FINANCIAL REPORT

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DIRECTORS' REPORT

The Directors of IOI Corporation Berhad have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2025.

Principal Activities

The principal activity of the Company is that of an investment holding company.

The principal activities of the subsidiaries, associates and joint ventures are primarily involved in investment holding; oil palm cultivation and processing; commodities trading and refinery; manufacture and sales of fatty acids, soap noodles, glycerine and other oleochemical related products; manufacture and sale of plasticizer products, margarine, shortening and fat spreads; processing of oil palm trunks and other bio-matter derived from plantations to produce materials used in furniture, construction and building industries; processing of crude coconut oil; production and supply of palm-based renewable energy; as well as provision of management services and other related business activities. The principal activities and the details of the subsidiaries, associates and joint ventures are set out in Note 41 to the financial statements.

There have been no significant changes in the nature of the activities of the Group and of the Company during the financial year.

Financial Results

The audited financial results of the Group and of the Company for the financial year are as follows:

In RM million	**Group**	**Company**
Profit before tax	1,877.5	802.8
Tax expense	(341.1)	(23.3)
Profit for the financial year	1,536.4	779.5
Attributable to:		
Owners of the parent	1,520.6	779.5
Non-controlling interests	15.8	-
	1,536.4	779.5

Dividends

Dividends declared and paid since the end of the previous financial year were as follows:

In RM million	**Company**
In respect of the financial year ended 30 June 2024	
Second interim single tier dividend of 5.0 sen per ordinary share, paid on 26 September 2024	310.2
In respect of the financial year ended 30 June 2025	
First interim single tier dividend of 5.0 sen per ordinary share, paid on 24 March 2025	310.2
	620.4

DIRECTORS' REPORT

Dividends (Continued)

On 28 August 2025, the Board of Directors declared a second interim single tier dividend of 5.5 sen per ordinary share, amounting to RM341.2 million in respect of the financial year ended 30 June 2025. The dividend is payable on 25 September 2025 to shareholders whose names appear in the Record of Depositors and Register of Members of the Company at the close of business on 17 September 2025.

No final dividend has been recommended by the Board of Directors for the financial year ended 30 June 2025.

Issue of Shares and Debentures

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

Treasury Shares

The shareholders of the Company, by an ordinary resolution passed at an extraordinary general meeting held on 18 November 1999, approved the Company's plan to repurchase up to 10% of the issued share capital of the Company ("Share Buy Back"). The authority granted by the shareholders was subsequently renewed during subsequent Annual General Meetings ("AGM") of the Company, including the last AGM held on 5 November 2024.

The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the Share Buy Back can be applied in the best interests of the Company.

The Company did not repurchase any of its issued ordinary shares from the open market during the financial year.

The Company has the right to cancel, resell and/or distribute the treasury shares as dividends or transfer the treasury shares as purchase consideration at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution are suspended. None of the treasury shares repurchased had been sold, cancelled or transferred during the financial year.

At the end of the financial year, the number of ordinary shares in issue after deducting treasury shares is 6,203,697,295 ordinary shares.

Reserves and Provisions

There were no material transfers to or from reserves or provisions during the financial year.

Directors

The Directors of the Company who have held office during the financial year until the date of this report are as follows:

Tan Sri Peter Chin Fah Kui
Tan Sri Abdul Wahid bin Omar (Appointed on 16 June 2025)
Dato' Lee Yeow Chor
Lee Yeow Seng
Dr Nesadurai Kalanithi
Dato' Kong Sooi Lin
Lim Tuang Ooi
Datuk Zurinah binti Pawanteh

DIRECTORS' REPORT

Directors' Interests

The Directors holding office at the end of the financial year who have beneficial interests in the shares and options over ordinary shares of the Company and of its related corporations during the financial year ended 30 June 2025 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia are as follows:

	As at 1 July 2024	Acquired	Disposed	As at 30 June 2025
The Company				
Direct interest				
No. of ordinary shares				
Dato' Lee Yeow Chor	9,818,800	26,027,400	-	**35,846,200**
Indirect interests				
No. of ordinary shares				
Tan Sri Peter Chin Fah Kui	20,000	-	-	**20,000**
Dato' Lee Yeow Chor	3,129,734,980	-	-	**3,129,734,980**
Lee Yeow Seng	3,129,534,980	-	-	**3,129,534,980**
Ultimate Holding Company				
Progressive Holdings Sdn Bhd				
Direct interests				
No. of ordinary shares				
Dato' Lee Yeow Chor	18,600,000	-	-	**18,600,000**
Lee Yeow Seng	5,400,000	-	-	**5,400,000**
No. of redeemable preference shares				
Dato' Lee Yeow Chor	794,794,275	-	(252,960,000)	**541,834,275**
Lee Yeow Seng	230,746,725	-	(73,440,000)	**157,306,725**

By virtue of Dato' Lee Yeow Chor's and Lee Yeow Seng's interests in the ordinary shares of the Company and of its ultimate holding company, they are also deemed to be interested in the shares of all the subsidiaries of the Company and of its ultimate holding company to the extent that the Company and its ultimate holding company have an interest.

The other Directors holding office at the end of the financial year namely, Tan Sri Abdul Wahid bin Omar, Dr Nesadurai Kalanithi, Dato' Kong Sooi Lin, Lim Tuang Ooi and Datuk Zurinah binti Pawanteh did not have any interest in the ordinary shares and redeemable preference shares of the Company and of its related corporations during the financial year.

Directors' Benefits

Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director, or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for any benefits, which may be deemed to have arisen by virtue of the significant related party transactions entered into in the ordinary course of business as disclosed in Note 37 to the financial statements.

DIRECTORS' REPORT

Directors' Benefits (Continued)

During and at the end of the financial year, no arrangement subsisted to which the Company is a party, with the object or objects of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' Remuneration

Directors' remuneration of the Group and of the Company for the financial year ended 30 June 2025 were as follows:

In RM million	Group	Company
Fees	1.6	1.6
Remuneration	19.3	19.3
Total short term employee benefits	20.9	20.9
Post-employment benefits	2.3	2.3
	23.2	23.2

Indemnity and Insurance for Directors, Officers and Auditors

The Company maintains a corporate liability insurance for the Directors and officers of the Group throughout the financial year, which provides appropriate insurance cover for the Directors and officers of the Group. The amount of insurance premium paid by the Company for the financial year 2025 was RM127,000.

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

Statutory Information on the Financial Statements of the Group and of the Company

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

i. to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts, and had satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

ii. to ensure that any current assets, other than debts, which were unlikely to realise their book values in the ordinary course of business of the Group and of the Company have been written down to an amount which they might be expected so to realise.

As at the date of this report, the Directors are not aware of any circumstances:

i. which would render the amount written off for bad debts or the amount of provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent;

ii. which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and

iii. which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

DIRECTORS' REPORT

Statutory Information on the Financial Statements of the Group and of the Company (Continued)

As at the date of this report, there does not exist:

i. any charge on the assets of the Group or of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; and

ii. any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent or other liability has become enforceable, or is likely to become enforceable within the period of twelve (12) months after the end of the financial year, which in the opinion of the Directors, will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

Other Statutory Information

As at the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company that would render any amount stated in the financial statements misleading.

In the opinion of the Directors:

i. the results of operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; 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 operations of the Group and of the Company for the financial year in which this report is made.

List of Directors of Subsidiaries

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the Directors of the subsidiaries during the financial year until the date of this report are as follows:

Dato' Lee Yeow Chor
Lee Yeow Seng
Amir Mohd Hafiz bin Amir Khalid
Datuk Abdul Ghani bin Mohamed Yassin
Datu Sr. Zaidi bin Mahdi
Dr Klaus Kasimir Wilgenbus
Hans Peter Fitch
Joseph N Emuang JR
Kong Kian Beng
Koo Ping Wui
Law Kim Soon
Lee Nyuk Choon @ Jamilah Ariffin
Lee Yoke Hean
Lim Jit Uei (Lin Riwei)
Low Pei Chen
Mark Tuchen

DIRECTORS' REPORT

List of Directors of Subsidiaries (Continued)

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the Directors of the subsidiaries during the financial year until the date of this report are as follows (Continued):

Poppe Engbert Braam
René Fresen ^
Risman
Sebastian Anak Baya
Sia Chieng Ho *
Subramaniam Arumugam
Sudhakaran a/l Nottath Bhaskaran
Shyam a/l M K Lakshmanan
Datuk Syaheddrul Rahman bin Joddari
Tan Kean Hua
Tan Sri Dato' Sri Koh Kin Lip
Teah Chin Guan @ Teh Chin Guan
Teunis Eigenraam
Thomas Kummer *
Wong Yin Ling

^ *Resigned during the financial year.*
* *Appointed during the financial year.*

Ultimate Holding Company

The ultimate holding company is Progressive Holdings Sdn Bhd, a company incorporated in Malaysia.

Audit and Risk Management Committee ("ARMC")

The Directors who serve as members of the ARMC as at the date of this report are as follows:

Dato' Kong Sooi Lin (Chairman)
Lim Tuang Ooi
Dr Nesadurai Kalanithi

Governance, Nominating and Remuneration Committee ("GNRC")

The Directors who serve as members of the GNRC as at the date of this report are as follows:

Datuk Zurinah binti Pawanteh (Chairman)
Dr Nesadurai Kalanithi
Lim Tuang Ooi

Board Sustainability Committee ("BSC")

The Directors who serve as members of the BSC as at the date of this report are as follows:

Dr Nesadurai Kalanithi (Chairman)
Dato' Kong Sooi Lin
Datuk Zurinah binti Pawanteh

DIRECTORS' REPORT

Auditors

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

Auditors' Remuneration

Auditors' remuneration of the Group and of the Company for the financial year ended 30 June 2025 were as follows:

In RM million	**Group**	**Company**
Statutory audit		
- BDO PLT	1.3	0.2
- Member firms of BDO International	0.3	-
- Other auditors	0.9	-
	2.5	0.2

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

Tan Sri Peter Chin Fah Kui
Non-Independent Non-Executive Chairman

Dato' Lee Yeow Chor
Group Managing Director and Chief Executive

Putrajaya
11 September 2025

STATEMENTS OF PROFIT OR LOSS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

