maintained the structure and level of fees for the Board and Board Committees.

For the financial year ended 30 April 2025, fees totalling RM847,774 payable to the Directors of the Company and its subsidiaries are based on the existing quantum of Directors' fees listed in the table below:

UMB Board - Fixed Annual Fees	FY 2024/2025
Chairperson	RM120,000
Director	RM70,000

* in relation to United Malacca Berhad

Through Resolution 1, the Board seeks shareholders' approval to pay the Directors' fees totalling RM847,774 to the Directors of the Company and its subsidiaries for the financial year ended 30 April 2025.

(7) Agenda 3

Remuneration (excluding Directors' fees) payable to the Directors of the Company for the financial year ended 30 April 2025 comprises the following:

Meeting Allowance	Chairperson (RM)	Members (RM)
UMB Board Meeting	2,500 per meeting	
UMB Board Committee Meeting	1,000 per meeting	

UMB Board Committees – Fixed Annual Fee	Chairperson (RM)	Members (RM)
Audit Committee	40,000	30,000
Nomination and Remuneration Committee	30,000	20,000

During the year, the Board, through the Nomination and Remuneration Committee, reviewed and revised the quantum of meeting allowances for UMB Board meetings from RM1,000 to RM2,500 per meeting as the Directors dedicate significant time to attending numerous meetings and engaging in strategic discussions.

Resolution 2, if approved, will empower the Company to pay remuneration (excluding Directors' fees) totalling RM344,000 to the Chairperson and Directors for the financial year ended 30 April 2025.

(8) Agenda 4

According to Clause 130 of the Company's Constitution, Dato Dr. Nik Ramlah Binti Nik Mahmood retires by rotation and is eligible for re-election at the Company's 111th AGM. Dato Dr. Nik Ramlah Binti Nik Mahmood has offered herself for re-election.

Through the Nomination and Remuneration Committee, the Board conducted due diligence and assessed the retiring director's fitness and propriety according to the Company's Fit and Proper Policy criteria. The Board also assessed the performance of Dato Dr. Nik Ramlah Binti Nik Mahmood during the annual evaluation exercise of the Board Committees and individual Directors. The Nomination and Remuneration Committee and the Board are satisfied with the suitability, performance, and effectiveness of Dato Dr. Nik Ramlah Binti Nik Mahmood.

Therefore, the Board recommends the shareholders approve Resolution 3 to re-elect Dato Dr. Nik Ramlah Binti Nik Mahmood as the Company's Director.

(9) Agenda 5

According to Clause 135 of the Company's Constitution, Mr. Tee Lip Zhun appointed Director on 12 June 2025 shall hold office until the 111th AGM. Mr. Tee Lip Zhun has offered himself for election.

Through the Nomination and Remuneration Committee, the Board conducted due diligence and assessed Mr. Tee Lip Zhun's fitness and propriety according to the Company's Fit and Proper Policy criteria. The Nomination and Remuneration Committee and the Board are satisfied with the result of their due diligence on Mr. Tee Lip Zhun.

Therefore, the Board recommends the shareholders approve Resolution 4 to elect Mr. Tee Lip Zhun as the Company's Director.

(10) Agenda 6

The Audit Committee (AC) considered Messrs. Crowe Malaysia PLT's (Crowe) qualifications and performance, the quality and openness of Crowe's communications with the AC and UMB Group, and Crowe's independence, objectivity, and professional scepticism. Having considered Crowe's audit quality, performance, competency, sufficiency of resources, objectivity, and independence, the AC was satisfied with the suitability of Crowe as the Company's External Auditors. On the AC's recommendation, the Board seeks shareholders' approval for the proposed reappointment of Crowe as the Company's Auditors at this AGM.

STATEMENT ACCOMPANYING NOTICE OF 111TH ANNUAL GENERAL MEETING

PURSUANT TO PARAGRAPH 8.27(2), APPENDIX 8A OF
THE BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS

- (1) Mr. Tee Lip Zhun is the Director standing for election.

Further details of Mr. Tee Lip Zhun can be found on page 16 under the Profile of Directors of this Annual Report. Details of his interests in the securities of the Company are set out in the Analysis of Shareholdings on page 198 of this Annual Report.

- (2) Dato Dr. Nik Ramlah Binti Nik Mahmood is the Director standing for re-election.

Her details (including disclosure of conflict of interest/potential conflict of interest) can be read on page 10 under the Profile of Directors in this Annual Report. She has no interests in the securities of the Company as shown in the Analysis of Shareholdings on page 198 of this Annual Report.

- (3) The records of Directors' attendance at Board Meetings held during the financial year ended 30 April 2025 are as follows:

Directors	Attendance	Percentage
Datin Paduka Tan Siok Choo	5 of 5 Meetings	100%
Mr. Teo Leng	5 of 5 Meetings	100%
Dato Dr. Nik Ramlah Binti Nik Mahmood	5 of 5 Meetings	100%
Mr. Ong Keng Siew	5 of 5 Meetings	100%
Mr. Tee Cheng Hua	5 of 5 Meetings	100%
Dato' Sri Tee Lip Sin	5 of 5 Meetings	100%
Mr. Han Kee Juan	5 of 5 Meetings	100%
Datin Noor Azimah Binti Abd. Rahim	5 of 5 Meetings	100%
Mr. Tee Lip Zhun*	-	-

*Appointed on 12 June 2025 (after FY 30 April 2025)

GROUP HIGHLIGHTS

	2025	2024
PRODUCTION		
Fresh fruit bunches	Tonne 454,861	Tonne 441,950
Crude palm oil	126,456	128,786
Palm kernel	25,359	26,837
FINANCIAL		
Revenue	RM'000 711,241	RM'000 595,640
Profit:		
Before tax	130,879	74,571
Net of tax	94,942	47,768
Profit net of tax attributable to:		
Owners of the Company	96,443	50,448
Non-controlling interests	(1,501)	(2,680)
	94,942	47,768
Earnings per share attributable to owners of the Company:		
Basic/Diluted	Sen 45.98	Sen 24.05
Dividend per share:		
Net	18.00	12.00
Total assets	RM'000 1,853,139	RM'000 1,848,728
Net assets per share attributable to owners of the Company	RM 7.16	RM 6.92

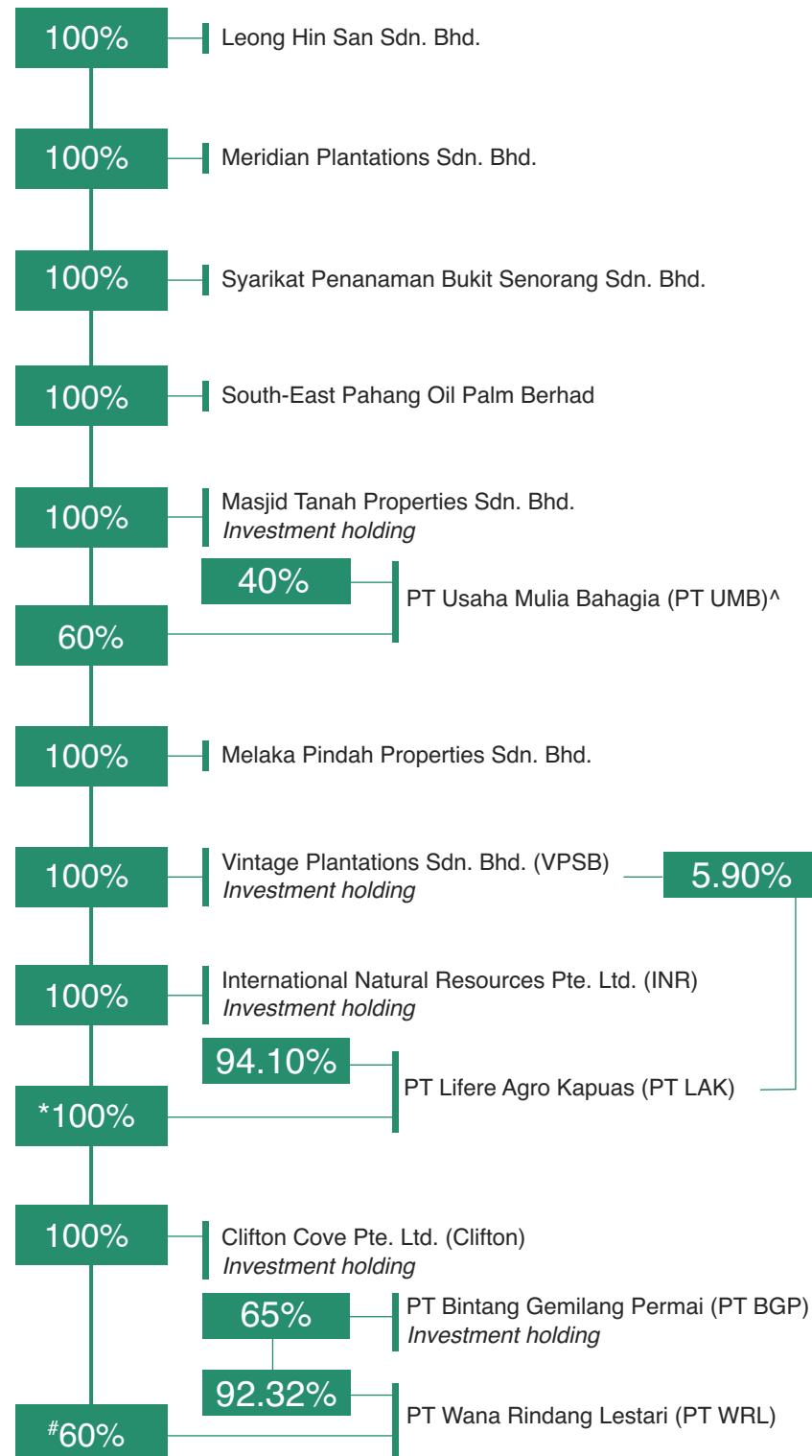
CORPORATE STRUCTURE

AS AT 6 AUGUST 2025



United Malacca Berhad

Registration No.191001000010 (1319-V)



* 100% effective equity interest in PT LAK through INR and VPSB.

60% effective equity interest in PT WRL through Clifton and PT BGP.

[^] UMB effectively holds 100% of PT UMB.

CORPORATE INFORMATION

BOARD OF DIRECTORS

DATIN PADUKA TAN SIOK CHOO (*Chairperson*)
Non-Independent Non-Executive Director

MR. TEO LENG
Non-Independent Non-Executive Director

DATO DR. NIK RAMLAH BINTI NIK MAHMOOD
Senior Independent Non-Executive Director

MR. ONG KENG SIEW
Independent Non-Executive Director

MR. TEE CHENG HUA
Non-Independent Non-Executive Director

DATO' SRI TEE LIP SIN
Executive Director

MR. HAN KEE JUAN
Independent Non-Executive Director

DATIN NOOR AZIMAH BINTI ABD. RAHIM
Independent Non-Executive Director

MR. TEE LIP ZHUN
Non-Independent Non-Executive Director

MR. NG MING SHERN
Alternate Director to Datin Paduka Tan Siok Choo

AUDIT COMMITTEE

Mr. Ong Keng Siew (Chairman)
Dato Dr. Nik Ramlah Binti Nik Mahmood
Mr. Han Kee Juan
Datin Noor Azimah Binti Abd. Rahim

NOMINATION AND REMUNERATION COMMITTEE

Dato Dr. Nik Ramlah Binti Nik Mahmood (Chairperson)
Mr. Ong Keng Siew
Mr. Tee Cheng Hua
Datin Noor Azimah Binti Abd. Rahim

SECRETARIES

Ms. Yong Yoke Hiong (MAICSA 7021707)
(SSM Practising Certificate No. 201908001562)
Ms. Pang Poh Chen (MAICSA 7069479)
(SSM Practising Certificate No. 201908001514)

SENIOR MANAGEMENT

Mr. Young Lee Chern
Chief Executive Officer
Mr. Er Hock Swee
Chief Financial Officer
Ms. Yong Yoke Hiong
Head of Group Administration & Corporate Affairs
and Human Resource
En. Abdul Razak Bin Md Aris
Head of Group Audit & Risk Management
Mr. Mageswaran Narappan
Acting Head of Engineering / Mill Controller

HEAD OFFICE/REGISTERED OFFICE

6th Floor, No. 61, Jalan Melaka Raya 8
Taman Melaka Raya, 75000 Melaka
P.O. Box 117, 75720 Melaka
Tel : 06-2823700
Fax : 06-2834599
Email : umb@unitedmalacca.com.my
Website : www.unitedmalacca.com.my

DATE AND PLACE OF INCORPORATION

Incorporated on 27 April 1910 in Malaysia

AUDITORS

Crowe Malaysia PLT
52, Jalan Kota Laksamana 2/15
Taman Kota Laksamana, Seksyen 2
75200 Melaka
Tel : 06-2825995
Fax : 06-2836449

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof Khoo Kay Kim, Seksyen 13
46200 Petaling Jaya, Selangor
Tel : 03-78904700
Fax : 03-78904670

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Sector : Plantation
Stock Short Name : UMCCA
Stock Code : 2593

PROFILE OF DIRECTORS



Datin Paduka Tan Siok Choo, is the Chairperson. She joined the Board as an Independent Non-Executive Director on 8 December 1988; the Directors unanimously appointed her as Chairperson in July 2011. On 17 July 2014, she was re-designated as a Non-Independent Non-Executive Director. She sits on the Board of the Group's subsidiaries: Leong Hin San Sdn. Bhd., Meridian Plantations Sdn. Bhd., Syarikat Penanaman Bukit Senorang Sdn. Bhd., South-East Pahang Oil Palm Berhad, and Vintage Plantations Sdn. Bhd.. She is the President Commissioner of PT Lifere Agro Kapuas as well as a Commissioner of the Group's subsidiaries in Indonesia: PT Bintang Gemilang Permai, PT Wana Rindang Lestari, and PT Usaha Mulia Bahagia.

Datin Paduka Tan Siok Choo holds a Bachelor of Law from the University of Bristol, U.K., and was admitted as a Barrister at Lincoln's Inn, London in 1976 and called to the Malaysian Bar in 1977.

On 31 October 2015, Datin Paduka Tan Siok Choo was conferred the Honorary Doctorate of Philosophy in Plantation Management by Universiti Putra Malaysia to recognise her contribution to the plantation industry.

Datin Paduka Tan Siok Choo has had a varied career. She worked at the Institute of Strategic and International Studies (ISIS) Malaysia, in Corporate Finance at Southern Bank Berhad, and as an investment analyst for Rashid Hussain Securities and Morgan Grenfell Asia & Partners' Securities. Apart from a short stint with the world's largest executive search firm, Korn Ferry International, she spent 10 years as a journalist with Business Times and The Sunday Star.

DATIN PADUKA TAN SIOK CHOO

CHAIRPERSON & NON-INDEPENDENT
NON-EXECUTIVE DIRECTOR

Age	73
Gender	Female
Nationality	Malaysian

Datin Paduka Tan Siok Choo is a Trustee of the Tun Tan Cheng Lock Foundation and the TARC Education Foundation. She served on the Board of OCBC Bank (Malaysia) Berhad and OCBC AL-AMIN Bank Berhad for 14 years until her retirement on 27 July 2014.

She is not related to any Director and/or major shareholder of United Malacca Berhad and has no conflict of interest or potential conflict of interest with the Company or its subsidiaries. She has no personal interest in any business arrangement involving the Company or its subsidiaries.

She attended all five Board Meetings held during the financial year ended 30 April 2025.

Datin Paduka Tan Siok Choo has not been convicted of any offence within the past 5 years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year.

PROFILE OF DIRECTORS

(continued)

MR. TEO LENG

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Age	73
Gender	Male
Nationality	Malaysian



Mr. Teo Leng, was appointed as an Independent Non-Executive Director on 1 September 2009. He was re-designated as a Non-Independent Non-Executive Director on 10 July 2017. He is a director of several subsidiaries of the Group in Malaysia. He is a Commissioner of PT. Lifere Agro Kapuas, PT. Bintang Gemilang Permai, and PT. Wana Rindang Lestari, the Group's subsidiaries in Indonesia.

Mr. Teo graduated with First Class Honours in Bachelor of Agriculture Science from the University of Malaya in 1976. He holds a Master of Science (Soil Chemistry) from the University of Wisconsin in Madison, USA.

He joined the Malaysian Agricultural Research and Development Institute (MARDI) in 1976 as a Research Officer. He began his career at EPA Management Sdn. Bhd., a subsidiary of Kulim (Malaysia) Berhad, as an Agronomist in 1983, rising in ranks to Director of Research and Development in January 1996. In January 2002, he was appointed Estate Director (Malaysia), which he held until his retirement in April 2008. He was a Consulting Advisor (Plantations) with Kulim (Malaysia) Berhad until March 2011.

During his 28-year career at EPA Management Sdn. Bhd., Mr. Teo was responsible for the full implementation of certification requirements under Roundtable for Sustainable Palm Oil (RSPO). He was also involved in developing and commercialising of the Mill Integrated

Waste Management System (MIWAMAS), a green technology that converts empty fruit bunches and palm oil mill effluent to bio compost.

He has been an active committee member of national associations in the oil palm, rubber and cocoa industries. He was a past Board member of the Malaysian Palm Oil Board (MPOB). He was also a Council member of the Malaysian Palm Oil Association (MPOA), The Malayan Agricultural Producers Association (MAPA), and the Environmental Quality Council (EQC) of Kementerian Sumber Asli & Alam Sekitar. Currently, he is a member of the MPOA Council and its Research and Development Main Committee. Mr. Teo was an Independent and Non-Executive Director of Southern Acids (M) Berhad until 25 September 2020. Mr. Teo was also the director of several other companies in Malaysia.

He is not related to any Director and/or major shareholder of United Malacca Berhad and has no conflict of interest or potential conflict of interest with the Company or its subsidiaries. He has no personal interest in any business arrangement involving the Company or its subsidiaries.

He attended all five Board Meetings held during the financial year ended 30 April 2025.

Mr. Teo has not been convicted of any offence within the past 5 years. He has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year.

PROFILE OF DIRECTORS

(continued)



Dato Dr. Nik Ramlah Binti Nik Mahmood, was appointed as an Independent Non-Executive Director on 3 January 2017. She is the Chairperson of the Nomination and Remuneration Committee and a member of the Audit Committee.

Dato Dr. Nik Ramlah holds a First Class Honours in Law from the University of Malaya and LLM and Ph.D. from the University of London.

She retired as Deputy Chief Executive of Securities Commission Malaysia (SC) in March 2016. Before joining the SC in 1993, Dato Dr. Nik Ramlah was an Associate Professor at the Faculty of Law, University of Malaya.

Dato Dr. Nik Ramlah is a member of the Board of Directors of Perbadanan Insurans Deposit Malaysia (PIDM) and the Institute for Capital Market Research Malaysia. She is also a Board member of INCEIF University.

DATO DR. NIK RAMLAH BINTI NIK MAHMOOD

SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

Age	69
Gender	Female
Nationality	Malaysian

Dato Dr. Nik Ramlah is a Board member of Permodalan Nasional Berhad and Amanah Saham Nasional Berhad. She is the Senior Independent Non-Executive Director of Axiata Group Berhad.

She is not related to any Director and/or major shareholder of United Malacca Berhad and has no conflict of interest or potential conflict of interest with the Company or its subsidiaries. She has no personal interest in any business arrangement involving the Company or its subsidiaries.

She attended all five Board Meetings held during the financial year ended 30 April 2025.

Dato Dr. Nik Ramlah has not been convicted of any offence within the past 5 years. She has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year.

PROFILE OF DIRECTORS

(continued)

MR. ONG KENG SIEW

INDEPENDENT NON-EXECUTIVE DIRECTOR

Age	69
Gender	Male
Nationality	Malaysian



Mr. Ong Keng Siew, was appointed as an Independent Non-Executive Director on 19 January 2017. He is the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committee. He is the President Director of PT. Wana Rindang Lestari and PT. Bintang Gemilang Permai, the Group's subsidiaries in Indonesia.

Mr. Ong is a Fellow of the Association of Chartered Certified Accountants, United Kingdom, and a member of the Malaysian Institute of Accountants.

Mr. Ong had an impressive career spanning over 30 years at Paramount Corporation Berhad. Mr. Ong joined Paramount Corporation Berhad as an Accountant in 1981 and rose through the ranks of Finance and Administration Manager and General Manager. He was appointed to the Board of Paramount Corporation Berhad on 14 November 1994. He assumed the posts of Deputy Group Managing Director & Deputy Group CEO in 1997 and was appointed as the Managing Director & CEO of Paramount Corporation Berhad on 1 December 2008. He retired as the Managing Director & CEO of Paramount Corporation Berhad on 18 June 2012.

He is currently an Independent Non-Executive Director of Paramount Corporation Berhad, Pekat Group Berhad and a listed company in Australia, PRL Global Ltd. He is also a director of Perbadanan Asset Keretapi (Railway Assets Corporation), a federal statutory body established under the Railway Act 1991.

He is not related to any Director and/or major shareholder of United Malacca Berhad and has no conflict of interest or potential conflict of interest with the Company or its subsidiaries. He has no personal interest in any business arrangement involving the Company or its subsidiaries.

He attended all five Board Meetings held in the financial year ended 30 April 2025.

Mr. Ong has not been convicted of any offence within the past 5 years. He has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year.

PROFILE OF DIRECTORS

(continued)



MR. TEE CHENG HUA

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Age	71
Gender	Male
Nationality	Malaysian

Mr. Tee Cheng Hua, joined United Malacca Berhad as a Non-Independent Non-Executive Director on 1 October 2019. He is a member of the Nomination and Remuneration Committee. Mr. Tee is an uncle of Dato' Sri Tee Lip Sin and a father of Mr. Tee Lip Zhun.

Mr. Tee graduated with a Bachelor of Mechanical Engineering from the University of Technology Malaysia in 1978.

He started his career as an Engineer with Highlands and Lowlands Bhd. and was subsequently a Mill Manager/Engineer with Kulim (M) Bhd.

Mr. Tee is a Non-Independent Senior Executive Director of Far East Holdings Bhd. He is also the Senior Executive Director of Prosper Group of Companies and a Director of Prosper Capital Holdings Sdn. Bhd., one of the major shareholders of United Malacca Berhad.

Mr. Tee is a Director of Future Prelude Sdn Bhd, an integrated oleochemical company specialising in producing several oleochemical products and biodiesel using sustainable palm oil as feedstock.

Mr. Tee is also active in renewal energy businesses and sits on the Board of several companies involving solar, hydro, and biogas power generation.

He has no personal interest in any business involving the Company or its subsidiaries except that he shall be deemed interested in transactions that may be carried out in the ordinary course of business by the Company or its subsidiaries with Prosper Group or its related companies.

He attended all five Board Meetings held during the financial year ended 30 April 2025.

Mr. Tee has not been convicted of any offence within the past 5 years. He has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year.

PROFILE OF DIRECTORS

(continued)

DATO' SRI TEE LIP SIN

EXECUTIVE DIRECTOR

Age 54

Gender Male

Nationality Malaysian



Dato' Sri Tee Lip Sin, was appointed Alternate Director to his uncle, Mr. Tee Cheng Hua on 1 October 2019. He was subsequently appointed as a Non-Independent Non-Executive Director on 25 February 2021. Effective 1 January 2023, he was re-designated as Non-Independent Executive Director and assumed the role of the Company's Executive Director. He is a Commissioner of PT. Lifere Agro Kapuas, the Group's subsidiary in Indonesia and is a Director of the Group's associate company, PARAS (Progress Agricultural Research and Services) Sdn. Bhd.. He is a cousin of Mr. Tee Lip Zhun.

Dato' Sri Tee Lip Sin graduated with a Master of Business Administration from the University of Sunderland. He also holds a Degree in Business Administration from the University of Wales, an Associate Diploma in Commerce from Curtin University, Australia and an Executive Diploma in Plantation Management from the University of Malaya.

Dato' Sri Tee Lip Sin started his career as an executive at Prosper Capital Holdings Sdn. Bhd. ("Prosper") in 1995 and subsequently rose to the rank of Executive Director. He is the Group Managing Director of Prosper Group and a Director of Prosper Trading Sdn. Bhd., a major shareholder of United Malacca Berhad.

Dato' Sri Tee Lip Sin also sits on the Board of several private companies in plantation and milling businesses. He is a Director of PRL Global Ltd, a listed company in Australia.

He is also a Director of Phosphate Resources (Malaysia) Sdn. Bhd. and Phosphate Resources (Singapore) Pte Ltd. in fertiliser businesses.

He has no personal interest in any business involving the Company or its subsidiaries except that he shall be deemed interested in transactions that may be carried out in the ordinary course of business by the Company or its subsidiaries with Prosper or its related companies.

He attended all five Board Meetings held during the financial year ended 30 April 2025.

Dato' Sri Tee Lip Sin has not been convicted of any offence within the past 5 years. He has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year.

PROFILE OF DIRECTORS

(continued)



MR. HAN KEE JUAN

INDEPENDENT NON-EXECUTIVE DIRECTOR

Age 73

Gender Male

Nationality Malaysian

Mr. Han Kee Juan, joined United Malacca Berhad as an Independent Non-Executive Director on 3 June 2021. He is a member of the Audit Committee.

Mr. Han graduated with a Bachelor of Agriculture Science (Hons) from the University of Malaya in 1976.

After graduating from the University of Malaya in 1976, Mr. Han joined Highlands Research Unit as a Research Officer.

He moved to Eastern Plantation Agency in 1981 and served as an Agronomist.

Mr. Han joined IOI Corporation Bhd in 1989 as a Senior Agronomist/Senior Manager.

Mr. Han founded Budi-JS Plantation Management Sdn Bhd in 1992. He is the Managing Director of the said company, the Managing Agents for estates owned by Koperasi Serbausaha Makmur Bhd (Kosma).

Mr. Han is the Plantation Advisor for Prosper Group and Far East Holdings Berhad. He provides plantation advisory services to more than 100,000 hectares of plantations in Malaysia and Papua New Guinea.

He is not related to any Director and/or major shareholder of United Malacca Berhad and has no conflict of interest or potential conflict of interest with the Company or its subsidiaries. He has no personal interest in any business arrangement involving the Company or its subsidiaries.

He attended all five Board Meetings held during the financial year ended 30 April 2025.

Mr. Han has not been convicted of any offence within the past 5 years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies.

PROFILE OF DIRECTORS

(continued)

DATIN NOOR AZIMAH BINTI ABD. RAHIM

INDEPENDENT NON-EXECUTIVE DIRECTOR

Age 64

Gender Female

Nationality Malaysian



Datin Noor Azimah Binti Abd. Rahim, was appointed as an Independent Non-Executive Director on 1 May 2023. She is a member of the Audit Committee as well as a member of the Nomination and Remuneration Committee.

Datin Noor Azimah is an Associate of the Chartered Institute of Management Accountants (CIMA), United Kingdom, since 1993.

She started her career as an Administrative Officer/Executive Assistant to the Adviser of Bank Negara Malaysia from September 1986 to July 1988. She joined Price Waterhouse Associates as an Associate Consultant from August 1988 to March 1990. From 1990 to 2000, she was a Dealer Representative at Rashid Hussain Securities, Kuala Lumpur.

Currently, Datin Noor Azimah is the Chairman of the Parent Action Group for Education Malaysia (PAGE) and Elena Cooke Education Fund (ECEF). She is also a member of G25, a Director of the Edunity Foundation, and a Columnist for The Edge.

She is not related to any Director and/or major shareholder of United Malacca Berhad and has no conflict of interest or potential conflict of interest with the Company or its subsidiaries. She has no personal interest in any business arrangement involving the Company or its subsidiaries.

She attended all five Board Meetings during the financial year ended 30 April 2025.

Datin Noor Azimah has not been convicted of any offence within the past 5 years. She has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year.

PROFILE OF DIRECTORS

(continued)



MR. TEE LIP ZHUN

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Age	39
Gender	Male
Nationality	Malaysian

Mr. Tee Lip Zhun, was appointed as a Non-Independent Non-Executive Director on 12 June 2025. He is the son of Mr. Tee Cheng Hua and a cousin of Dato' Sri Tee Lip Sin.

Mr. Tee graduated with an Honors Bachelor's Degree in Civil Engineering from the University of Melbourne, Australia in 2008. He also holds an Intensive Diploma in Oil Palm Management & Technology (First Distinction) from the Malaysian Palm Oil Board where he was awarded the Best Performing Candidate for the course.

He started his career as a Site Engineer with Prebuilt Pty Ltd (Australia) from 2008 to 2010 and then joined Drive Project Pty Ltd (Australia) as a Project Engineer from 2010 to 2012.

Mr. Tee is a director of the Prosper Group. He is the Executive Director of the Group's associate company, PARAS (Progressive Agricultural Research and Services) Sdn. Bhd. and Top Plant Laboratories Sdn. Bhd., overseeing their plantation agronomy, advisory and tissue culture business. Apart from that, he is also a director of property development companies, Rangkaian Jasa Sdn. Bhd. and DB World Sdn. Bhd..

He has no personal interest in any business involving the Company or its subsidiaries except that he shall be deemed interested in transactions that may be carried out in the ordinary course of business by the Company or its subsidiaries with Prosper Group or its related companies.

He was appointed to the Board on 12 June 2025. Therefore, he has no record of attendance at Board Meetings held during the financial year ended 30 April 2025.

Mr. Tee has not been convicted of any offence within the past 5 years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies.

PROFILE OF DIRECTORS

(continued)

MR. NG MING SHERN

ALTERNATE DIRECTOR TO DATIN PADUKA TAN SIOK CHOO

Age	40
Gender	Male
Nationality	Malaysian



Mr. Ng Ming Shern, was appointed Alternate Director to Datin Paduka Tan Siok Choo in United Malacca Berhad on 1 October 2024. He is a nephew of Datin Paduka Tan Siok Choo.

Mr. Ng graduated with a Bachelor of Science (Hons) in Psychology from the University of Nottingham in 2006. He started his career as a Management Consultant with Accenture from 2006 to 2010 and then joined Deloitte Consulting South East Asia from 2010 to 2015. Since 2015, Mr. Ng has been an independent contractor in management consulting. He has experience in analysing, designing and implementing changes in organisational design and processes to improve the effectiveness of the organisation's people, processes, and systems.

He has no conflict of interest or potential conflict of interest with the Company or its subsidiaries. He has no personal interest in any business arrangement involving the Company or its subsidiaries.

Mr. Ng has not been convicted of any offence within the past 5 years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies.

PROFILE OF CHIEF EXECUTIVE OFFICER



MR. YOUNG LEE CHERN

CHIEF EXECUTIVE OFFICER

Age	47
Gender	Male
Nationality	Malaysian

Mr. Young Lee Chern, was appointed Chief Executive Officer on 1 July 2021. He joined United Malacca Berhad as Chief Financial Officer on 13 February 2019 and was subsequently promoted to Chief Operating Officer/Chief Financial Officer on 1 October 2019.

Mr. Young is a Fellow of the Association of Chartered Certified Accountants, United Kingdom, and a member of the Malaysian Institute of Accountants.

Mr. Young has over 20 years of working experience in auditing, accounting, and finance in Malaysia and Indonesia. He was the Audit Manager of KPMG KL and was subsequently the Branch Manager of KPMG Melaka. Before returning to Malaysia, he was the Senior Financial Controller of a private equity-owned plantation group and Financial Controller of Genting Plantations Berhad in Indonesia.

Mr. Young is currently a Council member of the Malaysian Palm Oil Association (MPOA) and the Malaysian Estate Owner's Association (MEOA). He is also a Director of the Group's subsidiaries in Malaysia, namely, Leong Hin San Sdn. Bhd., Meridian Plantations Sdn. Bhd., Syarikat Penanaman Bukit Senorang Sdn. Bhd., South-East Pahang Oil Palm Berhad, Masjid Tanah Properties Sdn. Bhd., Melaka Pindah Properties Sdn. Bhd and Vintage Plantations Sdn. Bhd. as well as the President Director of PT. Lifere Agro Kapuas, Director of PT. Bintang Gemilang Permai, PT. Wana Rindang Lestari and PT. Usaha Mulia Bahagia, the Group's subsidiaries in Indonesia. He is a Director of the Group's associate company, PARAS (Progress Agricultural Research and Services) Sdn. Bhd..

He is not related to any Director and/or major shareholder of United Malacca Berhad and has no conflict of interest or potential conflict of interest with the Company or its subsidiaries. He has no personal interest in any business arrangement involving the Company or its subsidiaries.

Mr. Young has not been convicted of any offence within the past 5 years and has not been imposed with any public sanction or penalty by regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT

MR. ER HOCK SWEE
CHIEF FINANCIAL OFFICER

Age	48
Gender	Male
Nationality	Malaysian



Date Appointed as Key Senior Management:
1 July 2021

Qualification:

- Bachelor of Accountancy (Universiti Putra Malaysia)
- Member of the Malaysian Institute of Accountants

Working Experience:

- Audit Assistant Manager of SC Lim, Ng & Co. (2001 - 2006)
- United Malacca Berhad (since April 2006)

MS. YONG YOKE HIONG
HEAD OF GROUP ADMINISTRATION
& CORPORATE AFFAIRS AND
HUMAN RESOURCE

Age	55
Gender	Female
Nationality	Malaysian



Date Appointed as Key Senior Management:
1 July 2019

Qualification:

- Associate of The Malaysian Institute of Chartered Secretaries and Administrators

Working Experience:

- Gymtech Devt Sdn. Bhd. (1994 - 1995)
- KCA Corporate Services Sdn. Bhd. (1995 - 1997)
- United Malacca Berhad (since 1997)

**EN. ABDUL RAZAK
BIN MD. ARIS**
HEAD OF GROUP AUDIT AND RISK
MANAGEMENT

Age	56
Gender	Male
Nationality	Malaysian



Date Appointed as Key Senior Management:
1 July 2019

Qualification:

- Bachelor of Accountancy (Hons.)
- Chartered Member - The Institute of Internal Auditors Malaysia (IIAM)

Working Experience:

- Golden Hope Plantations Berhad (1993 - 1995)
- The News Straits Times Press (M) Berhad (1995 - 1997)
- Nestle Malaysia Berhad (1997 - 2000)
- Straits Securities Sdn Bhd (2000 - 2002)
- United Malacca Berhad (since 2002)

**MR. MAGESWARAN
NARAPPAN**
ACTING HEAD OF ENGINEERING /
MILL CONTROLLER

Age	51
Gender	Male
Nationality	Malaysian



Date Appointed as Key Senior Management:
1 January 2022

Qualification:

- Bachelor of Engineering Honours (Mechanical-Pure) by University Technology of Malaysia
- Diploma in Palm Oil Milling and Technology by Malaysian Palm Oil Board (MPOB)
- 1st Grade of Steam Engineer Competency, (137/2009) by DOSH

Working Experience:

- Cadet Engineer in Socfin Plantation Berhad (1998)
- Mill Engineer in Berjaya Plantation Mill Engineer (1998 - 2004)
- Resident Engineer (Palm Oil Mill Manager) in United Plantations Berhad (2004 - 2016)
- Mill Manager in Sinarmas, Riau Sumatera, Indonesia (2016 - 2017)
- Senior Mill Manager in Good Hope Holding Asia (2017 - 2019)
- United Malacca Berhad (since 2019)

Save as disclosed, the above Key Senior Management members have no directorship in public companies, no family relationship with any Director and/or major shareholders of United Malacca Berhad, no conflict of interest or potential conflict of interest with the Company or its subsidiaries, have not been convicted of any offence within the past 5 years and have not been imposed with any penalty by the relevant regulatory bodies during the financial year 2025.

GROUP TITLED AREA STATEMENT

LAND BANK ANALYSIS

	Malaysia	Indonesia (Inti)	Total exclude Plasma	Indonesia (Plasma *)	Total
	Ha	Ha	Ha	Ha	Ha
Matured	17,897	7,185	25,082	5,175	30,257
Immature	1,582	983	2,565	20	2,585
Total Planted	19,479	8,168	27,647	5,195	32,842
Land clearing	-	270	270	2	272
Plantable	48	3,282	3,330	-	3,330
Unplantable ^	4,055	2,453	6,508	5,237	11,745
Total Land Bank *	23,582	14,173	37,755	10,434	48,189

* Plasma is a programme initiated by the Indonesian Government to develop smallholders' plantations with the assistance of plantation companies.

^ Land area for canals, roads, buildings, villages and forest reserve area.

• The above land bank does not include land with the business licence "Izin Usaha Pemanfaatan Hasil Hutan Kayu Pada Hutan Tanaman Industri" (HTI Licence) over approximately 59,920 hectares in Sulawesi owned by an Indonesian subsidiary, PT Wana Rindang Lestari (PT WRL).

LOCATION MAP OF GROUP'S ESTATES & MILLS



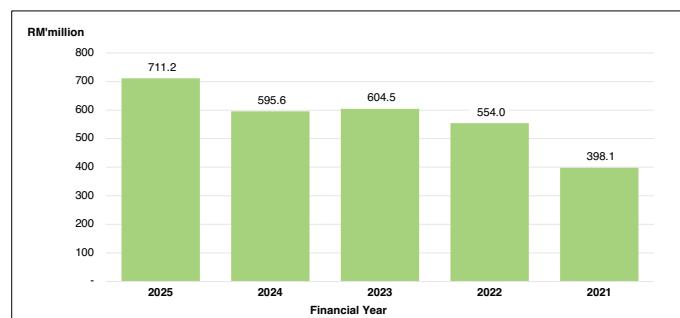
FIVE YEARS' PLANTATION STATISTICS

	2025	2024	2023	2022	2021
ESTATES					
Fresh fruit bunches (FFB) production (tonne)					
- Malaysian operations	345,946	348,084	361,825	317,206	313,198
- Indonesian operations	108,915	93,866	61,098	55,426	57,622
Yield per weighted average mature hectare (tonne/ha)					
- Malaysian operations	19.5	19.4	20.2	17.5	17.1
- Indonesian operations	15.2	13.9	10.1	9.5	10.3
MILLS					
Malaysian operations					
FFB processed (tonne)	374,734	377,946	419,216	314,681	339,368
Production					
- Crude palm oil (tonne)	70,890	72,764	78,729	60,757	64,938
- Palm kernel (tonne)	17,006	17,318	17,758	13,719	15,581
Oil extraction rate (OER) (%)	18.9	19.3	18.8	19.3	19.1
Kernel extraction rate (KER) (%)	4.5	4.6	4.2	4.4	4.6
Indonesian operations					
FFB processed (tonne)	285,431	269,981	169,914	126,275	170,632
Production					
- Crude palm oil (tonne)	55,566	56,022	32,256	27,037	36,331
- Palm kernel (tonne)	8,353	9,519	4,922	3,806	5,043
OER (%)	19.5	20.8	19.0	21.4	21.3
KER (%)	2.9	3.5	2.9	3.0	3.0
AVERAGE SELLING PRICE					
Crude palm oil (RM/tonne)					
- Malaysian operations	4,366	3,830	4,387	4,706	2,829
- Indonesian operations	3,843	3,398	3,386	3,613	2,536
Palm kernel (RM/tonne)					
- Malaysian operations	3,050	2,076	2,309	3,441	1,834
- Indonesian operations	2,780	1,615	1,952	2,504	1,582
FFB (RM/tonne)					
- Malaysian operations	864	721	811	967	584
- Indonesian operations	821	714	695	748	484

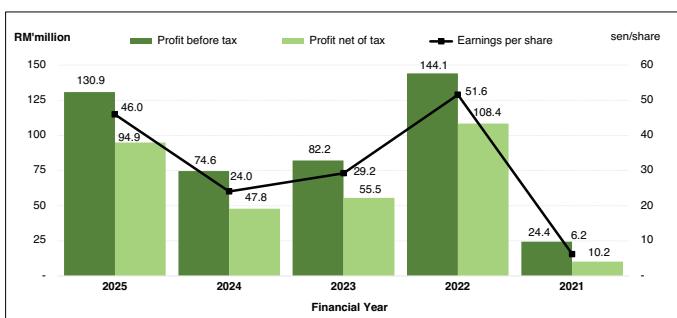
FIVE YEARS' FINANCIAL STATISTICS

	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000	2021 RM'000
REVENUE					
Plantation	711,241	595,640	604,497	553,962	398,069
GROUP PROFIT					
Plantation:					
Oil palm products	154,717	93,459	82,606	158,026	44,620
Interest expense	(2,706)	(4,024)	(4,455)	(4,250)	(4,928)
Profit from plantation activities	152,011	89,435	78,151	153,776	39,692
Investment holding:					
Investment (expense)/income	(17,254)	(10,279)	5,075	6,818	2,589
Interest expense	(3,935)	(4,585)	(3,065)	(1,414)	(1,827)
Profit from operations	130,822	74,571	80,161	159,180	40,454
Impairment of intangible asset	-	-	-	(12,336)	(16,034)
Impairment of other asset	-	-	(3,569)	-	-
Net reversal of impairment of bearer plants	-	-	3,816	-	-
Loss on termination of lease liabilities	-	-	(902)	-	-
Reversal of discounting value/discounting value of Plasma receivables	-	-	2,715	(2,709)	-
Share of results of associate	57	-	-	-	-
Profit before tax	130,879	74,571	82,221	144,135	24,420
Taxation	(35,937)	(26,803)	(26,700)	(35,784)	(14,230)
Profit net of tax	94,942	47,768	55,521	108,351	10,190
Profit net of tax attributable to:					
Owners of the Company	96,443	50,448	61,326	108,189	13,014
Non-controlling interests	(1,501)	(2,680)	(5,805)	162	(2,824)
	94,942	47,768	55,521	108,351	10,190
Earnings per share attributable to owners of the Company (sen)	46.0	24.0	29.2	51.6	6.2

Revenue



Profit and Earnings Per Share



FIVE YEARS' FINANCIAL STATISTICS

(continued)

	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000	2021 RM'000
ASSETS					
Property, plant and equipment	625,739	667,246	681,180	671,298	665,066
Right-of-use assets	757,165	786,935	806,120	788,442	796,067
Goodwill on consolidation	82,474	82,474	82,474	82,474	82,474
Intangible asset	191	220	233	234	12,562
Investment in associate	657	-	-	-	-
Other asset	-	-	-	3,501	3,538
Other receivables (non-current)	-	-	-	15,647	-
Current assets	386,913	311,853	271,936	274,106	172,874
Total assets	1,853,139	1,848,728	1,841,943	1,835,702	1,732,581
EQUITY AND LIABILITIES					
Equity					
Share capital	255,375	255,375	255,375	255,375	255,375
Other reserves	(31,570)	(11,391)	(3,949)	(6,026)	(16,387)
Retained earnings	1,279,078	1,207,846	1,182,385	1,152,552	1,069,714
Equity attributable to owners of the Company	1,502,883	1,451,830	1,433,811	1,401,901	1,308,702
Non-controlling interests	23,811	29,478	33,578	38,914	32,723
Total equity	1,526,694	1,481,308	1,467,389	1,440,815	1,341,425
Liabilities					
Bank borrowings	60,438	102,932	110,496	117,388	124,754
Lease liabilities	3,211	4,105	2,994	7,951	7,459
Retirement benefit obligation	1,277	1,135	1,059	1,037	805
Trade and other payables	65,209	64,253	65,365	63,626	59,155
Income tax payable	5,685	-	-	8,613	-
Deferred tax liabilities	190,625	194,995	194,640	196,272	198,983
Total liabilities	326,445	367,420	374,554	394,887	391,156
Total equity and liabilities	1,853,139	1,848,728	1,841,943	1,835,702	1,732,581
FINANCIAL STATISTICS					
Earnings per share (sen)	46.0	24.0	29.2	51.6	6.2
Net dividend per share (sen)	18.0	12.0	12.0	15.0	10.0
Net dividend yield per share (%)	3.6	2.4	2.2	2.6	2.0
Return on average total assets (%)	5.1	2.6	3.0	6.1	0.6
Return on average equity (%)	6.3	3.2	3.8	7.8	0.8
Price earnings ratio (times)	11.0	21.1	18.4	11.0	82.2
Net assets per share (RM)	7.2	6.9	6.8	6.7	6.2
Share price as at financial year end (RM)	5.05	5.07	5.38	5.68	5.10
Debt/Equity (%)	4.0	6.9	7.5	8.1	9.3

CHAIRPERSON'S STATEMENT



**Datin Paduka
Tan Siok Choo**
Chairperson

Dear Shareholders,

On behalf of the Board of Directors of United Malacca Berhad (UMB), I present the Group's Annual Report and Audited Financial Statements for the financial year ended 30 April 2025 (FY 2025).

OVERVIEW

FY 2025 was a landmark financial year for UMB. First, on 27 April 2025 – three days before the financial year end – was the 115th anniversary of UMB's establishment by my grandfather, Tun Tan Cheng Lock.

Second, FY 2025 marked the second time within the last three years that UMB notched record profits. In the financial year ended 30 April 2022 (FY 2022), UMB's pre-tax profit hit an all-time high of RM144.1 million. Three years later, in FY 2025, UMB recorded the third-highest pre-tax profit of RM130.9 million.

That UMB was able to achieve two years of peak earnings, despite the three-year COVID-19 pandemic that ended only in May 2023 when the World Health Organisation declared an end to this public health emergency, underscores the calibre of UMB's top management. On 1 July 2021, Mr Young Lee Chern was appointed UMB's Chief Executive Officer (CEO).

Mr Young is ably supported by a triumvirate comprising Chief Financial Officer, Mr Er Hock Swee, Head of Group Administration & Corporate Affairs and Human Resources, Ms Yong Yoke Hiong, who is also the highest-ranked lady executive in UMB, and Head of Group Audit and Risk Management, Encik Abdul Razak Bin Md Aris.

Going forward, UMB faces significant challenges, domestic and foreign.

CHAIRPERSON'S STATEMENT

(continued)

OVERVIEW (continued)

On 31 July this year, Prime Minister Dato' Seri Anwar Ibrahim tabled the Thirteenth Malaysia Plan (13MP) in Parliament. Broad economic targets for the five-year period include raising Gross National Income per capita from RM54,894 in 2024 to RM77,200 by 2030, reducing the fiscal deficit from 4.1% in 2024 to less than 3% by 2030 and improving Malaysia's ranking in International Institute for Management Development (IMD)'s Competitiveness Index from 23rd this year to 12th or lower by 2030.

Datuk Dr Anis Yusof, executive director of the International Institute of Public Policy and Management, Universiti Malaya, has called for human-centric development. Others have suggested accelerating infrastructure development in Sabah and Sarawak to narrow the gap between these two states and that in the Peninsula.

Two 13MP targets could impact the plantation sector significantly. First, the 13MP calls for transforming Malaysia's agriculture sector into a modern, competitive, and sustainable industry.

Second is the need to reduce this country's dependence on foreign workers from the current 15% to 10% by 2030 and a further to 5% by 2035. Starting in 2026, the 13MP will implement a Multi-Tiered Levy Mechanism (MTLM) with different levy rates based on the level of sector dependence on foreign workers. Proceeds from the MTLM will be channelled to a trust fund to promote automation and mechanisation.

Although major plantation companies have made sustained efforts to mechanise harvesting, the most onerous task in estates, eliminating totally the need for human involvement is still challenging. Given oil palm companies' significant contribution to the country's export earnings, hopefully the need to reduce foreign labour, while admirable, will be tempered with realism.

One possibility is shorter oil palms. Dwarf coconut palms are now a reality; this suggests nurturing shorter oil palms is feasible. Because the genomes of oil palms are more complex than that for coconuts, cultivating a shorter oil palm is technically more challenging than that for coconuts.

External challenges that could impact the Malaysian economy and by extension, plantation companies, are United States (US) President Donald Trump's proposed global tariffs and his "One Big Beautiful Bill" that has now become law and is now the "One Big Beautiful Act" (OBBA).

Levies on Malaysian exports to the US were initially raised by one percentage point to 25%. Later, Malaysia's tariffs were lowered to 19%, on par with that offered to many ASEAN



Mechanisation in fertiliser application.

countries. In return for lower tariffs, Kuala Lumpur agreed to buy US\$240 billion of American goods, a deal that some analysts warn outstrips this country's existing trade with the Americans.

In comparison, tariffs on Indonesia were slashed from the original 32% level to 19% after Jakarta undertook to buy US\$15 billion of American energy supplies and US\$4.5 billion of US farm goods while agreeing to zero levies on US exports to Indonesia and to pay a penalty on transhipment of goods from China to the US via Indonesia.