		Group		**Company**	
In RM million	**Note**	**2025**	**2024**	**2025**	**2024**
Revenue	5	**11,334.7**	9,603.6	**802.3**	868.2
Cost of sales		**(9,114.4)**	(7,576.9)	**(3.7)**	(3.5)
Gross profit		**2,220.3**	2,026.7	**798.6**	864.7
Other operating income	6	**245.3**	218.4	**281.6**	61.1
Marketing and selling expenses		**(259.3)**	(235.3)	**-**	-
Administration expenses		**(391.6)**	(376.4)	**(29.1)**	(27.3)
Other operating expenses	7	**(465.5)**	(453.3)	**(285.3)**	(81.8)
Operating profit		**1,349.2**	1,180.1	**765.8**	816.7
Share of results of associates, net of tax		**348.0**	350.9	**-**	-
Share of results of joint ventures, net of tax		**3.4**	4.3	**-**	-
Profit before interest and tax		**1,700.6**	1,535.3	**765.8**	816.7
Interest income	8	**32.6**	42.2	**34.7**	133.5
Finance costs	9	**(139.8)**	(160.1)	**(92.1)**	(117.4)
Net foreign currency translation gain/(loss) on foreign currency denominated borrowings		**278.5**	(18.9)	**88.7**	(16.6)
Net foreign currency translation gain on foreign currency denominated deposits		**5.6**	-	**5.7**	0.1
Profit before tax	10	**1,877.5**	1,398.5	**802.8**	816.3
Tax expense	11	**(341.1)**	(282.2)	**(23.3)**	(11.5)
Profit for the financial year		**1,536.4**	1,116.3	**779.5**	804.8
Attributable to:					
Owners of the parent		**1,520.6**	1,109.4	**779.5**	804.8
Non-controlling interests		**15.8**	6.9	**-**	-
		1,536.4	1,116.3	**779.5**	804.8
Earnings per ordinary share attributable to owners of the parent (sen)	12				
Basic		**24.51**	17.88		
Diluted		**24.51**	17.88		
Dividend per ordinary share (sen)	13				
First interim single tier dividend		**5.0**	4.5	**5.0**	4.5
Second interim single tier dividend		**5.5**	5.0	**5.5**	5.0
Total		**10.5**	9.5	**10.5**	9.5

The notes on pages 165 to 262 form an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Profit for the financial year	**1,536.4**	1,116.3	**779.5**	804.8
Other comprehensive (loss)/income that will not be reclassified subsequently to profit or loss				
Share of other comprehensive loss of associates	**(0.7)**	(0.5)	**-**	-
Re-measurements of the defined benefit obligations	**(1.1)**	(0.5)	**-**	-
Tax effect relating to re-measurements of the defined benefit obligations	**0.3**	0.3	**-**	-
	(1.5)	(0.7)	**-**	-
Other comprehensive loss that will be reclassified subsequently to profit or loss when specific conditions are met				
Exchange differences on translation of foreign operations	**(251.8)**	(165.6)	**-**	-
Share of other comprehensive loss of associates	**(28.9)**	(4.3)	**-**	-
Hedge of interest rate risk on issuance of Guaranteed Notes due 2031				
Reclassified to profit or loss	**(2.6)**	(2.8)	**-**	-
	(283.3)	(172.7)	**-**	-
Other comprehensive loss for the financial year, net of tax	**(284.8)**	(173.4)	**-**	-
Total comprehensive income for the financial year	**1,251.6**	942.9	**779.5**	804.8
Total comprehensive income attributable to:				
Owners of the parent	**1,235.8**	937.2	**779.5**	804.8
Non-controlling interests	**15.8**	5.7	**-**	-
	1,251.6	942.9	**779.5**	804.8

The notes on pages 165 to 262 form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2025

		Group		Company	
In RM million	**Note**	**2025**	**2024**	**2025**	**2024**
ASSETS					
Non-current assets					
Property, plant and equipment	14	**9,432.6**	9,229.1	**84.1**	83.2
Intangible assets	15	**406.1**	411.8	**0.7**	0.7
Investments in subsidiaries	16	**-**	-	**7,847.9**	6,735.5
Amounts due from subsidiaries	16	**-**	-	**202.6**	1,391.4
Investments in associates	17	**3,245.8**	3,103.3	**770.2**	683.2
Derivative assets	18	**32.7**	49.8	**1.3**	38.3
Deferred tax assets	19	**23.2**	15.9	**-**	13.4
Other non-current assets	20	**199.9**	147.7	**7.7**	7.2
		13,340.3	12,957.6	**8,914.5**	8,952.9
Current assets					
Inventories	21	**1,419.8**	1,221.2	**-**	-
Trade and other receivables	22	**1,393.3**	1,283.4	**33.7**	34.8
Amounts due from subsidiaries	16	**-**	-	**457.7**	892.4
Amounts due from associates	23	**102.7**	52.3	**-**	-
Derivative assets	18	**57.6**	41.6	**1.4**	-
Other investments	24	**81.0**	73.1	**0.8**	1.2
Other current assets	25	**130.4**	131.3	**2.4**	3.4
Short term funds	26	**674.1**	1,164.8	**-**	-
Deposits with financial institutions	27	**307.1**	267.3	**178.3**	142.5
Cash and bank balances		**597.2**	749.6	**36.1**	39.5
		4,763.2	4,984.6	**710.4**	1,113.8
Assets classified as held for sale	28	**27.2**	-	**-**	-
TOTAL ASSETS		**18,130.7**	17,942.2	**9,624.9**	10,066.7

The notes on pages 165 to 262 form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2025

In RM million	Note	Group 2025	Group 2024	Company 2025	Company 2024
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	29	**791.1**	791.1	**791.1**	791.1
Treasury shares	29	**(309.8)**	(309.8)	**(309.8)**	(309.8)
Reserves	30	**(167.7)**	115.6	**-**	-
Retained earnings		**11,980.4**	11,081.7	**7,103.8**	6,944.7
		12,294.0	11,678.6	**7,585.1**	7,426.0
Non-controlling interests		**338.8**	331.1	**-**	-
Total equity		**12,632.8**	12,009.7	**7,585.1**	7,426.0
LIABILITIES					
Non-current liabilities					
Borrowings	31	**2,474.5**	2,996.0	**595.4**	967.9
Amounts due to subsidiaries	16	**-**	-	**866.3**	986.0
Lease liabilities	32	**40.0**	50.6	**-**	-
Derivative liabilities	18	**1.4**	-	**1.4**	-
Deferred tax liabilities	19	**1,257.0**	1,229.0	**5.3**	-
Other non-current liabilities	33	**74.4**	76.1	**-**	-
		3,847.3	4,351.7	**1,468.4**	1,953.9
Current liabilities					
Borrowings	31	**740.1**	708.7	**424.1**	498.1
Trade and other payables	34	**821.9**	788.5	**109.5**	111.6
Amounts due to subsidiaries	16	**-**	-	**36.4**	77.1
Derivative liabilities	18	**10.6**	12.4	**1.4**	-
Lease liabilities	32	**6.5**	9.4	**-**	-
Other current liabilities	35	**68.1**	61.8	**-**	-
		1,647.2	1,580.8	**571.4**	686.8
Liabilities classified as held for sale	28	**3.4**	-	**-**	-
Total liabilities		**5,497.9**	5,932.5	**2,039.8**	2,640.7
TOTAL EQUITY AND LIABILITIES		**18,130.7**	17,942.2	**9,624.9**	10,066.7

The notes on pages 165 to 262 form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

			Non-distributable				Distributable			
In RM million	Share capital	Treasury shares	Capital reserves	Foreign currency translation reserve	Hedging reserve	Other reserves	Retained earnings	Total attributable to owners of the parent	Non-controlling interests	Total equity
Group										
As at 1 July 2023	791.1	(309.8)	7.7	259.4	20.4	(0.4)	10,562.4	11,330.8	339.8	11,670.6
Profit for the financial year	-	-	-	-	-	-	1,109.4	1,109.4	6.9	1,116.3
Re-measurements of the defined benefit obligations	-	-	-	-	-	-	(0.2)	(0.2)	-	(0.2)
Exchange differences on translation of foreign operations	-	-	-	(164.4)	-	-	-	(164.4)	(1.2)	(165.6)
Share of other comprehensive income/ (loss) of associates	-	-	-	0.6	-	(4.9)	(0.5)	(4.8)	-	(4.8)
Hedge of interest rate risk on issuance of Guaranteed Notes due 2031	-	-	-	-	(2.8)	-	-	(2.8)	-	(2.8)
Total comprehensive (loss)/ income	-	-	-	(163.8)	(2.8)	(4.9)	1,108.7	937.2	5.7	942.9
Transactions with owners										
Dividend paid in respect of current financial year (Note 13)	-	-	-	-	-	-	(279.2)	(279.2)	-	(279.2)
Dividend paid in respect of previous financial year (Note 13)	-	-	-	-	-	-	(310.2)	(310.2)	-	(310.2)
Issuance of ordinary shares to non-controlling interest in a subsidiary (Note 41)	-	-	-	-	-	-	-	-	0.3	0.3
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(14.7)	(14.7)
As at 30 June 2024	791.1	(309.8)	7.7	95.6	17.6	(5.3)	11,081.7	11,678.6	331.1	12,009.7

The notes on pages 165 to 262 form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

			Non-distributable				Distributable			
In RM million	Share capital	Treasury shares	Capital reserves	Foreign currency translation reserve	Hedging reserve	Other reserves	Retained earnings	Total attributable to owners of the parent	Non-controlling interests	Total equity
Group										
As at 1 July 2024	**791.1**	**(309.8)**	**7.7**	**95.6**	**17.6**	**(5.3)**	**11,081.7**	**11,678.6**	**331.1**	**12,009.7**
Profit for the financial year	-	-	-	-	-	-	**1,520.6**	**1,520.6**	**15.8**	**1,536.4**
Re-measurements of the defined benefit obligations	-	-	-	-	-	-	**(0.8)**	**(0.8)**	-	**(0.8)**
Exchange differences on translation of foreign operations	-	-	-	**(251.8)**	-	-	-	**(251.8)**	-	**(251.8)**
Share of other comprehensive loss of associates	-	-	-	**(26.0)**	-	**(2.9)**	**(0.7)**	**(29.6)**	-	**(29.6)**
Hedge of interest rate risk on issuance of Guaranteed Notes due 2031	-	-	-	-	**(2.6)**	-	-	**(2.6)**	-	**(2.6)**
Total comprehensive (loss)/ income	-	-	-	**(277.8)**	**(2.6)**	**(2.9)**	**1,519.1**	**1,235.8**	**15.8**	**1,251.6**
Transactions with owners										
Dividend paid in respect of current financial year (Note 13)	-	-	-	-	-	-	**(310.2)**	**(310.2)**	-	**(310.2)**
Dividend paid in respect of previous financial year (Note 13)	-	-	-	-	-	-	**(310.2)**	**(310.2)**	-	**(310.2)**
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	**(8.1)**	**(8.1)**
As at 30 June 2025	**791.1**	**(309.8)**	**7.7**	**(182.2)**	**15.0**	**(8.2)**	**11,980.4**	**12,294.0**	**338.8**	**12,632.8**

The notes on pages 165 to 262 form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

			Distributable	
In RM million	Share capital	Treasury shares	Retained earnings	Total equity
Company				
As at 1 July 2023	791.1	(309.8)	6,729.3	7,210.6
Profit for the financial year	-	-	804.8	804.8
Total comprehensive income	-	-	804.8	804.8
Transactions with owners				
Dividend paid in respect of current financial year (Note 13)	-	-	(279.2)	(279.2)
Dividend paid in respect of previous financial year (Note 13)	-	-	(310.2)	(310.2)
As at 30 June 2024	791.1	(309.8)	6,944.7	7,426.0
As at 1 July 2024	**791.1**	**(309.8)**	**6,944.7**	**7,426.0**
Profit for the financial year	**-**	**-**	**779.5**	**779.5**
Total comprehensive income	**-**	**-**	**779.5**	**779.5**
Transactions with owners				
Dividend paid in respect of current financial year (Note 13)	**-**	**-**	**(310.2)**	**(310.2)**
Dividend paid in respect of previous financial year (Note 13)	**-**	**-**	**(310.2)**	**(310.2)**
As at 30 June 2025	**791.1**	**(309.8)**	**7,103.8**	**7,585.1**

The notes on pages 165 to 262 form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

In RM million	Note	Group 2025	Group 2024	Company 2025	Company 2024
Cash Flows From Operating Activities					
Profit before tax		**1,877.5**	1,398.5	**802.8**	816.3
Adjustments for:					
Depreciation of property, plant and equipment	14	**396.0**	388.4	**0.8**	0.8
Amortisation of intangible assets	15.2	**8.6**	8.7	**0.2**	0.1
Net fair value (gain)/loss on derivative financial instruments		**(12.9)**	(34.2)	**4.9**	3.0
Net fair value loss/(gain) on other investments		**5.5**	9.3	**0.4**	(0.1)
Impairment losses on investment in subsidiaries	16.1	**-**	-	**82.5**	-
Impairment loss on property, plant and equipment	7	**40.0**	2.5	**-**	-
Reversal of impairment losses/(Impairment losses) on advances to subsidiaries	16.2	**-**	-	**(71.3)**	16.3
Net gain on disposal of property, plant and equipment	6	**(5.4)**	(8.2)	**-**	-
Property, plant and equipment written off	7	**5.7**	3.6	**-**	0.1
Net inventories written down/(reversal of inventories written down) to net realisable value		**31.5**	(42.0)	**-**	-
Dividend income from associates		**-**	-	**(3.0)**	(3.6)
Dividend income from subsidiaries		**-**	-	**(770.1)**	(840.0)
Share of results of associates		**(348.0)**	(350.9)	**-**	-
Interest income	8	**(32.6)**	(42.2)	**(34.7)**	(133.5)
Finance costs	9	**139.8**	160.1	**92.1**	117.4
Net foreign currency translation (gain)/loss on foreign currency denominated borrowings	10	**(278.5)**	18.9	**(88.7)**	16.6
Net unrealised foreign currency translation loss/(gain)		**14.3**	(0.2)	**52.3**	36.9
Others		**(10.0)**	(9.5)	**(8.4)**	(0.3)
Operating profit before working capital changes		**1,831.5**	1,502.8	**59.8**	30.0
Increase in inventories		**(227.8)**	(63.3)	**-**	-
Increase in trade receivables		**(239.4)**	(39.2)	**-**	-
(Increase)/Decrease in other receivables, deposits and prepayments		**(9.3)**	(4.0)	**1.1**	(1.3)
Increase in trade payables		**4.8**	48.2	**-**	-
Increase/(Decrease) in other payables and accruals		**23.4**	27.5	**2.3**	(6.5)
Cash generated from operations		**1,383.2**	1,472.0	**63.2**	22.2
Retirement benefits paid	33.1	**(3.7)**	(4.7)	**-**	-
Tax refunded		**3.7**	13.4	**-**	-
Tax paid		**(340.1)**	(246.9)	**(4.1)**	(20.3)
Net cash from operating activities		**1,043.1**	1,233.8	**59.1**	1.9

The notes on pages 165 to 262 form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

In RM million	Note	Group 2025	Group 2024	Company 2025	Company 2024
Cash Flows From Investing Activities					
Dividends received from associates		**124.9**	147.1	**3.0**	3.6
Dividends received from subsidiaries		**-**	-	**770.1**	840.0
Dividends received from other investments		**3.9**	2.7	**-**	-
Interest received		**32.7**	42.3	**5.4**	3.1
Proceeds from disposal of property, plant and equipment		**6.0**	9.3	**-**	-
Return of capital contribution from other investment		**9.0**	-	**-**	-
Acquisitions of additional interests in subsidiaries		**-**	-	**(4.0)**	(1.0)
Additions to property, plant and equipment	14	**(685.8)**	(663.9)	**(1.7)**	(1.5)
Additions to investment properties		**-**	(0.3)	**-**	-
Additions to other investments		**(29.3)**	(25.6)	**-**	-
Additions to intangible assets	15.2	**(4.4)**	(5.7)	**(0.2)**	(0.1)
Additions to biological assets	25.1	**(1.0)**	(3.6)	**(0.2)**	(0.2)
Additional investment in an associate		**(87.0)**	-	**(87.0)**	-
Acquisitions of a subsidiary	16.1	**(40.0)**	-	**-**	-
Investment in a joint venture		**-**	(0.5)	**-**	-
Repayment from a joint venture		**4.8**	1.2	**4.8**	1.2
Repayment from plasma receivables		**29.1**	3.9	**-**	-
Repayment from/(Advances to) subsidiaries		**-**	-	**289.1**	(51.6)
Subscriptions of redeemable preference shares of subsidiaries		**-**	-	**(37.5)**	(82.2)
Redemptions of redeemable preference shares of subsidiaries		**-**	-	**20.6**	53.4
Net cash (used in)/from investing activities		**(637.1)**	(493.1)	**962.4**	764.7

The notes on pages 165 to 262 form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

In RM million	Note	Group 2025	Group 2024	Company 2025	Company 2024
Cash Flows From Financing Activities					
Proceeds from issuance of shares to a non-controlling interest		**-**	0.3	**-**	-
Dividends paid	13	**(620.4)**	(589.4)	**(620.4)**	(589.4)
Dividends paid to non-controlling interests		**(8.1)**	(14.7)	**-**	-
Drawdown of long term Islamic revolving credit		**88.6**	-	**88.6**	-
Repayment of Islamic financing facilities		**(136.9)**	-	**(136.9)**	-
Repayment of term loans		**(4.7)**	-	**-**	-
Net settlements of hedging instruments arising from repayments of borrowings		**(20.7)**	-	**(20.7)**	-
Net repayments of short term borrowings		**(149.5)**	(15.7)	**(255.3)**	(45.7)
Payments of lease liabilities	32.2	**(12.5)**	(12.0)	**-**	-
Payments of lease interest expense	32.2	**(3.3)**	(3.8)	**-**	-
Finance costs paid		**(137.2)**	(161.0)	**(46.5)**	(65.2)
Net cash used in financing activities		**(1,004.7)**	(796.3)	**(991.2)**	(700.3)
Net (decrease)/increase in cash and cash equivalents		**(598.7)**	(55.6)	**30.3**	66.3
Cash and cash equivalents at beginning of financial year		**2,181.7**	2,235.0	**182.0**	116.4
Effects of exchange rate changes		**(4.6)**	2.3	**2.1**	(0.7)
Cash and cash equivalents at end of financial year	36	**1,578.4**	2,181.7	**214.4**	182.0

The notes on pages 165 to 262 form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

Both the registered office and principal place of business of the Company are located at Level 29, IOI City Tower 2, Lebuh IRC, IOI Resort City, 62502 Putrajaya, Wilayah Persekutuan (Putrajaya), Malaysia.

The principal activity of the Company is that of an investment holding company.

The principal activities of the subsidiaries, associates and joint ventures are primarily involved in investment holding; oil palm cultivation and processing; commodities trading and refinery; manufacture and sales of fatty acids, soap noodles, glycerine and other oleochemical related products; manufacture and sale of plasticizer products, margarine, shortening and fat spreads; processing of oil palm trunks and other bio-matter derived from plantations to produce materials used in furniture, construction and building industries; processing of crude coconut oil; production and supply of palm-based renewable energy; as well as provision of management services and other related business activities. The principal activities and the details of the subsidiaries, associates and joint ventures are set out in Note 41 to the financial statements.

There have been no significant changes in the nature of the activities of the Group and of the Company during the financial year.

The ultimate holding company is Progressive Holdings Sdn Bhd, which is incorporated in Malaysia.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency and all financial information presented in RM are rounded to the nearest million, except where otherwise stated.

3. ADOPTION OF NEW MFRSs AND AMENDMENT TO MFRSs

3.1 Amendments to MFRSs adopted during the current financial year

Title
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*

There is no material impact upon adoption of the above Amendments to MFRSs during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

3. ADOPTION OF NEW MFRSs AND AMENDMENT TO MFRSs (Continued)

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

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

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

4. SEGMENTAL INFORMATION

The Group has two (2) reportable operating segments that are organised and managed separately according to the nature of products and services, specific expertise and technologies requirements, which require different business and marketing strategies. The reportable segments are summarised as follows:

Plantation	Cultivation of oil palm, rubber, coconut and other cash crops, and processing of palm oil
Resource-based manufacturing	Manufacturing of oleochemical and specialty oils and fats, refining of palm oil, crushing of palm kernel, and processing of oil palm trunks
Other operations	Other operations, which are not sizable to be reported separately

The Group's senior management team monitors the performance and results of its operating business units separately for the purpose of making decisions about resource allocation and regular assessment of performance in achieving the strategic priorities. Segment performance is assessed based on operating profit or loss, in certain respects as reported in the table below, is measured differently from the operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

Segment assets exclude tax assets and assets used primarily for corporate purposes.

Segment liabilities exclude tax liabilities, loans and borrowings that are managed under centralised treasury function.

Details are provided in the reconciliations from segment assets and segment liabilities to the Group position.