Additionally, Garuda Indonesia plans to buy 50 Boeing jets with a reported total price tag of US\$3.2 billion, news reports show. A rough calculation suggests Jakarta will need to fork out a total of US\$23 billion in purchases from Washington.

Malaysia's Investment, Trade & Industry Minister Tengku Datuk Seri Utama Zafrul Tengku Abdul Aziz said non-tariff barriers were a key issue between the US and Malaysia. Sticking points include halal certification that affects American beef, regulations governing imports of US pharmaceuticals and poultry to this country as well as Malaysian government procurement policies, he added.

In response, Prime Minister Datuk Seri Anwar Ibrahim says the Malaysian government drew "a red line" in trade talks on national policies, including preferential treatment for Bumiputras.

Recently, Trump announced a 100% tariff on US imports of semiconductors. Only companies that have manufacturing facilities in the US or are committed to doing so will be exempted. Malaysia is seeking clarification whether existing facilities in the US count towards the exemption or whether new investments are required.

Another issue that could significantly impact the US economy, and by extension that of Malaysia, is Trump's OBBA.

CHAIRPERSON'S STATEMENT

(continued)



Visit to Machap Estate by Directors and Senior Management.

OVERVIEW (continued)

Former US Treasury Secretary and economist Larry Summers warns the OBBA will grow future US budget deficits very substantially, potentially leading to a “dynamic of higher deficits, larger interest rates, slower growth or worse deficits”.

Additionally, the OBBA could cause US federal deficits to balloon by US\$3.4 trillion over the next 10 years, causing Washington to fork out more than US\$1 trillion in interest on federal government debt per year, data from the Congressional Budget Office (CBO) projects.

Larger US budget deficits could trigger a subsequent rise in US interest rates and this, in turn, could spill over to Malaysia.

Trump's actions will push the average US tariff rate to 15.2%, according to Bloomberg Economics estimates, well above 2.3% last year and the highest level since the World War II era.

US Treasury data show customs duties have surged to a record US\$113 billion on a gross basis over the nine months of fiscal 2025; the US government's fiscal year begins on 1st October.

Brad Jensen, a professor at the McDonough School of Business at Georgetown University, says growing tariff revenues and jobs simultaneously in the US cannot be true. If there is an uptick in domestic manufacturing, “then we don't have tariff revenue” because fewer goods will be imported, he points out.

On 4 August 2025, Morgan Stanley, Deutsche Bank AG and Evercore ISI cautioned the S&P 500 Index is due for a near-term drop in the weeks and months ahead; this caution comes amid mounting concern about the vibrancy of the US economy after recent data showed an uptick in inflation as well as weakening job growth and consumer spending.

President Trump was elected to a second term in November last year on his promise to reduce the cost of living. A recent Fox News poll shows 62% of voters disapprove of Trump's handling of tariffs while 58% are against his tax and spending bill. Overall, 55% are unhappy with his overall handling of the US economy, Bloomberg says.

Voter unhappiness could threaten the Republican Party's control of the House of Representatives and the Senate during the mid-term Congressional elections in early November next year. A loss of four Republican seats in the US House of Representatives and five seats in the Senate could flip control of both chambers to the Democrats.

Similarly, Malaysia's political calendar is likely to rev up. Sabah state elections must be held by November this year. Additionally, state polls in Malacca and Johore – historically the strongholds of the former ruling Barisan Nasional (BN) – must be held by November next year.

Negotiations over seat allocations particularly in the Peninsular could be contentious given expectations of reciprocity in areas where BN is weak and Prime Minister Anwar Ibrahim's Pakatan Harapan is strong. These negotiations are likely to be the curtain raiser to a general election that must be held by February 2028.

A Latin phrase, “semper vigilans,” translates as “always vigilant” in English; this is the motto of several US military units. In the months ahead, continuing vigilance should be the watchword for Malaysian oil palm companies and for Putrajaya.

BUSINESS PERFORMANCE

For FY 2025, the UMB Group achieved a pre-tax profit of RM130.9 million, a 76% jump from the previous year's gain of RM74.6 million.

At the Company level, UMB recorded an outstanding result of RM101.7 million pre-tax profit in FY 2025 or 109% higher than the preceding year's earnings of RM48.7 million.

In FY 2025, average prices of crude palm oil (CPO) and palm kernel (PK) in Malaysia rose by 14% and 47% respectively to RM4,366 and RM3,050 per tonne from the preceding year's average of RM3,830 and RM2,076 respectively.

Several factors supported higher prices, including weaker palm oil inventory. In January 2025, palm oil stocks were the lowest in 21 months, data from the Malaysian Palm Oil Council show. Another factor was lower FFB output due to bad weather. This triggered a lower supply-higher demand phenomenon which drove up average prices.

CHAIRPERSON'S STATEMENT

(continued)

BUSINESS PERFORMANCE (continued)

Average prices of CPO and PK for UMB's Kalimantan estates moved up by 13% and 72% respectively to RM3,843 and RM2,780 per tonne compared with the previous year's average of RM3,398 and RM1,615 respectively.

Aside from concern over lower output during the high rainfall season, stronger prices were backed by Indonesia's biodiesel mandate. Demand for palm oil will continue to be strong because the biodiesel blend rate is set to increase to 40% (B40) in 2025 from 35% (B35) last year, with future plans to raise it to 50% (B50). Continuing low palm oil exports from Indonesia, the world's largest grower of oil palms, could drive down global market supply and push up average prices.

The UMB Group's fresh fruit bunches (FFB) output in FY 2025 totalled 454,861 tonnes – a 3% improvement from the 441,950 tonnes recorded in the preceding financial year.

Compared with the previous financial year, FFB output in Malaysian estates declined marginally by 1% or 2,138 tonnes to 345,946 tonnes in FY 2025. Planted with old oil palms – with an average mature oil palm age profile of 22 years – coupled with the replanting programme, FFB output in Meridian estates fell significantly by 19% compared with the previous year. Lower FFB output was also caused by flooding during the monsoon season which impacted both crop harvesting and crop evacuation. Thankfully, FFB output in Peninsular estates and Millian-Labau estates in Sabah rose by 16% and 4% respectively; this helped to reduce the overall deficit in Malaysian estates.

FFB output in PT Lifere Agro Kapuas (LAK) in Kalimantan improved significantly by 16% or 15,049 tonnes to 108,915 tonnes in FY 2025 boosted by an expanded mature area and higher yield from prime age palms.

DIVIDENDS

For FY 2025, the Board of Directors declared a second interim single-tier dividend of 7 sen and a special single-tier dividend of 6 sen, both payable on 7 August 2025.

Together with the first interim single-tier dividend of 5 sen paid on 23 December 2024, the total single-tier dividend for FY 2025 is 18 sen or RM37.8 million (FY 2024: total single-tier dividend of 12 sen or RM25.2 million comprising the first interim single-tier dividend of 5 sen and a second interim single-tier dividend of 7 sen).

The Board of Directors do not recommend a final dividend for FY 2025.



Visit to Bukit Senorang Estate
by Directors and Senior Management.

ENHANCING SUSTAINABILITY

Several strategies underscore UMB's commitment to nurturing oil palms through sustainable and environmentally-friendly policies. Although all oil palm estates in Malaysia and Kalimantan have obtained Malaysian Sustainable Palm Oil (MSPO) and Indonesian Sustainable Palm Oil (ISPO) certification respectively, UMB believes implementing sustainable agricultural practices is a journey, not a destination.

More details are set out in the Sustainability Statement on page 46 to page 77 of this Annual Report.

CURRENT YEAR PROSPECTS

For the financial year ending 30 April 2026 (FY 2026), UMB Group expects improved FFB output compared with the preceding year, stemming from the palms' better age profile and better operational efficiency.

As always, management's priority will focus on improving labour productivity, stepping up mechanisation, enhancing cost efficiency as well as increasing oil yield.

Assuming CPO prices remain at the current level, the Group expects satisfactory results for FY 2026.

CHAIRPERSON'S STATEMENT

(continued)



Cocoa Nursery at Millian-Labau Estate, Sabah.

MOVING FORWARD

Despite current challenges, UMB believes palm oil's long-term outlook remains bright. For the foreseeable future, palm oil's twin status as the vegetable oil with the highest yield per hectare and the cheapest vegetable oil to nurture is unlikely to be challenged.

Notwithstanding palm oil's laudable long-term prospects, UMB remains committed to reducing its 100% reliance on a single crop in Malaysia and Indonesia.

ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I would like to thank all UMB's directors, managers, employees and staff as well as shareholders for their commitment to the Group and for their hard work.

At the forthcoming AGM on 26 September 2025, one of UMB's longest-serving directors, Mr. Teo Leng, will retire from UMB's Board but will remain on the Board of several UMB subsidiaries. Mr. Teo joined the UMB Board as an Independent Non-Executive Director on 1 September 2009. He was redesignated as a Non-Independent Non-Executive Director on 10 July 2017.

As a director, Mr. Teo's calm and thoughtful presence at board meetings will be missed. Mr Teo's degree in agriculture science and years of employment with Kulim Group made him one of the most knowledgeable directors about the agronomy of oil palms. He also contributed to UMB's expansion in Indonesia, accompanying former director, Mr. Tan Jiew Hoe, senior staff and I to look for land in Sumatra, Kalimantan and Sulawesi, on trips that were occasionally physically uncomfortable. His fluency in Mandarin and ability to deliver impromptu speeches in that language were much appreciated when some UMB directors and I visited China to observe stevia planting in different provinces. On behalf of the Board, management and staff, I would like to thank Mr. Teo for his long and invaluable contribution to the UMB Group.

May the ethics instilled by my grandfather and father coupled with the dynamism and determination of present-day directors, senior management and staff guide UMB as the Group continues to seek sustainable growth while prioritising concern for the environment and a continuing commitment to a people-first policy.

**Datin Paduka Tan Siok Choo
Chairperson**

PENYATA PENGERUSI

Para Pemegang Saham yang Dihormati,

“*Bagi pihak Lembaga Pengarah United Malacca Berhad (UMB), saya membentangkan Laporan Tahunan Kumpulan dan Penyata Kewangan Beraudit bagi tahun kewangan berakhir 30 April 2025 (TK 2025).*”

GAMBARAN KESELURUHAN

TK 2025 merupakan tahun kewangan yang bersejarah bagi UMB. Pertama, pada 27 April 2025 – tiga hari sebelum tahun kewangan berakhir – merupakan ulang tahun ke-115 penubuhan UMB oleh datuk saya, Tun Tan Cheng Lock.

Kedua, TK 2025 menandakan kali kedua UMB mencatatkan keuntungan yang tertinggi dalam tempoh tiga tahun terakhir. Pada tahun kewangan berakhir 30 April 2022 (TK 2022), keuntungan sebelum cukai UMB mencecah paras tertinggi sepanjang masa sebanyak RM144.1 juta. Tiga tahun kemudian, pada TK 2025, UMB mencatatkan keuntungan sebelum cukai ketiga tertinggi sebanyak RM130.9 juta.

Bahawa UMB mampu mencapai pendapatan tertinggi selama dua tahun, walaupun berdepan pandemik COVID-19 selama tiga tahun yang hanya berakhir pada Mei 2023 apabila Pertubuhan Kesihatan Sedunia mengisyiharkan tamatnya kecemasan kesihatan awam ini, menggariskan kebolehan pengurusan tertinggi UMB. Pada 1 Julai 2021, Encik Young Lee Chern telah dilantik sebagai Ketua Pegawai Eksekutif (CEO) UMB.

Encik Young disokong oleh tiga pemimpin kanan terdiri daripada Ketua Pegawai Kewangan, Encik Er Hock Swee, Ketua Pentadbiran Kumpulan & Hal Ehwal Korporat dan Sumber Manusia, Cik Yong Yoke Hiong, yang juga pegawai eksekutif wanita tertinggi di UMB; serta Ketua Audit Kumpulan dan Pengurusan Risiko, Encik Abdul Razak bin Md. Aris.

Melangkah ke hadapan, UMB bakal berdepan dengan cabaran besar, sama ada dari dalam maupun luar negara.

Pada 31 Julai tahun ini, Perdana Menteri Dato' Seri Anwar Ibrahim membentangkan Rancangan Malaysia Ketiga Belas (RMK-13) di Parlimen. Antara sasaran ekonomi yang luas bagi tempoh lima tahun termasuk meningkatkan Pendapatan Negara Kasar per kapita daripada RM54,894 pada 2024 kepada RM77,200 menjelang 2030, mengurangkan defisit fiskal daripada 4.1% pada 2024 kepada kurang daripada 3% menjelang 2030 and memperbaiki kedudukan Malaysia dalam Indeks Persaingan Institut Pengurusan Pembangunan Antarabangsa (IMD) daripada tangga ke-23 pada tahun ini ke tangga ke-12 atau lebih rendah menjelang 2030.

Datuk Dr Anis Yusoff, pengarah eksekutif Institut Dasar Awam dan Pengurusan Antarabangsa, Universiti Malaya, menyeru kepada pembangunan berteraskan manusia. Yang lain telah mencadangkan untuk mempercepatkan pembangunan infrastruktur di Sabah dan Sarawak bagi merapatkan jurang antara kedua-dua negeri ini dan negeri-negeri di Semenanjung.

Dua sasaran RMK-13 berpotensi memberi impak besar kepada sektor perladangan. Pertama, RMK-13 menyeru agar sektor pertanian Malaysia diubah menjadi satu industri yang moden, berdaya saing dan mampu.

Kedua ialah keperluan untuk mengurangkan kebergantungan negara terhadap pekerja asing daripada 15% kepada 10% menjelang 2030 dan seterusnya kepada 5% menjelang 2035. Bermula pada tahun 2026, RMK-13 akan melaksanakan satu Mekanisme Levi Berbilang Peringkat (MTLM) dengan kadar levi yang berbeza berdasarkan tahap kebergantungan sektor terhadap pekerja asing. Hasil daripada MTLM akan disalurkan ke tabung amanah untuk menggalakkan automasi dan mekanisasi.

PENYATA PENGERUSI

(sambungan)



Arwana Palm Oil Mill, Indonesia.

GAMBARAN KESELURUHAN (sambungan)

Walaupun syarikat perladangan utama telah berusaha secara berterusan untuk memekanisasikan kerja penuaian, tugas yang paling berat di ladang, menghapuskan sepenuhnya keperluan tenaga manusia masih mencabar. Memandangkan sumbangan besar syarikat kelapa sawit kepada pendapatan eksport negara, diharapkan keperluan untuk mengurangkan buruh asing, walaupun dipuji, akan dilaksanakan dengan penuh realisme.

Satu kemungkinan adalah kelapa sawit yang lebih rendah. Pokok kelapa kerdil kini menjadi kenyataan; ini menunjukkan pemupukan kelapa sawit yang lebih rendah boleh dilaksanakan. Oleh sebab genom kelapa sawit lebih kompleks daripada kelapa, penanaman kelapa sawit yang lebih rendah adalah lebih mencabar berbanding kelapa.

Cabaran luaran yang boleh memberi kesan kepada ekonomi Malaysia dan seterusnya, syarikat perladangan, ialah cadangan tarif global oleh Presiden Amerika Syarikat (AS) Donald Trump dan "One Big Beautiful Bill" beliau yang kini telah menjadi undang-undang dan kini dikenali sebagai "One Big Beautiful Act" (OBBA).

Levi eksport Malaysia ke AS pada mulanya dinaikkan sebanyak satu mata peratusan kepada 25%. Kemudian, tarif Malaysia diturunkan kepada 19%, setara dengan yang ditawarkan kepada banyak negara ASEAN lain. Sebagai balasan untuk tarif yang lebih rendah, Kuala Lumpur bersetuju untuk membeli US\$240 bilion barang Amerika, satu perjanjian yang dikhuatiri oleh beberapa penganalisis melebihi jumlah perdagangan sedia ada negara ini dengan Amerika.

Sebagai perbandingan, tarif ke atas Indonesia telah dikurangkan daripada paras asal 32% kepada 19% selepas Jakarta berjanji untuk membeli US\$15 bilion bekalan tenaga Amerika dan US\$4.5 bilion barang ladang AS sambil bersetuju mengenakan levi sifar ke atas eksport AS ke Indonesia dan membayar penalti ke atas pemindahan barang dari China ke AS melalui Indonesia.

Selain itu, Garuda Indonesia merancang untuk membeli 50 pesawat Boeing dengan jumlah harga yang dilaporkan sebanyak US\$3.2 bilion, berdasarkan laporan berita. Anggaran kasar menunjukkan Jakarta perlu membelanjakan sejumlah US\$23 bilion untuk pembelian dari Washington.

Menteri Pelaburan, Perdagangan and Industri Malaysia, Tengku Datuk Seri Utama Zafrul Tengku Abdul Aziz berkata halangan bukan tarif adalah isu utama antara AS dan Malaysia. Perkara penting termasuk pensijilan halal yang menjelaskan daging lembu Amerika, peraturan yang mengawal import farmaseutikal AS dan ayam itik ke Malaysia serta dasar perolehan kerajaan Malaysia, tambahnya.

Perdana Menteri Datuk Seri Anwar Ibrahim berbalas kerajaan Malaysia telah membuat "garis merah" dalam perbincangan perdagangan mengenai dasar negara, termasuk layanan keutamaan kepada Bumiputera.

Baru-baru ini, Trump mengumumkan tarif 100% ke atas import semikonduktor AS. Hanya syarikat yang mempunyai kemudahan pembuatan di AS atau komited untuk berbuat demikian akan dikecualikan. Malaysia kini sedang mendapatkan penjelasan sama ada kemudahan sedia ada di AS layak untuk pengecualian ini atau pelaburan baharu diperlukan.

Satu lagi isu yang boleh memberi kesan yang ketara kepada ekonomi AS, dan secara tidak langsung kepada ekonomi Malaysia, ialah OBBA Trump.

Bekas Setiausaha Perbendaharaan AS dan ahli ekonomi Larry Summers memberi amaran bahawa OBBA akan meningkatkan deficit bajet AS pada masa hadapan secara mendadak dan berpotensi membawa kepada "dinamik deficit yang lebih tinggi, kadar faedah yang lebih besar, pertumbuhan yang lebih perlahan atau deficit yang lebih teruk".

Selain itu, OBBA juga menaikkan deficit persekutuan AS meningkat sebanyak US\$3.4 trilion dalam tempoh 10 tahun akan datang, menyebabkan Washington membelanjakan lebih US\$1 trilion faedah ke atas hutang kerajaan persekutuan setahun, mengikut projeksi data daripada Pejabat Belanjawan Kongres (CBO).

PENYATA PENGERUSI

(sambungan)

GAMBARAN KESELURUHAN (sambungan)

Defisit bajet AS yang lebih besar boleh mencetuskan kenaikan kadar faedah AS dan seterusnya memberi kesan kepada Malaysia.

Tindakan Trump akan meningkatkan purata kadar tarif AS kepada 15.2%, menurut anggaran Bloomberg Economics, jauh melebihi 2.3% tahun lalu dan paras tertinggi sejak era Perang Dunia Kedua.

Data Perbendaharaan AS menunjukkan duti kastam telah melonjak kepada rekod US\$113 bilion secara kasar dalam tempoh sembilan bulan pertama tahun fiskal 2025; tahun fiskal kerajaan AS bermula pada 1 Oktober.

Brad Jensen, seorang profesor di Sekolah Perniagaan McDonough di Universiti Georgetown, berkata peningkatan penghasilan tarif dan peluang pekerjaan secara serentak tidak mungkin berlaku. Sekiranya terdapat peningkatan dalam pembuatan domestik, "maka kami tidak akan mendapat hasil tarif" kerana barang akan diimport akan berkurang, katanya.

Pada 4 Ogos 2025, Morgan Stanley, Deutsche Bank AG dan Evercore ISI memberi amaran bahawa Indeks S&P 500 dijangka mengalami penurunan jangka pendek dalam beberapa minggu dan bulan akan datang; amaran ini dibuat berikutan kebimbangan terhadap daya hidup ekonomi AS selepas data terkini menunjukkan peningkatan inflasi serta pertumbuhan pekerjaan yang perlana dan perbelanjaan pengguna yang merosot.

Presiden Trump dipilih untuk penggal kedua pada November tahun lalu atas janjinya untuk mengurangkan kos sara hidup. Tinjauan Fox News baru-baru ini menunjukkan 62% pengundi

tidak bersetuju dengan cara Trump mengendalikan isu tarif manakala 58% menentang rang undang-undang cukai dan perbelanjaannya. Secara keseluruhan, 55% tidak berpuas hati dengan cara pengendalian keseluruhan ekonomi AS oleh Trump, menurut Bloomberg.

Rasa tidak senang hati pengundi boleh mengancam kawalan Parti Republikan ke atas Dewan Rakyat dan Dewan Negara semasa pilihan raya Kongres pertengahan penggal pada awal November tahun depan. Kehilangan empat kerusi Republikan di Dewan Perwakilan AS dan lima kerusi di Senat boleh menyebabkan kawalan kedua-dua dewan beralih kepada Parti Demokrat.

Begitu juga dengan kalender politik Malaysia yang dijangka semakin rancak. Pilihan raya negeri Sabah mesti diadakan selewat-lewatnya November tahun ini. Di samping itu, pilihan raya negeri di Melaka dan Johor – kubu kuat Barisan Nasional (BN) sebelum ini – mesti diadakan pada November tahun depan.

Rundingan mengenai pembahagian kerusi, khususnya di Semenanjung berkemungkinan sangat memandangkan wujud jangkaan timbal balas di kawasan di mana BN lemah dan Pakatan Harapan pimpinan Perdana Menteri Anwar Ibrahim kuat. Rundingan ini dijangka menjadi pembuka tirai kepada pilihan raya umum yang mesti diadakan selewat-lewatnya Februari 2028.

Frasa Latin, "semper vigilans," diterjemahkan sebagai "sentiasa berwaspada" dalam bahasa Inggeris; ini adalah moto beberapa unit tentera AS. Pada bulan-bulan akan datang, kewaspadaan berterusan harus menjadi prinsip utama bagi syarikat kelapa sawit Malaysia dan juga Putrajaya.



Pengerusi bersama-sama Ketua Pegawai Eksekutif, pihak Pengurusan Kanan dan kakitangan dari Ibu Pejabat melawat Ladang Machap.

PENYATA PENGERUSI

(sambungan)

PRESTASI PERNIAGAAN

Untuk TK 2025, Kumpulan UMB mencapai keuntungan sebelum cukai sebanyak RM130.9 juta, yakni lonjakan sebanyak 76% daripada keuntungan tahun sebelumnya berjumlah RM74.6 juta.

Di peringkat Syarikat, UMB mencatatkan keputusan memberangsangkan sebanyak RM101.7 juta keuntungan sebelum cukai pada TK 2025 atau 109% lebih tinggi daripada pendapatan tahun sebelumnya sebanyak RM48.7 juta.

Pada TK 2025, harga purata minyak sawit mentah dan isirong sawit di Malaysia masing-masing meningkat sebanyak 14% dan 47% kepada RM4,366 dan RM3,050 setan daripada purata tahun sebelumnya iaitu RM3,830 dan RM2,076 setan.

Beberapa faktor menyokong harga yang lebih tinggi, termasuk kekurangan inventori minyak sawit. Pada Januari 2025, stok minyak sawit adalah yang terendah dalam 21 bulan berdasarkan data daripada Majlis Minyak Sawit Malaysia. Faktor lain ialah pengeluaran buah tandan segar (BTS) yang lebih rendah disebabkan cuaca buruk. Ini mencetuskan fenomena bekalan yang lebih rendah - permintaan yang lebih tinggi yang mendorong kenaikan harga purata.

Purata harga minyak sawit mentah dan isirong sawit untuk ladang UMB di Kalimantan masing-masing meningkat sebanyak 13% dan 72% kepada RM3,843 dan RM2,780 setan berbanding purata harga tahun sebelumnya sebanyak RM3,398 dan RM1,615 setan.

Selain kebimbangan terhadap pengeluaran yang lebih rendah semasa musim hujan yang lebat, harga yang lebih kukuh disokong oleh mandat biodiesel Indonesia. Permintaan untuk minyak sawit akan terus kukuh kerana kadar campuran biodiesel dijangka meningkat kepada 40% (B40) pada 2025 daripada 35% (B35) tahun lepas, ditambah pula dengan rancangan masa depan untuk menaikkannya kepada 50%

(B50). Eksport minyak sawit yang rendah secara berterusan dari Indonesia, penanam kelapa sawit terbesar di dunia, boleh menurunkan bekalan pasaran global dan meningkatkan harga purata.

Pengeluaran BTS Kumpulan UMB pada TK 2025 berjumlah 454,861 tan - peningkatan 3% daripada 441,950 tan yang dicatatkan pada tahun kewangan sebelumnya.

Berbanding dengan tahun kewangan sebelumnya, pengeluaran BTS di ladang-ladang Malaysiaerosot sedikit sebanyak 1% atau 2,138 tan metrik kepada 345,946 tan metrik pada TK 2025. Pengeluaran BTS di estet Meridian menurun sebanyak 19% berbanding tahun sebelumnya disebabkan penanaman pokok kelapa sawit berusia tua dengan purata profil umur kelapa sawit matang selama 22 tahun dan program penanaman semula. Pengeluaran BTS yang lebih rendah juga disebabkan oleh banjir semasa musim tengkujuh dan menyusahkan kerja penuaan tanaman dan pemindahan tanaman. Pengeluaran BTS di estet Semenanjung dan estet Millian-Labau di Sabah masing-masing meningkat sebanyak 16% dan 4% dan ini membantu mengurangkan defisit keseluruhan di estet-estet Malaysia.

Pengeluaran BTS di PT Lifere Agro Kapuas (LAK) di Kalimantan meningkat dengan ketara sebanyak 16% atau 15,049 tan metrik kepada 108,915 tan metrik pada TK 2025 dirangsang oleh kawasan matang yang lebih luas dan penghasilan tinggi daripada pokok kelapa sawit berusia emas.

DIVIDEN

Untuk TK 2025, Lembaga Pengarah mengisyiharkan dividen interim satu peringkat yang kedua sebanyak 7 sen dan dividen khas satu peringkat sebanyak 6 sen. Kedua-duanya akan dibayar pada 7 Ogos 2025.



Sukan karnival di Ladang Millian-Labau.



PENYATA PENGERUSI

(sambungan)

DIVIDEN (sambungan)

Bersama-sama dengan dividen interim satu peringkat yang pertama sebanyak 5 sen yang dibayar pada 23 Disember 2024, jumlah keseluruhan dividen satu peringkat untuk TK 2025 ialah 18 sen atau RM37.8 juta (TK 2024: jumlah keseluruhan dividen satu peringkat sebanyak 12 sen atau RM25.2 juta yang terdiri daripada dividen interim satu peringkat yang pertama sebanyak 5 sen and dividen interim satu peringkat yang kedua sebanyak 7 sen).

Lembaga Pengarah tidak mencadangkan dividen akhir untuk TK 2025.

MENINGKATKAN KELESTARIAN

Beberapa strategi mengariskan komitmen UMB untuk memupuk kelapa sawit melalui dasar yang mampan dan mesra alam. Walaupun semua ladang kelapa sawit di Malaysia dan Kalimantan telah memperolehi pensijilan Minyak Sawit Mampan Malaysia (MSPO) dan Minyak Sawit Mampan Indonesia (ISPO), UMB percaya perlaksanaan amalan pertanian mampan adalah satu perjalanan, bukan satu destinasi.

Butiran lanjut dinyatakan dalam Penyata Kemampaman di halaman 46 hingga halaman 77 dalam Laporan Tahunan ini.

PROSPEK TAHUN SEMASA

Bagi tahun kewangan berakhir 30 April 2026 (TK 2026), Kumpulan UMB menjangkakan peningkatan hasil BTS yang lebih baik berbanding tahun sebelumnya berikutan profil umur pokok sawit yang lebih baik dan kecekapan operasi yang ditingkatkan.

Seperti biasa, keutamaan pihak pengurusan akan tertumpu kepada peningkatan produktiviti buruh, mekanisasi, kecekapan kos serta peningkatan hasil minyak.

Dengan mengandaikan harga minyak sawit mentah kekal pada paras semasa, Kumpulan menjangkakan keputusan yang memuaskan untuk TK 2026.

MELANGKAH KE HADAPAN

Walaupun menghadapi cabaran semasa, UMB percaya prospek jangka panjang minyak sawit kekal cerah. Untuk masa hadapan, status berkembar minyak sawit sebagai minyak sayuran dengan hasil sehektar yang tinggi dan minyak sayuran paling murah untuk dipupuk tidak mungkin dicabar.

Namun begitu, UMB tetap komited untuk mengurangkan kebergantungan 100% kepada satu jenis tanaman di Malaysia dan Indonesia.

PENGHARGAAN

Bagi pihak Lembaga Pengarah, saya ingin mengucapkan terima kasih kepada semua pengarah, pengurus, kakitangan dan pekerja UMB serta para pemegang saham atas komitmen mereka kepada Kumpulan dan atas kerja keras mereka.

Pada Mesyuarat Agung Tahunan yang akan datang pada 26 September 2025, salah seorang pengarah UMB yang paling lama berkhidmat, Encik Teo Leng, akan bersara daripada Lembaga Pengarah UMB tetapi akan kekal dalam Lembaga Pengarah beberapa anak syarikat UMB. Encik Teo menyertai Lembaga Pengarah UMB sebagai Pengarah Bebas Bukan Eksekutif pada 1 September 2009. Beliau telah dilantik semula sebagai Pengarah Bebas Bukan Eksekutif pada 10 Julai 2017.

Sebagai pengarah, kehadiran Encik Teo yang tenang dan penuh pertimbangan dalam mesyuarat lembaga pengarah akan dirindui. Ijazah Encik Teo dalam bidang sains pertanian dan bertahun-tahun bekerja dengan Kumpulan Kulim menjadikan beliau salah seorang pengarah yang paling berpengetahuan tentang agronomi kelapa sawit. Beliau juga menyumbang kepada pengembangan UMB di Indonesia, menemani bekas pengarah, Encik Tan Jiew Hoe, kakitangan kanan dan saya untuk meneroka tanah di Sumatera, Kalimantan dan Sulawesi di dalam perjalanan yang kadangkala tidak selesa dari segi fizikal. Kefasihan beliau dalam Bahasa Mandarin dan kebolehan menyampaikan ucapan secara spontan amat dihargai apabila beberapa pengarah UMB dan saya melawat China untuk melihat penanaman stevia di wilayah yang berbeza. Bagi pihak Lembaga Pengarah, pengurusan dan kakitangan, saya ingin mengucapkan terima kasih kepada Encik Teo atas sumbangannya yang panjang dan tidak ternilai kepada Kumpulan UMB.

Semoga etika yang ditanam oleh datuk dan ayah saya, digandingkan dengan semangat dan komitmen pengarah, pengurusan kanan dan kakitangan masa kini, terus membimbing Kumpulan UMB ke arah pertumbuhan mampan yang menitikberatkan alam sekitar dan dasar mengutamakan orang.

**Datin Paduka Tan Siok Choo
Pengerusi**

MANAGEMENT DISCUSSION & ANALYSIS

AT A GLANCE

Key Dates

Financial Year End 30 April 2025	Annual General Meeting 26 September 2025
Dividend Payments 1 st Interim: 5 sen 23 December 2024	2 nd Interim: 7 sen 7 August 2025

Special: 6 sen
7 August 2025

Land Bank Analysis

	Malaysia	Indonesia (Inti)	Total exclude Plasma	Indonesia (Plasma *)	Total
	Ha	Ha	Ha	Ha	Ha
Matured	17,897	7,185	25,082	5,175	30,257
Immature	1,582	983	2,565	20	2,585
Total Planted	19,479	8,168	27,647	5,195	32,842
Land clearing	-	270	270	2	272
Plantable	48	3,282	3,330	-	3,330
Unplantable ^	4,055	2,453	6,508	5,237	11,745
Total Land Bank *	23,582	14,173	37,755	10,434	48,189

* Plasma is a programme initiated by the Indonesian Government to develop smallholders' plantations with the assistance of plantation companies.

^ Land area for canals, roads, buildings, villages and forest reserve area.

• The above land bank does not include land with the business licence "Izin Usaha Pemanfaatan Hasil Hutan Kayu Pada Hutan Tanaman Industri" (HTI Licence) over approximately 59,920 hectares in Sulawesi owned by an Indonesian subsidiary.

Group Business Performance (RM'000)					
	FY 2025	FY 2024	FY 2023	FY 2022	FY 2021
1 Revenue					
• Malaysia	476,369	400,114	485,398	452,074	290,022
• Indonesia	234,872	195,526	119,099	101,888	108,047
Total	711,241	595,640	604,497	553,962	398,069
% change year on year	19	(1)	9	39	35
2 Profit Before Tax	130,879	74,571	82,221	144,135	24,420
% change year on year	76	(9)	(43)	490	195
Segmental Results					
Plantation:					
• Malaysia	124,401	78,820	91,328	146,835	44,610
• Indonesia	27,610	10,615	(13,177)	6,941	(4,918)
Investment (expense)/income	(21,189)	(14,864)	2,010	5,404	762
Impairment of intangible asset	-	-	-	(12,336)	(16,034)
Impairment of other asset	-	-	(3,569)	-	-
Net reversal of impairment of bearer plants	-	-	3,816	-	-
Loss on termination of lease liabilities	-	-	(902)	-	-
Reversal of discounting value/discounting value of Plasma receivables	-	-	2,715	(2,709)	-
Share of results of associate	57	-	-	-	-
Total Profit Before Tax	130,879	74,571	82,221	144,135	24,420

MANAGEMENT DISCUSSION & ANALYSIS

(continued)

AT A GLANCE (continued)

Group Business Performance (RM'000)		FY 2025	FY 2024	FY 2023	FY 2022	FY 2021
3 Breakdown of Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)						
• Malaysia	166,329	121,265	139,989	186,220	80,604	
• Indonesia	50,719	38,868	11,618	31,557	18,110	
Total EBITDA	217,048	160,133	151,607	217,777	98,714	
% Change year on year	36	6	(30)	121	155	
4 Operating Margin (%)	21	15	13	28	10	
5 Capital Management						
5.1 Return on average equity (%)	6.3	3.2	3.8	7.8	0.8	
5.2 Earnings per share (sen)	46.0	24.0	29.2	51.6	6.2	
5.3 Dividend per share (sen)	18.0	12.0	12.0	15.0	10.0	
5.4 Net assets per share (RM)	7.2	6.9	6.8	6.7	6.2	
5.5 Dividend cover	2.6	2.0	2.4	3.4	0.6	
5.6 Interest cover	20.7	9.7	11.7	29.1	7.0	
6 Average Selling Price (RM/tonne)						
• Malaysian Operations						
Crude palm oil (CPO)	4,366	3,830	4,387	4,706	2,829	
Palm kernel (PK)	3,050	2,076	2,309	3,441	1,834	
• Indonesian Operations						
CPO	3,843	3,398	3,386	3,613	2,536	
PK	2,780	1,615	1,952	2,504	1,582	
7 Plantation Statistics						
• Malaysian Operations						
Fresh fruit bunches (FFB) production (tonnes)	345,946	348,084	361,825	317,206	313,198	
% change year on year	(1)	(4)	14	1	4	
Mature hectares as at financial year end	17,897	17,676	17,823	18,125	18,218	
FFB yield (tonnes/weighted average mature hectares)	19.5	19.4	20.2	17.5	17.1	
• Indonesian Operations						
FFB production (tonnes)	108,915	93,866	61,098	55,426	57,622	
% change year on year	16	54	10	(4)	(6)	
Mature hectares as at financial year end	7,185	6,783	6,073	5,827	5,583	
FFB yield (tonnes/weighted average mature hectares)	15.2	13.9	10.1	9.5	10.3	
• Group Total						
FFB production (tonnes)	454,861	441,950	422,923	372,632	370,820	
% change year on year	3	4	13	0.5	2	
Mature hectares as at financial year end	25,082	24,459	23,896	23,952	23,801	
FFB yield (tonnes/weighted average mature hectares)	18.3	17.9	17.6	15.6	15.5	

MANAGEMENT DISCUSSION & ANALYSIS

(continued)

AT A GLANCE (continued)

Group Business Performance		FY 2025	FY 2024	FY 2023	FY 2022	FY 2021
8 Oil Mill Statistics						
• Malaysian Operations						
FFB processed (tonnes)	374,734	377,946	419,216	314,681	339,368	
CPO production (tonnes)	70,890	72,764	78,729	60,757	64,938	
PK production (tonnes)	17,006	17,318	17,758	13,719	15,581	
Oil extraction rate (OER) (%)	18.9	19.3	18.8	19.3	19.1	
Kernel extraction rate (KER) (%)	4.5	4.6	4.2	4.4	4.6	
Mill processing capacity (tonnes/hour)	80	80	80	80	80	
• Indonesian Operations						
FFB processed (tonnes)	285,431	269,981	169,914	126,275	170,632	
CPO production (tonnes)	55,566	56,022	32,256	27,037	36,331	
PK production (tonnes)	8,353	9,519	4,922	3,806	5,043	
OER (%)	19.5	20.8	19.0	21.4	21.3	
KER (%)	2.9	3.5	2.9	3.0	3.0	
Mill processing capacity (tonnes/hour)	45	45	45	45	45	
• Group Total						
FFB processed (tonnes)	660,165	647,927	589,130	440,956	510,000	
CPO production (tonnes)	126,456	128,786	110,985	87,794	101,269	
PK production (tonnes)	25,359	26,837	22,680	17,525	20,624	
OER (%)	19.2	19.9	18.8	19.9	19.9	
KER (%)	3.8	4.1	3.8	4.0	4.0	
Mill processing capacity (tonnes/hour)	125	125	125	125	125	

United Malacca Berhad (UMB) was founded by the late Tun Tan Cheng Lock on 27 April 1910. As of 30 April 2025, UMB owns and manages 48,189 hectares of oil palm estates in Malaysia and Central Kalimantan.

In the financial year ended 30 April 2018, UMB acquired an Indonesian subsidiary, PT Wana Rindang Lestari (WRL), which has a business licence "Izin Usaha Pemanfaatan Hasil Hutan Kayu Pada Hutan Tanaman Industri" (HTI Licence) over approximately 59,920 hectares in the Regencies of Tojo Una-Una and Morowali, Province of Central Sulawesi. The licence is valid for 60 years, beginning from 4 June 2014.

In the financial year ended 30 April 2021 (FY 2021), work in Sulawesi was temporarily halted due to environmental concerns raised by Non-Governmental Organisations (NGOs). Currently, the planting programme in Sulawesi has been deferred.

Group production of fresh fruit bunches (FFB) rose by 3% or 12,911 tonnes in the current financial year ended 30 April 2025 (FY 2025) compared with the previous financial year ended 30 April 2024 (FY 2024).

There was a marginal decrease in FFB output by 2,138 tonnes in UMB's Malaysian estates from the previous year. The FFB output in Meridian estates was lower by 19% compared to the previous year. Besides the decrease in yield in conjunction with its older palm age, with an average matured oil palm age profile of 22 years. Two other reasons for the lower output include the replanting programme and flooding issues during the monsoon season which affected both crop harvesting and crop evacuation. However, FFB output in Peninsular estates and in Millian-Labau estates in Sabah rose by 16% and 4% respectively; this helped to reduce the overall deficit in FFB output in Malaysian estates.

MANAGEMENT DISCUSSION & ANALYSIS

(continued)

AT A GLANCE (continued)

In Indonesian subsidiary, PT Lifere Agro Kapuas (LAK), FFB output increased by 16% or 15,049 tonnes from FY 2024 due to the expansion in matured area and higher yield from prime age palms.

Average prices of CPO and PK for Malaysian operations in FY 2025 increased by 14% and 47% respectively to RM4,366 and RM3,050 per tonne from the FY 2024's average of RM3,830 and RM2,076 respectively.

In LAK, prices for CPO rose by 13% from the average of RM3,398 per tonne in FY 2024 to RM3,843 per tonne in FY 2025. PK prices surged by 72% from an average of RM1,615 per tonne in FY 2024 to an average of RM2,780 per tonne in FY 2025.

In FY 2025, UMB continued to prioritise consistent monitoring of mechanisation efficiency in all estates, further minimise crop losses and improve productivity while reducing reliance on manual labour.

In line with UMB's commitment to manage its plantations sustainably, all estates and mills in Malaysia and Kalimantan have been certified by Malaysian Sustainable Palm Oil (MSPO) and Indonesian Sustainable Palm Oil (ISPO), respectively.

“UMB’s vision is to achieve excellence in agricultural practices, grow crops sustainably and create value for all stakeholders”

FINANCIAL MATTERS

• Revenue

Group revenue leaped by 19% or RM115.6 million to RM711.2 million in FY 2025, from RM595.6 million in the previous year.

Revenue for Malaysian operations increased by 19% to RM476.3 million from RM400.1 million in FY 2024 mainly due to the rise in both CPO and PK prices.

Meanwhile, in Indonesia, revenue accelerated by 20% to RM234.9 million from RM195.5 million in FY 2024 aided by a 16% jump in FFB output from 93,866 tonnes in FY 2024 to 108,915 tonnes in FY 2025 as well as higher CPO and PK prices.

MANAGEMENT DISCUSSION & ANALYSIS

(continued)

FINANCIAL MATTERS (continued)

• Profit Before Tax

During FY 2025, the Group recorded a pre-tax profit of RM130.9 million – a massive hike of 76% from RM74.6 million in the previous year.

This was due to the combined impact of higher prices of both CPO and PK in Malaysia and Indonesia, improved output of FFB by 3% in FY 2025 and lower unit cost of production.

• Assets and Liabilities

Property, plant and equipment decreased from RM667.2 million in FY 2024 to RM625.7 million in FY 2025 after net additions of RM44.3 million, depreciation of RM56.1 million and foreign currency adjustment of RM29.7 million (arising mainly from the weakening of the Indonesian Rupiah against the Ringgit Malaysia).

Right-of-use assets fell from RM786.9 million in FY 2024 to RM757.2 million in FY 2025 after additions of RM0.8 million, depreciation of RM15.8 million and the impact of foreign currency adjustment of RM14.7 million (resulting from a weaker Indonesian Rupiah against the Ringgit Malaysia).

Trade and other receivables declined from RM116.6 million in FY 2024 to RM103.0 million in FY 2025, mainly due to lower Plasma receivables in LAK.

In FY 2025, UMB group's cash and bank balances and short term funds remained healthy, accelerating from RM126.1 million in FY 2024 to RM214.8 million in FY 2025, in conjunction with better results in FY 2025.

During FY 2025, UMB fully repaid the RM29.7 million term loan for LAK's mill and partially repaid the RM4.2 million revolving credit. As of 30 April 2025, after a foreign currency adjustment of RM8.6 million, outstanding bank borrowings totalled RM60.4 million compared with RM102.9 million in the previous year.

• Investment Holdings

Investment loss of RM21.2 million in FY 2025 was attributable to net foreign exchange loss of RM22.9 million (stemming from the weakening of the Indonesian Rupiah against the Malaysian currency) and interest expense of RM3.9 million, net of interest income of RM2.9 million and fair value gain on short term funds of RM2.7 million.

During the previous financial year, investment loss of RM14.9 million in FY 2024 was attributable to net foreign exchange loss of RM13.4 million (mainly due to the weaker Indonesian Rupiah and a stronger United States Dollar against the Ringgit Malaysia) as well as interest expense of RM4.6 million, net of interest income of RM1.7 million and fair value gain on short term funds of RM1.4 million.

MANAGEMENT DISCUSSION & ANALYSIS

(continued)

FINANCIAL MATTERS (continued)

- **Plantation Finances**

Malaysian Operations

In FY 2025, Malaysian operations recorded a plantation profit of RM124.4 million, a 58% leap from RM78.8 million in FY 2024.

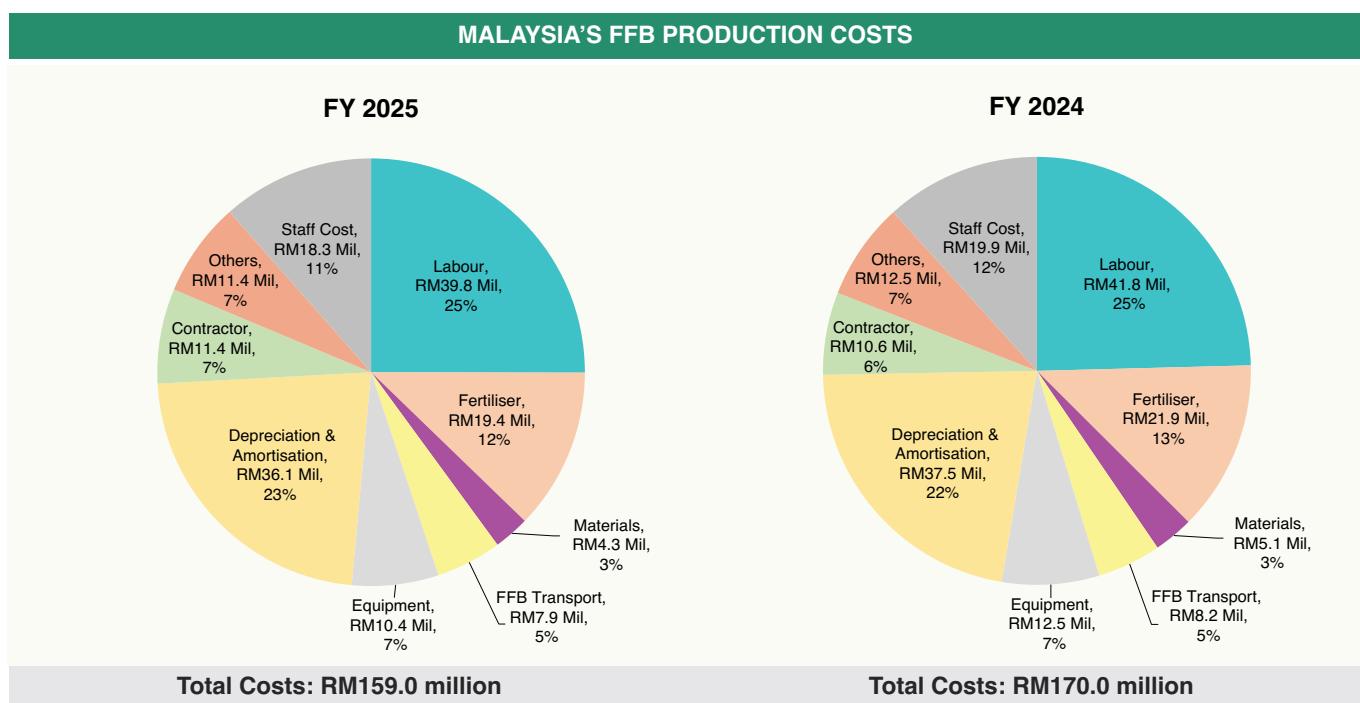
Excluding depreciation, net fair value changes on biological assets and interest expense on lease liabilities, Malaysian operations' EBITDA in FY 2025 totalled RM166.3 million – a 37% increase from RM121.3 million in FY 2024.

Higher EBITDA was contributed by improved average CPO prices of RM4,366/tonne compared with the previous year of RM3,830/tonne and better average PK prices of RM3,050/tonne compared with the previous year of RM2,076/tonne, compounded by lower unit production costs.

Malaysia's FFB Output Costs

FFB production costs in Malaysian estates declined from RM170.0 million in FY 2024 to RM159.0 million in FY 2025, mainly due to lower cost of fertilisers, materials and labour.

Proportionately, labour continued to top overall FFB production costs with 25% share in FY 2025 (FY 2024: 25%) or RM39.8 million (FY 2024: RM41.8 million) (see chart below on Malaysia's FFB production costs). Reducing headcount by expediting mechanisation in estates lowered labour costs by 5% in FY 2025.



Going forward, UMB's senior management will prioritise improving yields, accelerating mechanisation, enhancing operational efficiency in oil mills and stepping up FFB collection through offering harvesters performance-based payments.

Furthermore, UMB will continue to hedge CPO prices to mitigate the Group's exposure to volatile prices.

MANAGEMENT DISCUSSION & ANALYSIS

(continued)

FINANCIAL MATTERS (continued)

- **Plantation Finances (continued)**

Indonesian Operations

During FY 2025, Indonesian operations (mainly LAK) reported a plantation profit of RM27.6 million, more than double the RM10.6 million in FY 2024.