NOTES TO THE FINANCIAL STATEMENTS

4. SEGMENTAL INFORMATION (Continued)

		Resource-based manufacturing ("RBM")						
In RM million	Plantation	Refinery	Oleochemical	Others	Total RBM	Other operations	Elimination	Total
Group								
2025								
Revenue								
External sales	**481.6**	**6,489.2**	**4,344.1**	**0.4**	**10,833.7**	**19.4**	**-**	**11,334.7**
Inter-segment sales	**2,595.8**	**-**	**-**	**-**	**-**	**-**	**(2,595.8)**	**-**
Total revenue	**3,077.4**	**6,489.2**	**4,344.1**	**0.4**	**10,833.7**	**19.4**	**(2,595.8)**	**11,334.7**
Result								
Operating profit/(loss)	**1,328.9**	**2.6**	**55.6**	**(57.4)**	**0.8**	**2.1**	**-**	**1,331.8**
Share of results of associates	**242.3**	**-**	**3.2**	**102.5**	**105.7**	**-**	**-**	**348.0**
Share of results of joint ventures	**-**	**-**	**-**	**3.4**	**3.4**	**-**	**-**	**3.4**
Segment results before fair value adjustments	**1,571.2**	**2.6**	**58.8**	**48.5**	**109.9**	**2.1**	**-**	**1,683.2**
Net fair value gain/ (loss) on:								
Biological assets	**6.0**	**-**	**-**	**-**	**-**	**-**	**-**	**6.0**
Derivative financial instruments	**(0.7)**	**8.9**	**9.6**	**-**	**18.5**	**-**	**-**	**17.8**
Segment results	**1,576.5**	**11.5**	**68.4**	**48.5**	**128.4**	**2.1**	**-**	**1,707.0**
Assets								
Operating assets	**9,071.2**	**1,644.9**	**2,445.9**	**106.4**	**4,197.2**	**243.6**	**-**	**13,512.0**
Interests in associates	**1,415.1**	**-**	**312.4**	**1,518.3**	**1,830.7**	**-**	**-**	**3,245.8**
Interest in joint ventures	**-**	**-**	**-**	**15.0**	**15.0**	**-**	**-**	**15.0**
Segment assets	**10,486.3**	**1,644.9**	**2,758.3**	**1,639.7**	**6,042.9**	**243.6**	**-**	**16,772.8**
Liabilities								
Segment liabilities	**334.1**	**183.6**	**315.6**	**10.2**	**509.4**	**29.0**	**-**	**872.5**
Other Information								
Capital expenditure	**568.2**	**6.7**	**97.8**	**10.8**	**115.3**	**7.7**	**-**	**691.2**
Depreciation and amortisation	**285.7**	**16.2**	**87.8**	**6.4**	**110.4**	**8.5**	**-**	**404.6**
Impairment losses on property, plant and equipment	**0.8**	**-**	**-**	**39.2**	**39.2**	**-**	**-**	**40.0**
Non-cash items other than depreciation and amortisation	**9.8**	**(11.6)**	**(5.0)**	**39.3**	**22.7**	**60.3**	**-**	**92.8**

NOTES TO THE FINANCIAL STATEMENTS

4. SEGMENTAL INFORMATION (Continued)

In RM million	Plantation	Resource-based manufacturing: Refinery	Oleochemical	Others	Total RBM	Other operations	Elimination	Total
Group								
2024								
Revenue								
External sales	413.0	5,657.8	3,514.7	-	9,172.5	18.1	-	9,603.6
Inter-segment sales	2,346.8	-	-	-	-	-	(2,346.8)	-
Total revenue	2,759.8	5,657.8	3,514.7	-	9,172.5	18.1	(2,346.8)	9,603.6
Result								
Operating profit/(loss)	995.7	100.1	59.2	(17.0)	142.3	1.3	-	1,139.3
Share of results of associates	205.6	-	15.8	129.5	145.3	-	-	350.9
Share of results of joint ventures	-	-	-	4.3	4.3	-	-	4.3
Segment results before fair value adjustments	1,201.3	100.1	75.0	116.8	291.9	1.3	-	1,494.5
Net fair value gain/(loss) on:								
Biological assets	8.2	-	-	-	-	-	-	8.2
Derivative financial instruments	(0.2)	27.9	9.5	-	37.4	-	-	37.2
Segment results	1,209.3	128.0	84.5	116.8	329.3	1.3	-	1,539.9
Assets								
Operating assets	8,877.5	1,542.7	2,556.2	138.1	4,237.0	218.1	-	13,332.6
Interests in associates	1,409.5	-	307.8	1,386.0	1,693.8	-	-	3,103.3
Interest in a joint venture	-	-	-	11.1	11.1	-	-	11.1
Segment assets	10,287.0	1,542.7	2,864.0	1,535.2	5,941.9	218.1	-	16,447.0
Liabilities								
Segment liabilities	297.4	180.9	327.7	10.4	519.0	32.8	-	849.2
Other Information								
Capital expenditure	555.5	12.6	78.9	27.5	119.0	2.5	-	677.0
Depreciation and amortisation	275.3	16.0	90.4	6.4	112.8	9.1	-	397.2
Impairment loss on property, plant and equipment	2.5	-	-	-	-	-	-	2.5
Non-cash items other than depreciation and amortisation	15.4	6.5	3.2	-	9.7	43.9	-	69.0

Included in the resource-based manufacturing segment is an amount of revenue from a major customer during the financial year amounting to RM1,902.8 million (2024 – RM1,270.4 million).

NOTES TO THE FINANCIAL STATEMENTS

4. SEGMENTAL INFORMATION (Continued)

Reconciliation of reportable segment profit or loss, assets and liabilities to the Group's corresponding amounts is as follows:

In RM million	Group 2025	Group 2024
Profit or loss		
Segment results	**1,707.0**	1,539.9
Unallocated corporate net expenses	**(6.4)**	(4.6)
Profit before interest and tax	**1,700.6**	1,535.3
Interest income	**32.6**	42.2
Finance costs	**(139.8)**	(160.1)
Net foreign currency translation gain/(loss) on foreign currency denominated borrowings	**278.5**	(18.9)
Net foreign currency translation gain on foreign currency denominated deposits	**5.6**	-
Profit before tax	**1,877.5**	1,398.5
Tax expense	**(341.1)**	(282.2)
Profit for the financial year	**1,536.4**	1,116.3
Assets		
Segment assets	**16,772.8**	16,447.0
Unallocated corporate assets	**1,357.9**	1,495.2
Total assets	**18,130.7**	17,942.2
Liabilities		
Segment liabilities	**872.5**	849.2
Unallocated corporate liabilities	**4,625.4**	5,083.3
Total liabilities	**5,497.9**	5,932.5

Geographical Segments

In RM million	Malaysia	Europe	North America	Asia	Others	Consolidated
Group						
2025						
Revenue from external customers by location of customers	**3,214.3**	**1,951.4**	**236.5**	**5,449.8**	**482.7**	**11,334.7**
Segment non-current assets by location of assets *	**8,438.0**	**1,686.1**	**1.1**	**3,021.0**	**-**	**13,146.2**
Capital expenditure by location of assets	**587.4**	**27.5**	**-**	**76.3**	**-**	**691.2**
2024						
Revenue from external customers by location of customers	2,280.1	1,861.7	175.2	4,956.3	330.3	9,603.6
Segment non-current assets by location of assets *	8,291.4	1,549.2	1.3	2,914.4	-	12,756.3
Capital expenditure by location of assets	564.5	21.8	-	90.7	-	677.0

* *The amounts of non-current assets do not include financial instruments and deferred tax assets.*

NOTES TO THE FINANCIAL STATEMENTS

5. REVENUE

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Revenue from contracts with customers				
Commodities, other products and services:				
- Sales of plantation produce and related products	**481.6**	413.0	**6.6**	6.2
- Resource-based manufacturing	**10,833.7**	9,172.5	**-**	-
Management fees and advisory fees	**5.8**	5.8	**22.6**	18.4
	11,321.1	9,591.3	**29.2**	24.6
Other revenue				
Dividend income	**3.9**	2.7	**773.1**	843.6
Others	**9.7**	9.6	**-**	-
	13.6	12.3	**773.1**	843.6
Total Revenue	**11,334.7**	9,603.6	**802.3**	868.2

Disaggregation of revenue from contracts with customers is set out in Note 4 to the financial statements, which is presented based on geographical location from which the sales transactions originated. No revenue is recognised over time other than management fees and advisory fees.

5.1 Commodities, other products and services

Revenue is recognised at a point in time upon delivery of products and customer acceptance, if any, or performance of services, net of discounts.

There is no material right of return and warranty provided to the customers.

There is no significant financing component in the revenue as the revenue is made on the normal credit terms not exceeding twelve (12) months.

5.2 Management fees and advisory fees

Management fees and advisory fees are recognised over time when customers simultaneously receive and consume the benefits.

5.3 Dividend income

Dividend income is recognised when a shareholder's right to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS

6. OTHER OPERATING INCOME

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Amortisation of deferred income	**2.5**	2.5	**-**	-
Fair value gain on derivative financial instruments	**34.0**	43.3	**0.1**	-
Fair value gain on other investments	**7.0**	1.2	**-**	0.1
Fair value gain on short term funds	**31.9**	25.0	**-**	-
Fair value gain on financial guarantee contracts	**-**	-	**0.9**	0.4
Foreign currency translation gain				
- Realised	**72.0**	38.2	**109.0**	46.6
- Unrealised	**17.5**	31.8	**94.3**	11.4
Gain on disposal of property, plant and equipment	**5.4**	8.2	**-**	-
Net gain arising from changes in fair value of biological assets	**6.0**	8.2	**-**	-
Realised fair value gain on derivative financial instruments	**9.3**	6.9	**-**	0.7
Reversal of impairment losses on advances to a joint venture	**5.4**	0.6	**5.4**	0.6
Reversal of impairment losses on advances to subsidiaries (Note 16.2)	**-**	-	**71.3**	1.3
Reversal of impairment losses on trade receivables	**-**	3.6	**-**	-
Reversal of impairment losses on plasma receivables	**0.2**	-	**-**	-
Rental income	**11.0**	8.6	**-**	-
Others	**43.1**	40.3	**0.6**	-
	245.3	218.4	**281.6**	61.1

NOTES TO THE FINANCIAL STATEMENTS

7. OTHER OPERATING EXPENSES

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Depreciation of property, plant and equipment	**183.6**	179.6	**0.6**	0.5
Fair value loss on derivative financial instruments	**21.1**	9.1	**5.0**	3.0
Fair value loss on other investments	**12.5**	10.5	**0.4**	-
Fair value loss on short term funds	**10.8**	-	**-**	-
Foreign currency translation loss				
- Realised	**41.7**	93.1	**36.9**	0.6
- Unrealised	**31.8**	31.6	**146.6**	48.3
Impairment losses on property, plant and equipment	**40.0**	2.5	**-**	-
Impairment losses on investment in subsidiaries (Note 16.1)	**-**	-	**82.5**	-
Impairment losses on advances to subsidiaries	**-**	-	**-**	17.6
Impairment losses on trade receivables	**0.9**	-	**-**	-
Impairment losses on plasma receivables	**2.0**	5.5	**-**	-
Property, plant and equipment written off	**5.7**	3.6	**-**	0.1
Realised fair value loss on derivative financial instruments	**0.6**	14.6	**0.6**	-
Repair and maintenance	**50.4**	51.5	**-**	-
Research and development expenses	**8.4**	20.4	**-**	-
Rental expenses	**7.3**	6.7	**-**	-
Others	**48.7**	24.6	**12.7**	11.7
	465.5	453.3	**285.3**	81.8

NOTES TO THE FINANCIAL STATEMENTS

8. INTEREST INCOME

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Short term funds	**5.5**	15.8	**-**	-
Short term deposits	**24.2**	24.7	**4.8**	2.6
Subsidiaries	**-**	-	**29.4**	130.3
Others	**2.9**	1.7	**0.5**	0.6
	32.6	42.2	**34.7**	133.5

Interest income is recognised in profit or loss as it accrues, unless recoverability is in doubt, in which case, it is recognised on receipt basis.