Excluding depreciation, net fair value changes on biological assets, interest income and interest expense on the mill loan, Indonesian operations' EBITDA accelerated by 30% from RM38.9 million in FY 2024 to RM50.7 million in FY 2025.

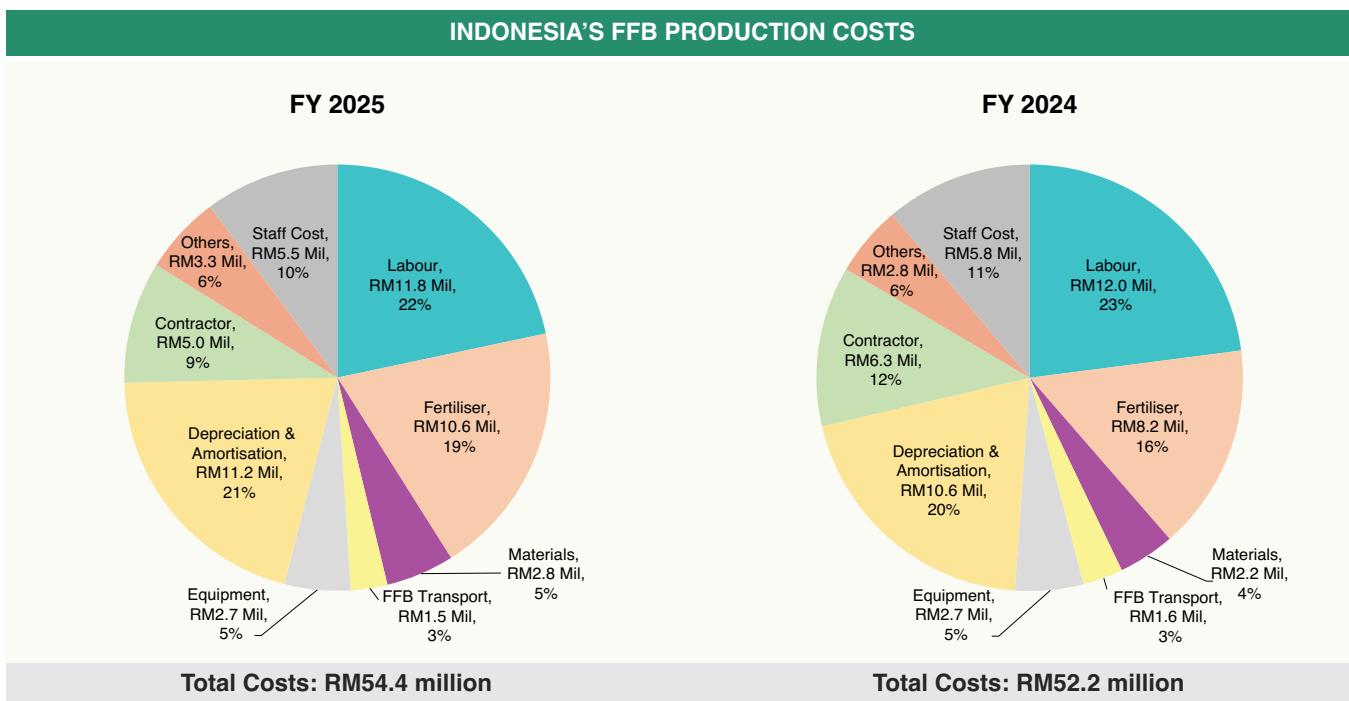
The biggest contributor to this significant improvement was higher prices for both CPO and PK; the CPO price edged up by 13% from RM3,398/tonne in FY 2024 to RM3,843/tonne in FY 2025, while PK price spiked up by 72% to RM2,780/tonne in FY 2025 compared with RM1,615/tonne in the previous year.

Another contributory factor was the 16% improvement in FFB output by 15,049 tonnes to 108,915 tonnes compared with 93,866 tonnes in the preceding year.

Indonesia's FFB Output Costs

Costs of FFB output in Indonesia inched up from RM52.2 million in FY 2024 to RM54.4 million in FY 2025. Fertiliser costs rose to RM10.6 million in FY 2025 from RM8.2 million in FY 2024 in tandem with the expanded matured area.

Labour continued to account for a significant share of costs: 22% in FY 2025 (FY 2024: 23%) or RM11.8 million (FY 2024: RM12.0 million) (see chart below).



MANAGEMENT DISCUSSION & ANALYSIS

(continued)

REVIEW OF OPERATIONS

Location Map of Group's Estates & Mills



Plantation Operations

As of 30 April 2025, UMB's planted area in Malaysia totalled 19,479 hectares. During the year under review:

- 314 hectares of oil palm reached maturity,
- 188 hectares were reclassified from unplantable area to matured planted area after the land survey,
- 21 hectares of matured area were newly acquired in Meridian estates, and
- 302 hectares of matured area were replanted.

Consequently, total matured area increased marginally from 17,676 hectares to 17,897 hectares or 92% of the total planted area in Malaysia.

Of the 1,582 hectares planted with immature palms in FY 2025, 81% are in Sabah while the remainder are in Peninsular Malaysia. In the financial year ending 30 April 2026 (FY 2026), 313 hectares will be declared mature.

LAK in Central Kalimantan has a land bank (including Plasma) of 24,607 hectares, of which 54% or 13,363 hectares have been planted with oil palms. During the year under review, 402 hectares of planted oil palms reached maturity, enlarging the total matured area to 12,360 hectares. Of the immature area of 1,003 hectares, oil palms covering 92 hectares will mature in FY 2026.

MANAGEMENT DISCUSSION & ANALYSIS

(continued)

REVIEW OF OPERATIONS (continued)

Plantation Operations (continued)

Breakdown of planted area:

	Malaysia	Indonesia (Inti)	Total exclude Plasma	Indonesia (Plasma *)	Total
	Ha	Ha	Ha	Ha	Ha
Matured	17,897	7,185	25,082	5,175	30,257
Immature	1,582	983	2,565	20	2,585
Total Planted	19,479	8,168	27,647	5,195	32,842
Land clearing	-	270	270	2	272
Plantable	48	3,282	3,330	-	3,330
Unplantable ^	4,055	2,453	6,508	5,237	11,745
Total Land Bank	23,582	14,173	37,755	10,434	48,189

* Plasma is a programme initiated by the Indonesian Government to develop smallholders' plantations with the assistance of plantation companies.

^ Land area for canals, roads, buildings, villages and forest reserve area.

The age profile of UMB Group's planted oil palms (excluding Plasma) is noteworthy – 39% are in prime production (aged 8 to 15 years), 7% are on an increasing yield trend (5 to 7 years) and 9% are immature palms of less than 5 years. Only 24% or 6,624 hectares of palms aged more than 20 years need to be progressively replanted. The average age of palms is 15 years – within the prime production bracket.

	Peninsular		Meridian		Millian-Labau		Malaysia		Indonesia #		Group	
	Ha	%	Ha	%	Ha	%	Ha	%	Ha	%	Ha	%
≤ 4 years	296	5	1,136	17	150	2	1,582	8	983	12	2,565	9
5 - 7 years	658	12	81	1	-	-	739	4	1,190	14	1,929	7
8 - 15 years	497	9	386	6	4,097	58	4,980	26	5,866	72	10,846	39
16 - 20 years	2,151	38	1,134	17	2,269	32	5,554	28	129	2	5,683	21
21 - 25 years	1,820	33	2,596	38	580	8	4,996	26	-	-	4,996	18
> 25 years	191	3	1,437	21	-	-	1,628	8	-	-	1,628	6
	5,613	100	6,770	100	7,096	100	19,479	100	8,168	100	27,647	100
Average Age	17.5 years		18.5 years		15.1 years		17.0 years		10.1 years		15.0 years	

Excludes Plasma

In FY 2025, FFB production from UMB's Malaysian estates totalled 345,946 tonnes – marginally lower than that in FY 2024. FFB output in Sabah totalled 226,478 tonnes, accounting for 65% of total FFB production from UMB's Malaysian estates, with the remaining 35% derived from Peninsular estates.

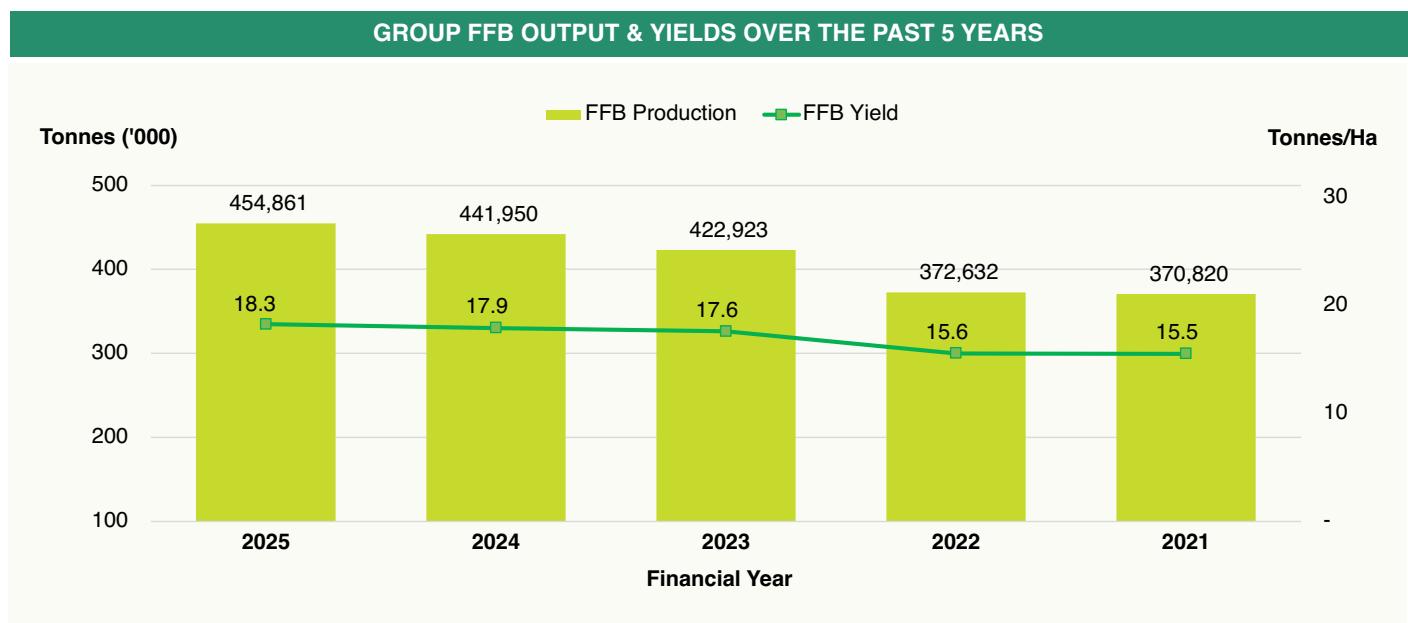
MANAGEMENT DISCUSSION & ANALYSIS

(continued)

REVIEW OF OPERATIONS (continued)

Plantation Operations (continued)

UMB's Indonesian plantations contributed 108,915 tonnes of FFB in FY 2025 from a matured area of 7,185 hectares, an improvement of 16% from the previous year due to an increase in matured area and higher yield from prime age palms. With an average age of 10.1 years, sufficient workforce in place and clement weather, UMB expects FFB output from LAK will contribute handsomely to overall UMB Group's production in the coming years.



Given the oil palm industry's persistent challenges, UMB continues to place heavy emphasis on improving yields and reducing costs. Palms older than 24 years will be gradually replanted with high-yielding clonal and semi-clonal seedlings. For the current year under review, RM14.6 million was spent on nurturing immature oil palms planted over 1,582 hectares in Malaysia. About 331 hectares in Malaysia will be replanted in FY 2026.

Milling Operations

UMB owns two palm oil mills in Malaysia – Bukit Senorang Palm Oil Mill in Pahang and Meridian Palm Oil Mill in Sabah. Combined, both mills have a production capacity of 80 tonnes per hour (tph). In FY 2025, FFB processed a total of 374,734 tonnes, marginally lower than the 377,946 tonnes in the preceding year.

Both mills collectively produced 70,890 tonnes (2024: 72,764 tonnes) of CPO and 17,006 tonnes (FY 2024: 17,318 tonnes) of PK with an average OER of 18.9% (FY 2024: 19.3%) and an average KER of 4.5% (2024: 4.6%).

LAK's Arwana palm oil mill in Kalimantan has a FFB processing capacity of 45 tph. FFB processed in FY 2025 totalled 285,431 tonnes, 6% higher than the 269,981 tonnes in the previous year, due to higher FFB output from LAK's own estates.

MANAGEMENT DISCUSSION & ANALYSIS

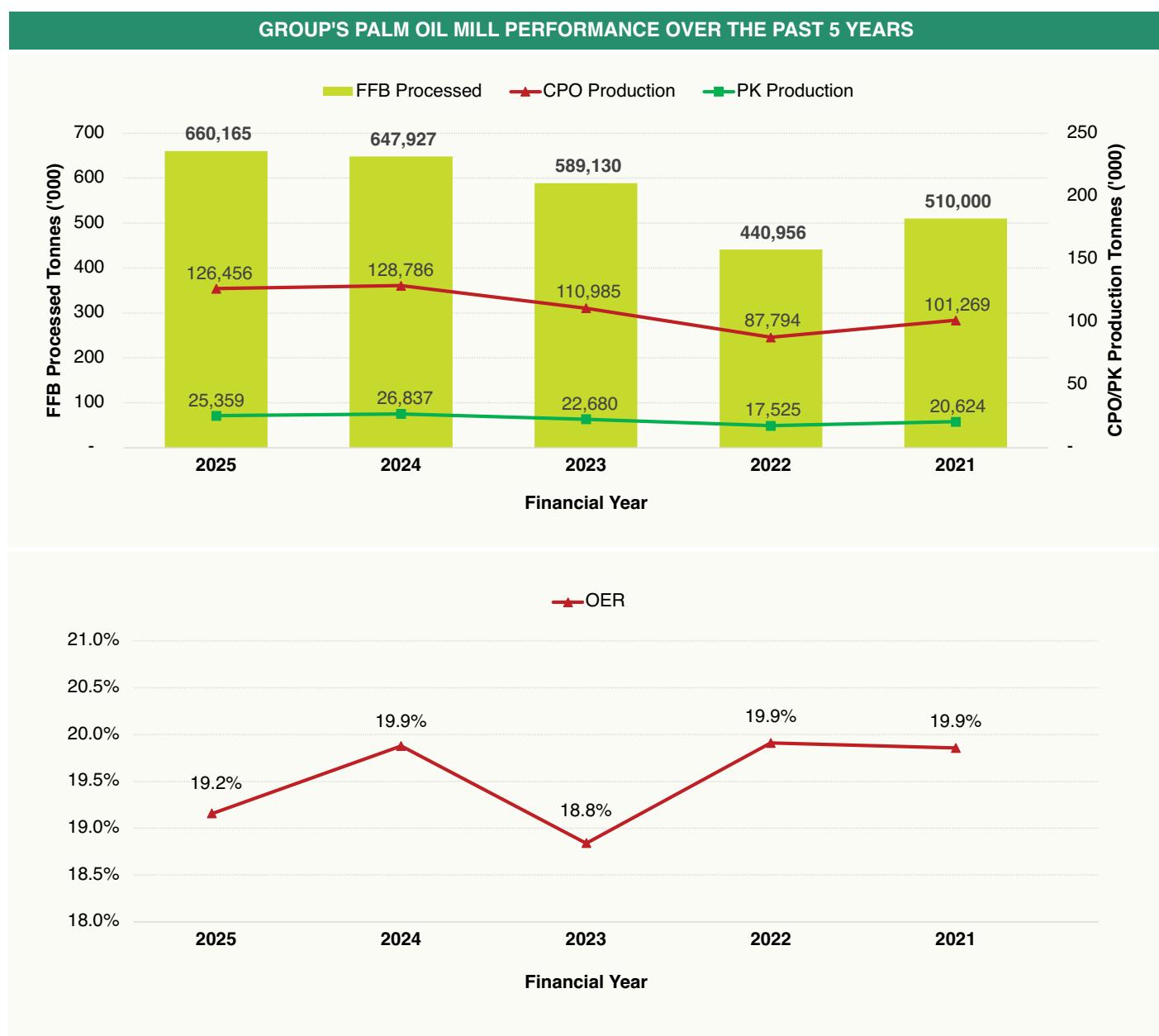
(continued)

REVIEW OF OPERATIONS (continued)

Milling Operations (continued)

During the year under review, Arwana achieved CPO output totalling 55,566 tonnes (FY 2024: 56,022 tonnes) and 8,353 tonnes of PK (FY 2024: 9,519 tonnes). The high percentage of parthenocarpy bunches causing abnormal/poor fruit formation from May to December 2024 resulted in Arwana's lower OER of 19.5% (FY 2024: 20.8%) and KER of 2.9% (FY 2024: 3.5%).

FFB processed by the UMB Group in FY 2025 was 660,165 tonnes (FY 2024: 647,927 tonnes) with CPO output of 126,456 tonnes (FY 2024: 128,786 tonnes), 25,359 tonnes of PK (FY 2024: 26,837 tonnes), as well as OER of 19.2% (FY 2024: 19.9%) and KER of 3.8% (FY 2024: 4.1%).



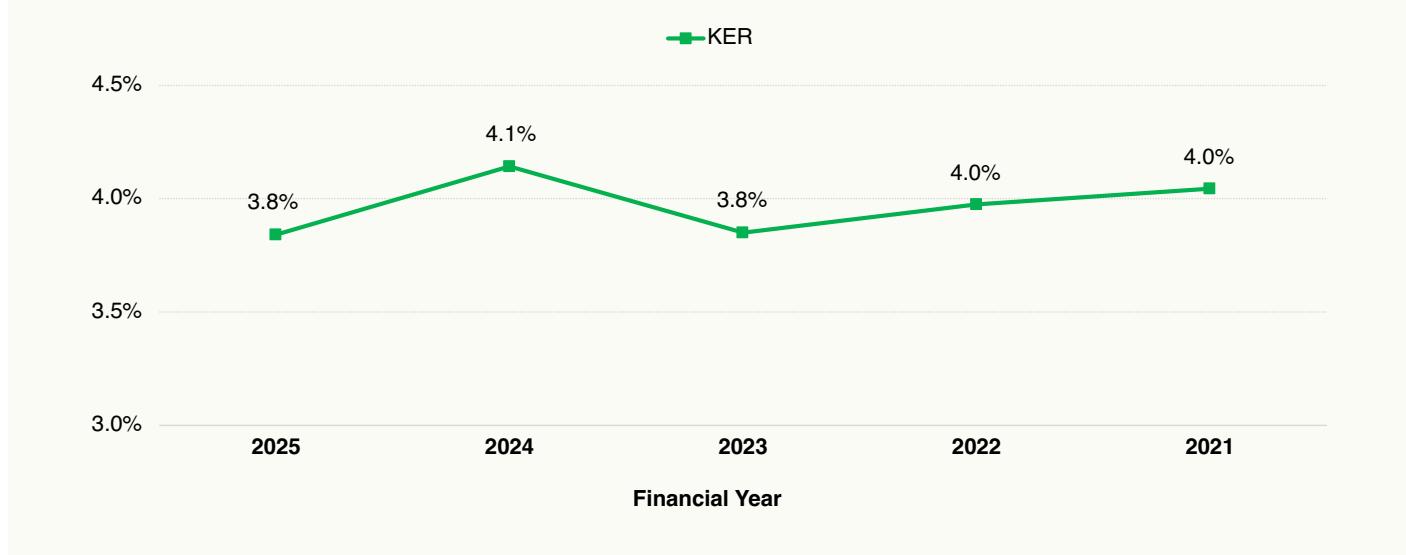
MANAGEMENT DISCUSSION & ANALYSIS

(continued)

REVIEW OF OPERATIONS (continued)

Milling Operations (continued)

GROUP'S PALM OIL MILL PERFORMANCE OVER THE PAST 5 YEARS (continued)



FORWARD-LOOKING STATEMENT

Sustained by oil palms' healthy age profile, a comprehensive replanting programme using high-yielding semi-clonal material, improved operational efficiency and expanded mature hectarage in Kalimantan, Indonesia, assuming current CPO prices continue and no inclement weather, the UMB Group expects satisfactory results for FY 2026.

UMB's senior management will continually prioritise initiatives that stimulate higher yielding crops, reduce costs and strengthen environmentally-friendly and sustainable policies. Additionally, UMB management will continue to give precedence to sustainable and environmentally friendly policies in Malaysia and Kalimantan.

In FY 2026, the Group's capital expenditures will continue to be substantial. These include replanting costs in Malaysia, new planting in Kalimantan, Indonesia, upgrading workers' houses in Sabah and Kalimantan and improving access roads in both estates as well as building a new oil mill in Millian-Labau Estates in Sabah.

Backed by healthy cash and bank balances as well as short term funds totalling RM214.8 million as of 30 April 2025, the Group will utilise internal funds for capital expenditure while maintaining sufficient funds for the payment of dividends to shareholders.

This Statement was presented and approved by Board on 25 July 2025.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025

STATEMENT OVERVIEW

Sustainability remains a core principle in guiding United Malacca Berhad's (UMB) operational decisions, strategic direction, and continual value creation. As an established plantation company with operations across Malaysia and Kalimantan, Indonesia, UMB acknowledges the responsibility of managing natural resources sustainably while upholding social equity and sound governance.

The Sustainability Statement (SS) outlines the company's sustainability performance and progress for the reporting period 1 May 2024 to 30 April 2025. To provide a comprehensive view of ongoing improvements and long-term trends, the SS includes comparative data spanning the previous three financial years from UMB's subsidiaries.

Sustainable practices across all estates and palm oil mills are guided by UMB's Sustainable Palm Oil Policy (SPOP), which supports ethical agronomic methods and responsible supply chain practices. UMB currently oversees fourteen (14) estates and two (2) palm oil mills in Malaysia, along with five (5) estates and one (1) mill in Kalimantan, Indonesia.

The sustainability framework is structured around three fundamental pillars – People, Planet and Profit, and is aligned with the United Nations' Sustainable Development Goals (SDGs). This integrated approach reflects a commitment to social responsibility, environmental stewardship, and economic resilience.

All disclosures in this report have been prepared with reference to the following:

- Sustainability Reporting Guide (3rd Edition) by Bursa Malaysia Berhad (Bursa Malaysia),
- Bursa Malaysia's Main Market Listing Requirements on Sustainability Reporting and
- Global Reporting Initiatives (GRI) Standards

An internal assurance process was conducted to verify the accuracy of data and information presented for the financial year (FY) 2025, as referenced in the Statement of Assurance. The SS was reviewed and endorsed by the Board of Directors prior to publication.

Stakeholder feedback is encouraged to enhance future sustainability practices and reporting. Comments or suggestions may be submitted via email to umb@unitedmalacca.com.my.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

SUSTAINABILITY GOVERNANCE

Sustainability governance is led by the Board of Directors (BOD), which reflects UMB's commitment to embedding environmental, social, and governance (ESG) principles into its core strategy. Oversight of sustainability governance is further supported by the Executive Director (ED), Chief Executive Officer (CEO) and the management committee. The management committee comprises key leaders from various departments, including the Human Resources Department, Administration and Corporate Affairs Department, Environment, Health, Safety and Sustainability (EHSS) Department, Procurement and Marketing, Estate Operations and Mill Operations, as well as representatives from the operating units. The Sustainability department plays a central coordinating role, working in close partnership with both the management committee and the operating units. Together, the departments strive to ensure the effective integration and implementation of ESG initiatives across the UMB group, including climate change issues.



Diagram 1 - Sustainability Governance Structure

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

STAKEHOLDER ENGAGEMENT

UMB acknowledges the vital role stakeholders play in shaping the company's growth and long-term resilience. As a responsible corporate entity, UMB prioritises transparent, respectful and consistent engagement to build trust and foster collaborative relationships. Recognising the dynamic nature of stakeholder expectations, efforts are made to align sustainability initiatives with evolving priorities such as climate action, ethical labour practices, and community well-being. Feedback and input from stakeholders are considered in the development of sustainability strategies to ensure that UMB delivers shared value and meaningful impact.

Table 1 - Stakeholder Engagement

Stakeholder Group	Engagement Channels	Key Topics/ Concerns	Outcomes
Board of Directors	<ul style="list-style-type: none"> • Board Meetings • Annual General Meetings (“AGM”) • Quarterly reporting • Annual report • Corporate website 	<ul style="list-style-type: none"> • Earnings prospects • Return on investment (“ROI”) • Corporate governance and compliance • ESG performance • Risk management and internal controls • Long-term strategic direction 	<ul style="list-style-type: none"> • Sustainable business progress and performance • Enhanced ESG reporting • Risk mitigation strategies • Strong governance and ethical oversight
Investors/ Financiers/ Shareholders/ Analysts	<ul style="list-style-type: none"> • Annual report • AGM • Corporate website • Announcements • Meetings 	<ul style="list-style-type: none"> • Group's financial performance • ROI • Business outlook and market position • Corporate governance and compliance • ESG performance • Transparency and disclosure standards 	<ul style="list-style-type: none"> • Sustainable business progress and performance • ESG reporting
Government/ Regulators/ Industry Associations	<ul style="list-style-type: none"> • Public/ virtual seminars • Site visits, audits and inspections • Periodic reporting • Meetings, engagements and dialogues • Regulatory filing and compliance reports 	<ul style="list-style-type: none"> • Legal and policy compliance • Policy development and advocacy • Economic and sectoral development • Contribution to national sustainability goals 	<ul style="list-style-type: none"> • Compliance with laws and regulations • Update on the latest changes in laws and regulations • Strengthen partnerships
Local Communities, Smallholders, Plasma Schemes	<ul style="list-style-type: none"> • Meetings • Free, Prior and Informed Consent (“FPIC”) • Community outreach activities and development • Mill engagement 	<ul style="list-style-type: none"> • Land matters, complaints and grievances • Sustainability issues • Employment and business opportunities • Prices of fresh fruit bunches (“FFB”) and quality of FFB • Supply chain concerns 	<ul style="list-style-type: none"> • Effective grievance resolutions and communication • Sharing of best agricultural practices • Awareness of sustainability policies and code of conduct • Community development and activities

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

STAKEHOLDER ENGAGEMENT (continued)

Table 1 - Stakeholder Engagement (continued)

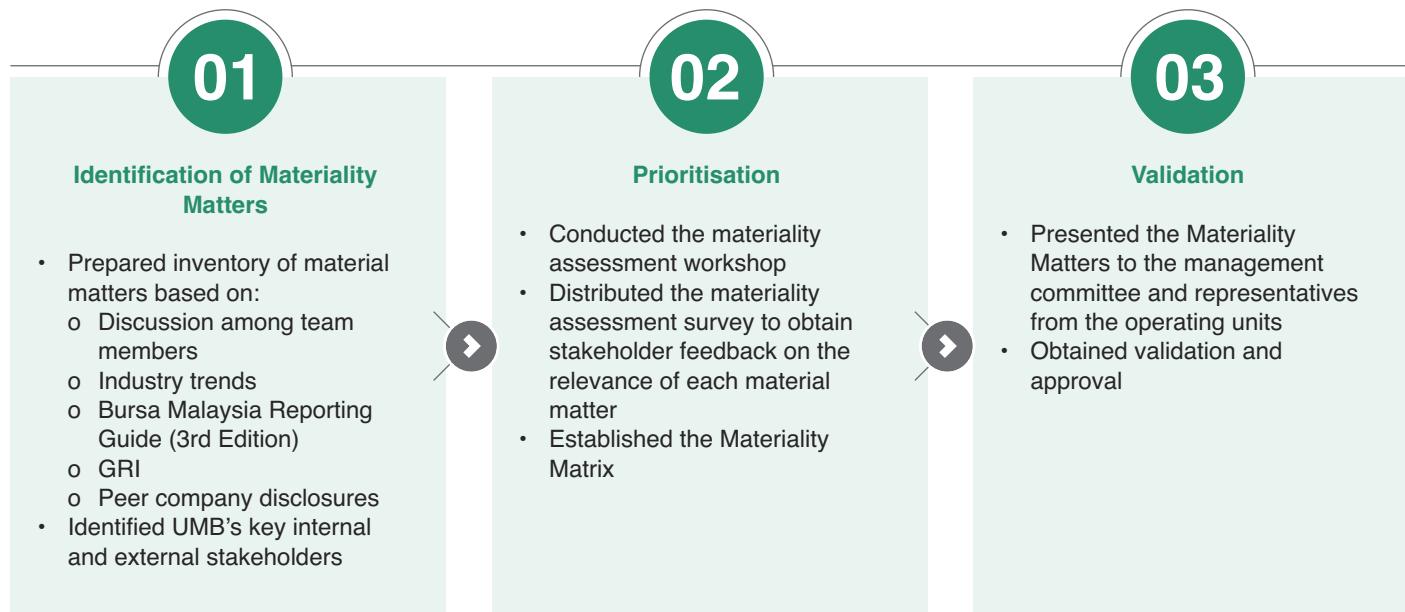
Stakeholder Group	Engagement Channels	Key Topics/ Concerns	Outcomes
Non-Governmental Organisations (NGO)	<ul style="list-style-type: none"> • Site Visits • Meetings • Collaboration and project partnership • Engagements • Policy and documentation reviews 	<ul style="list-style-type: none"> • Sustainability-related issues • Challenges faced by the palm oil industry • Clarification of media reports 	<ul style="list-style-type: none"> • Understand concerns and issues relating to the palm oil industry • Recommend and assist in improving sustainability policies and practices
Certification Bodies	<ul style="list-style-type: none"> • Audits • Meetings • Emails 	<ul style="list-style-type: none"> • Laws, regulations and certifications requirements • Updates on the latest changes in the industry 	<ul style="list-style-type: none"> • Audit and certifications • Compliance with policies and requirements
Suppliers / Buyers/ Contractors/ Customers	<ul style="list-style-type: none"> • Performance Evaluations • Product and technology trials • Site visits • Webinars • Emails • Meetings • Contract negotiations and reviews 	<ul style="list-style-type: none"> • Prompt delivery of goods and services • Product quality and services • Licensing, certification and traceability • Compliance with relevant laws and regulations • New products or technology • Supplier Code of Conduct 	<ul style="list-style-type: none"> • Product and technology trials • Strong and reliable supply chains • Enhanced collaborations and communication
Employees / Workers	<ul style="list-style-type: none"> • Muster calls/ Toolbox briefing • Meetings • Annual appraisals • Briefings / Training programmes • Complaints and grievances channel • Memos 	<ul style="list-style-type: none"> • Welfare and remuneration • Employee development • Sustainability issues and practices • Operational performance and productivity • Job security • Workplace safety and health 	<ul style="list-style-type: none"> • Awareness of policies, SOPs and Sustainability practices and commitments • Improvement of performance and productivity • Training and development of employees • Resolution of complaints and grievances
Schools & Universities	<ul style="list-style-type: none"> • Scholarships • Internship programmes • Meetings • Letters • Research projects and joint initiatives 	<ul style="list-style-type: none"> • Talent acquisition • Skill development and employability • Research and innovation support • Corporate social responsibility • Career guidance and mentorship 	<ul style="list-style-type: none"> • Enhanced students' skills and job readiness • Increased educational opportunities • Development of future talent pipeline

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

MATERIALITY ASSESSMENT

In FY 2025, UMB conducted a materiality assessment with reference to the methodologies outlined in Bursa Malaysia's Sustainability Toolkit: Materiality Assessment (3rd Edition), the GRI Standards, as well as information drawn from peer company disclosures. UMB's materiality assessment process is designed to systematically identify and prioritise key sustainability issues that have significant impacts on both the company and its stakeholders. Engaging both internal and external stakeholders ensures alignment with emerging trends, stakeholder expectations and UMB's strategic direction. The steps are as follows:

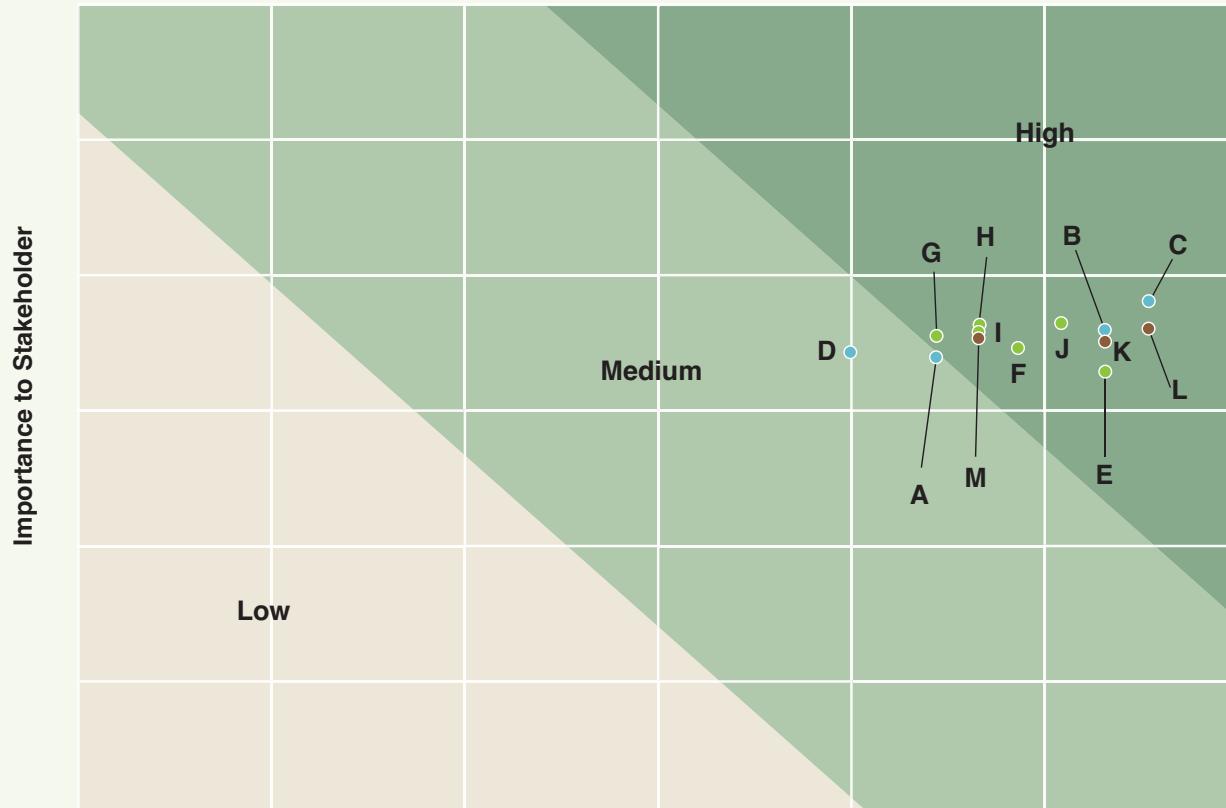


As a result of the assessment, several existing material topics were streamlined for improved clarity and alignment in reporting. In contrast, others have been renamed to reflect their scope and relevance better. The identified materiality matters are mapped under the People, Planet and Profit pillars. The materiality assessment result is depicted below.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

MATERIALITY MATRIX



Significance of UMB's Sustainability Impacts

People

- A. Community & Society
- B. Labour Practices & Standards
- C. Health & Safety
- D. Diversity

Planet

- E. Emission Management
- F. Biodiversity Management
- G. Energy Management
- H. Waste Management
- I. Water Management
- J. Pesticide & Chemical Management

Profit

- K. Data Privacy & Security
- L. Anti-Corruption & Corporate Governance
- M. Supply Chain Management

Related SDGs



Related SDGs



Related SDGs



SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

As part of UMB's effort to sustain and be responsible for business practices, UMB has identified key challenges associated with each pillar and the corresponding strategic responses that enable UMB to address these challenges effectively while creating long-term value.

Materiality Matters	Challenges	UMB's Strategic Response
PEOPLE		
Community & Society 	Limited engagement with local communities and stakeholders may lead to reputational damage and conflict.	Build strong, trust-based relationships with surrounding communities through community outreach and support to enhance business stability.
Labour Practices & Standards 	Inconsistent labour practices, including unfair wages, poor working conditions, and non-compliance with labour laws, can lead to low morale, high turnover and reputational risk.	Uphold ethical labour standards, offer fair wages and welfare programs to build a motivated workforce, improve productivity and increase business opportunities with ESG-focused buyers and investors.
Health & Safety 	Workplace accidents and non-compliance with safety regulations can lead to injuries, legal issues, and hidden operational costs.	Strategic focus on workplace safety to prevent incidents and ensure legal compliance, avoid operational disruptions, and minimise costs associated with incidents and legal consequences.
Diversity 	A non-diverse team limits creativity and innovation, diminishes employee morale and retention, and risks ethical issues that can damage the company's reputation.	A diverse and inclusive team fosters innovation, improves operational efficiency, enhances community engagement, boosts employee morale and productivity, reduces turnover, ensures legal compliance and supports a strong social license to operate.
PLANET		
Emission Management 	Poor emission management poses risks of regulatory non-compliance, reputational harm, and increased GHG emissions, which contribute to global warming and undermine sustainability efforts.	Effective emission management strategies, such as monitoring, reporting and reducing GHG, ensure regulatory compliance, protect the company's reputation and support global climate mitigation efforts.
Biodiversity Management 	Failure to monitor biodiversity may raise concerns among NGOs and stakeholders about commitments to environmental conservation.	Biodiversity protection supports compliance with sustainability standards and enhances business opportunities and stakeholder confidence.
Energy Management 	Increasing fossil fuel prices increase operating costs, while inefficient energy use raises greenhouse gas (GHG) emissions, contributing to climate risks.	Adopting energy-efficient technologies and renewable energy investments lowers operational costs, reduces carbon emissions, and supports sustainability goals.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

Materiality Matters	Challenges	UMB's Strategic Response
PLANET (continued)		
Waste Management 	Poor waste management and non-compliance with regulations can lead to fines, suspension of certification, environmental harm, reputational damage and increased operational costs.	Effective waste management ensures regulatory compliance, protects the environment, and reduces compliance costs and GHG emissions.
Water Management 	Ineffective water management can disrupt plantations, mill operations and the ecosystem. It may cause pollution that may lead to regulatory penalties and put the company's social license to operate at risk.	Sustainable water practices conserve resources, protect the ecosystem, ensure a reliable and consistent supply, and support compliance with environmental regulations.
Pesticide & Chemical Management 	Improper use of pesticides and chemicals can harm soil, water, and biodiversity, leading to increased operational costs and potential regulatory non-compliance and certification risks.	Responsible pesticide and chemical management enhances soil health and yields, lowers costs, protects the environment and reinforces the company's reputation.

PROFIT		
Data Privacy & Security 	Inadequate protection of personal or confidential data may expose the company to cyber threats, regulatory breaches, financial penalties, and loss of stakeholder trust.	Proper handling of personal data builds customer and employee confidence, ensures compliance with legal requirements, and boosts the company's reputation.
Anti-Corruption & Corporate Governance 	Non-compliance with anti-corruption laws and regulatory requirements can result in legal penalties and damage the company's credibility with stakeholders.	Prioritising regulatory compliance and continuous improvement builds stakeholder confidence and elevates the company's reputation. Embracing ethical practices enhances transparency and positions the company as a trusted partner.
Supply Chain Management 	Suppliers' non-compliance with legal or sustainability standards, including No Deforestation, No Peat, No Exploitation (NDPE) policies, can lead to legal and reputational risks. Limited supply chain traceability and lack of transparency in procurement may result in non-compliance, fraud or unethical practices.	Establishing long-term partnerships with suppliers ensures supply reliability and strong procurement policies. Sustainable sourcing enhances certification and NDPE compliance.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)



Pillar 1: PEOPLE



COMMUNITY & SOCIETY

(GRI 3-3, GRI 201-1, GRI 413-1, GRI 13.12)

At UMB, corporate social responsibility extends well beyond achieving business goals. It centres on making meaningful and lasting contributions to employees, local communities and all stakeholders involved by supporting local economic growth, empowering communities and prioritising the well-being of those connected to operations.

Key initiatives include offering transportation services in remote areas, particularly in Sabah, so employees and the local communities can access amenities in the town. Access to quality healthcare is ensured through free medical services available to employees' dependents and residents, promoting healthier communities. Beyond these core initiatives, UMB also supplies treated water to schools in Sabah to address resource limitations and support a healthier learning environment.

Apart from that, UMB provides diesel sponsorship to local authorities in Sabah to support their operational needs, particularly in remote areas where access to fuel can be limited. This assistance helps ensure the continued functioning of essential services, thereby contributing to the overall well-being and resilience of the surrounding communities. UMB also contributes to the upkeep and improvement of local infrastructure by assisting in road repairs. Well-maintained roads facilitate better and safer access while supporting local economic activity. Additionally, charitable contributions are made to support various local needs, further strengthening community ties and social well-being.

Engagement with the community is fostered through regular events such as Raya Open Houses and blood donation drives, participation in village-organised activities, and ongoing dialogues with cattle owners in surrounding areas. UMB also conducts annual stakeholder meetings, providing a formal platform for stakeholders to voice their concerns. The engagements reinforce open communication and collaboration and help build mutual trust. UMB also supports the maintenance of places of worship of all faiths located near the



Photo 1: Blood donation drive in Meridian Plantation Sdn. Bhd. in Paitan, Sabah

estates, ensuring that workers and community members have access to proper facilities for spiritual practices.

To address potential land disputes, UMB has established clear, transparent procedures for conflict resolution, promoting dialogue and mutual understanding with the affected stakeholders.

UMB is committed to creating inclusive growth by promoting business opportunities that support surrounding communities. By sourcing goods and services locally where feasible, UMB helps contribute to sustainable, positive partnerships. UMB offers stable employment across its estates and palm oil mills, contributing to improved livelihoods and uplifting socio-economic conditions while meeting its operational needs.

To ensure that these efforts are impactful and accountable, a Social Impact Assessment (SIA) was conducted across all operating units in both Malaysia and Indonesia. These assessments serve as a critical tool for identifying, evaluating and addressing the social impacts of UMB's operations on local communities and stakeholders. In the current financial year, UMB will be renewing the SIA for all its operating units in Malaysia in accordance with the latest Malaysian Sustainable Palm Oil (MSPO) requirements.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)



Education is essential for building strong communities and advancing national development. Providing children with access to quality learning opportunities helps unlock their full potential and contributes to a fairer, more sustainable future. UMB provides transportation support to workers' children, especially in Sabah and Pahang, to ensure their children can attend schools located far from the estates. In collaboration with the Konsulat Jenderal Republik Indonesia (KJRI), Community Learning Centres (CLC) have been set up within UMB's oil palm plantations in Sabah to provide formal education for children of Indonesian foreign workers. The CLCs aim to ensure access to education in a structured and conducive learning environment. This initiative plays a key role in supporting the elimination of child labour by offering children meaningful learning opportunities.

At present, a total of 249 children are enrolled and benefitting from the CLCs. The centres cater to children aged between 6 and 17 years old, offering a curriculum aligned with the

Indonesian education system. At MPSB, the CLC was established in 2020 and currently serves 134 children. At MLP, the first CLC was founded in 2013, followed by 2 centres in 2018. All three centres currently serve 115 children. There are 17 teachers involved in the initiatives, including trained educators appointed by KJRI. These CLCs have achieved notable successes by winning numerous inter-CLC educational and sports competitions. In addition, a few high-performing students have received scholarships to pursue further education in Indonesia.

UMB remains committed to empowering the next generation through its Bursary Programme, which supports the high-achieving young Malaysians pursuing tertiary education at public universities in Malaysia. Besides the Bursary Programme, UMB also offers the United Malacca University Scholarship, Tun Tan Siew Sin Scholarship and Educational Aid to ease the financial burden of deserving students from underprivileged backgrounds, enabling them to access higher education.

Table 1 - Scholarships Awarded

Scholarships	Financial Year		
	FY 2025	FY 2024	FY 2023
United Malacca University Scholarship (UMUS)	Contribution (RM)	18,000	36,000
	Number of recipients	2	4
Tun Tan Siew Sin Scholarship	Contribution (RM)	4,500	1,500
	Number of recipients	3	1
Educational Aid	Contribution (RM)	1,120	200
	Number of recipients	4	1
Bursary Programme	Contribution (RM)	11,235	3,765
	Number of recipients	2	1
Total Contribution (RM)	34,855	41,465	65,900

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

Table 2 – Breakdown of UMUS Award Recipients

Category	Female	Male	Total
Completed the bond but left service	11	16	27
In employment	3	5	8
Still studying	1	1	2
Withdrew from scholarship	3	5	8
Total	18	27	45

Note: The above information is taken from the year UMUS was established in 2006.



Photo 3: University students visited BSPOM to explore the palm oil milling process

In FY 2025, UMB invested RM213,200 in community development initiatives across Malaysia and Indonesia through various outreach programmes. These included RM103,700 contributed in Malaysia and RM109,500 in Indonesia. These efforts benefited a total of 89 beneficiaries, reflecting UMB's continued commitment to social responsibility and community well-being. The contribution supported a range of impactful initiatives, including education support, health and wellness, infrastructure improvements and livelihood enhancement programmes. Significant contributions included:

- RM 72,000 was spent assisting with road repairs and other maintenance work for five neighbouring villages in PT LAK.
- RM 37,000 was spent assisting 22 villages, sub-districts and churches in the vicinity of PT LAK for cultural and religious events.
- RM 20,000 to Monfort Youth Training Centre.
- RM 15,000 donation to TARC Education Foundation
- RM 10,000 to sponsor the MPOA 25th Anniversary Celebration Dinner.
- RM 5,000 each to Pusat Kanak-kanak Terengat Akal Bahagia, The National Cancer Society Malaysia, The Registered Trustees of Osimal Foundation, Pertubuhan Kebajikan Bacang Melaka, and Persatuan Hospis in Pahang, Melaka and Sandakan.
- RM 5,000 financial support to the sports club, Persatuan Ping Pong and RM 3,000 sponsorship for Kejohanan Lawan Pedang Piala Warisan 2024.
- RM 3,000 for Chinese New Year programmes in Pusat Khidmat Rakyat DUN.

UMB remains committed to supporting the PLASMA scheme in Indonesia, which is a vital element of Indonesia's agricultural development strategy. The PLASMA scheme aims to empower smallholder farmers by integrating them into the palm oil supply chain, thereby enhancing rural livelihoods, promoting inclusive growth and supporting sustainable land use practices. As part of UMB's ongoing involvement, a total of 5,195 Ha has been cultivated with oil palm under the scheme, benefitting 1,483 farmers.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)



LABOUR PRACTICES & STANDARDS

(GRI 3-3, GRI 401-1, GRI 401-2, GRI 407-1, GRI 408-1, GRI 409-1, GRI 13.16, GRI 13.17, GRI 13.18, GRI 13.20)

In line with the Sustainable Palm Oil Policy (SPOP), UMB upholds fair labour practices by implementing a zero-tolerance policy against forced and child labour. UMB recognises the right of all employees to freedom of association and collective bargaining. In Malaysia, 6% of the workforce is represented by labour unions, while in Indonesia, the figure stands at 7%. The company maintains an open, respectful relationship with union representatives and supports their role in advocating for employee welfare.

Foreign workers are recruited ethically, guided by the same policy and internal procedures. The company bears all statutory recruitment costs, ensuring that workers are not burdened with recruitment fees. The practice prevents debt bondage and promotes fairness and transparency throughout the hiring process. All newly hired workers undergo orientation programmes that include comprehensive briefings on their rights and responsibilities. In FY 2025, a total of 97 new workers underwent the orientation programme.

UMB has implemented structured grievance channels, which are The Complaints and Grievances and Kebebasan Berkeluah Kesah procedures, to allow both employees and external stakeholders to voice concerns related to workplace conditions, ethics or conduct. Apart from that, UMB's whistleblowing policy has been developed to facilitate the reporting of instances of misconduct, wrongdoing, corruption, and fraud by its internal and external stakeholders. These systems are designed to ensure accessibility, confidentiality and timely resolution. In the reporting year, no substantiated complaints regarding human rights violations were received, an outcome that reflects the effectiveness of UMB's proactive policies and employee engagement practices.

Understanding the importance of recognising and rewarding employee contributions, UMB ensures that the compensation packages are competitive and aligned with current industry standards. In compliance with national labour laws, UMB upholds the payment of minimum wages of RM1,700 in Malaysia and IDR3,480,000 in Indonesia and supplements these with additional incentives based on productivity and job roles. A broad range of employee benefits, such as various leave entitlements to encourage rest and work-life balance, as well as insurance coverage to reduce the financial impact of medical needs, are offered as well.

In Malaysia, employees are protected under the Social Security Organisation (SOCSO), which provides coverage for employment injury and other social protection benefits. Similarly, in Indonesia, employees are covered under national social security programs such as Badan Penyelenggara Jaminan Sosial (BJPS) Kesehatan and BPJS Ketenagakerjaan.

UMB has a zero-tolerance policy towards all forms of harassment, be it sexual, physical, or psychological. The company actively promotes a workplace culture rooted in respect, equality and inclusion. Employees are educated on these values through SPOP and internal procedures such as the Harassment procedure and Grievance and Disciplinary Management Procedure. UMB also ensures that women employees working late are safely escorted home by security personnel, further reinforcing the company's commitment to employee safety. To strengthen workplace security, all operating units are equipped with Closed-Circuit Television (CCTV) surveillance, gated access systems, and round-the-clock security personnel. Strong community ties build trust and mutual respect and contribute significantly to the overall security and safety of employees.

UMB is dedicated to enhancing the quality of life for employees in its estates and palm oil mills. Workers are provided with decent housing facilities that include small gardens for personal cultivation. The company is actively upgrading old wooden houses to new concrete terraced homes in compliance with the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990. Weekly inspections by the estate and mill management ensure all housing units remain safe, clean and in good condition.

Healthcare is another priority for UMB. The company provides free access to on-site clinics at its estates and mill operations for the workers and their dependents. Visiting Medical Officers (VMOs) routinely visit these clinics to assess the sanitation of living quarters and monitor the health of workers and their families. In locations where on-site clinics are not available, workers are transported to nearby government or private healthcare facilities to receive the necessary treatment. Additionally, health awareness programmes are organised periodically to educate workers on nutrition, hygiene, disease prevention, and health topics like malaria and tuberculosis. Recreational amenities such as football fields, sepak takraw courts, and places of worship are available to support workers' physical and spiritual well-being.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)



HEALTH AND SAFETY

(GRI 3-3, GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-9, GRI 404-2, GRI 13.19)

At UMB, a proactive approach to health and safety is embedded into the operations, reflecting the commitment to safeguarding the well-being of employees, contractors and visitors. UMB's Environment, Health and Safety (EHS) Policy serves as the guiding framework that ensures all activities are conducted in a manner that prevents harm and fosters a safe and conducive working environment. The policy is operationalised through detailed Standard Operating Procedures (SOPs), Work Instructions (WI) and internal safety practices tailored to the unique challenges of the oil palm plantations and mill environments. Regular training programmes are conducted covering emergency response, PPE use, safe chemical handling, and other safety training related to different job functions. Contractors working on-site also undergo safety briefings to ensure alignment with UMB's safety standards.

Table 3 – Number of employees trained on OSH

	FY 2025	FY 2024
Malaysia	1,523	1,068
Indonesia	1,727	411
Total	3,250	1,479



Photo 4: Heavy machinery drivers are given a safety briefing at the site

Workplace inspections and annual audits are conducted regularly by personnel from the EHS & Sustainability (EHSS) department to identify potential hazards and ensure compliance with applicable health and safety regulations. To further strengthen workplace safety governance, Occupational Safety and Health Committees (OSHC) have been set up at each operating unit, including at the headquarters. These committees meet quarterly to review workplace conditions, evaluate incident reports and recommend improvements.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

Additionally, OSH coordinators are appointed at each operating unit to facilitate the functions of the EHSS Department and OSCHC, as well as to support the effective implementation of health and safety initiatives at the operating units. Annual Environment, Health and Safety (EHS) programmes are developed to set clear goals and keep track of progress to ensure that the EHS initiatives are being implemented and continuously improved. At the same time, it serves as a platform for fostering employee engagement and accountability.

A range of risk assessment tools is also employed to provide a structured approach to hazard management. These tools are essential in identifying potential risks, evaluating their severity, and implementing appropriate control measures to safeguard the employees, contractors, and visitors at the site. These include, but are not limited to, the following:

- Hazard Identification, Risk Assessment, and Risk Controls (HIRARC)
- Chemical Health Risk Assessment (CHRA)
- Noise Risk Assessment (NRA)
- Ergonomic Risk Assessment (ERA)
- Local Exhaust Ventilation (LEV) Assessment

UMB continued with mechanisation efforts with initiatives aimed at improving productivity and optimising labour across the estates and enhancing workers' safety and health. These efforts are complemented by the use of lighter carbon graphite harvesting poles, which are ergonomically designed and integrated with mechanised processes, promoting higher harvesting productivity while reducing worker fatigue.

Occupational health services in UMB are essential to ensure the well-being and safety of employees exposed to various physical and chemical hazards. Workers are provided access to free medical services, including treatment and consultation. Audiometric testing is conducted annually, particularly for employees working in high-noise areas, as part of a continual hearing conservation program aimed at preventing occupational hearing loss. In addition, medical surveillance is carried out for employees who handle hazardous chemicals, as recommended in the CHRA, to monitor potential health effects.

UMB's Incident Management procedure is an essential and transparent reporting system that ensures all workplace incidents are promptly reported. The system enables thorough investigation to identify the root cause, assess risks and implement appropriate corrective and preventive actions to avoid recurrence. These actions may include revising standard operating procedures, enhancing safety training, upgrading machinery or equipment, or strengthening supervision. The system supports regulatory compliance and reflects the company's commitments to protecting the health and safety of its workforce and fostering a proactive safety culture.

UMB set a practical target in FY 2025 to achieve zero fatality and reduce the Lost Time Incident Rate (LTIR) by 3%. Through consistent implementation of safety measures and active participation from employees and contractors, UMB successfully met these objectives. UMB has set a new target to reduce the number of accidents and LTIR to 2% in FY 2026. UMB will continue to enhance its safety practices through regular training, risk assessment, and ongoing engagement with its employees and contractors.

Table 4 - Safety Performance Data for Malaysia and Indonesia operations.

Safety Performance	FY 2025	FY2024	FY2023
Work-related Fatalities	0	0	0
Lost Time Injury Rate (LTIR)	7.56	7.82	3.78

Notes:

1. LTIR – Lost Time Incidents per 200,000 hours worked

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)



DIVERSITY

(GRI 3-3, GRI 404-1, GRI 404-2, GRI 405-1, GRI 406-1, GRI 13.15)

UMB fosters a workplace culture rooted in inclusivity, equity and mutual respect. UMB believes that diversity in gender, ethnicities, nationalities, ages, and experiences is a strength that enhances collaboration, drives innovation and builds a resilient company. UMB's commitment to diversity is reflected in UMB's SPOP, which is designed to prevent discrimination and ensure equal opportunities for all.

In FY 2025, 42% of UMB's workforce comprised contract and temporary workers. Nonetheless, all workers, regardless of employment category, are treated with fairness and dignity. The workforce represents a rich mix of nationalities and cultural backgrounds, especially in the estates and mill operations where foreign workers are engaged to meet labour demands.

UMB promotes gender inclusivity across all functions and levels of the company. Despite advances in mechanisation, manual work remains essential in many field operations. While the physically demanding nature of work in the plantation sector has traditionally led to a higher proportion of male workers, UMB remains committed to supporting women who wish to pursue jobs in estate and mill operations. Women are given equal access to opportunities, training and support to thrive in their roles.

UMB established Persatuan Wanita (PERNITA) to advance gender equality, empower female employees, and create an inclusive, supportive work environment. PERNITA provides women with a platform to voice concerns, take on leadership roles and contribute meaningfully to both workplace and community development. The association plays a key role in nurturing a sense of belonging and security among women, particularly as they represent a smaller proportion of the total workforce.

Table 5 – Category of Workforce in UMB

	FY 2025	FY2024	FY2023
Category of Workforce			
Permanent	58%	58%	
Contractors/Temporary	42%	42%	

Table 6 – Employee Data in Malaysia

	FY 2025	FY2024	FY2023
Gender Group by Employee Category			
Management	Male	82%	85%
	Female	18%	15%
Executive	Male	73%	70%
	Female	27%	30%
Non-executive/Staff	Male	57%	57%
	Female	43%	43%
Worker	Male	81%	79%
	Female	19%	21%

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

Table 6 – Employee Data in Malaysia (continued)

		FY 2025	FY2024	FY2023
Age Group by Employee Category				
Management	Below 30	-	-	
	30-50	68%	65%	
	Above 50	32%	35%	
Executive	Below 30	17%	16%	
	30-50	76%	78%	
	Above 50	7%	6%	
Non-executive/Staff	Below 30	21%	22%	
	30-50	66%	66%	
	Above 50	13%	12%	
Worker	Below 30	33%	33%	
	30-50	59%	58%	
	Above 50	8%	9%	
Function Group by Employee Category				
Management	Operation	50%	50%	
	Non-operation	50%	50%	
Executive	Operation	52%	50%	
	Non-operation	48%	50%	
Non-executive/Staff	Operation	85%	86%	
	Non-operation	15%	14%	
Workers	Operation	100%	100%	
Workforce Locality				
Local		24%	25%	26%
Foreign		76%	75%	74%
Employees worked for more than ten years (Number)				
Management, Executive & Non-executive/ Staff		110	107	90
Worker		222	204	298
Directors Profile				
Board of Directors	Number	8	8	8
Independent Directors on the board	Number	4	4	3
Women on board	Number	3	3	2
Age Group (%)	50-59	12%	12%	12%
	60-69	38%	38%	38%
	Above 70	50%	50%	50%
Gender (%)	Male	63%	63%	75%
	Female	37%	37%	25%

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

Table 7 – Employee data in Indonesia

		FY 2025	FY2024	FY2023
Gender Group by Employee Category				
Management	Male	92%	91%	91%
	Female	8%	9%	9%
Executive	Male	84%	88%	84%
	Female	16%	12%	16%
Non-executive/Staff	Male	85%	85%	81%
	Female	15%	15%	19%
Worker	Male	84%	85%	84%
	Female	16%	15%	16%
Age Group by Employee Category				
Management	Below 30	-	-	-
	30-50	75%	100%	100%
	Above 50	25%	-	-
Executive	Below 30	23%	17%	11%
	30-50	73%	79%	86%
	Above 50	4%	4%	3%
Non-executive/Staff	Below 30	34%	48%	31%
	30-50	66%	52%	67%
	Above 50	-	-	2%
Worker	Below 30	33%	26%	25%
	30-50	58%	54%	54%
	Above 50	9%	20%	21%
Function Group by Employee Category				
Management	Operation	42%	55%	55%
	Non-operation	58%	45%	45%
Executive	Operation	48%	69%	58%
	Non-operation	52%	31%	42%
Non-executive/Staff	Operation	59%	57%	62%
	Non-operation	41%	43%	38%
Worker	Operation	100%	100%	100%
Workforce Locality				
Local		100%	100%	100%
Foreign		-	-	-
Employees worked for more than ten years (Number)				
Management, Executive & Non-executive/ Staff		3	1	-
Worker		-	-	-

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

Table 8 – Employee Turnover Data in UMB

	FY 2025	FY2024	FY2023
Number of Employee Turnover by Employee Category			
Management	4	4	
Executive	29	34	
Non-executive	18	25	
Worker	2,521	2,445	

UMB is dedicated to nurturing a capable and future-ready workforce by prioritising continuous learning and professional development across all levels of the company. Through structured training initiatives, employees are equipped with the relevant skills and knowledge needed to perform effectively in their roles and adapt to the evolving demands of the industry regardless of their educational background, job position or gender. To support this goal, UMB engages both internal and external trainers to deliver targeted training programmes. In FY 2025, a total of 2,726 hours of training were delivered by external trainers. UMB has set a target of average training hours per employee of 6 hours in FY 2025 and successfully achieved it. The new target for average training hours per employee in FY 2026 is 6 training hours per employee in Malaysia and 2 in Indonesia.

Table 9 – Training information

	FY 2025	FY2024	FY2023
Training hours by employee category			
Management	623	684	
Executive	1,333	1,377	
Non-executive /Staff	770	521	
Average training hours per employee			
Malaysia	8.9	9.1	3.4
Indonesia	1.4		

Note: Data reflects training for Management, Executives and Staff only.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)



Pillar 2: PLANET



BIODIVERSITY MANAGEMENT

(GRI 3-3, GRI 304-4, GRI 13.3, GRI 13.6)

UMB remains steadfast in its commitment to biodiversity protection and sustainable land management across all operating units. UMB recognises that HCV areas are ecologically important in supporting endangered species, preserving biodiversity, and maintaining natural ecosystems. In alignment with Sustainable Palm Oil Policy (SPOP) and sustainability certification standards, 100% of UMB's operating units have undergone Biodiversity and High Conservation Value (HCV) assessments. High Carbon Stock (HCS) assessments are conducted at PT LAK in Indonesia, reinforcing UMB's commitment to responsible land use and conservation.

The total HCV area in Malaysia is 1,496.78 Ha (6.35%), and the PT LAK is 1,018.69 Ha (3.94%). As part of UMB's environmental stewardship, a total of 1 flora and 37 fauna species observed within UMB's estates are listed as endangered, vulnerable, or threatened under the International Union for the Conservation of Nature (IUCN) Red List and National Conservation List Species. With the release of HCV guidelines under MSPO certification in May 2025, UMB is preparing to initiate a renewed round of HCV assessments across all operating units in Malaysia.

Table 10: Number of flora and fauna species listed under the IUCN Red List found in Malaysian operations

IUCN Red List	Fauna
Critically endangered	1
Endangered	7
Vulnerable	10
Near Threatened	12
Least Concern	113

Table 11: Number of flora and fauna species listed under the IUCN Red List found in Indonesian operations

IUCN Red List	Flora	Fauna
Critically endangered	-	1
Endangered	-	2
Vulnerable	1	3
Near Threatened	-	1
Least Concern	-	7

In Sabah, Environmental Impact Assessments (EIAs) are a regulatory requirement for estates undergoing oil palm replanting. UMB complies with these local mandates by engaging registered consultants accredited by the Environment Protection Department (EPD) of Sabah. In addition to EIA, Environmental Compliance Reports (ECR) have to be prepared every 6 months. THE ECR serves as a vital monitoring tool to assess and document the environmental and social conditions of UMB's operating units. The process includes identifying potential risks, tracking mitigation measures, and ensuring that environmental safeguards are properly implemented.

Riparian buffer zones are strictly maintained across all operating units as critical ecological corridors that support flora and fauna, safeguard water quality and reduce soil erosion. These zones serve as natural filters between agricultural activities and water bodies. To preserve the ecological function and health of these areas, the use of agrochemicals, including pesticides and fertilisers, is strictly prohibited within these areas. Visible signboards are strategically placed to remind field workers of these restrictions and reinforce compliance.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

UMB places a strong emphasis on water quality management as part of its broader commitment to environmental protection and sustainable operations. Water samples from both untreated (raw) and treated sources are routinely tested to monitor water quality, ensuring that water used for operational and domestic purposes is safe and compliant with regulatory standards and does not pose harm to aquatic ecosystems. Clean water is essential not only for human use but also for the survival of freshwater species and riparian health. Regular monitoring helps detect any early signs of water contamination.

Recognising the growing risks of forest and peatland fires, particularly in Indonesia, UMB has implemented robust fire prevention and response measures. At PT LAK, dedicated firefighting teams are assigned to each estate to maintain fire safety infrastructure, patrol for fire risks, educate nearby communities, respond to fire incidents and report hotspots or burning activities to management. The EHS team provides fire drill training to firefighting personnel covering equipment use, reporting protocols, fire response procedures and first aid. Awareness is raised through verbal communication during daily operations and the erection of informative signboards. Whenever a fire hotspot is detected, PT LAK coordinates with local authorities through both phone messages and official written communication. As a result of these concerted efforts, UMB recorded zero fire incidents in FY 2025.



WASTE MANAGEMENT

(GRI 3-3, GRI 306-1, GRI 306-2, GRI 306-3, GRI 306-4, GRI 306-5, GRI 13.8)

UMB is committed to responsible resource use and waste stewardship by embedding circular economy principles into its operational framework, where feasible. The approach emphasises the reuse, repurposing and responsible disposal of both hazardous and non-hazardous wastes. By prioritising the efficient use of raw materials and redirecting by-products back to productive use, UMB supports long-term environmental sustainability and operational resilience.

The company employs a structured waste management system that ensures compliance with environmental laws in both Malaysia and Indonesia. Scheduled wastes are strictly handled by registered contractors in accordance with local legislation and are documented through authorised regulatory platforms. Scheduled wastes include agrochemical packaging, clinical waste, used batteries, oil filters, and spent oils generated from vehicle and machinery maintenance activities. These materials are securely stored and monitored until they are collected by the registered contractors and transferred to licensed treatment or recycling facilities. Across all sites, internal procedures and standard operating protocols have been established to govern the handling, storage, and final disposal of waste, helping mitigate potential environmental risks and maintain regulatory alignment.

UMB also promotes a culture of waste minimisation. Domestic wastes are disposed of through local councils or deposited in the estate landfills. Segregation at source is implemented to reduce dependency on landfills. Recyclable waste such as plastics, paper, and aluminium cans is collected and sent to recyclers or donated to non-governmental organisations. Landfills located within the estates are managed under strict supervision to ensure compliance with local regulatory requirements and relevant certification standards. Oil palm trunks and fronds are mulched and composted to enhance soil quality and retain organic matter.

Other biomass residues, such as palm kernel shells and fibres, are used to fuel palm oil mill boilers. Meanwhile, palm oil mill effluent (POME) from palm oil mill processing is biologically treated and reused to support nutrient cycling in plantations. Compost is produced in-house at BSPOM and MPOM composting facilities by combining it with other palm oil mills' by-products, such as decanter cake, boiler ash, and POME. The estates also practice pre-packing fertiliser for young mature areas to ensure accurate uniform application, using biodegradable plastic packaging that gradually degrades after six months of sunlight exposure to support waste minimisation. All waste generated within UMB operations is managed responsibly, with strict policies prohibiting open burning.

Table 12 – Breakdown of wastes in UMB

	FY 2025	FY2024	FY2023
Total waste generated (MT)	722,065	745,733	620,944
Total waste diverted from disposal (MT)	721,528	744,950	620,147
Total waste directed to disposal (MT)	537	783	797

Note: Data was restated following the inclusion of organic waste in the reporting scope.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)



WATER MANAGEMENT

(GRI 3-3, GRI 303-1, GRI 303-2, GRI 303-3, GRI 303-5, GRI 13.7)

Water is a vital resource across all UMB's operating units, and it is crucial for processing efficiency, crop health, and ecosystem support. Recognising the environmental and operational importance of water, UMB is committed to sustainable water management practices that align with national regulations. UMB's water sources include surface water, groundwater, and municipal water. Each estate and mill operates under a tailored water management plan that includes monitoring consumption, identifying usage patterns, and addressing associated risks.

A series of water efficiency measures to reduce dependence on surface and groundwater sources is implemented, including rainwater harvesting systems and the reuse of rejected reverse osmosis water. To maintain efficient water flow and quality, UMB regularly desilts drains, constructs bunds at key points to retain water, and installs flap gates to control flow direction and prevent backflow and flooding. Riparian reserves are maintained and enhanced with cover crops, which improve soil moisture retention and reduce sediment runoff into water bodies. These practices collectively support ecosystem resilience and water availability during dry periods.

Regular inspection and maintenance of water pipelines are conducted to prevent leakages and infrastructure degradation. Employees are trained and encouraged to report any water-related issues, promoting a culture of accountability and conservation. In the field, clear signage is displayed to remind chemical sprayers to avoid application near water bodies, reducing the risk of water contamination. Upstream and downstream water samples are routinely analysed to ensure compliance with regulatory and certification standards. The quality of the effluent discharge from the palm oil mill is monitored, including the Biological Oxygen Demand (BOD) and Chemical Oxygen Demand (COD). The commitment supports operational continuity and contributes positively to the communities and environments in which UMB operates.

Table 13 – Water consumption for domestic use and in the palm oil mill

	FY 2025	FY2024	FY2023
Water consumption			
TOTAL (Megaliters)	1,218.567	1,136.251	1,297.274
Water consumption in the mill (m³/FFB processed)			
BSPOM	1.56	1.84	1.81
MPOM	1.19	1.14	1.49
APOM	1.21	1.25	1.64

Note: Water consumption has increased due to the supply received from government water sources, where usage is recorded through installed meters.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)



EMISSION MANAGEMENT

(GRI 3-3, GRI 305-1, GRI 305-2, GRI 13.1, GRI 13.1)

Greenhouse gas (GHG) management remains a key component of UMB's environmental stewardship efforts. Good agricultural practices (GAP) adopted, including soil health maintenance, nutrient recycling, and minimisation of chemical inputs, are already embedded practices in UMB, contributing to GHG reduction. Transitioning from fuel-powered to battery-powered crawlers not only lowers maintenance costs but also reduces GHG emissions, aligning with UMB's sustainability goals.

In Malaysia, compliance with national environmental mandates includes the use of Electrostatic Precipitators (ESP) to mitigate the release of air pollutants from palm oil mills. Real-time monitoring of air pollutants is conducted through the Continuous Emission Monitoring System (CEMS), in which stack emissions are routinely assessed to ensure full adherence to the air quality standards set by the Malaysian environmental authority.

In Indonesia, environmental monitoring is conducted in accordance with local regulations by accredited assessors registered with relevant government authorities. Key assessments include ambient air quality monitoring, air emission testing and POME pond odour monitoring. These evaluations play a vital role in ensuring operational compliance and tracking environmental performance. Inspections are conducted every 6 months to assess environmental pollution emitted from the generator, ensuring that emission levels do not exceed the regulatory limit.

Scope 1 emissions include chemical and fertiliser application and fossil fuel consumption from operations and heavy vehicles. Scope 2 emissions reflect electricity purchased for use in mills and estate operations. UMB is currently exploring a reliable calculation method for Scope 3 emissions, with ongoing efforts to strengthen data collection and expand reporting coverage.

No fines or penalties related to environmental non-compliance were issued to UMB during the reporting year. Emission reduction initiatives are continually reviewed and improved as part of UMB's broader climate strategy, with plans focusing on greater use of renewable energy, optimisation of field practices and strengthening of environmental data systems.

Table 14 – GHG emissions

Scope 1 (tCO ₂ e)	129,571
Scope 2 (tCO ₂ e)	3,066
Total Emission (tCO₂e)	132,637



ENERGY MANAGEMENT

(GRI 3-3, GRI 302-1, GRI 302-4)

UMB is guided by a strong commitment to improving energy efficiency, reducing greenhouse gas (GHG) emissions and integrating renewable energy solutions wherever feasible. To lessen dependence on fossil fuels, UMB has adopted several alternative energy initiatives. In UMB's palm oil mill, energy generation is primarily sourced from steam produced by boilers utilising palm biomass, such as palm fibres. Steam-generated drives turbines that generate electricity for mill operations, significantly reducing reliance on fossil fuel-powered conventional generator sets.

Renewable energy efforts include the installation of solar panel systems across various operational sites. A major solar installation in Pahang of 0.3634 MWp, generating 1.32 MJ with an estimated cost saving of RM 178,778, contributing significantly to clean energy adoption. UMB also manage energy use through smart technologies and awareness initiatives. For instance, light sensors have been installed to prevent unnecessary lighting, and energy-efficient bulbs have replaced conventional lighting. Employees are continuously encouraged to adopt mindful energy practices, both in the workplace and in company housing. In palm oil mills, transparent cladding is used to allow natural light into the building, helping lower energy costs.

In Indonesia, UMB has connected three divisions in the estates to the national electricity grid, Perusahaan Listrik Negara (PLN), reducing diesel consumption and improving energy stability.

Additionally, biodiesel is used to power vehicles and machinery that transport and process fresh fruit bunches (FFB). Recognising the need to reduce reliance on fossil fuels further, battery-operated crawlers are introduced to replace petrol and diesel-powered crawlers. Regular maintenance and strategic replacement of estate and palm oil mill equipment also ensure higher energy efficiency and lower emissions.

Table 15: Electricity (MW) and diesel (L) consumption

Consumption	Unit	FY 2025	FY 2024	FY 2023
Diesel	L	3,914,117	4,564,214	3,748,282
Electricity	MW	4.071	4.389	4.074

Note: Electricity consumption decreased due to the increase in APOM throughput from 55.25 tonnes/hour in FY 2024 to 58.82 tonne/hour in FY 2025 in LAK, Indonesia.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)



PESTICIDE AND CHEMICAL MANAGEMENT

(GRI 3-3, GRI 13.6)

Chemical pesticides and fertilisers play an important role in maintaining estate productivity and crop health. However, the use of the chemicals must be carefully managed to minimise environmental and health risks. UMB is committed to responsible pesticide and chemical management as part of its broader sustainability efforts. Its efforts integrate biological, mechanical and targeted chemical methods under an Integrated Pest Management (IPM) system.

Barn owls, known as *Tyto alba*, are one of UMB's key allies in controlling rodent populations, particularly in oil palm plantations. Barn owl boxes are strategically installed to support their nesting and activity. This medium reduces the need for chemical rodenticides and fosters biodiversity. In addition, pheromone traps are used to manage populations of specific pests, such as rhinoceros beetles. These traps provide early detection and support more precise interventions. UMB also cultivate beneficial plants such as *Antigonon leptopus*, *Turnera ulmifolia*, *Cassia cobanensis* and *Turnera subulata*, which help draw in predatory insects. These plantings support biodiversity and reduce reliance on synthetic insecticides.

Pest outbreaks do not always justify a chemical response. The census team are deployed regularly to monitor pest activity and assess infestation levels. Pesticide treatments are only carried out when pest damages exceed the threshold set in our internal policies. This effort avoids overuse and saves on long-term costs.

When chemical usage is necessary, UMB enforces strict safety protocols that are aligned with industry best practices. These include dedicated training and provision of Personal Protective Equipment (PPE) to the chemical handlers. Buffer zones are enforced around sensitive areas to prevent runoff into waterways. UMB has ceased the use of paraquat, except in exceptional cases authorised by the government, such as specific pest outbreaks, where its application is permitted following a risk assessment.

Beyond pest control, UMB remains committed to circular practices that improve soil health. One such measure is the recycling of biomass from the palm oil mills back into the plantations in the form of compost. The mixture of empty fresh bunches with POME is treated and left to decompose under controlled conditions over a specific period. The result is a nutrient-rich compost that is reapplied to the fields as a natural soil enhancer that supports healthy microbial activity in the soil. By returning organic matter to the land, UMB not only reduces the need for chemical use but also minimises waste and supports more sustainable field practices.

Table 16 - Amount of fertilisers and pesticides used in Malaysia operations

	FY 2025	FY 2024	FY 2023
Fertiliser (MT)	18,239	15,952	14,698
Pesticides/Herbicides (MT)	23	21	21
Pesticides/Herbicides (L)	71,407	55,856	59,131

Note: Higher use of pesticides is aligned with pesticide attacks in the estates.

Table 17 - Amount of fertilisers and pesticides used in Indonesia operations

	FY 2025	FY 2024	FY 2023
Fertiliser (MT)	11,059	10,352	3,437
Pesticides/Herbicides (MT)	8	45	20
Pesticides/Herbicides (L)	58,000	40,852	26,207

Note: Higher use of pesticides is aligned with pesticide attacks in the estates.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)



Pillar 3: PROFIT



DATA PRIVACY & SECURITY

(GRI 3-3, GRI 418-1)



ANTI-CORRUPTION & CORPORATE GOVERNANCE

(GRI 3-3, GRI 205-1, GRI 205-2, GRI 205-3, GRI 13.26)

UMB upholds a strong commitment to data privacy and cybersecurity, fully aligning its practices with the Personal Data Protection Act (PDPA) 2010. The company places high importance on safeguarding the personal information of both internal and external stakeholders. To ensure ongoing protection, the IT Department actively monitors email traffic for signs of phishing and malicious activity. Preventive measures such as blocking known spam domains and deploying anti-virus software across all company devices help reduce exposure to threats. UMB also emphasises employee awareness as a critical defence layer. Employees are updated on current threats, practical tips, and training sessions conducted to reinforce responsible data handling and cybersecurity best practices. These efforts have contributed to UMB's strong record of no substantiated complaints concerning breaches of stakeholder privacy, leaks, thefts, or data loss in the reporting year.

UMB is committed to conducting business in line with its Anti-Bribery policy. The company enforces a strict zero-tolerance stance for all forms of fraud, bribery and corruption. The policy applies across all levels of the organisation, including the BOD, employees, suppliers, and any individuals or entities associated with UMB. In line with this commitment, UMB does not make contributions to political parties or candidates.

While UMB permits the giving and receiving of non-cash gifts of nominal value, such gestures must not be intended to improperly influence any business decisions. To ensure transparency, employees are required under the Conflict of Interest policy to declare any personal interests that may conflict with the company's interests. This policy promotes high standards of ethical conduct and accountability.

UMB's anti-bribery principles are also embedded in its Supplier Code of Conduct, which outlines expectations for ethical behaviours and compliance among business partners and third-party vendors. Suppliers are expected to adhere to the same standards of integrity and transparency that guide UMB's operations.

The company maintains a Whistleblowing policy to empower both internal and external stakeholders to report any suspected misconduct, including fraud, bribery and corruption, or other unethical behaviours. Reports can be submitted through the Whistleblowing channel or via email at whistleblowing@unitedmalacca.com.my. The audit committee is responsible for reviewing reported cases and presenting its findings directly to the Board of Directors.

UMB reported zero incidences of corruption, extortion or bribery cases involving its employees. As a result, no disciplinary action or dismissal of an employee was taken during the reporting year. UMB was also not subjected to any fines, penalties, or other issues related to corruption in the reporting year. Through regular training, clear policies, and a zero-tolerance approach to corruption, UMB aims to build a workplace culture where ethical behaviour is not only encouraged but expected.

Table 18: Information on anti-corruption

	FY 2025	FY 2024	FY 2023
Percentage of operations assessed for corruption-related risks	4%	0	0
Confirmed number of incidents of corruption and action taken	0	0	0

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

Table 19: Percentage of employees who received anti-corruption awareness

	FY 2025	FY 2024	FY 2023
Malaysia			
Management	65%	66%	
Executive	67%	51%	
Non-executive/ Staff	64%	46%	
Indonesia			
Management	0%		
Executive	37%		
Non-executive/ Staff	24%		
UMB			
Management	47%		
Executive	53%		
Non-executive/ Staff	56%		

SUPPLY CHAIN MANAGEMENT

(GRI 3-3, GRI 204-1, GRI 13.23)

UMB adopts a strategic approach aimed at promoting transparency, efficiency, and accountability throughout its supply chain. All sourcing activities, sales contracts, transactions and negotiations are conducted in strict adherence to the company's procurement policy and operational manual, ensuring consistency with corporate governance standards and regulatory requirements. UMB has centralised key procurement functions at the headquarters level for better oversight and risk management. It also facilitates the standardisation of procurement processes and ensures that all procurement decisions support continued value creation and responsible sourcing.

UMB maintains an approved vendor registry to track and manage supplier compliance effectively. All suppliers are required to comply with UMB's Supplier Code of Conduct (SCOC), which outlines expectations on human rights, fair labour practices, environmental stewardship, and ethical business conduct. The code is reviewed regularly to stay current with evolving regulations and industry best practices. The code is available on the UMB's website in both English and Bahasa Malaysia. Currently, UMB is exploring integrating sustainability criteria into supplier performance evaluations.

Furthermore, the company enforces a Conflict of Interest Policy that requires employees to disclose any private interests that may influence their professional responsibilities, thus promoting ethical conduct and accountability. The policy helps prevent situations where personal gain could compromise the company's interests or stakeholder trust, particularly where there is a risk of biased decision-making.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

Table 20 – Vendor assessment conducted in FY 2025

Malaysia			
Types of Vendor	Number of vendors	Vendors Assessed	Percentage of suppliers that have met the internal requirements
Supplier	484	412	86%
Contractor	35	35	100%
FFB Supplier	162	162	100%
Indonesia			
Types of Vendor	Number of vendors	Vendors Assessed	Percentage of suppliers that have met the internal requirements
Supplier	155	48	31%
Contractor	6	6	100%
FFB Supplier	10	10	100%

Table 21 – FFB procured from FFB suppliers in Malaysia and Indonesia

	FY 2025	FY 2024	FY 2023
Malaysia			
Total spending on FFB suppliers (RM million)	133.8	107.3	141.3
Number of FFB suppliers engaged.	151	132	123
Indonesia			
Total spending on FFB suppliers (RM million)	47.0	47.5	27.1
Number of FFB suppliers engaged.	152	192	224

Note: The restatement was made to reflect the number of FFB suppliers, excluding PLASMA farmers and UMB-owned estates

Table 22 – Total spending on goods and services from local suppliers

	FY 2025	FY 2024	FY 2023
Malaysia			
Total spending on local purchases (RM million)	57.9	61.3	59.8
Proportion of spending on local suppliers	100%	100%	100%
Indonesia			
Total spending on local purchases (RM million)	39.9	52.4	27.5
Proportion of spending on local suppliers	100%	100%	100%
UMB Group			
Total spending on local purchases (RM million)	97.8	113.7	87.3
Proportion of spending on local suppliers	100%	100%	100%

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

Upholding high standards of sustainability certification is essential for UMB as it underscores our dedication to responsible practices and strengthens our market credibility. Within our operations, certifications such as the Malaysian Sustainable Palm Oil (MSPO) and Indonesian Sustainable Palm Oil (ISPO) play a critical role in ensuring our palm oil production aligns with robust environmental, social and governance (ESG) principles. These certifications support regulatory compliance and facilitate market access, fulfil buyers' expectations and contribute to global efforts to combat climate change, halt deforestation and conserve biodiversity. UMB actively engages with stakeholders to investigate any concerns or allegations related to deforestation and, where necessary, develop appropriate mitigation measures.

Traceability is one of the cornerstones of UMB's sustainability framework. It enables UMB to maintain transparency, integrity and accountability throughout our supply chain. UMB works closely with suppliers to enhance supply chain visibility. All suppliers are required to provide accurate sourcing data. While significant progress has been made, challenges remain, particularly in tracing fresh fruit bunches (FFB) from third-party dealers and smallholders. Some suppliers remain hesitant to disclose critical data needed for full traceability. UMB remains committed to producing palm oil responsibly, with continued efforts focused on building stakeholder trust and meeting the growing demands of leading global brands and consumers for sustainable and traceable products.

Table 23 – Traceability to plantation information

	Peninsular Malaysia	Sabah	Indonesia
Sourcing from own plantation	65%	53%	74%
Sourcing from third-party plantations	19%	13%	7%
Sourcing from smallholders	0%	5%	0%
Sourcing from dealers	16%	29%	19%
Traceability to plantation	97%	94%	100%

In support of adopting sustainable supply chain management, UMB actively conducts data collection and field verification to ensure transparency, traceability and accountability across its operations. Engagement is a key component of the process, and UMB regularly visits and holds discussions with smallholders as part of its ongoing commitments to building and maintaining the field engagements, which provide valuable opportunities to listen directly to the concerns, needs, and challenges faced by smallholders. Smallholders are also encouraged to approach UMB's office should any concerns arise.

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

SUSTAINABILITY PERFORMANCE REPORT

Indicator	Measurement Unit	2025
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category	Percentage	47.00
Management	Percentage	53.00
Executive	Percentage	56.00
Non-executive/ Staff	Percentage	4.00
Bursa C1(b) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	213,200.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total number of beneficiaries of the investment in communities	Number	89
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category	Percentage	0.00
Age Group by Employee Category		
Management (Malaysia) Below 30	Percentage	68.00
Management (Malaysia) 30 - 50	Percentage	32.00
Management (Malaysia) Above 50	Percentage	17.00
Executive (Malaysia) Below 30	Percentage	76.00
Executive (Malaysia) 30 - 50	Percentage	7.00
Executive (Malaysia) Above 50	Percentage	21.00
Non-executive/Staff (Malaysia) Below 30	Percentage	66.00
Non-executive/Staff (Malaysia) 30 - 50	Percentage	13.00
Non-executive/Staff (Malaysia) Above 50	Percentage	33.00
Worker (Malaysia) Below 30	Percentage	59.00
Worker (Malaysia) 30 - 50	Percentage	8.00
Worker (Malaysia) Above 50	Percentage	0.00
Management (Indonesia) Below 30	Percentage	75.00
Management (Indonesia) 30 - 50	Percentage	25.00
Management (Indonesia) Above 50	Percentage	23.00
Executive (Indonesia) Below 30	Percentage	73.00
Executive (Indonesia) 30 - 50	Percentage	4.00
Executive (Indonesia) Above 50	Percentage	34.00
Non-executive/ Staff (Indonesia) Below 30	Percentage	66.00
Non-executive/ Staff (Indonesia) 30 - 50	Percentage	0.00
Non-executive/ Staff (Indonesia) Above 50	Percentage	33.00
Worker (Indonesia) Below 30	Percentage	58.00
Worker (Indonesia) 30 - 50	Percentage	9.00
Gender Group by Employee Category		
Management (Malaysia) Male	Percentage	82.00
Management (Malaysia) Female	Percentage	18.00
Executive (Malaysia) Male	Percentage	73.00
Executive (Malaysia) Female	Percentage	27.00
Non-executive/Staff (Malaysia) Male	Percentage	57.00
Non-executive/Staff (Malaysia) Female	Percentage	43.00
Worker (Malaysia) Male	Percentage	81.00
Worker (Malaysia) Female	Percentage	19.00
Management (Indonesia) Male	Percentage	92.00
Management (Indonesia) Female	Percentage	8.00
Executive (Indonesia) Male	Percentage	84.00
Executive (Indonesia) Female	Percentage	16.00
Non-executive/ Staff (Indonesia) Male	Percentage	85.00
Non-executive/ Staff (Indonesia) Female	Percentage	15.00
Worker (Indonesia) Male	Percentage	84.00
Worker (Indonesia) Female	Percentage	16.00

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

SUSTAINABILITY PERFORMANCE REPORT (continued)

Indicator		Measurement Unit	2025
Bursa (Diversity)			
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	63.00	
Female	Percentage	37.00	
50 - 59	Percentage	12.00	
60 - 69	Percentage	38.00	
Above 70	Percentage	50.00	
Bursa C6(a) Total hours of training by employee category			
Management	Hours	623	
Executive	Hours	1,333	
Non-executive/ Staff	Hours	770	
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	42.00	
Bursa C6(c) Total number of employee turnover by employee category			
Management	Number	4	
Executive	Number	29	
Non-executive/ Staff	Number	18	
Worker	Number	2,521	
Number of Board Directors	Number	8	
Number of independent Directors on the board	Number	4	
Number of women on the board	Number	3	
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	4.07	
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	7.56	
Bursa C5(c) Number of employees trained on health and safety standards	Number	3,250	
Bursa (Labour practices and standards)			
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00	
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	1,218.567000	
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	722,065.00	
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	721,528.00	
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	537.00	
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	129,571.00	
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	3,066.00	
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	0.00	

SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

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SUSTAINABILITY STATEMENT

FINANCIAL YEAR 2025 (continued)

STATEMENT OF ASSURANCE

In strengthening the credibility of the Sustainability Statement for FY 2025, selected aspects/parts of this Sustainability Statement as listed below have been subjected to an internal review by the Company's Internal Auditors. The scope of the internal review covers Head Office operations, all oil palm plantations and palm oil mill operations in Malaysia and Indonesia.

Material Matter	Indicator
Anti-Corruption & Corporate Governance	<ul style="list-style-type: none"> Percentage of employees who have received training on anti-corruption by employee category. Percentage of operations assessed for corruption-related risks. Confirmed incidents of corruption and action taken.
Community & Society	<ul style="list-style-type: none"> Total amount invested in the community where the target beneficiaries are external to the Company. Total number of beneficiaries of the investment in communities.
Diversity	<ul style="list-style-type: none"> Percentage of employees by gender and age group for each employee category. Percentage of directors by gender and age group.
Health and Safety	<ul style="list-style-type: none"> Number of work-related fatalities. Lost time incident rate. Number of employees trained on health and safety standards.
Labour Practices and Standards	<ul style="list-style-type: none"> Total hours of training by employee category. Percentage of employees that are contractors or temporary staff. Total number of employee turnover by employee category. Number of substantiated complaints concerning human right violations.
Data Privacy and Security	<ul style="list-style-type: none"> Number of substantiated complaints concerning breaches of customer privacy and losses of customer data.
Water Management	<ul style="list-style-type: none"> Total volume of water used.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Headquartered in Malacca, the UMB Group comprises the parent company, United Malacca Berhad (“UMB”), and its subsidiaries in Malaysia, Singapore and Indonesia. The Corporate Governance Overview Statement (CGOS) outlines the UMB Group’s corporate governance approach, focus, priorities and practices.

Supplementing this CGOS is the Corporate Governance Report (CG Report) for the financial year ended 30 April 2025. The CG Report details the UMB Group's compliance with the Malaysian Code on Corporate Governance 2021 ("MCCG") and is available on UMB's website, www.unitedmalacca.com.my.

To better understand UMB Group's corporate governance principles and practices, this CGOS should be read together with the Statement on Risk Management and Internal Controls and Audit Committee Report.

UMB GROUP'S CORPORATE GOVERNANCE APPROACH

UMB Board of Directors (the Board) recognises corporate governance and sustainable practices are essential to developing added value for its stakeholders. To facilitate improved decision-making, the Board prioritises strengthening the governance framework.

UMB Group is committed to the following principles:

- upholding the highest standard of ethical conduct with particular emphasis on integrity;
- incorporating economic, environmental, and social considerations in all its operations;
- nurturing leaders within the UMB Group who share its over-arching vision; and
- instituting a critical review process before establishing corporate governance systems, policies, and procedures.

In line with its belief that improving corporate governance is a continuing process, the Board regularly reviews and updates the Group's corporate governance framework.

SUMMARY OF UMB GROUP'S CORPORATE GOVERNANCE PRACTICES

Following Paragraph 15.25(1) of the Main Market Listing Requirements of Bursa Malaysia (“the Listing Requirements”), this CGOS outlines UMB Group's Corporate Governance Practices for the financial year ended 30 April 2025 (“FY 2025”) based on MCCG's three Principles:

Principle A - Board Leadership and Effectiveness

Principle B - Effective Audit and Risk Management

Principle C - Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

The CG Report documents the extent of UMB Group's adherence to MCCG's Practices in FY 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Responsibilities

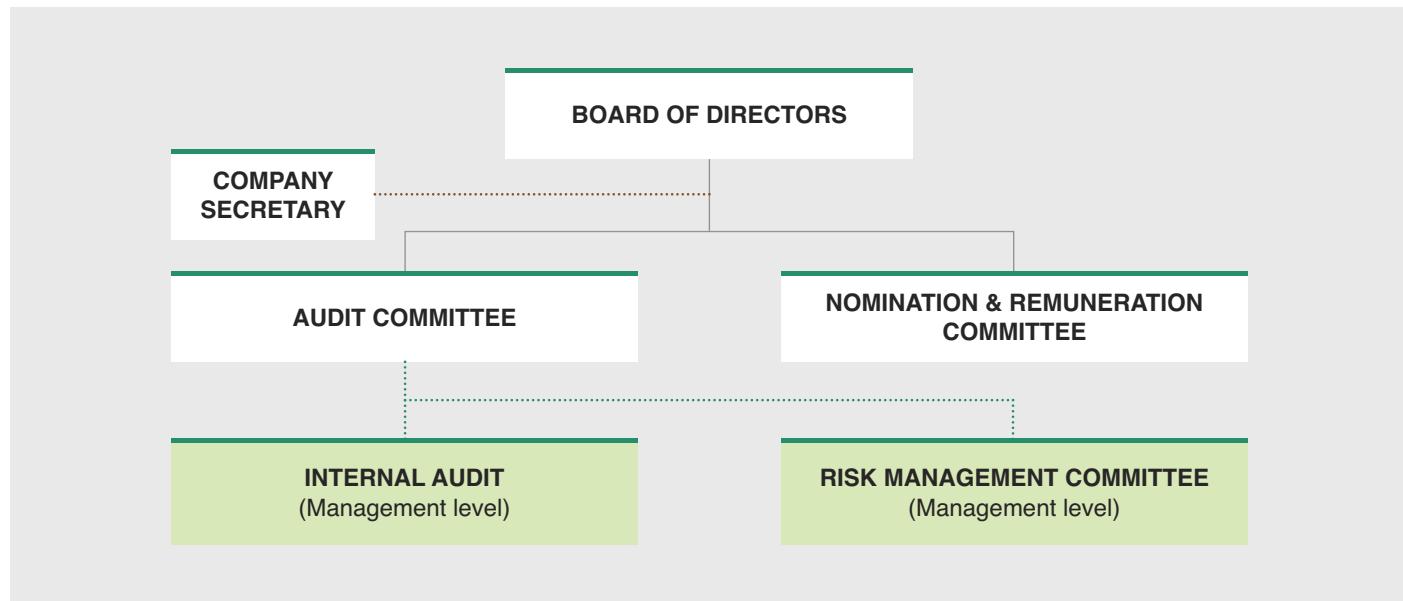
The Board has constituted two Committees – the Audit Committee and the Nomination and Remuneration Committee (“NRC”). Each committee's terms of reference set out its responsibilities. Directors keep abreast of the Committees' activities through their minutes of meetings, briefings and reports.

The Board Charter outlines the responsibilities of the Board, individual Directors, the Executive Director (“ED”) and the Chief Executive Officer (“CEO”), and includes a schedule of matters reserved for the Board.

The Board Charter, publicly available on UMB’s website www.unitedmalacca.com.my, is reviewed periodically to reflect changes in the corporate and business environment.

Recommendations from the Board Committees are forwarded to the Board for approval and action.

UMB’s governance structure is as follows:



In line with good corporate governance, the roles and responsibilities of the Chairperson, ED and CEO are clearly defined. The Chairperson oversees the conduct, governance and effectiveness of the Board. Providing a link between the CEO and the Board, the ED facilitates faster decision-making while the CEO manages the Group's day-to-day operations and liaises between the ED, managers and employees.

In FY 2025, the Board met five times to discuss and approve the financial results, annual business plan and the Group's budgets, including those for the Indonesian subsidiaries. Whenever necessary, the Board also discusses regulatory compliance matters.

Company Secretaries ensure deliberations and decisions of the Board and Board Committees are recorded in the minutes of the meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

Board Responsibilities (continued)

The attendance of the Directors at Board and Board Committee meetings during the financial year ended 30 April 2025 were as follows:

Directors	Board	Audit Committee (AC)	Nomination & Remuneration Committee (NRC)
Datin Paduka Tan Siok Choo <i>Mr. Ng Ming Shern as her Alternate Director ^(a)</i>	5/5		
Mr. Teo Leng	5/5		
Dato Dr. Nik Ramlah Binti Nik Mahmood	5/5	5/5	1/1
Mr. Ong Keng Siew	5/5	5/5	1/1
Mr. Tee Cheng Hua	5/5		1/1
Dato' Sri Tee Lip Sin	5/5		
Mr. Han Kee Juan	5/5	5/5	
Datin Noor Azimah Binti Abd. Rahim	5/5	5/5	1/1
Mr. Tee Lip Zhun ^(b)	-		

Chairperson of Board / Chairman of Board Committees

Member

^(a) Mr. Ng Ming Shern was appointed as Alternate Director to Datin Paduka Tan Siok Choo on 1 October 2024.

^(b) Mr. Tee Lip Zhun was appointed a Non-Independent Non-Executive Director effective 12 June 2025, i.e. after FY 30 April 2025.

All Directors fulfilled the minimum 50% attendance requirements for board meetings stipulated by the Listing Requirements.

The Board and Board Committees are supported by two qualified and experienced joint Company Secretaries who provide the Board with periodic updates on the latest regulatory developments. Both Company Secretaries also facilitate the flow of information from Management to the Board and ensure Directors receive the notice of meetings and board papers at least 5 working days before the meetings.

Board Composition

The Board's composition complies with Paragraph 15.02(1) of the Listing Requirements requiring at least two Directors or 1/3 of the Board, whichever higher, to be independent and one director to be a woman.

On 1 October 2024, the Board welcomed Mr. Ng Ming Shern as the Chairperson's alternate director. He is Datin Paduka Tan Siok Choo's nephew. Mr. Ng has experience in analysing, designing and implementing changes in organisational design and processes to improve the effectiveness of the organisation's people, processes, and systems.