9. FINANCE COSTS

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Interest expense				
Term loans	**39.8**	42.2	**-**	-
Notes	**44.7**	47.5	**-**	-
Short term loans	**15.8**	27.2	**8.6**	21.3
Lease liabilities	**3.3**	3.8	**-**	-
Subsidiaries	**-**	-	**46.3**	51.9
Others	**1.6**	2.3	**-**	0.8
	105.2	123.0	**54.9**	74.0
Profit payment on Islamic financing	**37.2**	43.4	**37.2**	43.4
Total finance costs	**142.4**	166.4	**92.1**	117.4
Less: Interest capitalised (Note 14)	**-**	(3.5)	**-**	-
Hedging reserve reclassified to profit or loss (Note 30.3)	**(2.6)**	(2.8)	**-**	-
	(2.6)	(6.3)	**-**	-
Net finance costs	**139.8**	160.1	**92.1**	117.4

NOTES TO THE FINANCIAL STATEMENTS

10. PROFIT BEFORE TAX

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
a) Other than those disclosed in Notes 6 and 7 to the financial statements, profit before tax has been arrived at after charging:				
Depreciation of property, plant and equipment	**396.0**	388.4	**0.8**	0.8
Depreciation of investment properties	**-**	0.1	**-**	-
Amortisation of intangible assets	**8.6**	8.7	**0.2**	0.1
Auditors' remuneration				
BDO PLT and affiliates				
Statutory audit	**1.3**	1.3	**0.2**	0.2
Non-statutory audit				
- tax compliance and advisory services	**0.4**	0.4	**-**	-
Member firms of BDO International				
Statutory audit	**0.3**	0.3	**-**	-
Non-statutory audit				
- tax compliance and advisory services	**-**	0.1	**-**	-
Other auditors				
Statutory audit	**0.9**	0.9	**-**	-
Inventories written down to net realisable value	**31.6**	4.8	**-**	-
Net foreign currency translation loss on foreign currency denominated borrowings	**-**	18.9	**-**	16.6
and crediting:				
Dividends received from:				
- other quoted investments in Malaysia	**2.0**	1.4	**-**	-
- other unquoted investments in Malaysia	**1.9**	1.3	**-**	-
- unquoted subsidiaries	**-**	-	**770.1**	840.0
Net foreign currency translation gain on foreign currency denominated borrowings	**278.5**	-	**88.7**	-
Net foreign currency translation gain on foreign currency denominated deposits	**5.6**	-	**5.7**	0.1
Rental income from:				
- investment properties	**3.3**	4.0	**-**	-
- others	**17.5**	16.7	**-**	-
Reversal of inventories written down to net realisable value	**0.1**	46.8	**-**	-

Rental income is accounted for on a straight-line basis over the lease term of an ongoing lease.

Cost of inventories of the Group recognised as an expense during the financial year amounted to RM6,671.6 million (2024 – RM5,106.1 million).

NOTES TO THE FINANCIAL STATEMENTS

10. PROFIT BEFORE TAX (Continued)

The Group and the Company do not present the net reversal of impairment losses/(impairment losses) on financial instruments determined in accordance with MFRS 9 separately in the statements of profit or loss, as the amounts are not material to the Group. During the financial year, the Company recognised a reversal of impairment losses amounting to RM71.3 million on advances to Indonesian subsidiaries as disclosed in Note 16.2 to the financial statements, arising from a debt restructuring exercise. The reversal was recognised in statement of profit or loss under other operating income.

b) Employee information

The employee benefits cost is as follows:

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Wages, salaries and others	**1,099.8**	1,056.9	**21.8**	20.5
Post-employment benefits	**39.1**	40.9	**2.4**	2.1
Retirement benefits expenses (Note 33.1)	**4.3**	4.7	**-**	-
	1,143.2	1,102.5	**24.2**	22.6

11. TAX EXPENSE

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Current year				
Malaysian income tax	**311.1**	253.8	**4.6**	14.8
Foreign tax	**12.9**	4.5	**-**	-
Deferred tax	**17.7**	28.2	**18.7**	(3.4)
	341.7	286.5	**23.3**	11.4
Prior years				
Malaysian income tax	**(1.1)**	(1.8)	**-**	0.1
Foreign tax	**(0.1)**	-	**-**	-
Deferred tax	**0.6**	(2.5)	**-**	-
	(0.6)	(4.3)	**-**	0.1
	341.1	282.2	**23.3**	11.5

NOTES TO THE FINANCIAL STATEMENTS

11. TAX EXPENSE (Continued)

A numerical reconciliation between average effective tax rate and applicable tax rate of the Group and of the Company is as follows:

	Group		Company	
%	**2025**	**2024**	**2025**	**2024**
Applicable tax rate	**24.00**	24.00	**24.00**	24.00
Tax effects in respect of:				
Non allowable expenses	**3.60**	6.48	**11.15**	5.89
Non-taxable income	**(5.05)**	(1.87)	**(9.26)**	(4.61)
Tax exempt income	**(0.05)**	(1.87)	**(23.11)**	(24.80)
Tax incentives and allowances	**(0.11)**	(0.40)	**-**	-
Deferred tax assets not recognised	**0.34**	0.45	**-**	-
Different tax rates in foreign jurisdiction	**0.14**	0.47	**-**	-
Share of post-tax results of associates	**(4.45)**	(6.02)	**-**	-
Share of post-tax results of joint ventures	**(0.04)**	(0.07)	**-**	-
Other items	**(0.18)**	(0.68)	**0.13**	0.92
	18.20	20.49	**2.91**	1.40
(Over)/Under provision in prior years	**(0.03)**	(0.31)	**-**	0.01
	18.17	20.18	**2.91**	1.41

Income taxes include all domestic and foreign taxes on taxable profit. Income taxes also include other taxes, such as withholding taxes on foreign dividend and interest income, real property gains taxes and capital gains taxes, if any.

Malaysian income tax is calculated at the statutory rate of 24% (2024 – 24%) of the estimated chargeable income for the year. Deferred tax is calculated on temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Other tax expenses for other tax authorities are calculated at the rates prevailing in the respective jurisdictions.

Subject to agreement with the tax authorities, certain subsidiaries of the Group have unutilised tax losses and unabsorbed capital allowances of approximately RM189.7 million (2024 – RM163.5 million), for which the related tax effects have not been recognised in the financial statements. These items are available to be carried forward for set off against future chargeable income when these subsidiaries derive future assessable income of a nature and amount sufficient for the tax losses to be utilised.

NOTES TO THE FINANCIAL STATEMENTS

12. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The basic earnings per ordinary share of the Group is calculated based on the profit for the financial year attributable to owners of the parent divided by the weighted average number of ordinary shares in issue during the financial year, after taking into consideration of treasury shares held by the Company.

	Group	
	2025	**2024**
In RM million		
Profit for the financial year attributable to owners of the parent	**1,520.6**	1,109.4
In million		
Weighted average number of ordinary shares in issue	**6,203.7**	6,203.7
In sen		
Basic earnings per ordinary share	**24.51**	17.88

Diluted earnings per ordinary share

The diluted earnings per ordinary share of the Group is calculated based on the profit for the financial year attributable to owners of the parent divided by the adjusted weighted average number of ordinary shares after taking into consideration all potential dilutive ordinary shares.

There is no dilution in earnings per ordinary share as there are no dilutive potential ordinary shares.

13. DIVIDENDS

	Group and Company	
In RM million	**2025**	**2024**
First interim single tier dividend in respect of financial year ended 30 June 2025 declared and paid of 5.0 sen per ordinary share	**310.2**	-
Second interim single tier dividend in respect of financial year ended 30 June 2024 declared and paid of 5.0 sen per ordinary share	**310.2**	-
First interim single tier dividend in respect of financial year ended 30 June 2024 declared and paid of 4.5 sen per ordinary share	**-**	279.2
Second interim single tier dividend in respect of financial year ended 30 June 2023 declared and paid of 5.0 sen per ordinary share	**-**	310.2
	620.4	589.4

On 28 August 2025, the Board of Directors declared a second interim single tier dividend of 5.5 sen per ordinary share, amounting to RM341.2 million in respect of the financial year ended 30 June 2025. The dividend is payable on 25 September 2025 to shareholders whose names appear in the Record of Depositors and Register of Members of the Company at the close of business on 17 September 2025.

No final dividend has been recommended by the Board of Directors for the financial year ended 30 June 2025.

NOTES TO THE FINANCIAL STATEMENTS

14. PROPERTY, PLANT AND EQUIPMENT

Group
2025

In RM million	At beginning of financial year	Additions	Acquisition of a subsidiary (Note 16.1(vii))	Disposals	Foreign currency translation differences	Write-offs	Reclassifi-cations	Reclassified to assets held for sale	Reassessments and modifications of leases	At end of financial year
At cost										
Freehold land	**1,860.8**	**9.2**	**-**	**-**	**(0.2)**	**-**	**-**	**-**	**-**	**1,869.8**
Leasehold land	**3,847.2**	**2.5**	**44.7**	**-**	**(0.1)**	**-**	**-**	**(17.8)**	**(2.7)**	**3,873.8**
Land use rights	**50.5**	**-**	**-**	**-**	**(4.8)**	**-**	**-**	**-**	**-**	**45.7**
Bearer plants	**3,131.3**	**283.4**	**-**	**-**	**(37.8)**	**(178.9)**	**-**	**-**	**-**	**3,198.0**
Buildings and improvements	**1,327.7**	**51.2**	**0.4**	**(0.5)**	**(9.7)**	**(2.6)**	**63.7**	**(10.9)**	**0.2**	**1,419.5**
Plant and machinery	**3,242.6**	**119.5**	**-**	**(9.3)**	**(16.5)**	**(14.7)**	**92.3**	**(27.3)**	**(1.7)**	**3,384.9**
Construction in progress	**237.9**	**185.9**	**-**	**-**	**(8.8)**	**-**	**(191.3)**	**(0.7)**	**-**	**223.0**
Other property, plant and equipment	**720.4**	**36.3**	**-**	**(1.9)**	**(6.1)**	**(3.1)**	**35.3**	**(5.2)**	**-**	**775.7**
	14,418.4	**688.0**	**45.1**	**(11.7)**	**(84.0)**	**(199.3)**	**-**	**(61.9)**	**(4.2)**	**14,790.4**

In RM million	At beginning of financial year	Current year depreciation charge	Disposals	Foreign currency translation differences	Write-offs	Reclassified to assets held for sale	Reassessments and modifications of leases	At end of financial year
Accumulated depreciation								
Leasehold land	**553.6**	**54.2**	**-**	**-**	**-**	**(3.3)**	**(0.3)**	**604.2**
Land use rights	**3.7**	**1.4**	**-**	**(0.4)**	**-**	**-**	**-**	**4.7**
Bearer plants	**1,220.1**	**100.4**	**-**	**(7.6)**	**(175.5)**	**-**	**-**	**1,137.4**
Buildings and improvements	**743.8**	**48.6**	**(0.4)**	**(4.9)**	**(2.2)**	**(7.6)**	**-**	**777.3**
Plant and machinery	**2,230.7**	**152.3**	**(8.8)**	**(9.0)**	**(12.8)**	**(21.4)**	**(1.0)**	**2,330.0**
Other property, plant and equipment	**412.5**	**39.1**	**(1.9)**	**(3.0)**	**(3.1)**	**(4.3)**	**-**	**439.3**
	5,164.4	**396.0**	**(11.1)**	**(24.9)**	**(193.6)**	**(36.6)**	**(1.3)**	**5,292.9**