The Board, on 12 June 2025, announced the appointment of Mr. Tee Lip Zhun as UMB's Non-Independent Non-Executive Director. He is Mr. Tee Cheng Hua's son and a cousin of Dato' Sri Tee Lip Sin. Mr. Tee is a civil engineer. He also manages plantation agronomy and advisory businesses. As a board member of Prosper Group, he is familiar with oil palm plantations and palm oil milling. The Board believes his expertise and experiences would enhance the Board's diversity. Before his appointment as UMB Director, Mr. Tee Lip Zhun was assessed and found to meet the fit and proper criteria set in UMB's Fit and Proper Policy. He declared and gave the undertaking required by UMB's Fit and Proper Policy. Mr. Tee Lip Zhun's profile can be read on page 16 of this Annual Report.

The Board now comprises eight Non-Executive Directors and one Executive Director; four of the nine are Independent Directors, while three directors are women. UMB Directors have varying academic qualifications and work experience. The Board periodically reviews the Board's composition and size to ensure its diversity and efficacy.

The Nomination and Remuneration Committee ("NRC") assesses the candidate's expertise and work experience before recommending their appointment as directors to the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

Board Composition (continued)

Through the NRC, the Board annually reviews its performance and that of individual directors and Board Committees. For FY 2025, a Board Performance Evaluation was conducted in-house, facilitated by the NRC and assisted by the Company Secretaries. The evaluation was based on a self-and peer-rating model questionnaire given to each director.

The Board Performance Evaluation was divided into three sections – Board Performance Assessment, Board Committee Assessment and Board of Directors' Self-Assessment. UMB Board was assessed as above average in interaction, participation, integrity, independence, self-development and competencies. High average ratings in the evaluation exercise indicate the overall performance of the Board, Board Committees and individual Directors is satisfactory.

Following UMB's Fit and Proper Policy, the NRC also assessed the eligibility of Dato Dr. Nik Ramlah Binti Nik Mahmood and Mr. Tee Lip Zhun for re-election/election as directors at the forthcoming 111th Annual General Meeting. Based on the fit and proper criteria guidelines and the respective director's declaration, the NRC ascertained they are suitable to continue as director and recommended the Board propose their re-election/election at the forthcoming 111th Annual General Meeting.

Directors' Training

The Board acknowledges the importance of continuous training for Directors, which enables them to keep abreast of industry developments, enhance their knowledge, and effectively discharge their roles and responsibilities.

In line with Paragraph 15.08 of Bursa Malaysia's Listing Requirements, the NRC assessed and determined the training needs for individual Directors during the financial year ended 30 April 2025.

The Directors attended the following training programmes during the FY 2025:

Attended by	Training programmes attended	Date
Datin Paduka Tan Siok Choo	37 th Asia-Pacific Roundtable – Crisis in an Interregnum by Institute of Strategic and International Studies (ISIS).	5-6 June 2024
	Navigating the 2H2024 Financial Landscape: The Impact of Interest Rate Movements, Global Elections and Artificial Intelligence on Investment Strategies and Markets by Kenanga.	7 August 2024
	PRAXIS – Policies for a better tomorrow by Institute of Strategic and International Studies (ISIS).	13-14 August 2024
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP) by Institute of Corporate Directors Malaysia (ICDM).	4-5 September 2024
	Asia News Network Summit 2024: Future of Asia by Tan Sri Datuk Seri Panglima Andrew Sheng.	6 September 2024
	World Chinese Entrepreneurs Convention (WCEC): Reimagineering the Future by The Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM).	10 September 2024
	INSAP: The Malaysian Chinese Symposium 2024 – From Aspiration to Reality: The Malaysian Chinese Role in Independence and Beyond by Institute for Strategic Analysis & Policy Research (INSAP).	13 October 2024
	MEA Post-Budget 2025 Debate by Faculty of Business and Economics of Universiti Malaya and Malaysian Economic Association (MEA).	21 October 2024
	Understanding the New National Sustainability Reporting Framework by Minority Shareholders Watch Group (MSWG).	18 November 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

Directors' Training (continued)

Attended by	Listing of training programmes attended	Date
Datin Paduka Tan Siok Choo (continued)	ASEAN Workshop on Sustainable Development 2025	13-14 January 2025
	Special Lecture: How Global Events Will Affect the Outlook for the Financial Industry in 2025 by FIDE	19 February 2025
	2025 BNM Governor's Address on The Malaysian Economy & Panel Discussion by Malaysian Economic Association (MEA).	26 March 2025
Mr. Teo Leng	Mandatory Accreditation Programme Part II: Leading for Impact (LIP) by Institute of Corporate Directors Malaysia (ICDM).	6-7 August 2024
Dato Dr. Nik Ramlah Binti Nik Mahmood	Mandatory Accreditation Programme Part II: Leading for Impact (LIP) by Institute of Corporate Directors Malaysia (ICDM).	14-15 May 2024
	Cybersecurity – Building Digital Trust and Resilience by Perbadanan Insurans Deposit Malaysia (PIDM).	14 June 2024
	PNB Compliance and Integrity Training – Personal Data Protection Act and Amendments by PNB.	22 July 2024
	AGRC Annual Conference 2024 – Balancing Risks and Opportunities for a Sustainable Future by AGRC.	28 August 2024
	SC-OCIS Roundtable – Restoring Humanity in Finance by Securities Commission Malaysia and Oxford Centre for Islamic Studies.	7-8 September 2024
	National Resolution Symposium 2024 – Building Collaborative Resolvability: From Policy to Practice by Perbadanan Insurans Deposit Malaysia (PIDM).	23-24 September 2024
	Khazanah Megatrends Forum – Paving Paths from the probable to the possible by Khazanah Nasional Berhad.	7-8 October 2024
Mr. Ong Keng Siew	Board Ethics: Growing Concerns from new Technology, Stakeholder Interests & Conflict of Interest by Institute of Corporate Directors of Malaysia (ICDM).	16 October 2024
	CEO Series 2025 Economy & Business Forum by REHDA Institute.	16 January 2025
	Beyond Fire Walls: A Director's Guide to Cybersecurity in an Uncertain World by Institute of Corporate Directors of Malaysia (ICDM).	18 February 2025
	M&A Mastery 2025: Cracking the Code of Corporate Power Plays in Shifting Global Landscape by Institute of Corporate Directors of Malaysia (ICDM).	6 March 2025
	The do's and don'ts of KPIs and Performance Monitoring: From the Board's Lens by Institute of Corporate Directors of Malaysia (ICDM).	17 April 2025
	A Snapshot of Chapter 9 and 10 of Bursa Malaysia Securities Berhad ACE Market Listing by SSHSB.	13 May 2025
	Conflict of Interest (COI) and Governance of COI Programme by Bursa Malaysia.	18 September 2024
Dato' Sri Tee Lip Sin	Enhanced Conflict of Interest by Malaysian Institute of Corporate Governance (MICG)	12 March 2025
Mr. Han Kee Juan	Compliance with Listing Requirements – Reporting on Financial Statements by CKM Advisory	13 March 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

Directors' Training (continued)

Attended by	Listing of training programmes attended	Date
Datin Noor Azimah Binti Abd. Rahim	Mandatory Accreditation Programme Part II: Leading for Impact (LIP) by Institute of Corporate Directors Malaysia (ICDM).	6-7 August 2024
	Building Sustainable Credibility: Assurance, Greenwashing and The Rise of Green-Hushing by Institute of Corporate Directors of Malaysia (ICDM).	24 September 2024
	Understanding the New National Sustainability Reporting Framework by Minority Shareholders Watch Group (MSWG).	18 November 2024
	Securities Commission Malaysia's Audit Oversight Board (AOB) Conversation with Audit Committees	19 November 2024
	2025 BNM Governor's Address on The Malaysian Economy & Panel Discussion by Malaysian Economic Association (MEA).	26 March 2025
	Public Lecture on ASEAN 2025: Outlook & Expectations by former MITI Secretary-General.	21 April 2025
Mr. Ng Ming Shern	Mandatory Accreditation Programme (MAP) by Institute of Corporate Directors Malaysia (ICDM).	11-12 November 2024

Remuneration

UMB Board recognises competitive remuneration is essential to attract, motivate and retain talented individuals to work as senior managers. To achieve this objective and align with industry norms, the Board has adopted a Remuneration Policy that offers fair rewards for achieving key deliverables.

Directors' remuneration comprises a fixed fee for the Chairperson and members of the Board and Board Committees, meeting allowances and other benefits as disclosed in the Remuneration Policy.

The Board determines the quantum of fees and other remuneration/benefits payable to the Directors, subject to shareholders' approval at the Company's Annual General Meeting. For FY 2025, the Board maintained the following quantum of fees for Directors and members of Committees:

UMB Board - Fixed Annual Fee	FY2024/2025
Chairperson	RM120,000
Director	RM70,000

UMB Board Committees – Fixed Annual Fee for FY 2024/2025	Chairperson	Member
Audit Committee	RM40,000	RM30,000
Nomination and Remuneration Committee	RM30,000	RM20,000

Details of individual Director's remuneration are disclosed in the Financial Statements in the Annual Report.

Remuneration for the ED, CEO, and Key Senior Management includes basic salary, performance-based bonus, benefits-in-kind and other incentives. The remuneration package is structured to link rewards to Group and individual performance. Based on NRC's recommendations, the Board determines and approves the remuneration package of the ED and CEO. The ED abstains from participating in decision-making for his remuneration. For Key Senior Management, the NRC reviews and makes its recommendations to the Board for approval annually.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee (“AC”)

No AC member is a former partner of the firm auditing UMB. Comprising solely of Independent Directors, the AC is currently chaired by Mr. Ong Keng Siew. Other AC members include Dato Dr. Nik Ramlah Binti Nik Mahmood, Mr. Han Kee Juan and Datin Noor Azimah Binti Abd. Rahim. As required, AC members have the financial skills and experience to discharge their duties.

To ensure the integrity of UMB's published financial information, the AC oversees the entire financial reporting process and constantly reviews the effectiveness of internal controls and risk management policies. To enhance internal audit's effectiveness and buttress its independence, the Internal Auditor reports directly to the AC. Additionally, the AC assesses the Internal Auditor's remuneration and recommends it to the Board for final approval.

Adopted by the Board on 28 June 2022, the External Auditor's Independence Policy governs the selection, appointment and assessment of the external auditor. To ensure the External Auditor's independence and objectivity are not compromised, the AC reviews the non-audit services rendered by the external auditors, their proposed fees and the threshold that would jeopardise the External Auditor's independence. The AC also assesses and satisfies itself with the External Auditors' performance, effectiveness, and independence. During the year under review, the AC obtained written assurance from the external Auditor, Messrs Crowe Malaysia PLT, confirming their independence throughout their audit engagement.

During the year, the AC held two private sessions with the External Auditors without Management to discuss issues and significant matters highlighted by the External Auditors.

The AC has reviewed the Recurrent Related Party Transactions within the Group to ensure they were fair and reasonable, in the best interest of UMB, and did not impinge on minority shareholders' interests.

UMB's corporate website includes the AC's terms of reference, while the AC's Report in UMB's Annual Report details the AC's role in UMB and the number of meetings and activities held during the financial year.

Risk Management and Internal Control Framework

To ensure robust risk management and adequate internal controls, the UMB Group has instituted an Enterprise Risk Management framework that formalises risk management policies and procedures to identify, evaluate and monitor material risks, both internal and external.

The Group's Internal Audit and Risk Management Department (“IARMD”) regularly reviews UMB's risk management and internal control policies. To reinforce the IARMD's effectiveness and independence, the AC ensures the IARMD has sufficient resources and authority to carry out its responsibilities.

The Statement on Risk Management and Internal Controls in the Annual Report provides further information on the Group's risk management and internal framework.

Anti-Bribery Policy

UMB Group is committed to upholding high ethical values in its operations and dealings with third parties. UMB Group's Anti-Bribery Policy sets behavioural guidelines for all management and staff to avoid bribery and corruption risks in all dealings within and outside the Group.

Whistleblowing Policy

The Board and UMB Group are committed to maintaining good work ethics, integrity, and transparency in business dealings and operations. UMB Group's Whistleblowing Policy encapsulates the governance standards to ensure ethical conduct by all UMB Group employees. The whistleblowing platform on UMB's website provides a confidential and secure avenue for employees to report any wrongdoing or improper conduct without fear of retribution.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Engagement with Stakeholders

UMB consistently ensures information is disseminated to all stakeholders as soon as practicable through timely announcements to Bursa Malaysia and on UMB's website.

UMB's website, www.unitedmalacca.com.my, is accessible at all times to shareholders, investors and the public and includes all announcements to Bursa Malaysia, quarterly financial reports, analysts' reports, summaries of the minutes of annual general meetings, the Board Committees' terms of reference, UMB's mission & vision, UMB Constitution, the Board Charter and the following codes and policies:

- Directors' Code of Ethics
- Code of Conduct
- Fit and Proper Policy
- Anti-Bribery Policy
- Whistleblowing Policy
- Dividend Policy
- Remuneration Policy
- External Auditors' Independence Policy
- Sustainable Palm Oil Policy

Conduct of General Meetings

The Annual General Meeting ("AGM") is the primary forum for the Board and Senior Management to interact with shareholders. In line with MCCG's recommendation, the notice of AGM and the accompanying documents are circulated to all shareholders at least 28 days before the AGM.

The Company conducted its 110th AGM on 27 September 2024. All members of the Board, including the Chief Executive Officer, the Chief Financial Officer, the Company Secretaries, and the External Auditors, Messrs. Crowe Malaysia PLT, were present during the AGM. The proceedings of the 110th AGM included the CEO's presentation of the Group's performance for FY2024.

All resolutions were voted on during the 110th AGM. The scrutineer, Boardroom Corporate Services Sdn. Bhd. verified the poll results and the Chairperson declared the resolutions duly passed.

The minutes of the AGM held on 27 September 2024, including all the questions raised at the meeting and the answers by Management, are available on UMB's website, www.unitedmalacca.com.my.

This Corporate Governance Overview Statement was presented and approved by the Board on 26 June 2025.

STATEMENT BY THE NOMINATION AND REMUNERATION COMMITTEE

ESTABLISHMENT AND COMPOSITION

On 1 July 2017, the Board of Directors of United Malacca Berhad (UMB) merged the Nomination Committee and Remuneration Committee into one single committee, named the Nomination and Remuneration Committee (“NRC”). The Board believed the merged committees would enhance the efficiency of the NRC in discharging its duties and responsibilities.

Members of the NRC are:

Dato Dr. Nik Ramlah Binti Nik Mahmood

Senior Independent Non-Executive Director (NRC Chairperson)

Mr. Ong Keng Siew

Independent Non-Executive Director

Mr. Tee Cheng Hua

Non-Independent Non-Executive Director

Datin Noor Azimah Binti Abd. Rahim

Independent Non-Executive Director

TERMS OF REFERENCE

The Terms of Reference of the NRC is available on the Company’s website at www.unitedmalacca.com.my

MEETINGS

The NRC met once during the financial year ended 30 April 2025. All NRC members attended the meeting.

SUMMARY OF THE NOMINATION AND REMUNERATION COMMITTEE’S ACTIVITIES

- (1) The NRC interviewed and assessed the recommended candidate, Mr. Tee Lip Zhun for appointment to the Board based on the criteria set in the Fit and Proper Policy. The NRC then recommended the Board of Directors to appoint Mr Tee Lip Zhun as UMB Director effective 12 June 2025.
- (2) The NRC reviewed and assessed the performance effectiveness of the individual directors and the Board as a whole. The NRC also reviewed and assessed the independence of the independent directors.
- (3) The NRC conducted a fit and proper assessment of the retiring directors seeking re-election/election at the forthcoming Annual General Meeting before recommending them to the Board.
- (4) The NRC reviewed the Directors’ time commitment.
- (5) The NRC reviewed the training programmes attended by the Directors to assess their relevance.
- (6) The NRC reviewed the size, structure, composition and term of office of the Board (UMB and subsidiaries) and the Board Committees. It considered the required mix of skills, experience, and other qualities necessary to enhance the Board's diversity and effectiveness.

STATEMENT BY THE NOMINATION AND REMUNERATION COMMITTEE

(continued)

SUMMARY OF THE NOMINATION AND REMUNERATION COMMITTEE'S ACTIVITIES (continued)

- (7) The NRC reviewed the remuneration structure and quantum of the Directors' fees for the financial year ending 30 April 2026.
- (8) The NRC reviewed the Directors' fees and remuneration payable for the financial year ended 30 April 2025.
- (9) The NRC reviewed the performance bonus for the Executive Director for the financial year ended 30 April 2025.
- (10) The NRC reviewed the Executive Director's assessment results on the Chief Executive Officer's performance during the financial year 2024/2025 and his recommendations for the Chief Executive Officer's bonus for the financial year ended 30 April 2025 and quantum of salary increment for the next financial year 30 April 2026.
- (11) The NRC reviewed the bonus allocation for executives and staff for the financial year ended 30 April 2025 and their salary increment for the next financial year 30 April 2026.
- (12) The NRC reported its proceedings and recommendations to the Board for further review and approval.

This Statement by the Nomination and Remuneration Committee was approved by the Board on 26 June 2025.

ADDITIONAL COMPLIANCE INFORMATION

1. Utilisation of Proceeds

There were no rights issue or issuance of bonds carried out during the financial year ended 30 April 2025 (FY 2025) to raise any cash proceeds.

2. Non-Audit Fees

During the financial year under review, the Group's non-audit fees paid or payable to the external auditors amounted to RM8,000 (please refer to page 138 of the audited financial statements).

3. Recurrent Related Party Transactions ("RRPT")

Name of Transacting Party	Nature of Transaction	Related Party #	FY2025 (RM' million)
UMB Group of Companies	Purchase of 279.00 tonnes of Compact B Fertiliser from Phosphate Resources (Malaysia) Sdn. Bhd.	(i) PRL Global Ltd (ii) Phosphate Resources Limited (iii) Prosper Trading Sdn. Bhd. (iv) Prosper Capital Holdings Sdn. Bhd. (v) Mr. Tee Cheng Hua (vi) Dato' Sri Tee Lip Sin	0.32
	Purchase of 2,183.36 tonnes of oil palm fresh fruit bunches from Tiang Guan Rubber Estate	(i) Tiang Guan Rubber Estate (ii) Mr. Tan Jiew Hoe	1.95
	Purchase of 215.16 tonnes of oil palm fresh fruit bunches from Inno Makmur Sdn. Bhd.	(i) Dato' Sri Tee Lip Sin	0.18
	Purchase of 1,121.80 tonnes of oil palm fresh fruit bunches from Prosper Capital Holdings Sdn. Bhd.	(i) Prosper Trading Sdn. Bhd. (ii) Mr. Tee Cheng Hua (iii) Dato' Sri Tee Lip Sin	0.97
	Purchase of 849.70 tonnes of oil palm fresh fruit bunches from Far East Holdings Berhad	(i) Mr. Tee Cheng Hua	0.70
	Sale of 519.84 tonnes of oil palm fresh fruit bunches to Prosper Capital Holdings Sdn. Bhd.	(i) Prosper Trading Sdn. Bhd. (ii) Mr. Tee Cheng Hua (iii) Dato' Sri Tee Lip Sin	0.54
	Sale of 330.90 tonnes of oil palm fresh fruit bunches to Cheekah-Kemayan Plantations Sdn. Bhd.	(i) Phosphate Resources Limited (ii) Dato' Sri Tee Lip Sin	0.34
	Provision of plantation consultancy and advisory services by associate company, PARAS (Progressive Agricultural Research and Services) Sdn. Bhd.	(i) Dato' Sri Tee Lip Sin (ii) Mr. Young Lee Chern	0.55
Total			5.55

ADDITIONAL COMPLIANCE INFORMATION

(continued)

3. Recurrent Related Party Transactions (“RRPT”) (continued)

Note:

- # *Phosphate Resource (Malaysia) Sdn. Bhd. is a wholly owned operating subsidiary of Phosphate Resources Limited (a public unlisted Australian company) which is wholly owned by PRL Global Ltd (a listed company on the Australian Stock Exchange) which holds 13,018,700 shares (6.21%) in UMB as at 31 July 2025.*

Prosper Trading Sdn. Bhd. which holds 12,207,178 shares (5.82%) in UMB as at 31 July 2025 is a substantial shareholder of PRL Global Ltd and Far East Holdings Berhad.

Prosper Capital Holdings Sdn. Bhd., a major shareholder of UMB with equity interest of 19.87% as at 31 July 2025 (by virtue of its direct and indirect shareholding through Prosper Trading Sdn. Bhd.) is the major shareholder of Prosper Trading Sdn. Bhd.

By his directorship in Prosper Trading Sdn. Bhd. and Prosper Capital Holdings Sdn. Bhd. as well as the interests of Prosper Trading Sdn. Bhd. through PRL Global Ltd, the Director, Mr. Tee Cheng Hua is deemed interested in the transaction(s) between UMB Group of Companies with Phosphate Resources (Malaysia) Sdn. Bhd..

By his directorship in Prosper Trading Sdn. Bhd., Prosper Capital Holdings Sdn. Bhd., Phosphate Resources (Malaysia) Sdn. Bhd., Phosphate Resources Limited and PRL Global Ltd, the Director, Dato' Sri Tee Lip Sin is deemed interested in the transaction(s) between UMB Group of Companies and Phosphate Resources (Malaysia) Sdn. Bhd..

Tiang Guan Rubber Estate is a family-owned business of Mr. Tan Jiew Hoe, a director of UMB's subsidiaries. Therefore, Mr. Tan Jiew Hoe is deemed interested in the transactions between the Company and Tiang Guan Rubber Estate.

By their directorship in the associate company, PARAS (Progressive Agricultural and Services) Sdn. Bhd., the Director, Dato' Sri Tee Lip Sin and the Chief Executive Officer, Mr. Young Lee Chern are deemed interested in the transaction(s) between UMB Group of Companies and PARAS.

4. Material Contracts Involving Directors and Major Shareholders

Save as disclosed in item (3) above, there is no material contract involving the Company and its subsidiaries with Directors, Chief Executive Officer (who is not a director) or a major shareholder of the Company either still subsisting at the end of the FY 2025 or entered into since the end of the financial year.

AUDIT COMMITTEE REPORT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

1.0 INTRODUCTION

According to Paragraph 15.15 of the Bursa Malaysia Securities Berhad's Listing Requirements, the Board of Directors of United Malacca Berhad is pleased to present the Audit Committee Report for the financial year ended 30 April 2025.

In performing its duties and discharging its responsibilities, the Audit Committee is guided by its Terms of Reference, which are available in the Corporate Governance section of the Company's website www.unitedmalacca.com.my.

2.0 COMPOSITION

Established in January 1991, the Audit Committee reports to the Board of Directors to confirm the independence of External Auditors and compliance with financial reporting in line with the Listing Requirements, Accounting Conventions and Reporting Standards, including full disclosure to shareholders.

In addition to overseeing risk management and internal controls within the Group, the Audit Committee also serves as a conduit among Directors, External and Internal Auditors, and Senior Management on all matters related to its scope of work. It comprises the following members:

Chairman : **Mr. Ong Keng Siew**
(Independent Non-Executive Director)

Members : **Dato Dr. Nik Ramlah binti Nik Mahmood**
(Senior Independent Non-Executive Director)
Mr. Han Kee Juan
(Independent Non-Executive Director)
Datin Noor Azimah binti Abd. Rahim
(Independent Non-Executive Director)

- (i) The Audit Committee shall be appointed by the Board of Directors from among the Directors and comprises not less than three (3) members. All Audit Committee members must be Non - Executive Directors, with a majority being Independent Directors.
- (ii) Members of the Audit Committee shall elect the Chairman, who must be an Independent Director.
- (iii) If the number of Audit Committee members for any reason falls below three (3), the Board of Directors shall, within three (3) months of that event, appoint such several new members required to fulfil the minimum requirement.
- (iv) At least one (1) member of the Audit Committee:
 - (a) Must be a member of The Malaysian Institute of Accountants (MIA); or
 - (b) If the Director is not a member of MIA, the Director must have at least three (3) years of working experience and;
 - Must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - Must be a member of one (1) of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967, and
 - Fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad.

AUDIT COMMITTEE REPORT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

2.0 COMPOSITION (continued)

- (iv) (c) The term of office and performance of Audit Committee members are reviewed by the Board of Directors periodically to determine whether members of the Audit Committee have carried out their duties in accordance with their terms of reference.

3.0 AUTHORITY

Empowered by the Board of Directors, the Audit Committee shall have the authority to do the following:

- (i) Investigate any matters within its terms of reference.
- (ii) Enjoy full and unrestricted access to any information about the Company, including access to external resources.
- (iii) Obtain external legal or other independent professional advice.
- (iv) Provide resources required to perform its duties.
- (v) Communicate directly with External Auditors and person(s) carrying out the internal audit function or activity and the Group's Senior Management.
- (vi) Convene meetings with the External Auditors, the person(s) carrying out the internal audit function or activity or both, excluding the attendance of other Directors and employees of the Company, whenever deemed necessary.

The critical functions of the Audit Committee are stated in its Terms of Reference, which can be viewed on the UMB website.

4.0 MEETINGS

During FY 2025, the Audit Committee met on five (5) occasions; the attendance of each Audit Committee member is as follows:

Directors	No of Meetings Attended During Director's Tenure in Office
Mr. Ong Keng Siew	5 out of 5
Dato Dr. Nik Ramlah binti Nik Mahmood	5 out of 5
Mr. Han Kee Juan	5 out of 5
Datin Noor Azimah binti Abd. Rahim	5 out of 5

The Company Secretary acts as Secretary to the Audit Committee. Minutes of each meeting are kept and circulated to the Audit Committee members and all other Directors. The Chairman of the Audit Committee reports on key issues discussed at each Audit Committee meeting to the Board of Directors.

- (i) Meeting

Meetings shall be held not less than four (4) times a year. The Chairman may call for additional meetings at any time at his discretion. Upon request by the External Auditors, the Chairman shall convene a meeting of the Audit Committee to consider any matter the External Auditors believe should be brought to the attention of the Board of Directors or Shareholders.

AUDIT COMMITTEE REPORT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

4.0 MEETINGS (continued)

(ii) Quorum

The quorum for a meeting shall be two members, and the majority of members present must be Independent Directors.

(iii) Attendance At Meeting

The Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, External Auditors, and the person(s) carrying out the internal audit function or activity shall attend meetings by invitation of the Audit Committee.

5.0 OVERVIEW OF AUDIT COMMITTEE'S WORK

5.1 Financial Reporting

- 5.1.1 Reviewed the unaudited financial results and the Company's consolidated financial statements and recommended them to the Board for approval.
- 5.1.2 Reviewed and recommended to the Board for approval the annual audited financial statements of the Company and the Group, and to ensure that the financial statements were drawn up under the requirements of MFRS and provisions of the Companies Act 2016 in Malaysia.
- 5.1.3 Reviewed and highlighted to the Board significant matters raised by the external auditors, including financial reporting issues, significant judgements and estimates made by Management, and received updates from Management on actions taken for improvements.
- 5.1.4 Deliberated significant changes in relevant regulatory requirements, accounting and auditing standards that affect the Group, and the adoption of such changes by Management.

5.2 External Audit

- 5.2.1 Reviewed and approved the external auditors' audit plan, which outlined the audit strategy and approach for FY 2025.
- 5.2.2 Reviewed the results and issues arising from the external audit, including the Key Audit Matters and the update on Management's responses and actions on the matters highlighted in the audit report.
- 5.2.3 Obtained written assurance from external auditors in their FY 2025 Audit Plan dated 19 December 2024 to the Audit Committee that, in accordance with the terms of all relevant professional and regulatory requirements, they had been independent throughout the audit engagement for FY 2025.
- 5.2.4 Conducted an annual assessment of the external auditors' performance which encompassed their competence, audit service quality and resource capacity of the external auditors in relation to the audit; the nature and extent of the non-audit services rendered and the appropriateness of the level of fees; and the independence of external auditors.
Assessment questionnaires were used as a tool to obtain input from UMB personnel who had substantial working contact with the external audit team.
- 5.2.5 Reviewed the external audit fees and non-audit fees for FY 2025 and recommended them to the Board.

AUDIT COMMITTEE REPORT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

5.0 OVERVIEW OF AUDIT COMMITTEE'S WORK (continued)

5.2 External Audit (continued)

- 5.2.6 Met with the external auditors on 19 September 2024 and 26 March 2025 without the presence of Management to review and discuss key issues within their duties and responsibilities. The external auditors raised no major concerns at the meetings.
- 5.2.7 Reviewed and assessed the suitability of the nominated external auditors and recommended to the Board to propose their appointment or re-appointment at the Company's Annual General Meeting.

5.3 Internal Audit

- 5.3.1 Reviewed and approved the Internal Audit Department i.e., IAD staffing requirements, budget, and annual audit plan to ensure the adequacy of resources, competencies, and coverage.
- 5.3.2 Reviewed internal audit reports on plantation estates, palm oil mills and key functional units issued by the IAD covering the adequacy and effectiveness of governance, risk management, and operational and compliance processes.
- 5.3.3 Reviewed the adequacy of corrective actions taken by Management on all significant audit issues raised.
- 5.3.4 Met with Head of Group Audit on 27 June 2024 and 19 December 2024 without the presence of Management to review and discuss key issues within their duties and responsibilities. The Head of Group Audit raised no major concerns at the meetings.

5.4 Related Party Transactions

Reviewed related party transactions entered by the Group to ensure that such transactions were carried out on normal commercial terms and were not prejudicial to the Company's interest or its minority shareholders.

5.5 Annual Report

Reviewed the Audit Committee Report, Summary of Activities of Internal Audit Functions, and Statement on Risk Management and Internal Control before submission to the Board for approval and inclusion in the 2025 Annual Report.

5.6 Other Matters

- 5.6.1 Reviewed Terms of Reference of the Audit Committee with reference to the new provisions in the Listing Requirements of Bursa Malaysia Securities Berhad and recommended the revisions to the Board for its approval.
- 5.6.2 Reviewed the solvency assessment by the Management in relation to the declaration of dividends.
- 5.6.3 Reviewed conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity.

AUDIT COMMITTEE REPORT

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

6.0 SUMMARY OF ACTIVITIES OF INTERNAL AUDIT FUNCTION

- 6.1 The Audit Committee is assisted by the IAD in the discharge of its duties and responsibilities. The primary responsibility of IAD is to provide reasonable assurance to the Audit Committee on the effectiveness of the governance, risk management and internal control processes within the Company and the Group.
- 6.2 IAD is independent of operations and reports functionally to the Audit Committee and administratively to the Chief Executive Officer. IAD is headed by En Abdul Razak bin Md Aris who is a Chartered Member of The Institute of Internal Auditors Malaysia. There are nine (9) audit executives in the IAD.
- 6.3 The IAD had conducted risk-based audit engagements as stipulated in the Annual Audit Plan for FY 2025. Significant audit findings regarding risk, control, and governance that had a high impact were discussed with the Management, including the agreed action plans committed by the line management. The audit reports were presented to the Audit Committee for deliberation.

Follow-up reviews on the audit engagements were conducted to ensure proper and effective remedial actions have been taken by line management to close control gaps highlighted by IAD. All internal audit activities and processes were performed as guided by the Internal Audit Charter and the IAD Standard Operating Procedures.

- 6.4 IAD also reviewed and assessed the design adequacy, implementation effectiveness and compliance with UMB's anti-bribery and corruption controls, and corruption risks management processes.
- 6.5 IAD operated from three, i.e., 3 different locations, with each having its audit teams. The offices are located at the Head Office in Melaka, Millian Labau Plantations in Keningau and Kalimantan in Indonesia.
- 6.6 Total cost incurred in managing the internal audit function during the FY 2025 was RM 1,159,418 [2024: RM 1,109,301].
- 6.7 At the Management's request, IAD undertook 3 special investigation audits during the year under review.
- 6.8 IAD issued 38 audit reports covering operations in the Head Office, estates and palm oil mills in Peninsular Malaysia, Sabah, and Indonesia. The internal audit focused on high-risk areas such as security of stored fertilizers and pesticides, frequency of manuring, FFB collection and despatch, estate payroll, vehicle operating costs, FFB quality and mill operations.

This Audit Committee report was presented and approved by the Board on 26 June 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROLS

This Statement on Risk Management and Internal Controls (SRMIC) outlines the nature and scope of United Malacca Berhad's (UMB's) risk management policies and internal controls for the financial year ended 30 April 2025 (FY 2025).

Pursuant to paragraph 15.26(b) of the Main Marketing Listing Requirements of Bursa Malaysia Securities Berhad and Practice Note 9.2 of the Malaysian Code on Corporate Governance (MCCG), the SRMIC is based on the Risk Management and Internal Controls: Guidelines for Directors of Listed Issuers (the Guidelines).

BOARD'S RESPONSIBILITY

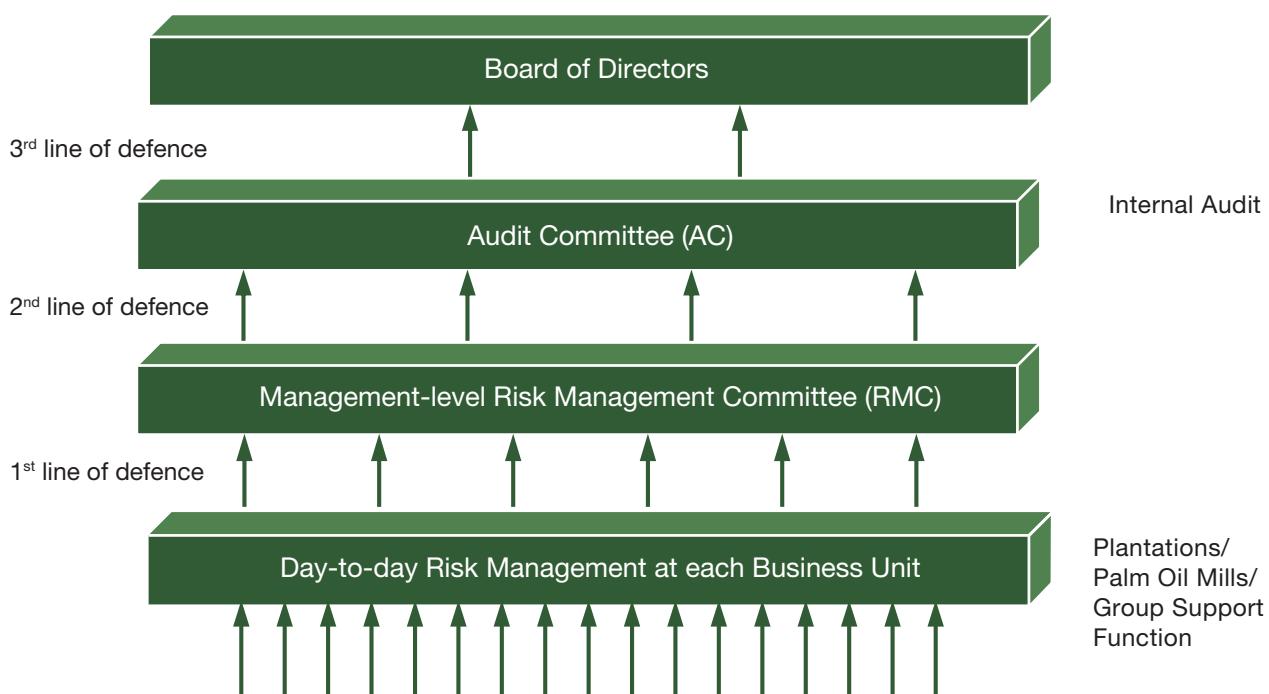
To safeguard stakeholders' interests, the UMB Board prioritises maintaining a sound system of internal controls as well as identifying and managing risks affecting UMB's operations.

Comprising Independent Non-Executive Directors, the Audit Committee (AC) has been entrusted by the Board to evaluate the adequacy and effectiveness of UMB's risk management and internal controls.

UMB's risk management strategy is designed to manage financial and non-financial risks within acceptable limits rather than focusing on eliminating totally the risk of failure.

RISK MANAGEMENT

Recognising the importance of a robust risk management system, the UMB Board formalised an Enterprise Risk Management (ERM) Framework – a triple line of defence to monitor and prevent the taking of unwarranted risks.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROLS

(continued)

RISK MANAGEMENT (continued)

1st Line of Defence:
Monitor day-to-day
risks in Group
operations

01

Each business unit assesses internal and external risks it faces every day. All Heads of Business Units are responsible for:

- Identifying risk exposures;
- Reporting risk exposures to the Risk Officer;
- Developing and implementing an action plan to manage risks;
- Reporting the status of action plans and their implementation to Risk Officer; and
- Ensuring significant risks are immediately reported to and addressed by management.

The Risk Officer liaises between a Management-level Risk Management Committee (RMC) and Heads of Business Units (HBU); they assess day-to-day risks in the business unit. Both Risk Officer and HBU meet at least once every quarter to assess and evaluate risks and to determine which risks are significant and should be escalated to the RMC.

2nd Line of Defence:
Risk Management
Committee
anticipates risks

02

Meeting once every quarter, the RMC reviews changes in UMB's risk profile and develops action plans to mitigate risks in line with business objectives.

Note:

The RMC is a Management-level Committee.

RMC members include:

- Executive Director (ED);
- Chief Executive Officer (CEO);
- Chief Financial Officer (CFO);
- Head of Group Administration, Corporate Affairs and Human Resources;
- Head of Group Audit and Risk Management;
- Acting Head of Engineering/Mill Controller;
- General Manager (Indonesian Operations);
- Plantation Controller;
- Senior Manager of Estate Operations;
- Manager (Procurement & Marketing); and
- Risk Officer.

3rd Line of Defence:
Audit Committee
ensures the
adequacy and
integrity of Risk
Management and
Internal Control
Systems

03

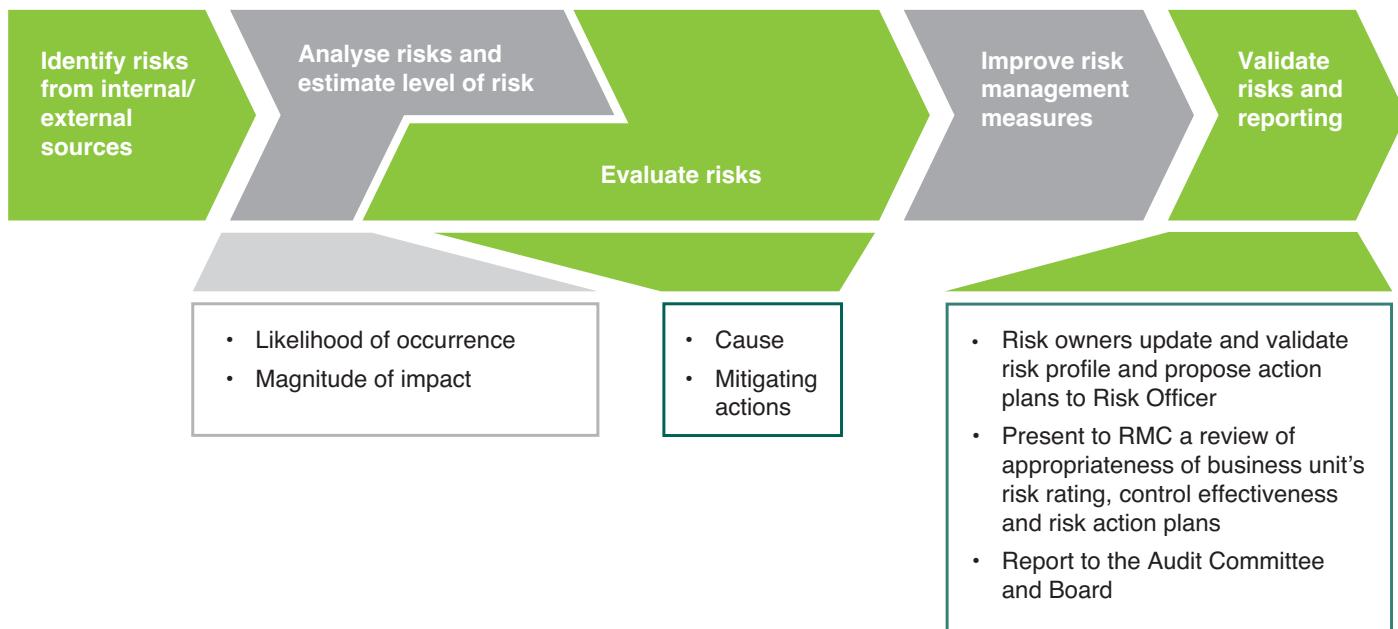
During the financial year under review, the results of updated risks were discussed at RMC meetings. Significant risk issues were further deliberated by the AC prior to escalation to the Board. The Head of Group Audit and Risk Management developed a risk-based internal audit plan to address key risks, and to provide reasonable assurance on the effectiveness of the internal controls.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROLS

(continued)

RISK MANAGEMENT PROCESS

UMB's ERM Framework comprises the following procedures:



- Business units provide information on the likelihood of significant risks occurring and the likely magnitude of their impact. In their quarterly review, risk owners will update the Risk Officer and propose an action plan;
- Risk owners assess risks and develop action plans which are reviewed by RMC to ensure the likelihood and impact of an adverse event is within a manageable and acceptable level of risk;
- Each quarter, the RMC will review and assess the appropriateness of each risk rating, the adequacy of effective controls and the appropriateness of the risk action plan;
- RMC reports to the Audit Committee each quarter; and
- During the quarterly review, the internal audit department focuses on high-risk areas, the effectiveness of governance procedures as well as the adequacy of risk management and internal controls. Furthermore, the internal audit department provides an additional and an independent view of specific risks, internal controls, trends and events.

Risks identified are assessed according to their likelihood and impact; thereafter the risks are compiled into a risk rating matrix. Based on the risk rating matrix, Management will prioritise risks and follow-up measures.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROLS

(continued)

SIGNIFICANT RISK FACTORS

For the financial year under review, UMB's significant risks were identified and risk management strategies adopted. See table below:

Type of Risk	Risk Outlined	Risk Description	Risk Management Strategies
Human capital risk	High dependence on foreign workers	A shortage of harvesters and field workers will impede the upkeep of oil palms and delay the harvesting of fresh fruit bunches (FFB).	Mitigating measures undertaken by UMB include: <ul style="list-style-type: none"> ▪ Offering incentives to retain existing workers and to attract new workers; ▪ Enhancing housing and other benefits; and ▪ Accelerating mechanisation, particularly for activities like collecting FFB as well as application of fertilisers and spraying insecticides.
Operational risk	Adverse weather	Prolonged dry weather will lower production of FFB.	Implement good water management systems, including constructing water conservation pits or ponds, deepening water reservoirs in each estate to mitigate the impact of a drought and stepping-up construction of fertigation systems – a system of underground pipes that carry fertilisers to the oil palms.
		Heavy rain and flooding will affect estate operations – difficulty accessing the fields will affect harvesting and transporting of FFB.	Construct bunds in low lying or flood-prone areas to prevent oil palms from being submerged during heavy rain and flooding. During the rainy season in PT Lifere Agro Kapuas, plastic drums and crawlers are used to evacuate FFB from the waterlogged fields to the collection points. In addition, small boats are used to transport the FFB from collection points to the main road.
Business and investment risks	Inappropriate estate selection	Non-strategic location of estates and uneconomic size will result in high production cost per hectare and logistics issues.	<ul style="list-style-type: none"> ▪ Undertake feasibility studies to assess the suitability of new land to be acquired; and ▪ Conduct due diligence review before embarking on any new acquisition.
Market Risk	Volatile prices of crude palm oil (CPO) and palm kernel (PK)	Fluctuating CPO & PK prices could substantially impact cash flow and profits.	To cushion the impact of volatile CPO and PK prices, UMB in Malaysia sells forward not more than 30% of its CPO production from FFB harvested from its own estates. Marketing personnel keep abreast of the outlook for CPO and PK prices via online business websites.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROLS

(continued)

SIGNIFICANT RISK FACTORS (continued)

Type of Risk	Risk Outlined	Risk Description	Risk Management Strategies
Financial risk	Foreign currency fluctuation	UMB has foreign currency exposure through a bank loan in US Dollars. A weaker Ringgit will increase the cost of servicing foreign currency loan. Risk management strategies will be disclosed in Note 40(d) of the audited financial statements.	UMB's risk management objectives and hypothetical sensitivity analysis are set out in Note 40(d) to the Financial Statements of the Annual Report on page 190.
Liquidity risk	Cash management	Volatile CPO and PK prices ensure liquidity is a constant concern. UMB could face difficulty in meeting financial obligations due to the shortage of funds. UMB's liquidity risk arises primarily from a mismatch of the tenures of financial assets and liabilities.	To meet working capital requirements, UMB maintains sufficient cash and liquid investments, while its debt maturity profile, operating cash flow and availability of funds are adequate to meet repayment and future funding needs.

INTERNAL CONTROL FRAMEWORK

A sound system of internal controls reduces the risks that could impede achieving UMB's goals and strategic objectives. The AC and the Board regularly reviews the adequacy and operating effectiveness of UMB's internal controls. Salient elements of UMB's internal control framework are listed below:

1. Organisational Structure

UMB's organisational structure has clearly demarcated lines of responsibility and segregated reporting lines to various Committees and the Board. This ensures operational effectiveness and independent stewardship.

2. Integrity and Ethical Values

UMB aims to inculcate an ethical corporate culture as the foundation for sustainable growth.

- **Directors' Code of Ethics**

Directors' Code of Ethics enhances corporate governance for directors by establishing standards of ethical conduct, social responsibility and accountability in line with legislation, regulations, and guidelines. The Directors' Code of Ethics is available on UMB's website.

- **Code of Conduct**

Code of Conduct (for employees) sets standards that UMB employees must observe to prevent conflicts of interest, safeguard company property, establish procedures to handle complaints of harassment and discrimination, ensure employees' safety and health, enhance confidentiality, and nurture anti-bribery practices. The Code of Conduct is available on UMB's website.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROLS

(continued)

INTERNAL CONTROL FRAMEWORK (continued)

2. Integrity and Ethical Values (continued)

- **Whistleblowing Policy**

UMB's Whistleblowing Policy facilitates employees and other stakeholders to report instances of misconduct, wrongdoing, corruption, fraud, waste of UMB Group's resources, or abuse of UMB Group's rules and policies. It also details the channels and processes for making a report. The Whistleblowing Policy is available on UMB's website.

- **Anti-Bribery Policy**

The Anti-Bribery Policy sets guidelines for mitigating bribery acts, reporting violations, investigating bribery, and establishing procedures to mitigate the incidence of bribery. UMB's Anti-Bribery Policy is available on UMB's website.

- **Due Diligence Parameters for Consultants/Vendors**

UMB has instituted criteria for selecting, monitoring and assessing the performance of consultants, contractors and vendors. Safeguards against corrupt acts have been incorporated in service contracts with consultants and contractors.

3. Guidelines on Misconduct and Discipline

UMB has instituted guidelines for the Human Resources Department to handle disciplinary issues, investigate allegations and if required, institute disciplinary proceedings involving breaches of the Code of Ethics and Code of Conduct.

4. Limits of Authority

UMB has established clear limits of authority, responsibility and accountability to govern business activities, day-to-day operations and matters requiring the Board's approval. Establishing limits of authority provides a framework of authority, responsibility and segregation of duties within UMB.

5. Board Charter

The Board Charter sets out the roles and responsibilities of the Board of Directors and Management in performing their duties according to the regulatory framework in Malaysia. The Board Charter is available on UMB's website.

6. Board Committees and Executive Director

Dato' Sri Tee Lip Sin, UMB's Executive Director since 1 January 2023, assists the Board in overseeing implementation of the UMB Group's strategies and policies (including tender awards) and works with the UMB Management team to implement business plans for the UMB Group.

In addition to the ED, UMB has two Board Committees collectively involving five Directors:

- **Audit Committee (AC)**

The AC serves as a focal point for communication involving Directors, External Auditors, Internal Auditors and Senior Management on issues relating to financial accounting, reporting and internal controls. The AC also oversees and deliberates on UMB's risk profile and the risks brought to its attention from the RMC prior to escalation to the Board. AC scrutinises all significant Related Party Transactions (RPT) to ensure RPTs are at arm's length and on normal commercial terms. Further details of the AC are outlined in its Terms of Reference available on UMB's website.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROLS

(continued)

INTERNAL CONTROL FRAMEWORK (continued)

6. Board Committees and Executive Director (continued)

In addition to the ED, UMB has two Board Committees collectively involving five Directors (continued):

- **Nomination and Remuneration Committee (NRC)**

NRC's duties include proposing new Directors, overseeing directors' annual evaluation and assessment to determine whether changes are needed, reviewing remuneration policies relating to directors and all employees. Further details of the NRC are outlined in the Terms of Reference available on UMB's website.