In RM million	At beginning of financial year	Current year impairment losses	At end of financial year
Accumulated impairment losses			
Leasehold land	**3.2**	**-**	**3.2**
Bearer plants	**18.7**	**0.8**	**19.5**
Buildings and improvements	**2.0**	**-**	**2.0**
Plant and machinery	**0.1**	**39.2**	**39.3**
Other property, plant and equipment	**0.9**	**-**	**0.9**
	24.9	**40.0**	**64.9**

NOTES TO THE FINANCIAL STATEMENTS

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Group
2024

In RM million	At beginning of financial year	Additions	Disposals	Foreign currency translation differences	Write-offs	Reclassifi-cations	Reassessments and modifications of leases	At end of financial year
At cost								
Freehold land	1,861.1	0.6	(1.1)	(0.1)	-	0.3	-	1,860.8
Leasehold land	3,844.2	3.1	-	(0.1)	-	-	-	3,847.2
Land use rights	43.8	10.7	-	(4.0)	-	-	-	50.5
Bearer plants	3,075.3	247.3	-	(33.2)	(158.1)	-	-	3,131.3
Buildings and improvements	1,209.3	21.3	-	(7.5)	(2.9)	107.4	0.1	1,327.7
Plant and machinery	3,035.3	102.2	(0.6)	(12.3)	(14.7)	134.2	(1.5)	3,242.6
Construction in progress	268.3	253.2	-	(3.2)	-	(280.4)	-	237.9
Other property, plant and equipment	652.7	38.9	(0.9)	(4.6)	(4.2)	38.5	-	720.4
	13,990.0	677.3	(2.6)	(65.0)	(179.9)	-	(1.4)	14,418.4

In RM million	At beginning of financial year	Current year depreciation charge	Disposals	Foreign currency translation differences	Write-offs	Reassessments and modifications of leases	At end of financial year
Accumulated depreciation							
Leasehold land	499.6	54.0	-	-	-	-	553.6
Land use rights	2.4	1.5	-	(0.2)	-	-	3.7
Bearer plants	1,267.6	113.6	-	(5.7)	(155.4)	-	1,220.1
Buildings and improvements	703.3	46.6	-	(3.5)	(2.6)	-	743.8
Plant and machinery	2,116.4	136.0	(0.6)	(6.5)	(14.1)	(0.5)	2,230.7
Other property, plant and equipment	383.1	36.7	(0.9)	(2.2)	(4.2)	-	412.5
	4,972.4	388.4	(1.5)	(18.1)	(176.3)	(0.5)	5,164.4

In RM million	At beginning of financial year	Current year impairment loss	At end of financial year
Accumulated impairment losses			
Leasehold land	3.2	-	3.2
Bearer plants	16.2	2.5	18.7
Buildings and improvements	2.0	-	2.0
Plant and machinery	0.1	-	0.1
Other property, plant and equipment	0.9	-	0.9
	22.4	2.5	24.9

NOTES TO THE FINANCIAL STATEMENTS

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Company
2025

In RM million	At beginning of financial year	Additions	At end of financial year
At cost			
Freehold land	**71.9**	**-**	**71.9**
Bearer plants	**14.4**	**1.2**	**15.6**
Other property, plant and equipment	**2.0**	**0.5**	**2.5**
	88.3	**1.7**	**90.0**

In RM million	At beginning of financial year	Current year depreciation charge	At end of financial year
Accumulated depreciation			
Bearer plants	**3.5**	**0.5**	**4.0**
Other property, plant and equipment	**1.6**	**0.3**	**1.9**
	5.1	**0.8**	**5.9**

2024

In RM million	At beginning of financial year	Additions	Write-offs	At end of financial year
At cost				
Freehold land	71.9	-	-	71.9
Bearer plants	16.8	1.5	(3.9)	14.4
Other property, plant and equipment	2.0	-	-	2.0
	90.7	1.5	(3.9)	88.3

In RM million	At beginning of financial year	Current year depreciation charge	Write-offs	At end of financial year
Accumulated depreciation				
Bearer plants	6.8	0.5	(3.8)	3.5
Other property, plant and equipment	1.3	0.3	-	1.6
	8.1	0.8	(3.8)	5.1

NOTES TO THE FINANCIAL STATEMENTS

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Group		Company	
In RM million	2025	2024	2025	2024
Carrying amount				
Freehold land	**1,869.8**	1,860.8	**71.9**	71.9
Leasehold land	**3,266.4**	3,290.4	**-**	-
Land use rights	**41.0**	46.8	**-**	-
Bearer plants	**2,041.1**	1,892.5	**11.6**	10.9
Buildings and improvements	**640.2**	581.9	**-**	-
Plant and machinery	**1,015.6**	1,011.8	**-**	-
Construction in progress	**223.0**	237.9	**-**	-
Other property, plant and equipment	**335.5**	307.0	**0.6**	0.4
	9,432.6	9,229.1	**84.1**	83.2

Included in the Group's property, plant and equipment are right-of-use assets as follows:

In RM million	Leasehold land	Land use rights	Buildings and improvements	Plant and machinery	Total
Group					
2025					
At cost					
At beginning of financial year	**3,847.2**	**50.5**	**31.6**	**28.9**	**3,958.2**
Acquisition of a subsidiary	**44.7**	**-**	**-**	**-**	**44.7**
Additions	**2.5**	**-**	**0.1**	**2.1**	**4.7**
Reassessments and modifications of leases	**(2.7)**	**-**	**0.2**	**(1.7)**	**(4.2)**
Write-offs	**-**	**-**	**-**	**(1.0)**	**(1.0)**
Reclassified to assets held for sale	**(17.8)**	**-**	**-**	**-**	**(17.8)**
Foreign currency translation differences	**(0.1)**	**(4.8)**	**(0.6)**	**-**	**(5.5)**
At end of financial year	**3,873.8**	**45.7**	**31.3**	**28.3**	**3,979.1**
Accumulated depreciation					
At beginning of financial year	**553.6**	**3.7**	**20.3**	**14.9**	**592.5**
Current year depreciation charge	**54.2**	**1.4**	**4.6**	**6.5**	**66.7**
Reassessments and modifications of leases	**(0.3)**	**-**	**-**	**(1.0)**	**(1.3)**
Write-offs	**-**	**-**	**-**	**(1.0)**	**(1.0)**
Reclassified to assets held for sale	**(3.3)**	**-**	**-**	**-**	**(3.3)**
Foreign currency translation differences	**-**	**(0.4)**	**(0.3)**	**-**	**(0.7)**
At end of financial year	**604.2**	**4.7**	**24.6**	**19.4**	**652.9**
Accumulated impairment loss					
At beginning of financial year/ At end of financial year	**3.2**	**-**	**-**	**-**	**3.2**
Carrying amount					
At end of financial year	**3,266.4**	**41.0**	**6.7**	**8.9**	**3,323.0**

NOTES TO THE FINANCIAL STATEMENTS

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Included in the Group's property, plant and equipment are right-of-use assets as follows (Continued):

In RM million	Leasehold land	Land use rights	Buildings and improvements	Plant and machinery	Total
Group					
2024					
At cost					
At beginning of financial year	3,844.2	43.8	28.3	26.4	3,942.7
Additions	3.1	10.7	3.6	4.0	21.4
Reassessments and modifications of leases	-	-	0.1	(1.5)	(1.4)
Write-offs	-	-	(0.3)	-	(0.3)
Foreign currency translation differences	(0.1)	(4.0)	(0.1)	-	(4.2)
At end of financial year	3,847.2	50.5	31.6	28.9	3,958.2
Accumulated depreciation					
At beginning of financial year	499.6	2.4	16.3	9.0	527.3
Current year depreciation charge	54.0	1.5	4.4	6.4	66.3
Reassessments and modifications of leases	-	-	-	(0.5)	(0.5)
Write-offs	-	-	(0.3)	-	(0.3)
Foreign currency translation differences	-	(0.2)	(0.1)	-	(0.3)
At end of financial year	553.6	3.7	20.3	14.9	592.5
Accumulated impairment loss					
At beginning of financial year/ At end of financial year	3.2	-	-	-	3.2
Carrying amount					
At end of financial year	3,290.4	46.8	11.3	14.0	3,362.5

Leasehold land for which the Group has land titles (excluding those reclassified to assets held for sale) during the financial year amounted to RM3,265.5 million (2024 – RM3,285.8 million).

Included in the Group's bearer plants was an amount of interest expense capitalised amounting to RM3.5 million in the previous financial year and interest was capitalised at 7.29% per annum.

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

An impairment loss on property, plant and equipment amounting to RM40.0 million (2024 – RM2.5 million) had been recognised in statement of profit or loss under other operating expenses during the financial year due to the recoverable amounts of the property, plant and equipment in certain CGUs, which is determined based on estimation of value-in-use, is lower than the carrying amounts.

NOTES TO THE FINANCIAL STATEMENTS

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Impairment testing on property, plant and equipment of a non-CPO subsidiary

A substantial amount of the impairment loss on property, plant and equipment was from a non-CPO subsidiary of the Group, i.e. IOI Palm Wood Sdn Bhd ("IOI Palm Wood"). The subsidiary is undergoing product development and process improvement to gain the engineering, operational and technical skill to produce high quality and performance palm wood boards and panel in the factory located in Segamat, Johor. The indication of impairment was determined by considering both internal and external factors including low sales performance affecting profitability, market demand and underperformance of certain assets used in the production processes to generate future economic benefits.

Measurement of the recoverable amount of the CGU was determined via value-in-use approach using a pre-tax discount rate of 8.40% per annum. Management has made estimates about the future financial results and underlying key assumptions applied to cash flows forecast over the average economic useful life of the assets covering a period of eighteen years. The underlying key assumptions applied include forecasted expansion in future revenue and profit margins, as well as determining appropriate pre-tax discount rate and growth rates. As a result, the recoverable amount of the CGU was lower than the carrying amount of the CGU. Therefore, an impairment loss of RM39.2 million was recognised during the financial year, and the carrying amount of the CGU was reduced to their recoverable amount of RM89.4 million as at 30 June 2025.

Management will continue to monitor the performance of this CGU and reassess their recoverable amounts should any opportunity of impairment reversal arise.

Capital expenditure for climate change mitigation

In line with the Group's commitment to sustainability, the Group has progressively undertaken various sustainability initiatives and investments within its operations. The investments in biogas plants and biogas engine focuses on harnessing waste to produce renewable energy. The biogas plant captures methane from decomposing material i.e. the palm oil mill effluents ("POME") and reduces greenhouse gas emission. The biogas engine further converts the methane captured to renewable energy sources, offering a sustainable energy solution for our mills and estate facilities. The Group has also undertaken investments in biomass and co-generation plants, heat recovery projects, energy efficient equipment, water stewardship programmes to mitigate water risk such as installation of anti-flood bunds, rainwater harvesting system, wastewater recycling system, and installation of solar panels on the rooftops of its main offices and canteen to reduce the dependency on fossil fuels at its oleochemical and refinery complexes.