7. Annual Internal Audit Plan

An annual Internal Audit Plan determines the Operating Centres and their auditable areas, desired frequency of audit visits as well as budgetary and manpower resources required for the financial year.

8. Documented Policies and Procedures

UMB's internal policies and procedures are listed in operating manuals available to all employees. These manuals and procedures are regularly updated or revised to ensure conformity with internal controls, business objectives as well as Malaysian laws.

9. Management Tender Committee

A Management-level Tender Committee comprising Senior Management conducts the tender exercise and submits its recommendations to the CEO or ED depending on the value of the tender.

Tender Approval Limit	Authorised by
Tender up to RM300,000	CEO
Tender above RM300,000	ED

10. Occupational Safety and Health Committee (OSHC) and Environmental Performance Monitoring Committee (EPMC)

The OSHC and EPMC meet quarterly as required under the Occupational Safety and Health (Safety and Health Committee) Regulations 1996 and Environmental Mainstreaming Directive. Both committees provide an avenue for employees and management to solve environment, health and safety problems, develop strategies to nurture a healthy and safe working environment as well as to monitor compliance with regulatory requirements relating to the environment, health and safety.

11. Estate and Palm Oil Mill Visits

The ED, CEO, Senior Management, the Sustainability, Health and Safety Team, Internal Auditors, Risk Officer and the Group Finance Team visit estates and palm oil mills regularly. In-house agriculture and sustainability policies ensure consistent standards of agronomy and compliance with requirements under the Malaysian Sustainable Palm Oil (MSPO) or Indonesian Sustainable Palm Oil (ISPO) are consistently observed in all operating units.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROLS

(continued)

INTERNAL CONTROL FRAMEWORK (continued)

12. Business Strategies

UMB's strategic business plans are prepared annually in line with UMB's budget. Throughout the year, performance of all estates and mills are monitored by the Management Team.

13. Integrated Management System

Malaysian estates have implemented the Lintramax Quarto Connect System (Quarto Connect), a software programme enabling staff in all estates to record online all plantation data. In real time, data on fresh fruit bunches harvested and the volume of fresh fruit bunches sent to the ramp and to the mill is logged into Quarto Connect. Data collected can be viewed and assessed in real time by senior management to enhance decision-making.

14. Business Continuity and Security

■ Business Continuity Management Framework

UMB's Business Continuity Management Framework identifies appropriate preventive measures and potential responses to disasters, emergencies or catastrophes that will mitigate potential damage and ensure speedy recovery from any calamity.

■ Insurance and Safeguards

Senior Management reviews insurance policies annually to ensure its adequacy in compensating for any losses while instituting safeguards to prevent material losses.

15. Financial Performance Review and Reporting

UMB's Management team monitors and reviews the monthly financial and operational data as well as forecasts for business units. The Management team also assesses performance against annual budgets, monitors marketing operations and formulates plans to address areas of concern.

Monthly reports on financial results and performance are emailed to Board members. Results are assessed against budgets with major variances explained. Monthly marketing reports are also submitted to Board members detailing price movements of CPO and PK as well as UMB's committed and forward sales.

Financial statements are prepared quarterly and annually together with detailed analysis. These reports are reviewed by the AC and recommended to the Board for approval prior to submission to Bursa Malaysia Securities Berhad. Reports on the performance of the estates and palm oil mills, the Group's financial position as well as treasury holdings are also presented at Board meetings.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROLS

(continued)

INTERNAL AUDIT FUNCTION

UMB's in-house Internal Audit Department provides a regular and independent review of its Operating Units, undertakes follow-up audits and conducts speedy investigative audits requested by Management, the ED, AC, and the Board.

Reporting to the AC and Board every quarter, Internal Audit provides an assurance that UMB's governance, risk and control systems are functioning effectively and that significant risks are identified while risk mitigation plans are proposed and implemented.

During the financial year under review, a summary of internal audit's focus areas including reports submitted to AC, are set out in the AC's Report of this Annual Report.

REVIEW BY THE EXTERNAL AUDITORS

In line with paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, external auditor, Crowe Malaysia PLT, has reviewed this Statement for inclusion in the Annual Report for the financial year ended 30 April 2025.

Reviewing this Statement by the external auditors is in accordance with the Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report (AAPG 3), issued by the Malaysian Institute of Accountants.

The external auditors state nothing has caused them to believe this Statement, in all material aspects, was not prepared in accordance with the disclosures required by Paragraphs 41 and 42 of the Guidelines nor is this Statement factually inaccurate.

COMMENTARY ON THE ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

For the financial year under review and up to the date of this Statement, the Board believes its system of risk management and internal controls is adequate and effective to safeguard its assets as well as protect the interests of shareholders, customers and employees. There were no material weaknesses or deficiencies in internal controls that could result in material losses.

Where exceptions were noted, they were not material in the context of this report and corrective actions have been taken, where necessary, to mitigate the impact.

The ED, CEO and CFO have also provided documented assurances to the Board that UMB's system of risk management and internal controls, in all material aspects, are operating adequately.

This Statement was presented and approved by the Board on 25 July 2025.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE AUDITED FINANCIAL STATEMENTS

Paragraph 15.26(a) of Bursa Malaysia's Main Market Listing Requirements states the annual report shall include a statement by the Board of Directors explaining its responsibility for preparing the annual audited financial statements.

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements following the Malaysian Financial Reporting Standards, IFRS Accounting Standards, and the Companies Act 2016's requirements in Malaysia.

The directors' responsibilities include:

- Designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of these financial statements free from material misstatement.
- Selecting and applying appropriate accounting policies.
- Making accounting estimates that are reasonable in the circumstances.
- Maintaining adequate accounting records and an effective system of risk management.
- Safeguarding the assets of the Company and hence taking reasonable steps to prevent and detect fraud and other irregularities.

In preparing the financial statements, the Directors have:

- Adopted appropriate accounting policies and applied them consistently.
- Made judgements and estimates that are reasonable and prudent.
- Ensured applicable accounting standards were followed.
- Assessed the Group's and Company's ability to continue as a going concern.

In the opinion of the Board of Directors, the audited financial statements set out on pages [x] to [x] were prepared in accordance with the applicable reporting standards, laws, and regulations to give a true and fair view of the financial performance, assets, liabilities, and cash flow of the Group and the Company for the year ended 30 April 2025.

This statement was presented and approved by the Board on 25 July 2025.

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FINANCIAL STATEMENTS

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 April 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company are cultivation of oil palm and investment holding.

The information on the name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are set out in the "Subsidiaries" section of this report.

There have been no significant changes in the nature of these principal activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	94,942	84,733
Attributable to:		
Owners of the Company	96,443	84,733
Non-controlling interests	(1,501)	-
	94,942	84,733

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

The amounts of dividends paid by the Company since 30 April 2024 were as follows:

	RM'000
In respect of the financial year ended 30 April 2024 as reported in the directors' report of that financial year:	
Second interim single-tier dividend of 7 sen, on 209,769,201 ordinary shares, declared on 27 June 2024 and paid on 9 August 2024	14,684
In respect of the financial year ended 30 April 2025:	
First interim single-tier dividend of 5 sen, on 209,769,201 ordinary shares, declared on 25 November 2024 and paid on 23 December 2024	10,488
	25,172

DIRECTORS' REPORT

(continued)

DIVIDENDS (continued)

On 26 June 2025, the directors declared a second interim single-tier dividend of 7 sen per ordinary share and a special single-tier dividend of 6 sen per ordinary share in respect of the financial year ended 30 April 2025 on 209,769,201 ordinary shares, amounting to approximately RM27,270,000 which are payable on 7 August 2025. The financial statements for the current financial year do not reflect these dividends. Such dividends will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 April 2026.

DIRECTORS

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Datin Paduka Tan Siok Choo *	
Teo Leng *	
Dato Dr. Nik Ramlah binti Nik Mahmood	
Ong Keng Siew *	
Tee Cheng Hua	
Dato' Sri Tee Lip Sin *	
Han Kee Juan	
Datin Noor Azimah binti Abd. Rahim	
Tee Lip Zhun	(Appointed on 12 June 2025)
Ng Ming Shern (Alternate director to Datin Paduka Tan Siok Choo)	(Appointed on 1 October 2024)

* These directors are also directors of the Company's subsidiaries.

The names of the directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report (not including those directors listed above) are:

Tan Jiew Hoe	
Young Lee Chern	
Er Hock Swee	(Appointed on 9 August 2024)
Dr Kartika Dianningsih Antono	
Ieneke Santoso	
Tee Tong Heng	
Pradana Kurnia Setiawan	
Agustino Hasril	

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REPORT

(continued)

DIRECTORS' BENEFITS (continued)

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown in the "Directors' remuneration" section of this report) by reason of a contract made by the Company or a related corporation with any 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, except for any benefits which may be deemed to arise from the following transactions:

	Group RM'000	Company RM'000
Subsidiaries		
- Sale of fresh fruit bunches ("FFB")	-	33,900
- Interest income	-	13,758
- Administrative expenses charged	-	5,516
- Purchase of oil palm seedlings	-	76
- Purchase of property, plant and equipment	-	51
- Interest expense	-	18
Companies in which certain directors have deemed interests		
- Sale of FFB	878	364
- Purchase of FFB	3,803	-
- Purchase of fertiliser	324	-
Associate		
- Consultancy and advisory services paid/payable	546	160

DIRECTORS' REMUNERATION

The directors' remuneration during the financial year are as follows:

	Group RM'000	Company RM'000
Fees	848	610
Salaries and other emoluments	1,053	1,053
Contributions to defined contribution plan	100	100
Social security contributions	1	1
Estimated monetary value of benefits-in-kind	31	31
	<hr/>	<hr/>
	2,033	1,795

DIRECTORS' INDEMNITY

The Company maintains a directors' and officers' liability insurance for the directors and officers of the Company. During the financial year, the amount of directors and officers liability insurance coverage totalled RM20,000,000 and the premium paid for this insurance was RM27,000.

DIRECTORS' REPORT

(continued)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

Name of director	1.5.2024/ Date of appointment	Number of ordinary shares			30.4.2025		
		Acquired	Sold				
<i>Direct Interest:</i>							
<i>Ordinary shares of the Company</i>							
Datin Paduka Tan Siok Choo		4,527,197	-	-	4,527,197		
Teo Leng		70,000	-	-	70,000		
Tee Cheng Hua		240,400	260,500	-	500,900		
Dato' Sri Tee Lip Sin		1,868,400	-	-	1,868,400		
Han Kee Juan		140,000	-	-	140,000		
<i>Indirect Interest:</i>							
<i>Ordinary shares of the Company</i>							
Datin Paduka Tan Siok Choo	i	7,641,343	11,000	-	7,652,343		
Teo Leng	ii	7,000	-	-	7,000		
Tee Cheng Hua	iii	59,038,678	2,561,000	(2,067,000)	59,532,678		
Dato' Sri Tee Lip Sin	iv	63,525,178	2,561,000	(2,067,000)	64,019,178		
Han Kee Juan	v	243,400	1,058,500	-	1,301,900		
Ng Ming Shern (Alternate director to Datin Paduka Tan Siok Choo)	vi	12,179,540	-	-	12,179,540		

i Interest by virtue of shares held by siblings and sibling's spouse.

ii Interest by virtue of shares held by spouse.

iii Interest by virtue of shares held by the companies in which he is a Director, children and siblings.

iv Interest by virtue of shares held by the companies in which he is a Director, parents, spouse, children and siblings.

v Interest by virtue of shares held by the company in which he is a Director.

vi Interest by virtue of shares held by his family members.

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

DIRECTORS' REPORT

(continued)

OTHER STATUTORY INFORMATION

- (a) Before the statements of profit or loss, statements of comprehensive income and statements of financial position of the Group and of the Company were finalised, 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 allowance for doubtful debts and satisfied themselves that there were no known bad debts and that no allowance for doubtful debts was necessary; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
 - (i) it necessary to write off any bad debts or to provide for the allowance for doubtful debts in respect of the financial statements of the Group and of the Company; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances 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) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
 - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
 - (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet its obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

DIRECTORS' REPORT

(continued)

SUBSIDIARIES

- (a) The detailed of the Company's subsidiaries are as follows:

Name of subsidiaries	Country of incorporation/ Principal place of business	% of ownership interest held by the Group	% of ownership interest held by non-controlling interests	Principal activities
<u>Held by the Company</u>				
Leong Hin San Sdn. Bhd.	Malaysia	100	-	Cultivation of oil palm
Meridian Plantations Sdn. Bhd.	Malaysia	100	-	Cultivation of oil palm and palm oil milling
Syarikat Penanaman Bukit Senorang Sdn. Bhd.	Malaysia	100	-	Cultivation of oil palm and palm oil milling
South-East Pahang Oil Palm Berhad	Malaysia	100	-	Cultivation of oil palm
Masjid Tanah Properties Sdn. Bhd.	Malaysia	100	-	Investment holding
Melaka Pindah Properties Sdn. Bhd.	Malaysia	100	-	Property development (currently dormant)
Vintage Plantations Sdn. Bhd.	Malaysia	100	-	Dormant
International Natural Resources Pte. Ltd. ("INR")	Singapore	88	12	Investment holding
Clifton Cove Pte. Ltd. ("Clifton")	Singapore	100	-	Investment holding
PT Usaha Mulia Bahagia	Indonesia	100	-	Providing management consultancy services
<u>Held through INR</u>				
PT Lifere Agro Kapuas	Indonesia	83	17	Cultivation of oil palm and palm oil milling
<u>Held through Clifton</u>				
PT Bintang Gemilang Permai ("BGP")	Indonesia	65	35	Investment holding
<u>Held through BGP</u>				
PT Wana Rindang Lestari	Indonesia	60	40	Agroforestry plantations

- (b) The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

DIRECTORS' REPORT

(continued)

AUDITORS AND AUDITORS' REMUNERATION

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

Auditors' remuneration during the current financial year are as follows:

	Group RM'000	Company RM'000
Crowe Malaysia PLT	305	133
Member firm of Crowe Global	64	-
Other auditors	60	-
	429	133

Signed on behalf of the Board in accordance with a resolution of the directors dated 25 July 2025.

Dato' Sri Tee Lip Sin

Ong Keng Siew

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, Dato' Sri Tee Lip Sin and Ong Keng Siew, being two of the directors of United Malacca Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 119 to 194 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements 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 30 April 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 25 July 2025.

Dato' Sri Tee Lip Sin

Ong Keng Siew

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Er Hock Swee, being the officer primarily responsible for the financial management of United Malacca Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 119 to 194 are in my opinion 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 Er Hock Swee
at Melaka in the State of Melaka
on 25 July 2025.

Er Hock Swee
(CA 22897)

Before me,

CHAN CHIEW YEN
Commissioner for Oaths
Melaka, Malaysia

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF UNITED MALACCA BERHAD
(INCORPORATED IN MALAYSIA)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of United Malacca Berhad, which comprise statements of financial position of the Group and of the Company as at 30 April 2025, and statements of profit or loss, 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 119 to 194.

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 30 April 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, 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. 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 audit 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"), as applicable to audits of financial statements of public interest entities 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 UNITED MALACCA BERHAD
(INCORPORATED IN MALAYSIA) (continued)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

Key Audit Matters (continued)

We have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment assessment of goodwill

Refer to Notes 6.1(b) and 18 to the financial statements

Key Audit Matter	How our audit addressed the key audit matter
<p>As at 30 April 2025, the Group's carrying amount of the goodwill is RM82.5 million as disclosed in Note 18 to the financial statements. The Group is required to perform an impairment test annually by comparing the carrying amount of cash-generating units ("CGU") or group of CGUs, including goodwill, with their recoverable amount.</p>	<p>We have identified this as an important area of our audit given the significant amount of judgement and estimates involved in the assessment of the recoverable amount.</p> <p>In addressing the matter above, we have amongst others, performed the following audit procedures:</p> <ul style="list-style-type: none"> ● Obtained an understanding of the relevant processes and internal control involved to determine the recoverable amount of CGUs. ● Evaluated the assumptions and methodologies used by the management in performing the impairment assessment. ● Considered management's experience with previous projections by examining the outcome of previous estimates, focusing particularly on the assumptions regarding forecasted and projected price of crude palm oil ("CPO") and fresh fruit bunches ("FFB"), FFB yield of the oil palms, and the estimated remaining useful lives of the bearer plants. ● Evaluated the discount rates used in deriving the present value of the cash flows. ● Assessed the adequacy of the disclosures made in the financial statements as disclosed in Notes 6.1(b) and 18 to the financial statements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF UNITED MALACCA BERHAD
(INCORPORATED IN MALAYSIA) (continued)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

Key Audit Matters (continued)

We have determined the matters described below to be the key audit matters to be communicated in our report. (continued)

Impairment assessment of property, plant and equipment (“PPE”) and right-of-use assets (“ROU”) of Millian-Labau Plantations (“MLP”) and PT Wana Rindang Lestari (“WRL”)

Refer to Notes 6.1(a), 16 and 17 to the financial statements

Key Audit Matter	How our audit addressed the key audit matter
<p>As at 30 April 2025, the carrying amounts of PPE and ROU for MLP stand at RM119.6 million and RM281.9 million respectively. Concurrently, the carrying amount of PPE for WRL is RM5.6 million.</p> <p>During the financial year ended 30 April 2020, the Group recognised an impairment loss amounting to RM56.8 million to write-down the value of bearer plants in PPE which was allocated to MLP due to the unsatisfactory performance of the said bearer plants. In the subsequent financial year ended 30 April 2023, the Group reversed a portion of the aforementioned impairment amounting to RM8.3 million. Given the incidence of impairment loss in the financial year ended 2020, the Group has undertaken an assessment to ascertain any further impairment loss or potential reversal pertaining to the PPE and ROU of MLP. WRL reported a loss for the current financial year.</p> <p>In response to this, the Group has conducted an estimation of the recoverable amount pertaining to the relevant CGUs.</p>	<p>We have identified this as an important area of our audit given the significance of PPE and ROU to the Group and the significant amount of judgement and estimates involved in the assessment of the recoverable amount.</p> <p>In addressing the matter above, we have amongst others, performed the following audit procedures:</p> <ul style="list-style-type: none"> • Obtained an understanding of the relevant processes and internal control involved to determine the recoverable amount of the CGUs. • Evaluated the assumptions and methodologies used by the management in performing the impairment assessment. • Considered management's experience with previous projections by examining the outcome of previous estimates, focusing particularly on the assumptions regarding forecasted and projected CPO and FFB prices, FFB yield of the oil palms, and price and yield of other agricultural produce and the estimated remaining useful lives of the bearer plants. • Evaluated the discount rates and the methodology used in deriving the present value of the cash flows. • Assessed the adequacy of the disclosures made in the financial statements as disclosed in Notes 6.1(a), 16 and 17 to the financial statements.

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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF UNITED MALACCA BERHAD
(INCORPORATED IN MALAYSIA) (continued)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

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 Malaysian Financial Reporting Standards, 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.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability 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 International Standards on Auditing 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 International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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.
- 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 the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 Group's or the Company's ability 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF UNITED MALACCA BERHAD
(INCORPORATED IN MALAYSIA) (continued)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

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 International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (continued)

- 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.
- 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 group financial statements. 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.

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 19 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.

Crowe Malaysia PLT
20190600005 (LLP0018817 - LCA) & AF 1018
Chartered Accountants

Melaka

25 July 2025

Piong Yew Peng
03070/06/2027 J
Chartered Accountant

STATEMENTS OF PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000 (Restated)
Revenue					
Cost of sales	7	711,241 (539,251)	595,640 (483,388)	180,660 (81,657)	133,929 (81,486)
Gross profit					
Other income	8	171,990	112,252	99,003	52,443
Administrative expenses		15,203	10,979	17,522	16,191
Other expenses	10(a)	(26,592)	(26,348)	(10,505)	(9,189)
		(23,138)	(13,703)	(167)	(6,014)
Operating profit					
Share of results of associate		137,463 57	83,180 -	105,853 -	53,431 -
Profit before interest and tax					
Interest expense	9	137,520 (6,641)	83,180 (8,609)	105,853 (4,129)	53,431 (4,753)
Profit before tax					
Taxation	10(b)	130,879	74,571	101,724	48,678
	13	(35,937)	(26,803)	(16,991)	(8,663)
Profit for the financial year		94,942	47,768	84,733	40,015
Profit for the financial year attributable to:					
Owners of the Company		96,443	50,448	84,733	40,015
Non-controlling interests		(1,501)	(2,680)	-	-
		94,942	47,768	84,733	40,015
Earnings per share attributable to owners of the Company (sen per share):					
Basic	14(a)	45.98	24.05		
Diluted	14(b)	45.98	24.05		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit for the financial year	94,942	47,768	84,733	40,015
Other comprehensive loss:				
Item that will be subsequently reclassified to profit or loss:				
Exchange differences on translation of foreign operations	(24,338)	(8,900)	-	-
Items that will not be subsequently reclassified to profit or loss:				
Actuarial (loss)/gain on retirement benefit obligation	(59)	286	-	-
Deferred tax effect	13	(63)	-	-
	(46)	223	-	-
Total comprehensive income for the financial year	70,558	39,091	84,733	40,015
Total comprehensive income for the financial year attributable to:				
Owners of the Company	76,225	43,191	84,733	40,015
Non-controlling interests	(5,667)	(4,100)	-	-
	70,558	39,091	84,733	40,015

STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2025

	Note	Group		Company		
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000 (Restated)	
Assets						
Non-current assets						
Property, plant and equipment	16	625,739	667,246	220,323	225,564	
Right-of-use assets	17	757,165	786,935	341,746	347,780	
Goodwill on consolidation	18	82,474	82,474	-	-	
Investment in subsidiaries	19	-	-	345,437	345,437	
Investment in associate	20	657	-	600	-	
Intangible asset	21	191	220	-	-	
Trade and other receivables	24	-	-	187,086	176,546	
		1,466,226	1,536,875	1,095,192	1,095,327	
Current assets						
Inventories	22	51,838	53,190	2,762	1,943	
Biological assets	23	17,240	14,213	5,736	4,615	
Trade and other receivables	24	102,999	116,584	96,784	96,513	
Income tax recoverable		-	1,809	-	-	
Short term funds	25	115,103	52,979	57,268	7,742	
Cash and bank balances	26	99,733	73,078	14,332	11,739	
		386,913	311,853	176,882	122,552	
Total assets		1,853,139	1,848,728	1,272,074	1,217,879	

STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2025 (continued)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000 (Restated)
Equity and liabilities					
Equity					
Share capital	27	255,375	255,375	255,375	255,375
Foreign currency translation reserve	28	(31,570)	(11,391)	-	-
Retained earnings	29	1,279,078	1,207,846	856,708	797,147
Equity attributable to owners of the Company		1,502,883	1,451,830	1,112,083	1,052,522
Non-controlling interests		23,811	29,478	-	-
Total equity		1,526,694	1,481,308	1,112,083	1,052,522
Non-current liabilities					
Bank borrowings	30	-	20,724	-	-
Lease liabilities	31	2,350	3,210	1,902	2,508
Retirement benefit obligation	32	1,277	1,135	-	-
Deferred tax liabilities	33	190,625	194,995	77,806	77,269
		194,252	220,064	79,708	79,777
Current liabilities					
Bank borrowings	30	60,438	82,208	60,438	71,550
Lease liabilities	31	861	895	606	570
Trade and other payables	34	65,209	64,253	14,293	13,199
Income tax payable		5,685	-	4,946	261
		132,193	147,356	80,283	85,580
Total liabilities		326,445	367,420	159,991	165,357
Total equity and liabilities		1,853,139	1,848,728	1,272,074	1,217,879

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

	Attributable to owners of the Company					
	Share capital (Note 27) RM'000	Non-distributable Foreign currency translation reserve (Note 28) RM'000	Distributable Retained earnings (Note 29) RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 May 2024	255,375	(11,391)	1,207,846	1,451,830	29,478	1,481,308
Total comprehensive income:						
Profit/(loss) for the financial year	-	-	96,443	96,443	(1,501)	94,942
Actuarial loss on retirement benefit obligation, net of tax	-	-	(39)	(39)	(7)	(46)
Exchange differences on translation of foreign operations	-	(20,179)	-	(20,179)	(4,159)	(24,338)
	-	(20,179)	96,404	76,225	(5,667)	70,558
Transaction with owners:						
Dividends (Note 15)	-	-	(25,172)	(25,172)	-	(25,172)
At 30 April 2025	255,375	(31,570)	1,279,078	1,502,883	23,811	1,526,694
At 1 May 2023	255,375	(3,949)	1,182,385	1,433,811	33,578	1,467,389
Total comprehensive income:						
Profit/(loss) for the financial year	-	-	50,448	50,448	(2,680)	47,768
Actuarial gain on retirement benefit obligation, net of tax	-	-	185	185	38	223
Exchange differences on translation of foreign operations	-	(7,442)	-	(7,442)	(1,458)	(8,900)
	-	(7,442)	50,633	43,191	(4,100)	39,091
Transaction with owners:						
Dividends (Note 15)	-	-	(25,172)	(25,172)	-	(25,172)
At 30 April 2024	255,375	(11,391)	1,207,846	1,451,830	29,478	1,481,308

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

	Attributable to owners of the Company			
	Distributable	Share capital (Note 27) RM'000	Retained earnings (Note 29) RM'000	Total equity RM'000
At 1 May 2024		255,375	797,147	1,052,522
Total comprehensive income:				
Profit for the financial year	-		84,733	84,733
Transaction with owners:				
Dividends (Note 15)	-		(25,172)	(25,172)
At 30 April 2025		255,375	856,708	1,112,083
At 1 May 2023		255,375	782,304	1,037,679
Total comprehensive income:				
Profit for the financial year	-		40,015	40,015
Transaction with owners:				
Dividends (Note 15)	-		(25,172)	(25,172)
At 30 April 2024		255,375	797,147	1,052,522

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Operating activities					
Profit before tax		130,879	74,571	101,724	48,678
Adjustments for:					
Depreciation of:					
- Property, plant and equipment	10(b)	54,098	55,031	15,368	15,246
- Right-of-use assets	10(b)	14,458	15,123	5,843	6,132
Gain on disposal of property plant and equipment	8	(148)	(476)	(73)	(160)
Interest expense	9	6,641	8,609	4,129	4,753
Interest income	8	(5,676)	(1,730)	(13,758)	(14,034)
Inventories written down	10(b)	3,712	1,313	-	-
Net fair value changes on biological assets	8	(3,490)	(3,480)	(1,121)	(1,270)
Net fair value (gains)/losses on short term funds:					
- Realised	7,8	(810)	(1,132)	(127)	(750)
- Unrealised	7,8	(1,881)	(239)	(707)	425
Net unrealised foreign exchange loss/(gain)	8,10(a)	22,651	13,319	(1,830)	5,985
Property, plant and equipment written off	10(a)	253	323	4	20
Retirement benefit obligation	11	387	415	-	-
Share of results of associate		(57)	-	-	-
Operating cash flows before changes in working capital		221,017	161,647	109,452	65,025
<u>Changes in working capital:</u>					
Inventories		(6,398)	(19,361)	(819)	26
Trade and other receivables		3,144	(23,012)	(2,869)	(2,051)
Trade and other payables		3,854	(537)	1,138	(53)
Cash flows from operations		221,617	118,737	106,902	62,947
Interest received		5,714	1,744	743	-
Interest paid		(6,669)	(8,506)	(4,173)	(4,652)
Income taxes refunded		2,685	-	1,615	-
Income taxes paid		(31,571)	(23,263)	(13,384)	(10,582)
Retirement benefit obligation paid	32	(144)	(10)	-	-
Net cash flows from operating activities		191,632	88,702	91,703	47,713
Investing activities					
Purchase of property, plant and equipment	16(c)	(41,290)	(50,407)	(9,957)	(12,774)
Proceeds from disposal of property, plant and equipment		216	801	90	509
Additions of right-of-use assets	17(c)	(810)	(421)	-	-
Investment in associate		(600)	-	(600)	-
Net (placements)/withdrawals of short term funds		(59,433)	(1,475)	(48,692)	15,305
Withdrawals of deposits with maturity period of more than 3 months		-	5,272	-	5,272
Loans to subsidiaries	35(a)	-	-	-	(33,058)
Net cash flows used in investing activities		(101,917)	(46,230)	(59,159)	(24,746)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

	Note	2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Financing activities					
Dividends paid	15	(25,172)	(25,172)	(25,172)	(25,172)
Repayment of revolving credit	30(c)	(4,209)	-	(4,209)	-
Repayment of term loan	30(c)	(29,845)	(11,010)	-	-
Payment of principal portion of lease liabilities	31	(894)	(721)	(570)	(417)
Net cash flows used in financing activities		(60,120)	(36,903)	(29,951)	(25,589)
Net increase/(decrease) in cash and cash equivalents		29,595	5,569	2,593	(2,622)
Effect of foreign exchange rate changes		(2,940)	(889)	-	-
Cash and cash equivalents at beginning of financial year		73,078	68,398	11,739	14,361
Cash and cash equivalents at end of financial year		99,733	73,078	14,332	11,739

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

1. CORPORATE INFORMATION

United Malacca Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business of the Company are located at 6th Floor, No. 61, Jalan Melaka Raya 8, Taman Melaka Raya, 75000 Melaka.

The principal activities of the Company are cultivation of oil palm and investment holding. The principal activities of the subsidiaries are investment holding, cultivation of oil palm, palm oil milling, agroforestry plantations and providing management consultancy services. Other information relating to the subsidiaries are disclosed in Note 19 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

2. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other basis of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.1 Consolidated financial statements

The consolidated financial statements include the financial statements of the Company and its subsidiaries up to the end of the reporting period.

2.2 Functional and presentation currency

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency and has been rounded to the nearest thousand ("RM'000"), unless otherwise stated. The financial statements of the subsidiaries whose functional currency differs from the Company's presentation currency are translated using the following exchange rates:

	2025	2024
1 United State Dollar ("USD")	RM4.317	RM4.770
1,000 Indonesian Rupiah ("IDR")	RM0.260	RM0.293

3. CHANGES IN ACCOUNTING POLICIES

During the current financial year, the Group and the Company have adopted the following amended accounting standards:

Consequential amendments of MFRSs

Amendments to MFRS 16: *Lease Liability in a Sale and Leaseback*

Amendments to MFRS 101: *Classification of Liabilities as Current or Non-current*

Amendments to MFRS 101: *Non-current Liabilities with Covenants*

Amendments to MFRS 107 and MFRS 7: *Supplier Finance Arrangements*

The adoption of the above amended accounting standards did not have any material impact on the financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

4. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Group and the Company have not applied in advance the following applicable accounting standards (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:

MFRSs (including the consequential amendments)	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
Annual Improvements to MFRS Accounting Standards – Volume 11	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 adoption of the above accounting standards (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application.

5. MATERIAL ACCOUNTING POLICY INFORMATION

5.1 Property, plant and equipment

All items of property, plant and equipment are initially stated at cost.

Subsequent to initial recognition, all property, plant and equipment, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Bearer plants represent new and replanting expenditure on oil palms, which consist of cost of land clearing, upkeep of trees to maturity and attributable amortisation and depreciation charges capitalised. Upon maturity, maintenance and upkeep of oil palms are recognised in the statements of profit or loss.

Freehold land has an unlimited useful life and therefore is not depreciated. Capital work-in-progress is not depreciated as this asset is not yet available for use. Bearer plants are depreciated on a straight-line basis over the estimated productive period, commencing when the oil palms reach maturity. Depreciation of other property, plant and equipment is computed on a straight-line basis over the estimated useful lives of the assets. The applicable rates are as follows:

Bearer plants	20 years
Buildings	2% to 5%
Plant and machinery	5% to 25%
Office equipment, furniture and fittings	5% to 25%
Motor vehicles, tractors, trailers and boats	10% to 25%

5.2 Right-of-use assets and lease liabilities

(a) Short-term leases and leases of low-value assets

The Group and the Company apply the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

5. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

5.2 Right-of-use assets and lease liabilities (continued)

(b) Right-of-use assets

Right-of-use assets are initially stated at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to either the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term as follows:

Long term leasehold land	over the period of the respective leases
Prepaid land lease payments	over the period of the respective leases
Tractors and trailers	over 5 to 6 years

(c) Lease liabilities

Lease liabilities are initially stated at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

5.3 Goodwill

Goodwill is initially stated at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in statements of profit or loss.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units ("CGU") that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a CGU and part of the operation within that unit is disposed off, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the CGU retained.

5.4 Investment in subsidiaries

Investment in subsidiaries, which is eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

5.5 Investment in associate

Investment in associate is stated in the separate financial statements of the Company at cost less impairment losses, if any, and accounted for using the equity method in the consolidated financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

5. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

5.6 Intangible asset

Intangible asset acquired separately is stated on initial recognition at cost. The cost of intangible asset acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statements of profit or loss in the period in which the expenditure is incurred.

The useful life of each intangible asset is assessed as either finite or indefinite.

Intangible asset is amortised over the estimated useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible asset with finite life is recognised in the statements of profit or loss in the expense category that is consistent with the function of the intangible asset.

Intangible asset with indefinite useful life is not amortised, but is tested for impairment annually, either individually or at the CGU level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gain or loss arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the statements of profit or loss when the asset is derecognised.

5.7 Impairment

Impairment of non-financial assets

The carrying values of assets, other than those to which MFRS 136: *Impairment of Assets* does not apply, are reviewed at the end of each reporting period for impairment when an annual impairment assessment is compulsory or there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised.

The recoverable amount of an asset is the higher of the asset's fair value less costs of disposal ("FVLCD") and its value-in-use ("VIU"), which is measured by reference to discounted future cash flows using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group determines the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in statements of profit or loss immediately. Any impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in statements of profit or loss immediately.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

5. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

5.8 Inventories

Inventories comprise palm oil milling products, nursery stocks, estate and palm oil mill materials and consumables.

Palm oil milling products are valued at the lower of cost and net realisable value. Cost is determined on the weighted average ex-estate/mill production costs and includes transport charges, where appropriate. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

Nursery stocks are valued at the lower of cost (determined on the weighted average basis) and net realisable value. Cost of nursery stocks includes where appropriate the cost of direct materials and direct labour.

Estate and palm oil mill materials and consumables are valued at the lower of cost (determined on the weighted average basis) and net realisable value.

5.9 Biological assets

Biological assets comprise the fresh fruit bunches ("FFB") growing on oil palms. Biological assets are measured at fair value less costs to sell. Changes in fair value less costs to sell are recognised in the statements of profit or loss. Fair value is determined based on the present value of expected net cash flows from the biological assets. The expected net cash flows are estimated using the expected output (FFB harvest) and market price at reporting date of crude palm oil ("CPO") and palm kernel ("PK") adjusted for extraction rates less processing, harvesting and transportation costs.

5.10 Financial instruments

(a) Financial assets

Financial assets through profit or loss

The financial assets are initially stated at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in statements of profit or loss. The fair value changes do not include interest and dividend income.

Financial assets at amortised cost

The financial assets are initially stated at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(b) Financial liabilities

Financial liabilities at amortised cost

The financial liabilities are initially stated at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

5. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

5.11 Plasma receivables

Plasma receivables represent the accumulated cost to develop the plasma plantations, which are currently being self-financed by a subsidiary. Upon obtaining financing from the designated bank, the said advances will be offset against the corresponding funds received. The bank loans of plasma plantations are guaranteed by the subsidiary (acting as nucleus company). When the development of plasma plantation is substantially completed and ready to be transferred to plasma farmers, the corresponding investment credit from the bank is also transferred to plasma farmers. Any excess or shortfall from the difference between the bank loan and the corresponding carrying value of the plasma receivable is regarded as payable or recoverable from the plasma farmers accordingly.

Impairment losses are made when the estimated recoverable amounts are less than the outstanding amounts as at the reporting date.

5.12 Revenue recognition

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group and the Company expect to be entitled in exchange for transferring promised goods or services to a customer, net of goods and services tax or sales and services tax, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

The Group and the Company have generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The Group and the Company recognise revenue from contracts with customers for the provision of services and sale of goods based on the five-step model as set out below:

(a) Identify contract with a customer

A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met.

(b) Identify performance obligations in the contract

A performance obligation is a promise in a contract with a customer to transfer goods or services to the customer.

(c) Determine the transaction price

The transaction price is the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

If the consideration in a contract includes a variable amount, the Group and the Company estimate the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Using the practical expedient in MFRS 15, the Group and the Company do not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods or services to the customer and when the customer pays for that goods or services will be one year or less.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

5. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

5.12 Revenue recognition (continued)

The Group and the Company recognise revenue from contracts with customers for the provision of services and sale of goods based on the five-step model as set out below (continued):

(d) Allocate the transaction price to the performance obligation in the contract

For a contract that has more than one performance obligation, the Group and the Company allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group and the Company expect to be entitled in exchange for satisfying each performance obligation.

(e) Recognise revenue when (or as) the Group and the Company satisfy a performance obligation

The Group and the Company satisfy a performance obligation and recognise revenue over time if the Group's and the Company's performance:

- (i) do not create an asset with an alternative use to the Group and the Company and have an enforceable right to payment for performance obligation completed to-date; or
- (ii) create or enhance an asset that the customer controls as the asset is created or enhanced; or
- (iii) provide benefits that the customer simultaneously receives and consumes.

For performance obligations where any one of the above conditions are met, revenue is recognised over time at which the performance obligation is satisfied.

For performance obligations that the Group and the Company satisfy over time, the Group and the Company determined that the input method is the best method in measuring progress of the services because there is direct relationship between the Group's and the Company's effort and the transfer of service to the customer.

The following specific recognition criteria must also be met before revenue is recognised:

(a) Sale of goods

The Group and the Company contract with the customers for sales of palm oil products. Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is recognised at an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods.

(b) Other revenue

Revenue from other sources are recognised as follows:

(i) Interest income

Interest income is recognised using the effective interest method.

(ii) Dividend income

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

(iii) Rental income

Rental income arising from operating leases on leased assets is accounted for on a straight-line basis over the lease terms.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

5. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

5.13 Employee benefits

Defined benefit plans

The Group operates defined benefit plans for eligible employees of a foreign subsidiary. The amount recognised as a liability in respect of the defined benefit plan is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets.

The Group determines the present value of the defined benefit obligations and the fair value of the plan assets with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period.

The present value of the defined obligations and the related current service cost and past service cost are determined using the projected unit credit method by an actuary. The rate used to discount the obligations is based on market yields at the reporting period for high quality corporate bonds or government bonds.

Remeasurement of the net defined obligation which comprise of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets are recognised directly within equity in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

In measuring its defined benefit liability, the Group recognises past service cost as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, the defined benefit plan, the Group recognises past service cost immediately in statements of profit or loss.

Net interest is recognised in statements of profit or loss, and is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the balance of the net defined benefit obligation, considering the effects of contributions and benefit payment during the reporting period. Gains or losses arising from changes to scheme benefits or scheme curtailment are recognised immediately in statements of profit or loss.

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

6.1 Key sources of estimation uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:

(a) Impairment of property, plant and equipment and right-of-use assets

The Group and the Company review the carrying amounts of the property, plant and equipment and right-of-use assets at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company shall estimate the recoverable amount of CGU or groups of CGU. The recoverable amount is measured at the higher of FVLCD or VIU.

Where the recoverable amounts of CGU or groups of CGU is determined on the basis of FVLCD, the fair values are based on valuations by independent professional valuers which were derived from comparison with recent transactions involving other similar estates in the vicinity in terms of age profile of oil palms, accessibility and title tenure, and from the income capitalisation method derived using assumptions on yields, long term average market prices, cost of production and an appropriate rate of return over the cropping life. The estimated transaction cost of disposal is derived from quotation and industry rate of scale of fees. Changes to any of these assumptions would affect the amount of impairment losses.

Determining the VIU of CGU or groups of CGU requires the determination of future cash flows expected to be derived from continuing use of the asset and from the ultimate disposal of such assets, which thus require the Group and the Company to make estimates and assumptions that can materially affect the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

6.1 Key sources of estimation uncertainty (continued)

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below (continued):

(a) Impairment of property, plant and equipment and right-of-use assets (continued)

The estimation of the recoverable amount involves significant judgement and estimations. While the Group and the Company believe that the assumptions are appropriate and reasonable, changes in the assumptions may materially affect the assessment of recoverable amounts.

The accumulated impairment losses is disclosed in Note 16.

(b) Impairment of goodwill

The Group tests for impairment of goodwill annually and at any other time when such indicators exist. This requires an estimation of VIU of the assets or CGU to which the goodwill is allocated.

Estimating the VIU requires management to estimate the expected future cash flows from the asset or CGU and also to choose a suitable discount rate in order to determine the present value of those cash flows. The preparation of the estimated future cash flows involves significant judgement and estimations. While the Group believes that the assumptions are appropriate and reasonable, changes in the assumptions may materially affect the assessment of recoverable amounts. Further details of the carrying value and the key assumptions applied in the impairment assessment of goodwill are disclosed in Note 18.

(c) Impairment of investment in subsidiaries

The Company reviews impairment of its investment in subsidiaries when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant estimation is required in determining the recoverable amount. Further details of the carrying value and the key assumptions applied in the impairment assessment of investment in subsidiaries are disclosed in Note 19.

(d) Bearer plants

Expenditure on bearer plants consists of cost of land clearing, upkeep of trees to maturity and attributable amortisation and depreciation charges capitalised. Such expenditure is depreciated at maturity of the crop over the useful economic lives of the crop. Management estimates the useful economic lives of the Group's and the Company's oil palms to be 20 years.

(e) Fair value of biological assets

Biological assets comprise of FFB prior to harvest. The fair value of biological assets are measured at the present value of the net cash flows expected to be generated from the sale of FFB.

To arrive at the fair value of FFB, the management considered the oil content of the unripe FFB and derived the assumption that the net cash flow to be generated from FFB prior to more than 4 weeks to harvest to be negligible, therefore quantity of unripe FFB on bearer plants of up to 4 weeks prior to harvest was used for valuation purpose.

The value of the unripe FFB was estimated to be approximately 49% for FFB that are 3 to 4 weeks prior to harvest and 83% for FFB that are 1 to 2 weeks prior to harvest, based on actual oil extraction rate and kernel extraction rate of the unripe FFB from tests. Costs to sell, which include harvesting and transport cost, are deducted in arriving at the net cash flow to be generated.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

6. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

6.2 Critical judgements made in applying accounting policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:

Classification between investment property and property, plant and equipment

The Group and the Company have developed certain criteria based on MFRS 140: *Investment Property* in making a judgement as to whether or not a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

The Group and the Company own office buildings which comprise a portion that is held to earn rentals and another portion that is held for own use. Since the office buildings cannot be sold separately and the portion of the office buildings that is held for own use is not insignificant, the Group and the Company have classified the whole office buildings as property, plant and equipment.

7. REVENUE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000 (Restated)
Revenue from contracts with customers ^:				
Sale of FFB	107,777	87,423	140,628	113,157
Sale of palm oil milling products	603,464	508,217	-	-
	711,241	595,640	140,628	113,157
Revenue from other sources:				
Interest income from short term deposits	-	-	570	348
Net fair value gains/(losses) on short term funds:				
- Realised	-	-	127	750
- Unrealised	-	-	707	(425)
Dividend income from subsidiaries	-	-	38,628	20,099
	-	-	40,032	20,772
	711,241	595,640	180,660	133,929

[^] The timing of revenue recognition is at a point in time.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

8. OTHER INCOME

	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000 (Restated)
Gain on disposal of property, plant and equipment	148	476	73	160
Insurance commission received	242	227	242	227
Interest income from:				
- Loans to subsidiaries *	-	-	13,758	14,034
- Plasma receivables	2,737	-	-	-
- Short term deposits	2,939	1,730	-	-
Management fee received	1,392	1,850	-	-
Miscellaneous income	1,206	1,484	219	209
Net fair value changes on biological assets	3,490	3,480	1,121	1,270
Net fair value gains on short term funds:				
- Realised	810	1,132	-	-
- Unrealised	1,881	239	-	-
Net rental income	358	361	279	291
Net unrealised foreign exchange gain	-	-	1,830	-
	15,203	10,979	17,522	16,191

* This represents the interest income from loans to subsidiaries, bearing interest at a rate of 6.7% (2024: 6.7%) per annum as disclosed in Note 24(c).

9. INTEREST EXPENSE

	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Interest expense on:				
- Lease liabilities (Note 31)	234	228	176	149
- Loan from a subsidiary *	-	-	18	19
- Revolving credit	3,935	4,585	3,935	4,585
- Term loan	2,472	3,796	-	-
	6,641	8,609	4,129	4,753

* This represents the interest expense paid for loan from a subsidiary, bearing interest at the rate of one percent (1%) above Malayan Banking Berhad's 12 months fixed deposit interest rate per annum (2024: one percent (1%) above Malayan Banking Berhad's 12 months fixed deposit interest rate per annum) as disclosed in Note 34(b).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

10. OTHER EXPENSES AND PROFIT BEFORE TAX

(a) Other expenses

The other expenses included in the statements of profit or loss comprise the following:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net foreign exchange loss:				
- Realised	234	61	163	9
- Unrealised	22,651	13,319	-	5,985
Property, plant and equipment written off	253	323	4	20
	23,138	13,703	167	6,014

(b) Profit before tax

In addition to the other items disclosed elsewhere in the financial statements, the following items have been included in arriving at profit before tax:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Auditors' remuneration:				
- Statutory audits				
- Crowe Malaysia PLT	297	282	125	118
- Member firm of Crowe Global	64	67	-	-
- Other auditors	60	62	-	-
- Other services				
- Crowe Malaysia PLT	8	8	8	8
Depreciation of:				
- Property, plant and equipment (Note 16)	54,098	55,031	15,368	15,246
- Right-of-use assets (Note 17)	14,458	15,123	5,843	6,132
Employee benefits expense (Note 11)	97,845	98,189	34,838	33,063
Inventories written down	3,712	1,313	-	-
Non-executive directors' remuneration (Note 12)	1,084	1,105	872	841

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

11. EMPLOYEE BENEFITS EXPENSE

	Group	Company		
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Wages and salaries	94,211	92,864	32,301	29,619
Contributions to defined contribution plan	4,655	4,948	1,491	1,431
Social security contributions	1,706	1,697	299	249
Retirement benefit obligation (Note 32)	387	415	-	-
Other staff related expenses	5,788	9,190	1,893	2,623
Less: Amount capitalised in bearer plants	106,747	109,114	35,984	33,922
Less: Amount charged to Plasma receivables	(6,283)	(8,083)	(1,146)	(859)
	(2,619)	(2,842)	-	-
	97,845	98,189	34,838	33,063

Included in the employee benefits expense of the Group and the Company is an executive director's remuneration amounting to RM918,000 (2024: RM658,000) and RM892,000 (2024: RM658,000) respectively as disclosed in Note 12.