In addition, the Group's non-CPO subsidiary, its palm wood manufacturing plant, contributes to sustainable innovation by converting oil palm trunks ("OPT"), a biomass of the plantation sector, into eco-friendly, sustainable non-tropical wood panels. Oil palm replantation generally occurs every twenty-five (25) years, during which felled OPT is left to decompose naturally in the plantations to enrich the soil. By repurposing the OPT, the Group promotes circular resource utilisation and supports carbon capture efforts, helping to mitigate the adverse impacts of climate change.

As at 30 June 2025, the Group incurred a total capital expenditure of RM386.0 million (2024 – RM342.6 million) for climate change mitigation. The breakdown of the costs is as follows:

	Group	
In RM million	**2025**	**2024**
At cost		
Plant and machinery	**323.2**	286.5
Buildings and improvements	**43.9**	43.6
Other property, plant and equipment	**18.9**	12.5
Total capital expenditure	**386.0**	342.6

NOTES TO THE FINANCIAL STATEMENTS

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment:

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Additions to property, plant and equipment	**688.0**	677.3	**1.7**	1.5
Interest capitalised (Note 9)	**-**	(3.5)	**-**	-
Additions via lease liabilities (Note 32.2)	**(2.2)**	(9.9)	**-**	-
Cash payments on purchase of property, plant and equipment	**685.8**	663.9	**1.7**	1.5

14.1 Property, plant and equipment excluding right-of-use assets

All items of property, plant and equipment excluding right-of-use assets are initially measured at cost.

After initial recognition, property, plant and equipment excluding right-of-use assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Bearer plants are living plants that are used in the production or supply of agriculture produce for more than one period and have remote likelihood of being sold as agriculture produce, except for incidental scrap sales. The bearer plants that are available for use are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes plantation expenditure, which represents the total cost incurred from land clearing to the point of harvesting. Bearer plants have an average life cycle of twenty-five (25) years with the first three (3) years as immature bearer plants and the remaining years as mature bearer plants. The mature bearer plants are depreciated over their remaining useful lives of twenty-two (22) years on a straight-line basis. The immature bearer plants are not depreciated until such time when they are available for use.

Freehold land has an unlimited useful life and therefore is not depreciated.

Construction in progress is not depreciated until such time when the asset is available for use.

Other property, plant and equipment are depreciated on the straight-line basis so as to write-off the cost of the assets over their estimated useful lives. The principal depreciation annual rates are as follows:

Buildings and improvements	2% to 10%
Plant and machinery	4% to 20%
Other property, plant and equipment	4% to 33%

14.2 Right-of-use assets under property, plant and equipment

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

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

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

Leasehold land	over the lease periods from 4 to 99 years
Land use rights	over the lease periods of up to 35 years
Buildings and improvements	over the lease periods from 2 to 10 years
Plant and machinery	over the lease periods from 2 to 5 years

NOTES TO THE FINANCIAL STATEMENTS

15. INTANGIBLE ASSETS

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Goodwill (Note 15.1)	**339.6**	335.5	**-**	-
Other intangible assets (Note 15.2)	**66.5**	76.3	**0.7**	0.7
	406.1	411.8	**0.7**	0.7

15.1 Goodwill

	Group	
In RM million	**2025**	**2024**
At cost		
At beginning of financial year	**337.5**	337.5
Acquisition of a subsidiary (Note 16.1(vii))	**5.4**	-
Reclassified to assets held for sale (Note 28)	**(1.2)**	-
Foreign currency translation differences	**(0.1)**	-
	341.6	337.5
Less: Impairment losses	**(2.0)**	(2.0)
	339.6	335.5

The goodwill recognised on the acquisitions was attributable mainly to the skills and technical talents of the acquired business's work force and the synergies expected to be achieved from integrating the company into the Group's existing business.

For the purpose of impairment testing, goodwill is allocated to the Group's CGUs identified according to the operating segments as follows:

	Group	
In RM million	**2025**	**2024**
Plantation	**130.7**	126.5
Resource-based manufacturing	**208.9**	209.0
	339.6	335.5

Goodwill is tested for impairment on an annual basis by comparing the carrying amount with the recoverable amount of the CGUs based on estimation of the value-in-use, which requires significant judgements, estimates about the future results and key assumptions made by the management. Value-in-use is determined by discounting the future cash flows to be generated from the continuing use of the CGUs based on the following assumptions:

i. Cash flows are projected based on the management's most recent five-year business plan with terminal value for all companies with the exception of plantation companies. For plantation companies, cash flows are projected based on the average life cycle of oil palm trees.

ii. Discount rate used for cash flows discounting purpose is the Group's weighted average cost of capital adjusted for specific risks relating to the relevant segments. The average discount rate applied for cash flow projections is 8.40% (2024 – 8.30%).

iii. Growth rates for the plantation segment are determined based on the management's estimate of commodity prices, Fresh Fruit Bunches ("FFB") yields, oil extraction rates and also costs of production whilst growth rates of other segments are determined based on the industry trends and past performances of the segments. CPO price is based on average historical price in the previous financial years while FFB yields are based on the average yields achieved in the previous financial years throughout the life cycle of oil palm trees.

iv. Profit margins are projected based on the industry trends and historical profit margins achieved.

NOTES TO THE FINANCIAL STATEMENTS

15. INTANGIBLE ASSETS (Continued)

15.1 Goodwill (Continued)

The management is not aware of any reasonably possible change in the above key assumptions that would cause the carrying amounts of the CGUs to materially exceed their recoverable amounts, except for the recoverable amounts of two resource-based manufacturing CGUs, which are sensitive to changes in certain key assumptions as follows:

i. IOI Pan-Century Edible Oils Sdn Bhd: A decrease in average profit margin by 0.34%, with all other variables held constant, will result in a breakeven outcome.

ii. IOI Pan-Century Oleochemicals Sdn Bhd: A decrease in revenue growth rate by 0.70%, with all other variables held constant, will result in a breakeven outcome.

15.2 Other intangible assets

In RM million	Brand names	Computer software	Total
Group			
2025			
At cost			
At beginning of financial year	**66.8**	**61.2**	**128.0**
Additions	**-**	**4.4**	**4.4**
Write-off	**-**	**(12.1)**	**(12.1)**
At end of financial year	**66.8**	**53.5**	**120.3**
Accumulated amortisation			
At beginning of financial year	**26.8**	**24.9**	**51.7**
Current year amortisation charge	**1.7**	**6.9**	**8.6**
Write-off	**-**	**(6.5)**	**(6.5)**
At end of financial year	**28.5**	**25.3**	**53.8**
Carrying amount			
At end of financial year	**38.3**	**28.2**	**66.5**
2024			
At cost			
At beginning of financial year	66.8	55.5	122.3
Additions	-	5.7	5.7
At end of financial year	66.8	61.2	128.0
Accumulated amortisation			
At beginning of financial year	25.0	18.0	43.0
Current year amortisation charge	1.8	6.9	8.7
At end of financial year	26.8	24.9	51.7
Carrying amount			
At end of financial year	40.0	36.3	76.3

NOTES TO THE FINANCIAL STATEMENTS

15. INTANGIBLE ASSETS (Continued)

15.2 Other intangible assets (Continued)

The carrying amount of the Company's computer software was RM0.7 million (2024 – RM0.7 million) as of 30 June 2025, with cost of RM1.3 million (2024 – RM1.1 million) and accumulated amortisation of RM0.6 million (2024 – RM0.4 million). During the financial year, there were additions of RM0.2 million (2024 – RM0.1 million) and amortisation charge of RM0.2 million (2024 – RM0.1 million).

Other intangible assets are initially measured at cost of acquisition.

After initial recognition, other intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

Brand names

The costs of brand names recognised in a business combination are their fair values as at the date of acquisition. Brand names with finite lives are amortised on a straight-line basis over the estimated economic useful lives ranging from three (3) to thirty (30) years.

Computer software

Computer software that do not form an integral part of the related hardware are treated as intangible assets with finite lives and are amortised on a straight-line basis over the estimated useful lives ranging from five (5) to ten (10) years.

Computer software are not amortised until such time when the assets are available for use.

16. SUBSIDIARIES

16.1 Investments in subsidiaries

	Company	
In RM million	**2025**	**2024**
At cost		
Unquoted shares in Malaysia	**6,321.2**	6,175.0
Unquoted shares outside Malaysia	**1,657.9**	609.2
	7,979.1	6,784.2
Less: Impairment losses	**(131.2)**	(48.7)
	7,847.9	6,735.5

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses, if any.

If a subsidiary uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstance, appropriate adjustments are made to its financial statements in preparing the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

16. SUBSIDIARIES (Continued)

16.1 Investments in subsidiaries (Continued)

Components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are initially measured at either fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Details of the subsidiaries are set out in Note 41 to the financial statements.

2025

During the financial year, the following changes in the investments in subsidiaries were effected:

i. subscribed for an additional 179,998 ordinary shares and 420,000 redeemable preference shares in Luminous Aspect Sdn Bhd with total cash payments of RM0.6 million.

ii. subscribed for an additional 2,499,998 ordinary shares and 7,100,000 redeemable preference shares in IOI Coconut Oil Sdn Bhd with total cash payments of RM9.6 million.

iii. subscribed for an additional 1,659,998 ordinary shares equivalent to RM1.6 million in IOI Paper Pulp Sdn Bhd. The subscription was partially settled by cash payments of RM1.3 million and the remaining amount of RM0.3 million was settled via the conversion of the amount due from IOI Paper Pulp Sdn Bhd to equity.

iv. subscribed for an additional 155,000,000 redeemable preference shares equivalent to RM155.0 million in IOI Palm Wood Sdn Bhd. The subscription was partially settled by cash payments of RM30.0 million and the remaining amount of RM125.0 million was settled via the conversion of the amount due from IOI Palm Wood Sdn Bhd to equity.

v. subscribed for an additional 312,351,939 redeemable preference shares equivalent to RM1,048.7 million in Oleander Capital Resources Pte Ltd.

During the financial year, the Group completed a debt restructuring exercise involving the Company, PT Sawit Nabati Agro and its subsidiaries ("PT SNA Group") and Oleander Capital Resources Pte Ltd ("Oleander"). In connection with the debt restructuring exercise, PT SNA Group novated the amounts due to the Company amounting to USD299.8 million (equivalent to RM1,048.7 million) to Oleander, and this amount was subsequently settled via the conversion of amount due from Oleander to equity as disclosed above.

vi. redeemed 20,600,000 redeemable preference shares in IOI Plantation Sdn Bhd with total redemption amount of RM20.6 million.

vii. acquisition of a subsidiary:

On 16 October 2024, Morisem Sdn Bhd, a wholly owned subsidiary of the Company, has entered into a Share Purchase Agreement to acquire 11.3 million ordinary shares, representing 100% of the issued and paid-up share capital of Plus Bumimas Sdn Bhd ("Plus Bumimas") for a total purchase consideration of RM37.4 million. Plus Bumimas is principally involved in oil palm cultivation.