12. DIRECTORS' REMUNERATION

	Group	Company		
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<u>Executive</u>				
Director of the Company:				
Fees	96	70	70	70
Salaries and other emoluments	721	511	721	511
Contributions to defined contribution plan	100	76	100	76
Social security contributions	1	1	1	1
Total excluding benefits-in-kind	918	658	892	658
<u>Non-executive</u>				
Directors of the Company:				
Fees	644	761	540	569
Other emoluments	332	272	332	272
Total excluding benefits-in-kind	976	1,033	872	841
Estimated monetary value of benefits-in-kind	31	21	31	21
Total including benefits-in-kind	1,007	1,054	903	862
Directors of subsidiaries:				
Fees, representing total excluding benefits-in-kind	108	72	-	-
Total directors' remuneration	2,033	1,784	1,795	1,520

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

12. DIRECTORS' REMUNERATION (continued)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Analysis of directors' remuneration:				
Total executive director's remuneration				
excluding benefits-in-kind (Note 11 and 35(c))	918	658	892	658
Total non-executive directors' remuneration				
excluding benefits-in-kind (Note 10(b) and 35(c))	1,084	1,105	872	841
Estimated monetary value of benefits-in-kind	31	21	31	21
	2,033	1,784	1,795	1,520

The details of remuneration received or receivable by each director of the Company during the financial year are as follows:

<u>Group</u> <u>2025</u>	Fees RM'000	Salaries and other emoluments RM'000	Contributions to defined contribution plan RM'000	Social security contributions RM'000	Estimated monetary value of benefits- in-kind RM'000	Total RM'000
Executive director:						
Dato' Sri Tee Lip Sin	96	721	100	1	-	918
Non-executive directors:						
Datin Paduka Tan Siok Choo	168	13	-	-	31	212
Teo Leng	106	13	-	-	-	119
Dato Dr. Nik Ramlah binti Nik Mahmood	80	78	-	-	-	158
Ong Keng Siew	80	78	-	-	-	158
Tee Cheng Hua	70	34	-	-	-	104
Han Kee Juan	70	48	-	-	-	118
Datin Noor Azimah binti Abd. Rahim	70	68	-	-	-	138
	644	332	-	-	31	1,007
	740	1,053	100	1	31	1,925

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

12. DIRECTORS' REMUNERATION (continued)

The details of remuneration received or receivable by each director of the Company during the financial year are as follows (continued):

	Fees RM'000	Salaries and other emoluments RM'000	Contributions to defined contribution plan RM'000	Social security contributions RM'000	Estimated monetary value of benefits- in-kind RM'000	Total RM'000
Group (continued)						
2024						
Executive director: Dato' Sri Tee Lip Sin	70	511	76	1	-	658
Non-executive directors:						
Datin Paduka Tan Siok Choo	168	5	-	-	21	194
Tan Jiew Hoe ^	65	18	-	-	-	83
Teo Leng	106	5	-	-	-	111
Dato Dr. Nik Ramlah binti Nik Mahmood	106	71	-	-	-	177
Ong Keng Siew	106	71	-	-	-	177
Tee Cheng Hua	70	26	-	-	-	96
Han Kee Juan	70	40	-	-	-	110
Datin Noor Azimah binti Abd. Rahim	70	36	-	-	-	106
	761	272	-	-	21	1,054
	831	783	76	1	21	1,712

Company 2025

Executive director: Dato' Sri Tee Lip Sin	70	721	100	1	-	892
Non-executive directors:						
Datin Paduka Tan Siok Choo	120	13	-	-	31	164
Teo Leng	70	13	-	-	-	83
Dato Dr. Nik Ramlah binti Nik Mahmood	70	78	-	-	-	148
Ong Keng Siew	70	78	-	-	-	148
Tee Cheng Hua	70	34	-	-	-	104
Han Kee Juan	70	48	-	-	-	118
Datin Noor Azimah binti Abd. Rahim	70	68	-	-	-	138
	540	332	-	-	31	903
	610	1,053	100	1	31	1,795

[^] Tan Jiew Hoe resigned as director of the Company on 27 September 2023 but remained as director of certain subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

12. DIRECTORS' REMUNERATION (continued)

The details of remuneration received or receivable by each director of the Company during the financial year are as follows (continued):

	Fees RM'000	Salaries and other emoluments RM'000	Contributions to defined contribution plan RM'000	Social security contributions RM'000	Estimated monetary value of benefits- in-kind RM'000	Total RM'000
<u>Company (continued)</u>						
2024						
Executive director:						
Dato' Sri Tee Lip Sin	70	511	76	1	-	658
Non-executive directors:						
Datin Paduka Tan Siok Choo	120	5	-	-	21	146
Tan Jiew Hoe ^	29	18	-	-	-	47
Teo Leng	70	5	-	-	-	75
Dato Dr. Nik Ramlah binti Nik Mahmood	70	71	-	-	-	141
Ong Keng Siew	70	71	-	-	-	141
Tee Cheng Hua	70	26	-	-	-	96
Han Kee Juan	70	40	-	-	-	110
Datin Noor Azimah binti Abd. Rahim	70	36	-	-	-	106
	569	272	-	-	21	862
	639	783	76	1	21	1,520

[^] Tan Jiew Hoe resigned as director of the Company on 27 September 2023 but remained as director of certain subsidiaries.

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 2025	Number of directors 2024
Executive director:		
RM650,001 - RM700,000	-	1
RM900,001 - RM950,000	1	-
Non-executive directors:		
RM50,001 - RM100,000	-	2
RM100,001 - RM150,000	4	3
RM150,001 - RM200,000	2	3
RM200,001 - RM250,000	1	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

13. TAXATION

Major components of taxation

The major components of taxation for the financial years ended 30 April 2025 and 30 April 2024 are:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Statements of profit or loss:				
<u>Current income tax:</u>				
Current financial year	35,166	24,021	15,406	9,517
Under/(over)provision in prior financial year	285	(142)	(328)	72
Withholding tax	1,672	1,776	1,376	1,403
	<hr/>	<hr/>	<hr/>	<hr/>
	37,123	25,655	16,454	10,992
<u>Deferred tax (Note 33):</u>				
Relating to origination/(reversal) of temporary differences	27	2,597	559	(967)
Overprovision in prior financial year	(1,213)	(1,449)	(22)	(1,362)
	<hr/>	<hr/>	<hr/>	<hr/>
	(1,186)	1,148	537	(2,329)
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	35,937	26,803	16,991	8,663

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%) of the estimated assessable profit for the financial year.

The corporate tax rates applicable to the Singapore subsidiaries and Indonesia subsidiaries of the Group are 17% (2024: 17%) and 22% (2024: 22%) respectively.

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 financial years ended 30 April 2025 and 30 April 2024 are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit before tax				
Profit before tax	130,879	74,571	101,724	48,678
	<hr/>	<hr/>	<hr/>	<hr/>
Taxation at Malaysian statutory tax rate of 24% (2024: 24%)	31,411	17,897	24,414	11,683
Effect of different tax rates in foreign jurisdiction	(474)	(196)	-	-
<u>Adjustments:</u>				
Effect of income not subject to tax	(2,338)	(2,040)	(10,847)	(5,989)
Effect of expenses not deductible for tax purposes	6,594	7,714	2,398	2,856
Effect of lapse of unutilised tax losses	-	3,243	-	-
Under/(over)provision of current income tax in prior financial year	285	(142)	(328)	72
Overprovision of deferred tax in prior financial year	(1,213)	(1,449)	(22)	(1,362)
Withholding tax	1,672	1,776	1,376	1,403
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	35,937	26,803	16,991	8,663

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

14. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share are calculated by dividing profit net of tax for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	2025	2024
Profit net of tax for the financial year attributable to owners of the Company (RM'000)	96,443	50,448	
Weighted average number of ordinary shares in issue ('000 unit)	209,769	209,769	
Basic earnings per share (sen)	45.98	24.05	

(b) Diluted earnings per share

The diluted earnings per ordinary share of the Group for the financial years ended 30 April 2025 and 30 April 2024 are the same as the basic earnings per ordinary share of the Group.

15. DIVIDENDS

	Group and Company 2025	2024
	RM'000	RM'000
Recognised during the financial year:		
<u>Second interim dividend for financial year ended 30 April 2024:</u>		
- single-tier dividend of 7 sen on 209,769,201 ordinary shares	14,684	-
<u>First interim dividend for financial year ended 30 April 2025:</u>		
- single-tier dividend of 5 sen on 209,769,201 ordinary shares	10,488	-
<u>Second interim dividend for financial year ended 30 April 2023:</u>		
- single-tier dividend of 7 sen on 209,769,201 ordinary shares	-	14,684
<u>First interim dividend for financial year ended 30 April 2024:</u>		
- single-tier dividend of 5 sen on 209,769,201 ordinary shares	-	10,488
	<hr/>	<hr/>
	25,172	25,172

On 26 June 2025, the directors declared a second interim single-tier dividend of 7 sen per ordinary share and a special single-tier dividend of 6 sen per ordinary share in respect of the financial year ended 30 April 2025 on 209,769,201 ordinary shares, amounting to approximately RM27,270,000 which are payable on 7 August 2025. The financial statements for the current financial year do not reflect these dividends. Such dividends will be accounted for in equity as an appropriation of retained earnings in the financial year ending 30 April 2026.

16. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM'000	Bearer plants RM'000	Buildings RM'000	Plant and machinery RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles, tractors, trailers and boats RM'000	Capital work-in-progress RM'000	Total RM'000
Group 2025								
At cost:								
At 1 May 2024	108,875	611,918	290,225	118,622	15,633	59,173	8,892	1,213,338
Additions	-	21,081	5,223	4,611	786	907	12,026	44,634
Disposals	-	-	-	-	-	(1,011)	-	(1,011)
Written off	-	(2,285)	(879)	(276)	(154)	(1,081)	-	(4,675)
Reclassifications	-	-	12,093	122	-	-	(12,215)	-
Exchange rate differences	-	(21,616)	(17,405)	(3,208)	(534)	(2,035)	(75)	(44,873)
At 30 April 2025	108,875	609,098	289,257	119,871	15,731	55,953	8,628	1,207,413
Accumulated depreciation and impairment losses:								
At 1 May 2024	-	320,178	92,948	75,240	12,646	45,080	-	546,092
Depreciation charge for the financial year:	-	22,642	19,234	8,941	1,103	4,171	-	56,091
- Recognised in statements of profit or loss (Note 10(b))	-	22,642	18,009	8,488	1,035	3,924	-	54,098
- Capitalised in bearer plants (Note 16(b) and (c))	-	-	1,225	453	68	247	-	1,993
Disposals	-	-	-	-	-	(943)	-	(943)
Written off	-	(2,285)	(696)	(270)	(136)	(1,035)	-	(4,422)
Exchange rate differences	-	(5,963)	(5,292)	(2,021)	(448)	(1,420)	-	(15,144)
At 30 April 2025	-	334,572	106,194	81,890	13,165	45,853	-	581,674
<i>Analysed as:</i>								
Accumulated depreciation	-	281,575	106,194	81,890	13,165	45,853	-	528,677
Accumulated impairment losses	-	52,997	-	-	-	-	-	52,997
Net carrying amount:								
At 30 April 2025	108,875	274,526	183,063	37,981	2,566	10,100	8,628	625,739

16. PROPERTY, PLANT AND EQUIPMENT (continued)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

	Freehold land RM'000	Bearer plants RM'000	Buildings RM'000	Plant and machinery RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles, tractors, trailers and boats RM'000	Capital work-in-progress RM'000	Total RM'000
Group (continued)								
At cost:								
At 1 May 2023	108,875	607,573	258,949	114,838	15,126	61,593	20,036	1,186,990
Additions	-	17,895	12,683	2,987 (221)	934	2,726 (2,088)	16,296	53,521
Disposals	-	-	-	(654)	(267)	(2,584)	-	(2,309)
Written off	-	(6,554)	(654)	24,847	2,330	14	-	(10,328)
Reclassifications	-	-	(5,600)	(1,045)	(172)	195	(27,386)	-
Exchange rate differences	-	(6,996)	-	-	-	(669)	(54)	(14,536)
At 30 April 2024	108,875	611,918	290,225	118,622	15,633	59,173	8,892	1,213,338
Accumulated depreciation and impairment losses:								
At 1 May 2023	-	305,465	77,066	66,774	11,720	44,785	-	505,810
Depreciation charge for the financial year:	-	23,062	18,060	9,335	1,331	4,958	-	56,746
- Recognised in statements of profit or loss (Note 10(b))	-	23,062	17,058	8,941	1,264	4,706	-	55,031
- Capitalised in bearer plants (Note 16(b) and (c))	-	-	1,002	394	67	252	-	1,715
Disposals	-	-	-	(33)	-	(1,951)	-	(1,984)
Written off	-	(6,554)	(654)	(252)	(267)	(2,278)	-	(10,005)
Exchange rate differences	-	(1,795)	(1,524)	(584)	(138)	(434)	-	(4,475)
At 30 April 2024	-	320,178	92,948	75,240	12,646	45,080	-	546,092
<i>Analysed as:</i>								
Accumulated depreciation	-	267,181	92,948	75,240	12,646	45,080	-	493,095
Accumulated impairment losses	-	52,997	-	-	-	-	-	52,997
Net carrying amount:								
At 30 April 2024	108,875	291,740	197,277	43,382	2,987	14,093	8,892	667,246

16. PROPERTY, PLANT AND EQUIPMENT (continued)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

Company 2025	Freehold land RM'000	Bearer plants RM'000	Buildings RM'000	Plant and machinery RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles, tractors and trailers RM'000	Capital work-in- progress RM'000	Total RM'000
								At 30 April 2025
At cost:								
At 1 May 2024	68,225	276,933	64,149	11,519	6,146	21,130	3,322	451,424
Additions	-	3,130	512	415	299	216	5,750	10,322
Disposals	-	-	-	-	-	(522)	-	(522)
Written off	-	-	(634)	(24)	(115)	-	-	(773)
Reclassifications	-	-	6,224	49	-	-	(6,273)	-
At 30 April 2025	68,225	280,063	70,251	11,959	6,330	20,824	2,799	460,451
Accumulated depreciation and impairment losses:								
At 1 May 2024	-	176,461	19,607	8,684	5,070	16,038	-	225,860
Depreciation charge for the financial year:	-	9,919	3,095	817	365	1,346	-	15,542
- Recognised in statements of profit or loss (Note 10(b))	-	9,919	3,013	785	347	1,304	-	15,368
- Capitalised in bearer plants (Note 16(b) and (c))	-	-	82	32	18	42	-	174
Disposals	-	-	-	-	-	(505)	-	(505)
Written off	-	-	(634)	(24)	(111)	-	-	(769)
At 30 April 2025	-	186,380	22,068	9,477	5,324	16,879	-	240,128
Analysed as:								
Accumulated depreciation	-	137,855	22,068	9,477	5,324	16,879	-	191,603
Accumulated impairment losses	-	48,525	-	-	-	-	-	48,525
Net carrying amount:								
At 30 April 2025	68,225	93,683	48,183	2,482	1,006	3,945	2,799	220,323

16. PROPERTY, PLANT AND EQUIPMENT (continued)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

Company (continued)

	Freehold land RM'000	Bearer plants RM'000	Buildings RM'000	Plant and machinery RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles, tractors and trailers RM'000	Capital work-in-progress RM'000	Total RM'000
At cost:								
At 1 May 2023	68,225	276,290	56,174	11,495	5,929	20,983	2,403	441,499
Additions	-	1,486	821	149	358	1,700	8,677	13,191
Disposals	-	-	-	(287)	-	(904)	-	(1,191)
Written off	-	(843)	(423)	(19)	(141)	(649)	-	(2,075)
Reclassifications	-	-	7,577	181	-	-	(7,758)	-
At 30 April 2024	68,225	276,933	64,149	11,519	6,146	21,130	3,322	451,424
Accumulated depreciation and impairment losses:								
At 1 May 2023	-	167,171	17,425	7,913	4,854	16,030	-	213,393
Depreciation charge for the financial year:	-	10,133	2,605	836	356	1,434	-	15,364
- Recognised in statements of profit or loss (Note 10(b))	-	10,133	2,558	812	341	1,402	-	15,246
- Capitalised in bearer plants (Note 16(b) and (c))	-	-	47	24	15	32	-	118
Disposals	-	-	-	(46)	-	(796)	-	(842)
Written off	-	(843)	(423)	(19)	(140)	(630)	-	(2,055)
At 30 April 2024	-	176,461	19,607	8,684	5,070	16,038	-	225,860
Analysed as:								
Accumulated depreciation	-	127,936	19,607	8,684	5,070	16,038	-	177,335
Accumulated impairment losses	-	48,525	-	-	-	-	-	48,525
At 30 April 2024	-	176,461	19,607	8,684	5,070	16,038	-	225,860
Net carrying amount:								
At 30 April 2024	68,225	100,472	44,542	2,835	1,076	5,092	3,322	225,564

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

16. PROPERTY, PLANT AND EQUIPMENT (continued)

(a) Assets pledged as security

- (i) All the assets of the Company are negative pledged to secure the Company's USD revolving credit as disclosed in Note 30(b)(i).
- (ii) Certain buildings and plant and machinery of a subsidiary with net carrying amount of RM55,201,000 were pledged to secure the IDR term loan in the preceding financial year ended 30 April 2024 as disclosed in Note 30(b)(ii). The IDR term loan has been fully repaid during the current financial year.

(b) Capitalisation of depreciation and amortisation

Included in additions of bearer plants during the financial year are:

	Group	Company		
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Depreciation of property, plant and equipment capitalised (Note 16)	1,993	1,715	174	118
Depreciation of right-of-use assets capitalised (Note 17)	1,347	1,395	191	299
Amortisation of intangible asset capitalised (Note 21)	4	4	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	3,344	3,114	365	417
	<hr/>	<hr/>	<hr/>	<hr/>

(c) Purchase of property, plant and equipment

For the purpose of statements of cash flows, purchase of property, plant and equipment by the Group and the Company during the financial year were by means of:

	Group	Company		
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Total additions of property, plant and equipment	44,634	53,521	10,322	13,191
<u>Less:</u>				
Depreciation of property, plant and equipment capitalised (Note 16)	(1,993)	(1,715)	(174)	(118)
Depreciation of right-of-use assets capitalised (Note 17)	(1,347)	(1,395)	(191)	(299)
Amortisation of intangible asset capitalised (Note 21)	(4)	(4)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total cash outflows on purchase of property, plant and equipment	41,290	50,407	9,957	12,774
	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

16. PROPERTY, PLANT AND EQUIPMENT (continued)

(d) Impairment of bearer plants

(i) Impairment of bearer plants in Millian-Labau Plantations, Sabah

During the financial year ended 30 April 2020, an impairment of RM56,813,000 represented the write-down of the value of bearer plants which are located in Millian-Labau Plantations, Sabah, was recognised in statements of profit or loss, due to the unsatisfactory performance of the said bearer plants.

In view of the recovery of the performance of the said bearer plants, a reversal of impairment of RM8,288,000 represented the partial write-back of the value of the said bearer plants was recognised in statements of profit or loss in the financial year ended 30 April 2023.

Bearer plants were tested for reversal of impairment or further impairment by comparing the carrying amount with their recoverable amount. The recoverable amount of bearer plants was determined based on VIU calculations using cash flow projections for a master plan covering 25 years.

The key assumptions used by management in undertaking the impairment testing such as estimated revenue and raw materials price inflation are based on internal and external sources of data, where available whilst the post-tax discount rate applied on post-tax cash flow projections used was 6.0% (2024: 6.4%) which reflect the specific risks of the oil palm industry in Malaysia.

No further reversal of impairment or further impairment of the said bearer plants was provided during the current financial year and previous financial year ended 30 April 2024. The accumulated impairment losses of the said bearer plants remained RM48,525,000 at the reporting date.

Sensitivity of key assumptions used in VIU calculations

Based on the impairment assessment performed, the most sensitive assumption in the post-tax cash flow projections is the forecasted and projected crude palm oil ("CPO") price applied. If the forecasted and projected CPO price had been 5% lower than that applied in the post-tax cash flow projections, based on the results of the sensitivity analysis, the Company would have had to recognise additional impairment losses of RM11,790,000 (2024: RM13,099,000).

(ii) Impairment of bearer plants in Sulawesi

The Indonesian subsidiary of the Company, PT Wana Rindang Lestari ("WRL") owns an intangible asset which represents the cost of investment of business licence "Izin Usaha Pemanfaatan Hasil Hutan Kayu Pada Hutan Tanaman Industri" ("HTI Licence") over an area measuring approximately 59,920 hectares in the Regencies of Tojo Una-Una and Morowali, Province of Central Sulawesi.

During the financial year ended 30 April 2021, work in Sulawesi was temporarily halted due to environmental concerns raised by Non-Governmental Organisations ("NGOs"). As a result, the planting programme in Sulawesi has been deferred.

Accordingly, the impairment assessment of the said bearer plants gave rise to an impairment loss of RM4,472,000 in the financial year ended 30 April 2023.

The said bearer plants were tested for impairment by comparing the carrying amount with their recoverable amount. The recoverable amount of bearer plants was determined based on VIU calculations using cash flow projections for a master plan covering 30 years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

16. PROPERTY, PLANT AND EQUIPMENT (continued)

(d) Impairment of bearer plants (continued)

(ii) Impairment of bearer plants in Sulawesi (continued)

The key assumptions which management used to undertake impairment testing such as estimated revenue and raw materials price inflation are based on internal and external sources of data, where available whilst the post-tax discount rate applied on the post-tax cash flow projections used was 17.8% (2024: 17.0%) which reflect the specific risks of the coconut industry in Indonesia.

No further impairment of the said bearer plants was provided during the current financial year and previous financial year ended 30 April 2024. The accumulated impairment losses of the said bearer plants remained RM4,472,000 at the reporting date.

Sensitivity of key assumptions used in VIU calculations

Based on the impairment assessment performed, the most sensitive assumption in the post-tax cash flow projections is the post-tax discount rates applied. If the post-tax discount rates had been 1% higher than the rates applied in the post-tax cash flow projections, based on the results of the sensitivity analysis, the identified further impairment of the said bearer plants was immaterial and hence, it is not provided for.

17. RIGHT-OF-USE ASSETS

<u>Group</u>	Long term leasehold land RM'000	Prepaid land lease payments RM'000	Tractors RM'000	Total RM'000
2025				
At cost:				
At 1 May 2024				
Additions	740,833	152,567	5,497	898,897
Exchange rate differences	-	810	-	810
	-	(18,526)	-	(18,526)
At 30 April 2025	740,833	134,851	5,497	881,181
Accumulated depreciation:				
At 1 May 2024				
Depreciation charge for the financial year:	70,927	39,476	1,559	111,962
	10,428	4,435	942	15,805
- Recognised in statements of profit or loss (Note 10(b))	9,636	3,880	942	14,458
- Capitalised in bearer plants (Note 16(b) and (c))	792	555	-	1,347
Exchange rate differences	-	(3,751)	-	(3,751)
At 30 April 2025	81,355	40,160	2,501	124,016
Net carrying amount:				
At 30 April 2025	659,478	94,691	2,996	757,165

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

17. RIGHT-OF-USE ASSETS (continued)

	Long term leasehold land RM'000	Prepaid land lease payments RM'000	Tractors RM'000	Total RM'000
<u>Group (continued)</u>				
2024				
At cost:				
At 1 May 2023	747,325	158,402	3,665	909,392
Additions	188	233	1,832	2,253
Reversal	(6,680) #	-	-	(6,680)
Exchange rate differences	-	(6,068)	-	(6,068)
At 30 April 2024	740,833	152,567	5,497	898,897
Accumulated depreciation:				
At 1 May 2023	66,634	35,881	757	103,272
Depreciation charge for the financial year:	10,973	4,743	802	16,518
- Recognised in statements of profit or loss (Note 10(b))	10,256	4,065	802	15,123
- Capitalised in bearer plants (Note 16(b) and (c))	717	678	-	1,395
Reversal	(6,680) #	-	-	(6,680)
Exchange rate differences	-	(1,148)	-	(1,148)
At 30 April 2024	70,927	39,476	1,559	111,962
Net carrying amount:				
At 30 April 2024	669,906	113,091	3,938	786,935

Reversal due to surrender of 63 hectares of leasehold land of Melaka Estate to Melaka State Government upon expiry of the lease.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

17. RIGHT-OF-USE ASSETS (continued)

<u>Company</u>	Long term leasehold land RM'000	Tractors RM'000	Total RM'000
2025			
At cost:			
At 1 May 2024/30 April 2025	380,565	3,733	384,298
Accumulated depreciation:			
At 1 May 2024	35,760	758	36,518
Depreciation charge for the financial year:	5,412	622	6,034
- Recognised in statements of profit or loss (Note 10(b))	5,221	622	5,843
- Capitalised in bearer plants (Note 16(b) and (c))	191	-	191
At 30 April 2025	41,172	1,380	42,552
Net carrying amount:			
At 30 April 2025	339,393	2,353	341,746
2024			
At cost:			
At 1 May 2023	387,245	1,901	389,146
Additions	-	1,832	1,832
Reversal	(6,680) #	-	(6,680)
At 30 April 2024	380,565	3,733	384,298
Accumulated depreciation:			
At 1 May 2023	36,491	276	36,767
Depreciation charge for the financial year:	5,949	482	6,431
- Recognised in statements of profit or loss (Note 10(b))	5,650	482	6,132
- Capitalised in bearer plants (Note 16(b) and (c))	299	-	299
Reversal	(6,680) #	-	(6,680)
At 30 April 2024	35,760	758	36,518
Net carrying amount:			
At 30 April 2024	344,805	2,975	347,780

Reversal due to surrender of 63 hectares of leasehold land of Melaka Estate to Melaka State Government upon expiry of the lease.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

17. RIGHT-OF-USE ASSETS (continued)

(a) Components of right-of-use assets

(i) Long term leasehold land

The Group and the Company hold long term leasehold land in Malaysia under lease agreements classified as right-of-use assets. These leases are typically non-cancellable and have lease terms ranging from 99 to 999 years. The leases do not transfer ownership of the land to the Group and the Company at the end of the lease term and do not contain purchase option.

(ii) Prepaid land lease payments

The Group holds short term leasehold land in Malaysia under lease agreements classified as right-of-use assets. These leases are typically non-cancellable and has lease term of 30 years. The leases do not transfer ownership of the land to the Group at the end of the lease term and do not contain purchase option.

The Group also holds land rights in Indonesia in the form of Hak Guna Usaha ("HGU"), which give the rights to cultivate land for agricultural purposes that will expire in May 2050.

(iii) Tractors

The Group and the Company lease tractors where the rental contracts are typically entered into for fixed periods ranging between 5 to 6 years. The leases contain purchase option.

(b) Assets pledged as security

- (i) Long term leasehold land of the Company is negative pledged to secure the Company's USD revolving credit as disclosed in Note 30(b)(i).
- (ii) Certain long term leasehold land of the Company in Sabah with net carrying amount of RM281,542,000 (2024: RM285,364,000) is mortgaged to secure the Company's loan from a subsidiary as disclosed in Note 34(b).

(c) Additions of right-of-use assets

For the purpose of statements of cash flows, additions of right-of-use assets by the Group and the Company during the financial year were by means of:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Total additions of right-of-use assets	810	2,253	-	1,832
Less: Additions by way of lease liabilities (Note 31)	-	(1,832)	-	(1,832)
 Total cash outflows on additions of right-of-use assets	 810	 421	 -	 -

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

18. GOODWILL ON CONSOLIDATION

	Group	
	2025 RM'000	2024 RM'000
At net carrying amount	82,474	82,474

Goodwill of the Group had been allocated to the Group's CGUs identified according to the individual subsidiaries that made up the respective CGUs as follows:

(a) Pahang CGU

Goodwill of RM18,628,000 had been allocated to the Pahang CGU made up of Syarikat Penanaman Bukit Senorang Sdn. Bhd. and South-East Pahang Oil Palm Berhad, both of which are principally involved in plantation activities.

(b) Kalimantan CGU

Goodwill of RM63,846,000 has been allocated to the Kalimantan CGU made up of International Natural Resources Pte. Ltd. ("INR"), an investment holding company incorporated in the Republic of Singapore, and PT Lifere Agro Kapuas ("LAK"), a company incorporated under the laws of the Republic of Indonesia, which is held through INR and principally involved in plantation activities.

Impairment test for goodwill on consolidation

Key assumptions used in VIU calculations

The recoverable amount is determined based on VIU calculations using cash flow projections based on a master plan covering a period up to 25 years, being the useful life of the bearer plants.

The following describes each key assumptions used in VIU calculations on which management has based on the cash flow projections to undertake the impairment testing of goodwill:

(a) Budgeted revenue

The basis used to determine the value assigned to the budgeted revenue includes the average historical prices of CPO and FFB, as well as the FFB yield of the oil palm estates from the current year. This also takes into account the estimated remaining useful lives of the bearer plants.

(b) Discount rate

The post-tax discount rates applied on the post-tax cash flow projections ranged from 6.0% to 12.9% (2024: 6.4% to 13.0%) which reflect the specific risks of the oil palm industry.

(c) Raw materials price inflation

The basis used to determine the value assigned to the raw materials price inflation is the forecast price indices during the budget year where raw materials are sourced. Values assigned to key assumptions are consistent with external information sources.

Sensitivity of key assumptions used in VIU calculations

The Group's impairment assessment of the CGU as outlined above included a sensitivity analysis on the significant key assumptions used. Amongst the key assumptions is the discount rate. Based on the results of the sensitivity analysis, no reasonable change in the key assumptions used would result in an impairment charge for current financial year and previous financial year ended 30 April 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

19. INVESTMENT IN SUBSIDIARIES

	Company	
	2025 RM'000	2024 RM'000
In Malaysia		
- Unquoted shares, at cost	142,288	142,288
- Less: Accumulated impairment losses	(1,334)	(1,334)
	<hr/>	<hr/>
	140,954	140,954
Outside Malaysia		
- Unquoted shares, at cost	319,377	319,377
- Less: Accumulated impairment losses	(114,894)	(114,894)
	<hr/>	<hr/>
	204,483	204,483
	<hr/>	<hr/>
	345,437	345,437
	<hr/>	<hr/>

At the reporting date, the Company conducted an impairment review of the investment in certain subsidiaries based on the recoverable amounts of these subsidiaries, which represents the Directors' estimation of VIU of these subsidiaries.

(a) Impairment of investment in Clifton Cove Pte. Ltd. ("Clifton")

The Company held 100% shares of Clifton, which held the 60% shares of WRL through PT Bintang Gemilang Permai ("BGP").

WRL engaged in agroforestry plantations and owns an intangible asset which represents the cost of investment of business licence, HTI Licence over an area measuring approximately 59,920 hectares in the Regencies of Tojo Una-Una and Morowali, Province of Central Sulawesi.

During the financial year ended 30 April 2021, work in Sulawesi was temporarily halted due to environmental concerns raised by NGOs. As a result, the planting programme in Sulawesi has been deferred.

Investment in this subsidiary was tested for impairment by comparing the carrying amount with its recoverable amount. The recoverable amount of investment in this subsidiary was determined based on VIU calculations using cash flow projections for a master plan covering 30 years.

The key assumptions used by management in undertaking the impairment testing of investment in this subsidiary such as estimated revenue and raw materials price inflation are based on internal and external sources of data, where available whilst the post-tax discount rate applied on post-tax cash flow projections used was 17.8% (2024: 17.0%) which reflect the specific risks of the investment in this subsidiary.

No further impairment of investment in this subsidiary was provided during the current financial year and previous financial year ended 30 April 2024. The accumulated impairment losses of investment in this subsidiary remained RM27,994,000 at the reporting date.

Sensitivity of key assumptions used in VIU calculations

Based on the impairment assessment performed, the most sensitive assumption in the post-tax cash flow projections is the post-tax discount rates applied. If the post-tax discount rates had been 1% higher than the rates applied in the post-tax cash flow projections, based on the results of the sensitivity analysis, no further impairment of investment in this subsidiary shall be provided during the current financial year and previous financial year ended 30 April 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

19. INVESTMENT IN SUBSIDIARIES (continued)

(b) Impairment of investment in INR

The Company held 88.2% shares of INR, which held the 94.1% shares of LAK. As a result, the Company held 83% shares of LAK through INR.

The principal activities of LAK are cultivation of oil palm and palm oil milling. LAK has obtained the plantation licence ("Izin Usaha Perkebunan") over approximately 24,607 hectares of oil palm plantation located in Mantangai district, Kapuas Barat district, Dadahup district and Kapuas Murung district, Kapuas Regency, Kalimantan Tengah, Republic of Indonesia out of which 5,075 hectares have been registered in the name of LAK under the Hak Guna Usaha ("HGU") and Hak Guna Bangunan ("HGB"). In addition, LAK also owned an palm oil mill with a FFB processing capacity of 45 tonnes per hour which commenced operations in June 2019.

The increase of investment risks in Indonesia has resulted in the timing and extent of the future economics benefits that can be derived from LAK becoming uncertain.

Investment in this subsidiary was tested for impairment by comparing the carrying amount with its recoverable amount. The recoverable amount of investment in this subsidiary was determined based on VIU calculations using cash flow projections for a master plan covering 25 years.

The key assumptions used by management in undertaking the impairment testing of investment in this subsidiary such as estimated revenue and raw materials price inflation are based on internal and external sources of data, where available whilst the post-tax discount rate applied on post-tax cash flow projections used was 12.9% (2024: 13.0%) which reflect the specific risks of the investment in this subsidiary.

No further impairment of investment in this subsidiary was provided during the current financial year and previous financial year ended 30 April 2024. The accumulated impairment losses of investment in this subsidiary remained RM86,900,000 at the reporting date.

Sensitivity of key assumptions used in VIU calculations

Based on the impairment assessment performed, the most sensitive assumption in the post-tax cash flow projections is the post-tax discount rates applied. If the post-tax discount rates had been 1% higher than the rates applied in the post-tax cash flow projections, based on the results of the sensitivity analysis, the Company would have had to recognise additional impairment losses of RM2,205,000 (2024: RM Nil).

Details of the subsidiaries

Details of the subsidiaries are as follow:

Name of subsidiaries	Country of incorporation/ Principal place of business	% of ownership interest held by the Group		% of ownership interest held by non-controlling interests		Principal activities
		2025	2024	2025	2024	
<u>Held by the Company</u>						
Leong Hin San Sdn. Bhd. ⁱ	Malaysia	100	100	-	-	Cultivation of oil palm
Meridian Plantations Sdn. Bhd. ⁱ	Malaysia	100	100	-	-	Cultivation of oil palm and palm oil milling

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

19. INVESTMENT IN SUBSIDIARIES (continued)

Details of the subsidiaries (continued)

Details of the subsidiaries are as follow (continued):

Name of subsidiaries	Country of incorporation/ Principal place of business	% of ownership interest held by the Group		% of ownership interest held by non-controlling interests		Principal activities
		2025	2024	2025	2024	
<u>Held by the Company (continued)</u>						
Syarikat Penanaman Bukit Senorang Sdn. Bhd. ⁱ	Malaysia	100	100	-	-	Cultivation of oil palm and palm oil milling
South-East Pahang Oil Palm Berhad ⁱ	Malaysia	100	100	-	-	Cultivation of oil palm
Masjid Tanah Properties Sdn. Bhd. ⁱ	Malaysia	100	100	-	-	Investment holding
Melaka Pindah Properties Sdn. Bhd. ⁱ	Malaysia	100	100	-	-	Property development (currently dormant)
Vintage Plantations Sdn. Bhd. ⁱ	Malaysia	100	100	-	-	Dormant
International Natural Resources Pte. Ltd. ("INR") ⁱⁱ	Singapore	88	88	12	12	Investment holding
Clifton Cove Pte. Ltd. ("Clifton") ⁱⁱ	Singapore	100	100	-	-	Investment holding
PT Usaha Mulia Bahagia ⁱⁱ	Indonesia	100	100	-	-	Providing management consultancy services
<u>Held through INR</u>						
PT Lifere Agro Kapuas ("LAK") ⁱⁱⁱ	Indonesia	83	83	17	17	Cultivation of oil palm and palm oil milling
<u>Held through Clifton</u>						
PT Bintang Gemilang Permai ("BGP") ⁱⁱ	Indonesia	65	65	35	35	Investment holding
<u>Held through BGP</u>						
PT Wana Rindang Lestari ("WRL") ⁱⁱ	Indonesia	60	60	40	40	Agroforestry plantations

ⁱ Audited by Crowe Malaysia PLT.

ⁱⁱ Audited by firms other than Crowe Malaysia PLT.

ⁱⁱⁱ Audited by member firm of Crowe Global.

19. INVESTMENT IN SUBSIDIARIES (continued)

Summarised financial information of subsidiaries which have non-controlling interests

Summarised financial information of subsidiaries which have non-controlling interests is set out below. The summarised financial information presented below is the amount before inter-company elimination.

	INR 2025 RM'000	2024 RM'000	2025 LAK RM'000	2024 RM'000	BGP RM'000	2024 RM'000	2025 WRL RM'000	2024 RM'000	2025 RM'000	Total RM'000
Summarised statements of profit or loss										
Revenue	-	-	234,872	195,526	-	-	-	-	-	234,872
Profit/(loss) for the financial year	1,074	1,488	(9,121)	(16,275)	4	(10)	(195)	(211)	(8,238)	(15,008)
Profit/(loss) for the financial year attributable to:										
- The Company	947	1,313	(7,570)	(13,508)	3	(6)	(117)	(127)	(6,737)	(12,328)
- Non-controlling interests	127	175	(1,551)	(2,767)	1	(4)	(78)	(84)	(1,501)	(2,680)
	1,074	1,488	(9,121)	(16,275)	4	(10)	(195)	(211)	(8,238)	(15,008)
Summarised statements of comprehensive income										
Other comprehensive (loss)/income for the financial year	(4,959)	(1,849)	(19,184)	(6,129)	18	6	(815)	(406)	(24,940)	(8,378)
Other comprehensive (loss)/income for the financial year attributable to:										
- The Company	(4,374)	(1,631)	(15,923)	(5,087)	12	4	(489)	(244)	(20,774)	(6,958)
- Non-controlling interests	(585)	(218)	(3,261)	(1,042)	6	2	(326)	(162)	(4,166)	(1,420)
	(4,959)	(1,849)	(19,184)	(6,129)	18	6	(815)	(406)	(24,940)	(8,378)
Total comprehensive (loss)/income for the financial year attributable to:										
- The Company	(3,427)	(318)	(23,493)	(18,595)	15	(2)	(606)	(371)	(27,511)	(19,286)
- Non-controlling interests	(458)	(43)	(4,812)	(3,809)	7	(2)	(404)	(246)	(5,667)	(4,100)
	(3,885)	(361)	(28,305)	(22,404)	22	(4)	(1,010)	(617)	(33,178)	(23,386)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

19. INVESTMENT IN SUBSIDIARIES (continued)

Summarised financial information of subsidiaries which have non-controlling interests (continued)

	INR		LAK		BGP		WRL		Total	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
139,187 48,176	139,187 51,942	153,874 147,663	210,304 153,754	4,616 -	- 3,398	- 822	5,990 626	6,396 626	299,051 201,277	355,887 209,720
187,363	191,129	301,537	364,058	4,616	3,398	6,812	7,022	500,328	565,607	
- 1,001	- 957	12,109 269,265	38,371 286,607	- 4,764	- 3,554	4,711 -	- 3,521	12,109 279,741	38,371 294,639	
1,001	957	281,374	324,978	4,764	3,554	4,711	3,521	291,850	333,010	
186,362	190,172	20,163	39,080	(148)	(156)	2,101	3,501	208,478	232,597	
165,546 20,816	168,898 21,274	18,113 2,050	32,218 6,862	(99) (49)	(100) (56)	1,107 994	2,103 1,398	184,667 23,811	203,119 29,478	
186,362	190,172	20,163	39,080	(148)	(156)	2,101	3,501	208,478	232,597	

Equality attributable to:

- Equity attributable to:
 - The Company
 - Non-controlling interests

19. INVESTMENT IN SUBSIDIARIES (continued)

Summarised financial information of subsidiaries which have non-controlling interests (continued)

	INR 2025 RM'000	2024 RM'000	LAK 2025 RM'000	2024 RM'000	BGP 2025 RM'000	2024 RM'000	WRL 2025 RM'000	2024 RM'000	Total 2025 RM'000
Summarised statements of cash flows									
Net cash flows from/(used in) operating activities	29	(44)	58,215	40,354	3	(57)	1,593	1,849	59,840
Net cash flows used in investing activities	-	-	(11,163)	(17,670)	-	-	(1,292)	(1,529)	(12,455)
Net cash flows used in financing activities	-	-	(29,845)	(11,010)	-	-	-	-	(29,845)
Net increase/(decrease) in cash and cash equivalents	29	(44)	17,207	11,674	3	(57)	301	320	17,540
Effect of foreign exchange rate changes	(9)	7	(2,837)	(722)	(2)	(1)	(90)	(22)	(2,938)
Cash and cash equivalents at beginning of financial year	74	111	21,171	10,219	10	68	608	310	21,863
Cash and cash equivalents at end of financial year	94	74	35,541	21,171	11	10	819	608	36,465
									21,863

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

20. INVESTMENT IN ASSOCIATE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unquoted shares, at cost	600	-	600	-
Share of post acquisition profits	57	-	-	-
	657	-	600	-

The details of the associate are as follows:

Name of associate	Country of incorporation/ Principal place of business	% of ownership held by the Group		Principal Activity
		2025	2024	
PARAS (Progressive Agricultural Research and Services) Sdn. Bhd. ("PARAS")	Malaysia	30	-	Providing plantation consultancy and advisory services

PARAS has a different financial year end from the Group. In applying the equity method of accounting, the financial statements of the associate for the financial year ended 31 December 2024 have been used and appropriate adjustments have been made for the effects of significant transactions between 1 January 2025 and 30 April 2025.

Summarised financial information of the associate has not been presented as its profit for the current financial year and the net assets are not material to the Group.

21. INTANGIBLE ASSET

	Group	
	2025 RM'000	2024 RM'000
At cost:		
At beginning of financial year	30,052	30,061
Exchange rate differences	(25)	(9)
At end of financial year	30,027	30,052

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

21. INTANGIBLE ASSET (continued)

	Group	
	2025 RM'000	2024 RM'000
Accumulated amortisation and impairment losses:		
At beginning of financial year	29,832	29,828
Amortisation for the financial year capitalised in bearer plants (Note 16(b) and (c))	4	4
At end of financial year	<hr/> 29,836	<hr/> 29,832
<i>Analysed as:</i>		
Accumulated amortisation	1,466	1,462
Accumulated impairment losses	28,370	28,370
	<hr/> 29,836	<hr/> 29,832
Net carrying amount	<hr/> 191	<hr/> 220

Intangible asset represents the cost of investment of HTI Licence owned by an Indonesian subsidiary, WRL, covering an area measuring approximately 59,920 hectares in the Regencies of Tojo Una-Una and Morowali, Province of Central Sulawesi. The licence is valid for 60 years from 4 June 2014.

Impairment of intangible asset

During the financial year ended 30 April 2021, work in Sulawesi was temporarily halted due to environmental concerns raised by NGOs. As a result, the planting programme in Sulawesi has been deferred. The accumulated impairment losses of the intangible asset remained RM28,370,000 at the reporting date.

22. INVENTORIES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At cost:				
Palm oil milling products	-	6,415	-	-
Nursery stocks	2,334	3,409	119	39
Estate and palm oil mill materials and consumables	14,754	14,426	2,643	1,904
	<hr/> 17,088	<hr/> 24,250	<hr/> 2,762	<hr/> 1,943
At net realisable value:				
Palm oil milling products	34,750	28,940	-	-
	<hr/> 51,838	<hr/> 53,190	<hr/> 2,762	<hr/> 1,943

During the financial year, the amount of inventories recognised as an expense in cost of sales of the Group and the Company was RM88,595,000 (2024: RM76,494,000) and RM14,820,000 (2024: RM19,133,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

23. BIOLOGICAL ASSETS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At carrying amount:				
At beginning of financial year	14,213	10,840	4,615	3,345
Transferred to produce stocks	(14,213)	(10,840)	(4,615)	(3,345)
Net fair value changes at the end of financial year	17,703	14,320	5,736	4,615
Exchange rate differences	(463)	(107)	-	-
At end of financial year	17,240	14,213	5,736	4,615

The biological assets of the Group and of the Company comprise FFB prior to harvest. 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 sale of FFB.

To arrive at the fair value of FFB, the management 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 4 weeks to harvest to be negligible, therefore quantity of unripe FFB on bearer plants of up to 4 weeks prior to harvest was used for valuation purpose. The value of the unripe FFB was estimated to be approximately 49% for FFB that are 3 to 4 weeks prior to harvest and 83% for FFB that are 1 to 2 weeks prior to harvest, based on actual oil extraction rate and kernel extraction rate of the unripe FFB from tests. Costs to sell, which include harvesting and transport cost, are deducted in arriving at the net cash flows to be generated.

The fair value adjustment of the biological assets in each accounting period is recognised in statements of profit or loss.

The Group's and the Company's biological assets were fair valued within Level 3 of the fair value hierarchy, the valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. Fair value assessments have been completed consistently using the same valuation techniques.

The key assumptions to determine the fair value are as follows:

	Group		Company	
	2025	2024	2025	2024
FFB production (tonne)	44,485	38,887	16,147	14,355
Average FFB selling price (RM/tonne)	791	767	787	751

Sensitivity analysis

The following table demonstrates the sensitivity of the Group's and the Company's profit net of tax to a reasonable possible change in FFB production and FFB selling price, with all other variables held constant:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Increase/(decrease) on profit net of tax				
10% increase in FFB production	1,319	1,087	436	351
10% decrease in FFB production	(1,319)	(1,087)	(436)	(351)
10% increase in FFB selling price	1,728	1,462	617	518
10% decrease in FFB selling price	(1,728)	(1,462)	(617)	(518)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

24. TRADE AND OTHER RECEIVABLES

	Note	Group		Company		
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000 (Restated)	
<u>Non-current</u>						
Other receivables:						
Loans to subsidiaries	(c)	-	-	187,086	176,546	
Current						
Trade receivables:						
Amount due from subsidiaries	(a)	-	-	3,392	2,846	
Third parties		32,365	18,598	8,252	5,759	
		32,365	18,598	11,644	8,605	
Other receivables:						
Amounts due from subsidiaries	(b)	-	-	10,996	11,096	
Loans to subsidiaries	(c)	-	-	71,945	74,426	
Deposits		718	636	530	530	
Prepayments		3,935	4,234	588	758	
Interest receivable		69	60	17	17	
Plasma receivables	36(a)	55,705	78,990	-	-	
Value added tax ("VAT") receivable		8,874	12,630	-	-	
Sundry receivables		1,333	1,436	1,064	1,081	
		70,634	97,986	85,140	87,908	
		102,999	116,584	96,784	96,513	
Total trade and other receivables		102,999	116,584	283,870	273,059	

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 15 to 30 days (2024: 15 to 30 days) terms. They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Neither past due nor impaired	32,365	18,598	11,644	8,605

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

24. TRADE AND OTHER RECEIVABLES (continued)

(a) Trade receivables (continued)

Trade receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group and the Company respectively. None of the trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

(b) Amounts due from subsidiaries

The amounts due from subsidiaries are unsecured, non-interest bearing and repayable upon demand.

(c) Loans to subsidiaries

The loans to subsidiaries are unsecured, bearing interest at the rate of 6.7% (2024: 6.7%) and repayable upon demand.

25. SHORT TERM FUNDS

Short term funds consist of investment in money market funds placed with licensed investment banks in Malaysia which are highly liquid and readily convertible to cash as follows:

	Group			
	Carrying amount		Fair value	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
In Malaysia				
- money market funds	115,103	52,979	115,103	52,979
Company				
Carrying amount				
2025 RM'000		2024 RM'000		Fair value
2025 RM'000		2024 RM'000		2024 RM'000
In Malaysia				
- money market funds	57,268	7,742	57,268	7,742

26. CASH AND BANK BALANCES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash at banks and on hand				
Deposits with:				
- licensed commercial banks	37,162	22,437	387	426
- licensed investment banks	12,411	2,043	355	690
	50,160	48,598	13,590	10,623
	99,733	73,078	14,332	11,739

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

26. CASH AND BANK BALANCES (continued)

(a) Interest rates of cash at banks and deposits

Cash at banks earn interest at floating rates based on daily bank deposit rates.

The weighted average effective interest rates of deposits at the reporting date are as follows:

	Group		Company	
	2025 %	2024 %	2025 %	2024 %
Deposits with:				
- licensed commercial banks	2.77	2.79	2.75	2.81
- licensed investment banks	3.34	3.28	3.32	3.26

(b) Varying periods of deposits

The varying periods of deposits at the reporting date are as follows:

	Group		Company	
	2025 days	2024 days	2025 days	2024 days
Deposits with:				
- licensed commercial banks	2 - 11	2 - 12	2	7 - 12
- licensed investment banks	2 - 33	7 - 32	2 - 33	7 - 32

27. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	2025 '000	2024 '000	2025 RM'000	2024 RM'000
At beginning/end of financial year	209,769	209,769	255,375	255,375

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

28. FOREIGN CURRENCY TRANSLATION RESERVE

	Group 2025 RM'000	2024 RM'000
At beginning of financial year	(11,391)	(3,949)
Other comprehensive loss:		
Exchange differences on translation of foreign operations	(24,338)	(8,900)
Less: non-controlling interests	4,159	1,458
	(20,179)	(7,442)
At end of financial year	(31,570)	(11,391)

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 operations.

29. RETAINED EARNINGS

The Company may distribute dividends out of its entire retained earnings as of 30 April 2025 and 30 April 2024 under the single-tier system.

30. BANK BORROWINGS

	Group 2025 RM'000	2024 RM'000	Company 2025 RM'000	2024 RM'000
<u>Non-current</u>				
Secured:				
Term loan (in IDR) *	-	20,724	-	-
<u>Current</u>				
Secured:				
Term loan (in IDR) *	-	10,658	-	-
Revolving credit (in USD)	60,438	71,550	60,438	71,550
	60,438	82,208	60,438	71,550
Total bank borrowings	60,438	102,932	60,438	71,550

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

30. BANK BORROWINGS (continued)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000

Analysis by type of bank borrowings:

Secured:

Term loan (in IDR) *	-	31,382	-	-
Revolving credit (in USD)	60,438	71,550	60,438	71,550
	60,438	102,932	60,438	71,550

Analysis by maturity:

- Less than one year	60,438	82,208	60,438	71,550
- More than one year and less than two years	-	10,658	-	-
- More than two years and less than five years	-	10,066	-	-
	60,438	102,932	60,438	71,550

* The IDR term loan for an Indonesian subsidiary has been fully repaid during the current financial year.

(a) Interest rates of bank borrowings

- (i) The IDR term loan carries an interest rate based on the 1-month Jakarta Interbank Offered Rate ("JIBOR") + 3.45% per annum.
- (ii) The USD revolving credit carries an interest rate based on the bank's cost of funds + 0.75% per annum.

(b) Assets pledged as security

- (i) The USD revolving credit is secured by negative pledge over all the assets of the Company as disclosed in Notes 16(a)(i) and 17(b)(i).
- (ii) The IDR term loan is secured by the corporate guarantees provided by the Company as disclosed in Note 40(a). In addition, certain buildings and plant and machinery of a subsidiary with net carrying amount of RM55,201,000 were pledged to secure this IDR term loan in the preceding financial year ended 30 April 2024 as disclosed in Note 16(a)(ii).

(c) Changes in liabilities arising from financing activities

	At 1 May 2024 RM'000	At 30 April 2025 RM'000	Exchange rate differences RM'000	At 30 April 2025 RM'000
<u>2025</u>				
Group				
Term loan	31,382	(29,845)	(1,537)	-
Revolving credit	71,550	(4,209)	(6,903)	60,438
	102,932	(34,054)	(8,440)	60,438
Company				
Revolving credit	71,550	(4,209)	(6,903)	60,438

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

30. BANK BORROWINGS (continued)

(c) Changes in liabilities arising from financing activities (continued)

	At 1 May 2023 RM'000	Repayment RM'000	Exchange rate differences RM'000	At 30 April 2024 RM'000
2024				
Group				
Term loan	43,618	(11,010)	(1,226)	31,382
Revolving credit	66,878	-	4,672	71,550
	110,496	(11,010)	3,446	102,932
<hr/>				
Company				
Revolving credit	66,878	-	4,672	71,550
	<hr/>			

31. LEASE LIABILITIES

	Group 2025 RM'000	Company 2024 RM'000	
At beginning of financial year	4,105	2,994	3,078
Additions (Note 17(c))	-	1,832	-
Accretion of interest recognised in statements of profit or loss (Note 9)	234	228	176
Payment of principal portion	(894)	(721)	(570)
Payment of interest	(234)	(228)	(176)
	<hr/>	<hr/>	<hr/>
At end of financial year	3,211	4,105	2,508
	<hr/>	<hr/>	<hr/>
Breakdown:			
Current	861	895	606
Non-current	2,350	3,210	2,508
	<hr/>	<hr/>	<hr/>
3,211	4,105	2,508	3,078
	<hr/>	<hr/>	<hr/>
Analysis by maturity:			
- Less than one year	861	895	606
- More than one year and less than two years	822	861	645
- More than two years and less than five years	1,528	2,173	1,257
- More than five years	-	176	177
	<hr/>	<hr/>	<hr/>
3,211	4,105	2,508	3,078
	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

32. RETIREMENT BENEFIT OBLIGATION

	Group	
	2025 RM'000	2024 RM'000
At beginning of financial year		
Expenses recognised in statements of profit or loss (Note 11)	1,135	1,059
- Current service cost	330	344
- Interest cost	57	71
Actuarial loss/(gain) recognised in other comprehensive income	59	(286)
Payment during the financial year	(144)	(10)
Exchange rate differences	(160)	(43)
At end of financial year	<hr/> 1,277	<hr/> 1,135
Present value of obligation/recognised liability for retirement benefit obligation	<hr/> 1,277	<hr/> 1,135

- (a) The Group makes provision 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. This provision is unfunded and 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 for the financial years ended 30 April 2025 and 30 April 2024 are determined based on the actuarial valuations performed by an independent actuary on 16 July 2025 and 19 July 2024 respectively.
- (c) Principal actuarial assumptions used at the reporting date in respect of the Group's defined benefit plan are as follows:

	2025	2024
Discount rate (% p.a.)	6.30 - 7.14	6.68 - 7.13
Future salary increase (% p.a.)	5.00	5.00
Retirement age (years)	55	55
Mortality rate (% p.a.)	0.025 - 0.585	0.025 - 0.585

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

		Increase/(decrease) in retirement benefit obligation	
		2025 RM'000	2024 RM'000
Discount rate	+ 1%	(105)	(299)
	- 1%	121	373
Future salary	+ 1%	122	373
	- 1%	(108)	(298)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

33. DEFERRED TAX LIABILITIES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At beginning of financial year	194,995	194,640	77,269	79,598
Recognised in statements of profit or loss (Note 13)	(1,186)	1,148	537	(2,329)
Recognised in other comprehensive income	(13)	63	-	-
Exchange rate differences	(3,171)	(856)	-	-
At end of financial year	190,625	194,995	77,806	77,269
Presented after appropriate offsetting as follows:				
Deferred tax assets	-	-	-	-
Deferred tax liabilities	190,625	194,995	77,806	77,269
	190,625	194,995	77,806	77,269

Deferred tax as at 30 April relates to the following:

	At 1 May 2024 RM'000	Recognised in statements of profit or loss (Note 13) RM'000	Recognised in other comprehensive income RM'000	Exchange rate differences RM'000	At 30 April 2025 RM'000
Group					
2025					
Deferred tax assets:					
Provisions	(4,779)	(5,907)	(13)	104	(10,595)
Lease liabilities	(986)	215	-	-	(771)
Unutilised tax losses	(4,259)	4,051	-	208	-
	(10,024)	(1,641)	(13)	312	(11,366)
Deferred tax liabilities:					
Foreign source interest income	4,296	1,819	-	-	6,115
Property, plant and equipment	57,456	610	-	(818)	57,248
Right-of-use assets	139,921	(2,783)	-	(2,561)	134,577
Biological assets	3,346	809	-	(104)	4,051
	205,019	455	-	(3,483)	201,991
	194,995	(1,186)	(13)	(3,171)	190,625

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

33. DEFERRED TAX LIABILITIES (continued)

Deferred tax as at 30 April relates to the following (continued):

	At 1 May 2023 RM'000	Recognised in statements of profit or loss (Note 13) RM'000	Recognised in other comprehensive income RM'000	Exchange rate differences RM'000	At 30 April 2024 RM'000
<u>Group (continued)</u>					
2024					
Deferred tax assets:					
Provisions	(1,516)	(3,344)	63	18	(4,779)
Lease liabilities	(718)	(268)	-	-	(986)
Unutilised tax losses	(9,822)	5,379	-	184	(4,259)
	(12,056)	1,767	63	202	(10,024)
Deferred tax liabilities:					
Foreign source interest income	2,331	1,965	-	-	4,296
Property, plant and equipment	58,410	(776)	-	(178)	57,456
Right-of-use assets	143,409	(2,634)	-	(854)	139,921
Biological assets	2,546	826	-	(26)	3,346
	206,696	(619)	-	(1,058)	205,019
	194,640	1,148	63	(856)	194,995

	At 1 May 2024 RM'000	Recognised in statements of profit or loss (Note 13) RM'000	At 30 April 2025 RM'000
<u>Company</u>			
2025			
Deferred tax assets:			
Provisions	(3,261)	83	(3,178)
Lease liabilities	(739)	137	(602)
	(4,000)	220	(3,780)
Deferred tax liabilities:			
Foreign source interest income	4,296	1,819	6,115
Property, plant and equipment	28,276	(797)	27,479
Right-of-use assets	47,589	(974)	46,615
Biological assets	1,108	269	1,377
	81,269	317	81,586
	77,269	537	77,806

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

33. DEFERRED TAX LIABILITIES (continued)

Deferred tax as at 30 April relates to the following (continued):

	At 1 May 2023 RM'000	Recognised in statements of profit or loss (Note 13) RM'000	At 30 April 2024 RM'000
<u>Company (continued)</u>			
2024			
Deferred tax assets:			
Provisions	(802)	(2,459)	(3,261)
Lease liabilities	(399)	(340)	(739)
	<hr/>	<hr/>	<hr/>
	(1,201)	(2,799)	(4,000)
Deferred tax liabilities:			
Foreign source interest income	2,331	1,965	4,296
Property, plant and equipment	29,354	(1,078)	28,276
Right-of-use assets	48,312	(723)	47,589
Biological assets	802	306	1,108
	<hr/>	<hr/>	<hr/>
	80,799	470	81,269
	<hr/>	<hr/>	<hr/>
	79,598	(2,329)	77,269
	<hr/>	<hr/>	<hr/>

34. TRADE AND OTHER PAYABLES

Note	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade payables:				
Third parties	(a)	14,474	14,129	792
				1,638
	<hr/>	<hr/>	<hr/>	<hr/>
Other payables:				
Advance from customers	(a)	682	609	-
Directors' fees and other emoluments		1,233	1,180	954
Loan from a subsidiary		(b)	-	500
Balance outstanding on acquisition of land		716	716	-
Interest payable		202	437	202
Accruals and sundry payables		47,902	47,182	11,845
		<hr/>	<hr/>	<hr/>
		50,735	50,124	13,501
		<hr/>	<hr/>	<hr/>
		65,209	64,253	14,293
		<hr/>	<hr/>	<hr/>
				13,199

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

34. TRADE AND OTHER PAYABLES (continued)

(a) Trade and other payables

These amounts are non-interest bearing and are normally settled on 30 to 60 days (2024: 30 to 60 days) terms.

(b) Loan from a subsidiary

This loan is bearing interest at the rate of one percent (1%) above Malayan Banking Berhad's 12 months fixed deposit interest rate per annum (2024: one percent (1%) above Malayan Banking Berhad's 12 months fixed deposit interest rate per annum) and secured by a first mortgage over certain long term leasehold land of the Company in Sabah with net carrying amount of RM281,542,000 (2024: RM285,364,000) as disclosed in Note 17(b). The loan is repayable on demand.

35. RELATED PARTY DISCLOSURES

(a) Transactions with related parties

In addition to the related party transactions information as disclosed in Notes 8 and 9, the Group and the Company had the following significant transactions with related parties at terms agreed between the parties during the financial year:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Subsidiaries				
- Sale of FFB	-	-	33,900	26,859
- Administrative expenses charged	-	-	5,516	5,843
- Loans to subsidiaries	-	-	-	33,058
- Purchase of oil palm seedlings	-	-	76	91
- Purchase of property, plant and equipment	-	-	51	340
- Sale of property, plant and equipment	-	-	-	90
Companies in which certain directors have deemed interests				
- Sale of FFB	878	-	364	-
- Purchase of FFB	3,803	1,513	-	-
- Purchase of fertiliser	324	1,557	-	174
Associate				
- Consultancy and advisory services paid/payable	546	-	160	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

35. RELATED PARTY DISCLOSURES (continued)

(b) Balances with related parties

In addition to the balances arising from related party transactions as disclosed in Notes 24 and 34, the Group and the Company had the following balances with related parties as at 30 April 2025 and 30 April 2024:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Companies in which certain directors have deemed interests				
- Trade payables	215	329	-	-
Associate				
- Other payable	138	-	16	-

(c) Compensation of key management personnel

The remuneration of directors and other members of key management, being the Chief Executive Officer, Chief Financial Officer, Head of Group Administration & Corporate Affairs and Human Resource, Head of Group Audit and Acting Head of Engineering/Mill Controller, during the financial year were as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Short-term employee benefits	4,131	3,764	3,893	3,501
Contributions to defined contribution plan	434	388	434	388
Social security contributions	8	7	8	6
	4,573	4,159	4,335	3,895

Included in the total compensation of key management personnel of the Group and of the Company was executive director's remuneration amounting to RM918,000 (2024: RM658,000) and RM892,000 (2024: RM658,000) respectively and non-executive directors' remuneration amounting to RM1,084,000 (2024: RM1,105,000) and RM872,000 (2024: RM841,000) respectively as disclosed in Note 12.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

36. COMMITMENTS

(a) Plasma receivables

The Indonesian government requires oil palm plantation companies to develop new plantations together with the local small landholders, generally known as the "Plasma Scheme". Once developed, the plasma plantations will be transferred to the small landholders who then operate the plasma plantations under the management of the developer for a management fee. In line with this requirement, the Indonesian subsidiary of the Group, LAK is committed to developing plantations under the Plasma Scheme through two cooperatives. The funding for the development of the plantations under the Plasma Scheme was advanced by the subsidiary. This advance was repaid to the subsidiary upon the cooperatives obtaining a loan from a commercial bank. This includes the subsidiary providing corporate guarantees for the loans advanced by the bank to the cooperatives.

When the oil palm matures, the cooperatives are obliged to sell their entire crop to the subsidiary and the resulting proceeds will be used to repay the loans from the bank and the advance from the subsidiary for the plasma plantations maintenance costs.

The accumulated maintenance/infrastructure costs and interest charged, net of proceeds from FFB are presented as Plasma receivables under trade and other receivables as disclosed in Note 24 and are classified in the plantation segment. Plasma receivables are unsecured and bearing interest at the rate of 6% effective for the current financial year.

An analysis of the movement in the Plasma receivables is as follows:

	Group	
	2025 RM'000	2024 RM'000
At beginning of financial year	78,990	76,759
Proceeds from FFB and interest charged, net of maintenance/infrastructure costs	(15,421)	5,174
Exchange rate differences (IDR to RM)	(7,864)	(2,943)
At end of financial year	<hr/> 55,705	<hr/> 78,990

(b) Capital commitments

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Capital expenditure approved and contracted for:				
Bearer plants	707	1,117	103	-
Purchase of other property, plant and equipment	6,953	7,654	4,211	4,188
	<hr/> 7,660	<hr/> 8,771	<hr/> 4,314	<hr/> 4,188
Capital expenditure approved but not contracted for:				
Bearer plants	11,390	15,998	1,906	3,743
Construction of new palm oil mill - Malaysia	56,086	56,154	-	-
Purchase of other property, plant and equipment	27,926	31,082	7,792	8,278
	<hr/> 95,402	<hr/> 103,234	<hr/> 9,698	<hr/> 12,021
	<hr/> 103,062	<hr/> 112,005	<hr/> 14,012	<hr/> 16,209

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

37. SEGMENT INFORMATION

(a) Business segments

For management purposes, the Group is organised into business units based on the Group's management and internal reporting structure, and has two reportable operating segments, as follows:

- (i) Plantation - cultivation of oil palm and palm oil milling
- (ii) Investment holding

Except as indicated above, no operating segments has been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Non-recurring items are excluded from the measurement of a segment's performance.

Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Income tax expense is managed on a Group basis and is not allocated to any business segment.

Additions to non-current assets is the total cost incurred during the financial year to acquire segment assets that are expected to be used or held for more than one financial period.

The directors are of the opinion that all inter-company transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

The following table provides an analysis of the Group's revenue, results, assets and other segment information by business segments:

	Plantation RM'000	Investment holding RM'000	Consolidated RM'000
2025			
Revenue:			
Total sale of oil palm products	797,909	-	797,909
Inter-company sales	(86,668)	-	(86,668)
Total revenue	711,241	-	711,241
Results:			
Segment results/profit before tax	152,068	(21,189)	130,879
Taxation			(35,937)
Profit for the financial year			94,942
Assets:			
Segment assets	1,638,234	214,905	1,853,139

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

37. SEGMENT INFORMATION (continued)

(a) Business segments (continued)

The following table provides an analysis of the Group's revenue, results, assets and other segment information by business segments (continued):

	Plantation RM'000	Investment holding RM'000	Consolidated RM'000
<u>2025 (continued)</u>			
Other segment information:			
Material income			
Interest income	2,737	2,939	5,676
Management fee received	1,392	-	1,392
Net fair value changes on biological assets	3,490	-	3,490
Net fair value gains on short term funds:			
- realised	-	810	810
- unrealised	-	1,881	1,881
<hr/>			
Material expenses			
Depreciation of property, plant and equipment	54,098	-	54,098
Depreciation of right-of-use assets	14,458	-	14,458
Interest expense	2,706	3,935	6,641
Net unrealised foreign exchange loss	-	22,651	22,651
<hr/>			
Additions to non-current assets			
Purchase of property, plant and equipment	44,634	-	44,634
Additions of right-of-use assets	810	-	810
<hr/>			
<u>2024</u>			
Revenue:			
Total sale of oil palm products	659,754	-	659,754
Inter-company sales	(64,114)	-	(64,114)
Total revenue	595,640	-	595,640
<hr/>			
Results:			
Segment results/profit before tax	89,435	(14,864)	74,571
Taxation			<hr/> (26,803)
Profit for the financial year			<hr/> 47,768
<hr/>			
Assets:			
Segment assets	1,722,611	126,117	1,848,728
<hr/>			

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

37. SEGMENT INFORMATION (continued)

(a) Business segments (continued)

The following table provides an analysis of the Group's revenue, results, assets and other segment information by business segments (continued):

	Plantation RM'000	Investment holding RM'000	Consolidated RM'000
<u>2024 (continued)</u>			
Other segment information:			
Material income			
Interest income	-	1,730	1,730
Management fee received	1,850	-	1,850
Net fair value changes on biological assets	3,480	-	3,480
Net fair value gains on short term funds:			
- realised	-	1,132	1,132
- unrealised	-	239	239
Material expenses			
Depreciation of property, plant and equipment	55,031	-	55,031
Depreciation of right-of-use assets	15,123	-	15,123
Interest expense	4,024	4,585	8,609
Net unrealised foreign exchange loss	-	13,319	13,319
Additions to non-current assets			
Purchase of property, plant and equipment	53,521	-	53,521
Additions of right-of-use assets	2,253	-	2,253

(b) Geographical segments

Revenue and non-current assets information based on geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Malaysia	476,369	400,114	1,099,636	1,113,987
Indonesia	234,872	195,526	366,590	422,888
	711,241	595,640	1,466,226	1,536,875

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

37. SEGMENT INFORMATION (continued)

(b) Geographical segments (continued)

Non-current assets information presented above consist of the following items as presented in the consolidated statement of financial position:

	2025 RM'000	2024 RM'000
Property, plant and equipment	625,739	667,246
Right-of-use assets	757,165	786,935
Goodwill on consolidation	82,474	82,474
Investment in associate	657	-
Intangible asset	191	220
	<hr/>	<hr/>
	1,466,226	1,536,875

(c) Major customers

Revenue from 2 (2024: 2) group of major customers amounted to RM391,364,000 (2024: RM421,508,000) representing 55% (2024: 71%) of total Group's revenue.

38. FINANCIAL ASSETS AND LIABILITIES

(a) Financial assets

Financial assets measured at amortised cost

Total financial assets measured at amortised cost of the Group and of the Company at the reporting date consist of the following:

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade and other receivables *	24	90,190	99,720	283,282	272,301
Cash and bank balances	26	99,733	73,078	14,332	11,739
		<hr/>	<hr/>	<hr/>	<hr/>
		189,923	172,798	297,614	284,040

* Excluding prepayments and VAT receivable of the Group and of the Company amounting to RM12,809,000 (2024: RM16,864,000) and RM588,000 (2024: RM758,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

38. FINANCIAL ASSETS AND LIABILITIES (continued)

(a) Financial assets (continued)

Financial assets measured at fair value through profit or loss

Total financial assets measured at fair value through profit or loss of the Group and of the Company at the reporting date consist of the following:

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Short term funds	25	115,103	52,979	57,268	7,742

(b) Financial liabilities

Financial liabilities measured at amortised cost

Total financial liabilities measured at amortised cost of the Group and of the Company at the reporting date consist of the following:

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Bank borrowings	30	60,438	102,932	60,438	71,550
Lease liabilities	31	3,211	4,105	2,508	3,078
Trade and other payables	34	65,209	64,253	14,293	13,199
		128,858	171,290	77,239	87,827

(c) Gain or loss arising from financial assets and liabilities

		Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net gain/(loss) on:					
- Financial assets measured at amortised cost		5,676	1,730	14,328	14,382
- Financial assets measured at fair value through profit or loss		2,691	1,371	834	325
- Financial liabilities measured at amortised cost		(6,641)	(8,609)	(4,129)	(4,753)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

39. FAIR VALUE MEASUREMENT

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1

Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2

Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3

Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(a) Financial instruments that are measured at fair value

The following are the classes of financial instruments that are measured at fair value at the reporting date, according to the levels in the fair value hierarchy:

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<i>Fair value Level 1</i>					
Short term funds	25	115,103	52,979	57,268	7,742

There are no other financial assets or liabilities measured at fair value.

There have been no transfer between Level 1, Level 2 and Level 3 during the current financial year and previous financial year ended 30 April 2024.

(b) Financial instruments that are not measured at fair value and whose carrying amounts are not reasonable approximation of fair value

		Group		Company	
		Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
2025					
Financial liabilities:					
Lease liabilities		3,211	3,511	2,508	2,754
2024					
Financial liabilities:					
Lease liabilities		4,105	4,602	3,078	3,473

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

39. FAIR VALUE MEASUREMENT (continued)

(c) Financial instruments that are not measured at fair value and whose carrying amounts are reasonable approximation of fair value

The following are the classes of financial instruments that are not measured at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables *	38(a)
Bank borrowings	38(b)
Trade and other payables	38(b)

* Excluding prepayments and VAT receivable.

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The carrying amount of bank borrowings are reasonable approximations of fair value due to the insignificant impact of discounting.

The fair value of bank borrowings are estimated by discounting expected future cash flows at market incremental lending rate for similar type of borrowing arrangement at the reporting date.

(d) Non-financial assets that are measured at fair value

The table below analyses the Group's and the Company's non-financial assets measured at fair value at the reporting date, according to the levels in the fair value hierarchy:

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<i>Fair value Level 3</i>					
Biological assets	23	17,240	14,213	5,736	4,615

Description of valuation techniques used and key inputs to valuation on biological assets are disclosed in Note 23.

There have been no transfer between Level 1, Level 2 and Level 3 during the current financial year and previous financial year ended 30 April 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

40. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

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. The audit committee provides independent oversight to the effectiveness of the risk management process.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's objective are to seek continual revenue growth while minimising losses incurred due to increase of credit risk exposure.

The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. The Group trades only with recognised and creditworthy third parties. Receivable balances are monitored on an ongoing basis.

Also, the Company's exposure to credit risk includes loans to Indonesian subsidiaries and corporate guarantee given to a financial institution for credit facility granted to an Indonesian subsidiary, LAK. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

In addition, LAK has provided corporate guarantees to a financial institution for bank borrowing facilities granted to cooperatives under the Plasma Scheme. The Plasma plantations are under the management of the LAK. The Group will monitor the operations of the Plasma plantations to ensure that the net cash flows generated from the Plasma plantations are sufficient to serve their loans.

For other financial assets (including investment in short term funds and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position as well as the following corporate guarantees:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Corporate guarantee for bank borrowing facility granted by a financial institution to a subsidiary (Note 30(b)(ii))	-	-	-	31,382
Corporate guarantees for bank borrowing facilities granted by a financial institution to cooperatives under Plasma Scheme in Indonesia	23,770	40,229	-	-
	23,770	40,229	-	31,382

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

40. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (continued)

(a) Credit risk (continued)

Exposure to credit risk (continued)

Financial guarantees have not been recognised in the financial statements as the directors are of the opinion that the fair value on initial recognition was not material and that it is not probable that a future sacrifice of economic benefits will be required.

Credit risk concentration profile

At the reporting date, the Group has amounts due from 4 (2024: 3) third party debtors amounting to RM22,864,000 (2024: RM14,578,000) which represent 71% (2024: 78%) of total trade receivables.

Financial assets that are neither past due nor impaired

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 24(a).

Investment in money market funds and deposits with banks are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Assessment of impairment losses

(i) Trade receivables

The trade receivables are generally collected within the credit term and therefore, there is minimal exposure to credit risk. Furthermore, upfront payments are also collected for most sales made by the Group and the Company.

(ii) Other receivables (other than Plasma receivables)

The Group and the Company apply the 3-stage general approach to measure expected credit losses for their other receivables (other than Plasma receivables).

Inputs, assumptions and techniques used for estimating Impairment losses

Under this approach, the Group and the Company assess whether there is a significant increase in credit risk for other receivables by comparing the risk of a default at the reporting date with the risk of default at the date of initial recognition. The Group and the Company consider there will be a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

The Group and the Company use 3 categories to reflect their credit risk and how the loss allowance is determined for each category:

<u>Category</u>	<u>Definition of category</u>	<u>Loss allowance</u>
Performing	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Non-performing	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

40. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (continued)

(a) Credit risk (continued)

Assessment of impairment losses (continued)

(ii) Other receivables (other than Plasma receivables) (continued)

Inputs, assumptions and techniques used for estimating Impairment losses (continued)

The Group and the Company measure the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on an individual basis. The remaining receivables are grouped based on shared credit risk characteristics and assessed on a collective basis.

Loss allowance is measured on either 12-months expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group and the Company consider the receivable's past payment status and its financial condition at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

(iii) Plasma receivables

Management expects that payments will be obtained from the sustainable cash flows generated from the operations of Plasma plantations. Hence, no expected credit loss is recognised on Plasma receivables as it is negligible.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group and the Company manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group and the Company strive to maintain sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group and the Company maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group and the Company raise committed funding from financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

40. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (continued)

(b) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations:

	Contractual interest rate %	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<u>At 30 April 2025</u>					
Group					
Bank borrowings	5.50	63,762	-	-	63,762
Lease liabilities	6.43 - 6.82	1,038	2,578	-	3,616
Trade and other payables	-	65,209	-	-	65,209
Total undiscounted financial liabilities		130,009	2,578	-	132,587
Financial guarantee contracts	8.25	16,380	9,057	-	25,437
Company					
Bank borrowings	5.50	63,762	-	-	63,762
Lease liabilities	6.43 - 6.82	746	2,093	-	2,839
Trade and other payables	-	14,293	-	-	14,293
Total undiscounted financial liabilities		78,801	2,093	-	80,894
<u>At 30 April 2024</u>					
Group					
Bank borrowings	6.50 - 10.35	89,602	23,036	-	112,638
Lease liabilities	6.43 - 6.82	1,129	3,436	180	4,745
Trade and other payables	-	64,253	-	-	64,253
Total undiscounted financial liabilities		154,984	26,472	180	181,636
Financial guarantee contracts	8.25	16,298	28,617	-	44,915

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

40. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (continued)

(b) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities (continued)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations (continued):

	Contractual interest rate %	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<u>At 30 April 2024 (continued)</u>					
Company					
Bank borrowings	6.50	76,201	-	-	76,201
Lease liabilities	6.43 - 6.82	746	2,659	180	3,585
Trade and other payables	-	13,199	-	-	13,199
Total undiscounted financial liabilities		90,146	2,659	180	92,985
Financial guarantee contract	10.35	13,401	23,036	-	36,437

At the reporting date, the counterparties to the financial guarantees do not have a right to demand cash as the defaults have not occurred. Accordingly, financial guarantees under the scope of MFRS 9 are not included in the above maturity profile analysis.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from their term loan and revolving credit. The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowing. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets.

In addition, the Group and the Company have short term interest bearing financial assets as at 30 April 2025. The investment in financial assets are mainly short term in nature and are not held for speculative purposes but have been mostly placed in deposits which are classified as cash and bank balances.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 25 basis points higher/lower, with all other variables held constant, the Group's and the Company's profit net of tax would have been RM45,000 (2024: RM143,000) and RM329,000 (2024: RM312,000) lower/higher respectively, arising mainly as a result of higher/lower interest expense on term loan and revolving credit and higher/lower interest income from placements of fund in short term deposits.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

40. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (continued)

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group and the Company have transactional currency exposure mainly arising from bank borrowing that is denominated in USD, which is a currency other than the functional currency of the operations to which they relate. At the reporting date, such foreign currency balance amounting to RM60,438,000 (2024: RM71,550,000). The Group's and the Company's exposure to foreign currency changes for all other currencies is not material.

Sensitivity analysis for foreign currency risk

The hypothetical sensitivity of the Group's and the Company's profit net of tax to every 1% change in USD exchange rate at the reporting date against RM (base rate 2025: USD1 = RM4.32; 2024: USD1 = RM4.77), assuming all other variables remain unchanged, is RM604,000 (2024: RM716,000).

(e) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market prices. The Group and the Company are exposed to market price risk as follows:

(i) Commodity price risk

The Group and the Company are exposed to market price risk arising from price fluctuations on CPO and PK in the commodity market. Management reviews these risks and takes proactive measures to mitigate its effects by monitoring the market condition and maximising production and operational efficiencies on a regular basis.

Sensitivity analysis for commodity price risk

The following table demonstrates the sensitivity of the Group's and the Company's profit net of tax to a reasonable possible change in commodity prices of CPO and PK, with all other variables held constant:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000

Increase/(decrease) on profit net of tax

Malaysian operations

Base CPO price:

2025: RM4,366

2024: RM3,830

- CPO price 10% higher

20,558	18,478	9,764	8,389
(20,353)	(18,173)	(9,649)	(8,196)

Base PK price:

2025: RM3,050

2024: RM2,076

- PK price 10% higher

3,606	2,490	1,673	1,098
(3,606)	(2,490)	(1,673)	(1,098)

- PK price 10% lower

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

40. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (continued)

(e) Market price risk (continued)

(i) Commodity price risk (continued)

Sensitivity analysis for commodity price risk (continued)

The following table demonstrates the sensitivity of the Group's and the Company's profit net of tax to a reasonable possible change in commodity prices of CPO and PK, with all other variables held constant (continued):

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Increase/(decrease) on profit net of tax (continued)				
<u>Indonesian operations</u>				
Base CPO price:				
2025: RM3,843				
2024: RM3,398				
- CPO price 10% higher	6,356	5,162	-	-
- CPO price 10% lower	(6,356)	(5,162)	-	-
Base PK price:				
2025: RM2,780				
2024: RM1,615				
- PK price 10% higher	691	417	-	-
- PK price 10% lower	(691)	(417)	-	-

(ii) Equity price risk

The Group's and the Company's short term funds consisting of investment in money market funds are subject to fluctuation in net asset values of the money market funds. These instruments are measured at fair value through profit or loss.

For investment in money market funds, the Group's objective is to manage market price risk by investing in money market funds with consistent returns. A careful selection of fund managers with creditable performance track record is carried out. In addition, the fund managers of the money market funds are required to provide write-ups of the funds' holdings and investment strategies for the management's review regularly.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

40. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (continued)

(e) Market price risk (continued)

(ii) Equity price risk (continued)

Sensitivity analysis for equity price risk

The analysis below is performed for reasonably possible price movements in investment in money market funds which are measured at fair value through profit or loss at the reporting date:

	2025		2024	
	Increase/ (decrease) on profit net of tax RM'000	Increase/ (decrease) on equity RM'000	Increase/ (decrease) on profit net of tax RM'000	Increase/ (decrease) on equity RM'000
Group				
Short term funds				
Investment in money market funds				
- Market value + 10%	11,510	11,510	5,298	5,298
- Market value - 10%	(11,510)	(11,510)	(5,298)	(5,298)

Company

Short term funds				
Investment in money market funds				
- Market value + 10%	5,727	5,727	774	774
- Market value - 10%	(5,727)	(5,727)	(774)	(774)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

41. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group regularly reviews its capital structure to ensure optimal capital structure and shareholders' return, taking into consideration future requirements of the Group and capital efficiency, prevailing and projected profitability and projected operating cash flows. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares.

No changes were made in the objectives, policies or processes during the financial years ended 30 April 2025 and 30 April 2024.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital. The Group includes within net debt, trade and other payables, less cash and bank balances and highly liquid short term investments. Capital includes equity attributable to equity holders of the Company.

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Bank borrowings	30	60,438	102,932	60,438	71,550
Lease liabilities	31	3,211	4,105	2,508	3,078
Trade and other payables	34	65,209	64,253	14,293	13,199
Less: Cash and bank balances	26	(99,733)	(73,078)	(14,332)	(11,739)
Short term funds	25	(115,103)	(52,979)	(57,268)	(7,742)
Net (cash)/debt		(85,978)	45,233	5,639	68,346
Equity attributable to owners of the Company		1,502,883	1,451,830	1,112,083	1,052,522
Capital and net (cash)/debt		1,416,905	1,497,063	1,117,722	1,120,868
Gearing ratio		N/A	3%	1%	6%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

42. COMPARATIVES

The following reclassifications had been made to conform with the presentation for the current financial year:

	Note	←	Company Reclassifi- cations RM'000	→	Restated RM'000
Statements of profit or loss					
For the financial year ended 30 April 2024					
Revenue	7	147,963	(14,034)*	133,929	
Other income	8	2,157	14,034 *	16,191	
Statements of financial position					
As at 30 April 2024					
Non-current assets					
Trade and other receivables	24	-	176,546 #	176,546	
Current assets					
Trade and other receivables	24	273,059	(176,546) #	96,513	

* Interest income from loans to subsidiaries was reclassified from Revenue to Other income.

Loans to subsidiaries which are not expected to be repaid within the next 12 months were reclassified from Current to Non-current.

43. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 30 April 2025 were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 July 2025.

LIST OF PROPERTIES HELD

AS AT 30 APRIL 2025

Location	Tenure	Titled Hectarage	Description	Year of Acquisition/ Revaluation *	Carrying Amount of Properties # as at 30 April 2025 RM'000
MALAYSIA					
Machap Estate Alor Gajah P.O. 78000 Alor Gajah Melaka	Freehold Leasehold (expiring on: 21-03-2038 22-03-2048 25-10-2053 27-02-2123 03-03-2123)	311.8 348.4 20.3 126.2 184.9 130.3	Oil palm estate	2017 *	91,361
Batu Anam Estate Batu Anam P.O. 85100 Batu Anam Segamat, Johor	Freehold	866.9	Oil palm estate	2017 *	54,541
Leong Hin San Estate 71200 Rantau Negeri Sembilan	Freehold	844.7	Oil palm estate	2017 *	45,127
Bukit Senorang Estate 28380 Kemayan Pahang	Leasehold (expiring on: 14-05-2066 11-01-2069 15-12-2072 04-03-2073)	196.1 403.0 604.5 425.3	Oil palm estate and palm oil mill	2017 *	75,597
South-East Pahang Estate 28380 Kemayan Pahang	Leasehold (expiring on: 06-09-2066 18-09-2084)	202.3 1,416.4	Oil palm estate	2017 *	64,243
Marmahat Estate Labuk Sugut Beluran District 90000 Sabah	Lease land (expiring between: 2031 and 2032 2096 and 2099)	30.1 1,396.5	Oil palm estate	2017 *	83,565
Paitan and Tanjung Nipis Estates Labuk Sugut Beluran District 90000 Sabah	Leasehold (expiring between: 2069 and 2075 2098 and 2100) Lease land (expiring between: 2031 and 2036 2038 and 2054 2098 and 2100)	654.0 264.1 780.6 166.3 1,277.1	Oil palm estate and palm oil mill	2017 *	123,152

LIST OF PROPERTIES HELD

AS AT 30 APRIL 2025 (continued)

Location	Tenure	Titled Hectarage	Description	Year of Acquisition/ Revaluation *	Carrying Amount of Properties # as at 30 April 2025 RM'000
MALAYSIA (continued)					
Tengkarasan Estate Labuk Sugut Beluran District 90000 Sabah	Leasehold (expiring between: 2100 and 2103) Lease land (expiring between: 2031 and 2036 2038 and 2049 2098 and 2100)	68.2	Oil palm estate	2017 *	89,071
Millian-Labau Estate Sungai Millian-Labau Jalan Pulutan, Off KM 61 Jalan Keningau-Sook- Nabawan-Sapulut District of Tongod, Sabah	Leasehold (expiring on: 31-12-2098)	876.5 569.8 1,291.9	Oil palm estate	2020 *	392,766
Head Office Building No. 61, Jalan Melaka Raya 8 Taman Melaka Raya 75000 Melaka	Leasehold (expiring on: 07-07-2093)	93,972 sq. ft.	Office building (Age of building: 19 years)	2017 *	9,275
Office Building Lot 6, Block E Keningau Plaza 89008 Keningau, Sabah	Leasehold (expiring on: 31-12-2097)	4,280 sq. ft.	Shophouse (Age of building: 15 years)	2017 *	1,128
Office Building Lot 10, Block 19 Lorong Bandar Indah 5 Bandar Indah Mile 4, North Road 90000 Sandakan, Sabah	Leasehold (expiring on: 2882)	2,000 sq. ft.	Shophouse (Age of building: 24 years)	2017 *	712
Awana Condominium Unit 5542 Awana Condominium 8th Mile, Genting Highlands 89000 Genting Highlands Pahang	Freehold	1,258 sq. ft.	Holiday condominium (Age of building: 38 years)	2017 *	413
Executive Bungalow MDLB 1849 Taman Khong Lok Jalan Airport Sandakan 90000 Sandakan, Sabah	Leasehold (expiring on: 09-07-2887)	7,880 sq. ft.	Company bungalow (Age of building: 25 years)	2017 *	607

LIST OF PROPERTIES HELD

AS AT 30 APRIL 2025 (continued)

Location	Tenure	Titled Hectarage	Description	Year of Acquisition/ Revaluation *	Carrying Amount of Properties # as at 30 April 2025 RM'000
INDONESIA					
Belida, Haruan, Biawan, Arwana and Seluang Estates Kecamatan Dadahup, Mentangai Kapuas Murung, Kapuas Barat Kabupaten Kapuas Propinsi Kalimantan Tengah	Leasehold (expiring between: 2049 and 2050)	24,607.0	Oil palm estate and palm oil mill	2017 *	280,274
Office Lots OTA03, Unit 3G, 3H, 3J, 3K, 3L & 3M 3 Floor, Gold Coast Office Tower - Eiffel Tower Jl. Pantai Indah Kapuk Boulevard RT.6/RW.2, Pantai Indah Kapuk Kel. Kamal Muara, Kec. Penjaringan Jakarta Utara 14470	Leasehold (expiring on: 2032)	5,339 sq. ft.	Office lots (Age of building: 6 years)	2020	3,123
TOTAL					1,314,955

Include freehold land, bearer plants, buildings, long term leasehold land and prepaid land lease payments.

ANALYSIS OF SHAREHOLDINGS

AS AT 31 JULY 2025

Total number of issued shares : 209,769,201
 Class of share : Ordinary shares
 Voting Rights : One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	No. of Shares	% of issued shares
Less than 100	228	10,661	0.005
100 to 1,000	807	616,503	0.294
1,001 to 10,000	3,353	13,477,235	6.425
10,001 to 100,000	980	25,918,386	12.356
100,001 to less than 5% of issued shares	134	83,338,328	39.728
5% and above of issued shares	6	86,408,088	41.192
	5,508	209,769,201	100

DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S SHAREHOLDINGS

Name of Directors	Direct shareholdings	% of issued shares	Indirect shareholdings	% of issued shares
Datin Paduka Tan Siok Choo	4,527,197	2.16	7,652,343	3.65
Mr. Teo Leng	70,000	0.03	7,000	0.003
Dato Dr. Nik Ramlah Binti Nik Mahmood	-	-	-	-
Mr. Ong Keng Siew	-	-	-	-
Mr. Tee Cheng Hua	500,900	0.24	59,768,878	28.49
Dato' Sri Tee Lip Sin	1,868,400	0.89	64,043,878	30.53
Mr. Han Kee Juan	140,000	0.07	1,341,300	0.64
Datin Noor Azimah Binti Abd. Rahim	-	-	-	-
Mr. Tee Lip Zhun	236,200	0.11	57,947,578	27.62
Mr. Ng Ming Shern (Alternate Director to Datin Paduka Tan Siok Choo)	-	-	12,179,540	5.81
Name of Chief Executive Officer	Direct shareholdings	% of issued shares	Indirect shareholdings	% of issued shares
Mr. Young Lee Chern	55,800	0.03	-	-

ANALYSIS OF SHAREHOLDINGS

AS AT 31 JULY 2025 (continued)

SUBSTANTIAL SHAREHOLDERS

Name	Shareholdings registered in the name of the substantial shareholders	Shareholdings in which the substantial shareholders are deemed to be interested	Total	% of issued shares
Prosper Capital Holdings Sdn. Bhd.	29,476,500	12,207,178 * ¹	41,683,678	19.87
Oversea-Chinese Banking Corporation Limited	-	28,185,701 * ²	28,185,701	13.44
Great Eastern Life Assurance (Malaysia) Berhad	28,185,701	-	28,185,701	13.44
The Hongkong And Shanghai Corporation Limited ("HBAP")	-	14,050,887	14,050,887	6.70
PRL Global Ltd	13,018,700	-	13,018,700	6.21
Prosper Trading Sdn. Bhd.	12,207,178	-	12,207,178	5.82
Datin Paduka Tan Siok Choo	4,527,197	7,652,343 * ³	12,179,540	5.81

1. Prosper Capital Holdings Sdn. Bhd. is deemed interested by indirect interest through Prosper Trading Sdn. Bhd..
2. Oversea-Chinese Banking Corporation Ltd is deemed interested by indirect interest through Citigroup Nominees (Tempatan) Sdn. Bhd. – for Great Eastern Life Assurance (Malaysia) Berhad.
3. Datin Paduka Tan Siok Choo is deemed interested by virtue of interests of her siblings and her sibling's spouse.

LIST OF TOP 30 SHAREHOLDERS

(without aggregating securities from different securities accounts belonging to the same person)

	No. of shares	% of issued shares
1) Citigroup Nominees (Tempatan) Sdn. Bhd. - Great Eastern Life Assurance (Malaysia) Berhad (Par 1)	19,155,323	9.13
2) Prosper Capital Holdings Sdn. Bhd.	17,959,800	8.56
3) HSBC Nominees (Asing) Sdn. Bhd. - Exempt An for The HongKong and Shanghai Banking Corporation Limited (HBAP-SGDIV-ACCL)	14,100,887	6.72
4) PRL Global Ltd	13,018,700	6.21
5) Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Prosper Capital Holdings Sdn. Bhd.	11,516,700	5.49
6) Prosper Trading Sdn. Bhd .	10,656,678	5.08
7) Citigroup Nominees (Asing) Sdn. Bhd. - Exempt An for Bank of Singapore Limited (Foreign)	7,514,000	3.58
8) Azimat Pelangi Sdn. Bhd.	5,147,700	2.45

ANALYSIS OF SHAREHOLDINGS

AS AT 31 JULY 2025 (continued)

LIST OF TOP 30 SHAREHOLDERS (continued)

(without aggregating securities from different securities accounts belonging to the same person)

		% of No. of shares issued shares
9)	Tan Siok Lee	3,979,738 1.90
10)	Datin Paduka Tan Siok Choo	3,900,197 1.86
11)	Citigroup Nominees (Tempatan) Sdn. Bhd. - Great Eastern Life Assurance (Malaysia) Berhad (Par 2)	3,600,138 1.72
12)	Tan Siok Eng	3,513,480 1.68
13)	Citigroup Nominees (Tempatan) Sdn. Bhd. - Great Eastern Life Assurance (Malaysia) Berhad (Par 1 ACB Fund)	2,895,200 1.38
14)	Citigroup Nominees (Asing) Sdn Bhd - Exempt An for OCBC Securities Private Limited (Client A/C-NR)	2,658,018 1.27
15)	Citigroup Nominees (Tempatan) Sdn Bhd - Great Eastern Life Assurance (Malaysia) Berhad (SHF)	2,535,040 1.21
16)	Phosphate Resources (Malaysia) Sdn Bhd	2,500,000 1.19
17)	Public Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tee Lip Jen (E-KLG)	1,890,000 0.90
18)	Dato' Sri Tee Lip Sin	1,868,400 0.89
19)	CIMB Group Nominees (Asing) Sdn Bhd - Exempt An for DBS Bank Ltd (SFS-PB)	1,757,600 0.84
20)	Tan Kee Lock Sdn. Bhd.	1,600,000 0.76
21)	Prosper Trading Sdn. Bhd.	1,550,500 0.74
22)	Public Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tee Lip Hian (E-KLG)	1,480,000 0.71
23)	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account for Tee Kim Tee @ Tee Ching Tee (M09)	1,287,900 0.61
24)	Mergeboom (M) Sdn. Bhd.	1,199,500 0.57
25)	Eternal Budi Sdn. Bhd.	1,078,500 0.51
26)	Tee Chain Yee	1,074,500 0.51
27)	Chee Bay Hoon & Co. Sdn. Bhd.	1,060,000 0.51
28)	Tee Cheng Hua Holdings Sdn. Bhd.	1,000,000 0.47
29)	Amanahraya Trustees Berhad - Public Smallcap Fund	913,800 0.44
30)	Tee Lip Chuan	880,400 0.42
		143,292,699 68.31



United Malacca Berhad

Registration No. 191001000010 (1319-V)

FORM OF PROXY

I/We
(*FULL NAME IN CAPITAL*)

NRIC/Company No..... Tel No.....

of.....
(*FULL ADDRESS*)

being a member of UNITED MALACCA BERHAD hereby appoint.....
(*FULL NAME IN CAPITAL*)

NRIC/Company No..... Tel NoEmail.....

of.....
(*FULL ADDRESS*)

or failing him/her.....
(*FULL NAME IN CAPITAL*)

NRIC/Company No..... Tel NoEmail.....

of.....
(*FULL ADDRESS*)

or the Chairperson of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the 111th Annual General Meeting of the Company to be held at Level 1, AMES Hotel, Jalan PKAK 2, Pusat Komersial Ayer Keroh, 75450 Melaka on Friday, 26 September 2025 at 11.30 a.m. and at any adjournment thereof.

My/our proxy is to vote as indicated below. (Please indicate with an "X" how you wish your vote to be cast. If no specific instruction as to the voting is given, the proxy will vote or abstain at his/her own discretion).

Resolution	Relating to:	For	Against
No. 1	Approval for payment of Directors' fees for the financial year ended 30 April 2025.		
No. 2	Approval for payment of Directors' remuneration (excluding Directors' fees) for the financial year ended 30 April 2025.		
No. 3	Re-election of Dato Dr. Nik Ramlah Binti Nik Mahmood, a director retiring by rotation in accordance with Clause 130 of the Company's Constitution.		
No. 4	Election of Mr. Tee Lip Zhun, a director retiring in accordance with Clause 135 of the Company's Constitution.		
No. 5	Re-appointment of Auditors and fixing of their remuneration.		

Dated thisday of2025

No. of Shares Held	
CDS Account No.	

.....
(Signature(s)/Common Seal of Shareholder)

Notes:

1. Only members whose name registered in the General Meeting Record of Depositors on or before 5.00 p.m. on 19 September 2025 shall be eligible to attend and vote at the 111th AGM or appoint proxy(ies)to attend and vote on his /her behalf.
2. A member of the Company entitled to attend, speak and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his stead. A proxy need not be a member of the Company. A member shall not be entitled to appoint more than two (2) proxies to attend at the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless the member specifies the number of shares to be represented by each proxy.
3. For the proxy to be valid, the duly executed instrument appointing a proxy must be deposited at the registered office of the Company on the 6th Floor, No. 61, Jalan Melaka Raya 8, Taman Melaka Raya, 75000 Melaka not less than twenty-four (24) hours before the time appointed for holding the AGM or any adjournment thereof.
4. Where this proxy form is executed by a corporation, it must be either under its seal or under the hand of an officer or attorney duly authorised.
5. All the Resolutions will be put to vote by poll.

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STAMP

The Company Secretary
United Malacca Berhad
Registration No. 191001000010 (1319-V)
6th Floor, No. 61, Jalan Melaka Raya 8,
Taman Melaka Raya,
75000 Melaka.

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