NOTES TO THE FINANCIAL STATEMENTS

16. SUBSIDIARIES (Continued)

16.1 Investments in subsidiaries (Continued)

vii. acquisition of a subsidiary: (Continued)

The fair value of identifiable assets and liabilities acquired and the effects on cash flows arising from the acquisition were determined as follows:

In RM million	**Group**
Property, plant and equipment	**45.1**
Other assets	**0.6**
Borrowings and overdrafts	**(7.3)**
Deferred tax liabilities	**(6.4)**
Other payables	**- ***
Total identifiable net assets	**32.0**
Goodwill	**5.4**
Purchase consideration	**37.4**
Net cash and cash equivalents acquired (bank overdrafts)	**2.6**
Net cash outflow on acquisition, net of cash and cash equivalents acquired	**40.0**

* amount is negligible

Had the acquisition occurred on 1 July 2024, it would not have any material effect on the earnings, net assets or gearing of the Group for the financial year ended 30 June 2025.

Impairment testing on costs of investments in subsidiaries

Impairment losses on costs of investments in subsidiaries amounting to RM82.5 million have been recognised in statement of profit or loss under other operating expenses during the financial year due to the recoverable amounts are lower than their carrying amounts. The recoverable amount of the CGUs was determined based on the value-in-use approach. The underlying key assumptions applied in the impairment assessment are similar to the impairment assessment on the goodwill, which have been set out in Note 15.1 to the financial statements.

The management is not aware of any reasonably possible change in the above key assumptions that would cause the carrying amounts of the CGUs to materially exceed their recoverable amounts, except for the recoverable amount of the Indonesian plantation CGU, where a decrease in gross profit margin by 0.50% or increase in pre-tax discount rate by 0.30%, with all other variables held constant, will result in a breakeven outcome.

IOI Palm Wood Sdn Bhd ("IOI Palm Wood")

As at 30 June 2025, the carrying amount of the Company's investment cost in IOI Palm Wood amounted to RM97.7 million, net of impairment loss of RM76.5 million recognised during the financial year. This impairment loss was primarily due to the under performance of operations.

Separately, the Group has recognised an impairment loss on property, plant and equipment relating to IOI Palm Wood amounting to RM39.2 million during the financial year as disclosed in Note 14 to the financial statements. The accumulated losses of IOI Palm Wood have been consolidated and recognised at the Group level and are reflected in the statement of profit or loss as and when incurred.

Measurement of the recoverable amount of IOI Palm Wood was determined via value-in-use approach. The underlying key assumptions applied in the impairment assessment are similar to the impairment assessment on the property, plant and equipment, which have been set out in Note 14 to the financial statements, as well as determining appropriate disposal value of assets.

NOTES TO THE FINANCIAL STATEMENTS

16. SUBSIDIARIES (Continued)

16.2 Amounts due from and to subsidiaries

The amounts due from and to subsidiaries represent outstanding amounts arising from inter-company sales and purchases, both at normal credit terms, advances and payments made on behalf of or by subsidiaries, which are unsecured and interest-free except for amounts due from subsidiaries amounting to RM642.7 million (2024 – RM2,275.1 million), which bear interest at rates ranging from 2.54% to 7.34% (2024 – 2.61% to 7.29%) per annum and amounts due to subsidiaries amounting to RM886.3 million (2024 – RM1,046.0 million), which bear interest at rates ranging from 4.33% to 4.66% (2024 – 1.87% to 4.67%) per annum.

The current amounts due from and to subsidiaries are payable within the next twelve (12) months in cash and cash equivalents. The non-current amounts due from and to subsidiaries are either not payable within the next twelve (12) months or payable on a back-to-back basis with the corresponding borrowings of the Group. The carrying amounts of non-current amounts due from and to subsidiaries approximate their fair values as their interest rates are priced at reasonable approximation of the market interest rates as at the end of the reporting period.

Impairment for amounts due from subsidiaries are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss ("ECL") model as disclosed in Note 22.2 to the financial statements. During the financial year, the Company recognised a reversal of impairment losses amounting to RM71.3 million on advances to Indonesian subsidiaries, arising from a debt restructuring exercise as disclosed in Note 16.1(v). The reversal was recognised in statement of profit or loss under other operating income.

The reconciliation of movements in the impairment losses accounts for amounts due from subsidiaries is as follows:

In RM million	**Lifetime ECL – not credit impaired**	**Lifetime ECL – credit impaired**	**Total**
Company			
2025			
At beginning of financial year	**72.6**	**1.6**	**74.2**
Reversal of impairment losses	**(71.3)**	**-**	**(71.3)**
At end of financial year	**1.3**	**1.6**	**2.9**
2024			
At beginning of financial year	56.3	1.6	57.9
Charge for the financial year	17.6	-	17.6
Reversal of impairment losses	(1.3)	-	(1.3)
At end of financial year	72.6	1.6	74.2

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

16.3 Material non-controlling interests

The Group does not have any subsidiary that has non-controlling interests, which are individually material to the Group as at 30 June 2025.

NOTES TO THE FINANCIAL STATEMENTS

17. ASSOCIATES

17.1 Investments in associates

	Group		**Company**	
In RM million	**2025**	**2024**	**2025**	**2024**
At cost				
Shares quoted outside Malaysia	**434.0**	434.0	**-**	-
Unquoted shares outside Malaysia	**1,159.5**	1,072.5	**745.3**	658.3
Unquoted shares in Malaysia	**86.9**	86.9	**24.9**	24.9
	1,680.4	1,593.4	**770.2**	683.2
Share of post-acquisition results and reserves	**1,565.4**	1,509.9	**-**	-
	3,245.8	3,103.3	**770.2**	683.2
At Market Value				
Shares quoted outside Malaysia	**1,420.3**	1,373.3	**-**	-

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses, if any. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting based on the latest financial statements of the associates concerned, from the date significant influence commences until the date the Group ceases to have significant influence over the associates. The investments in associates in the consolidated statement of financial position are initially recognised at cost and adjusted thereafter for the post-acquisition changes in the Group's share of net assets of the investments.

Details of the associates are set out in Note 41 to the financial statements.

During the financial year, the Company made a cash contribution of RM87.0 million to an associate, namely Bunge Loders Croklaan Group BV ("BLC") for the investment in the ongoing construction of a new integrated tropical oil and specialty fats manufacturing complex in Amsterdam, the Netherlands.

NOTES TO THE FINANCIAL STATEMENTS

17. ASSOCIATES (Continued)

17.2 Material associates and summary of financial information

The Group regards Bumitama Agri Ltd ("Bumitama") and BLC as material associates.

Bumitama

The summary of unaudited financial information of Bumitama for the periods ended 30 June 2025 and 30 June 2024 are summarised as follows:

	Bumitama	
In RM million	**2025**	**2024**
Assets and liabilities		
Current assets	**1,396.7**	1,377.5
Non-current assets	**4,212.9**	4,342.8
Total assets	**5,609.6**	5,720.3
Current liabilities	**(344.8)**	(326.2)
Non-current liabilities	**(949.8)**	(1,026.8)
Total liabilities	**(1,294.6)**	(1,353.0)
Net assets	**4,315.0**	4,367.3
Non-controlling interests	**(588.7)**	(637.8)
Net assets attributable to shareholders of Bumitama	**3,726.3**	3,729.5
Results		
Revenue	**5,069.1**	4,613.9
Profit for the financial period	**725.0**	629.1
Other comprehensive income/(loss)	**26.3**	(35.7)
Total comprehensive income	**751.3**	593.4

NOTES TO THE FINANCIAL STATEMENTS

17. ASSOCIATES (Continued)

17.2 Material associates and summary of financial information (Continued)

BLC

The summary of unaudited financial information of BLC for the periods ended 30 June 2025 and 30 June 2024 are summarised as follows:

	BLC	
In RM million	**2025**	**2024**
Assets and liabilities		
Current assets	**3,854.3**	4,063.9
Non-current assets	**4,598.4**	3,759.4
Total assets	**8,452.7**	7,823.3
Current liabilities	**(1,104.3)**	(1,111.7)
Non-current liabilities	**(897.2)**	(922.3)
Total liabilities	**(2,001.5)**	(2,034.0)
Net assets attributable to shareholders of BLC	**6,451.2**	5,789.3
Results		
Revenue	**10,373.3**	9,985.8
Profit for the financial period	**512.0**	647.2
Other comprehensive (loss)/income	**(196.8)**	33.7
Total comprehensive income	**315.2**	680.9

The information above represents the unaudited amounts in the financial statements of associates and does not reflect the Group's proportionate share in those amounts.

NOTES TO THE FINANCIAL STATEMENTS

17. ASSOCIATES (Continued)

17.2 Material associates and summary of financial information (Continued)

The reconciliation of the above summarised unaudited financial information to the carrying amount of the Group's interests in associates is as follows:

In RM million	**Bumitama**	**BLC**
2025		
Net assets attributable to shareholders of associates	**3,726.3**	**6,451.2**
Proportion of ownership interest held by the Group	**32.10%**	**20.00%**
Group's share of net assets	**1,196.1**	**1,290.3**
Goodwill	**168.7**	**-**
Gain on re-measurement	**-**	**228.0**
Carrying amount of the Group's interests in associates	**1,364.8**	**1,518.3**
Dividend received during the financial year	**121.9**	**-**
2024		
Net assets attributable to shareholders of associates	3,729.5	5,789.3
Proportion of ownership interest held by the Group	32.10%	20.00%
Group's share of net assets	1,197.1	1,157.9
Goodwill	168.7	-
Gain on re-measurement	-	228.0
Carrying amount of the Group's interests in associates	1,365.8	1,385.9
Dividend received during the financial year	129.3	-

17.3 Other associates and summary of financial information

The summarised unaudited financial information based on the Group's interests in the individually immaterial associates in aggregate is as follows:

	Group	
In RM million	**2025**	**2024**
Profit for the financial period	**12.8**	19.6
Other comprehensive income	**1.3**	-
Total comprehensive income	**14.1**	19.6
Carrying amount	**362.7**	351.6

Dividends received from immaterial associates during the financial year amounted to RM3.0 million (2024 – RM17.8 million).

NOTES TO THE FINANCIAL STATEMENTS

18. DERIVATIVE FINANCIAL INSTRUMENTS

		Fair value	
In RM million	**Contract/ Notional amount Net (short)/long**	**Financial Assets**	**Financial Liabilities**
Group			
2025			
Forward foreign exchange contracts	**(1,618.0)**	**32.7**	**0.8**
Commodity forward contracts	**(208.9)**	**10.2**	**2.9**
Commodity futures	**79.5**	**13.4**	**5.5**
Cross currency swap contracts	**846.8**	**31.4**	**2.8**
Interest rate swap contract	**105.5**	**2.6**	**-**
Total derivative financial instruments		**90.3**	**12.0**
Less: Current portion		**(57.6)**	**(10.6)**
Non-current portion		**32.7**	**1.4**
2024			
Forward foreign exchange contracts	(1,788.2)	3.3	4.8
Commodity forward contracts	(415.9)	33.0	6.6
Commodity futures	279.1	5.3	1.0
Cross currency swap contracts	875.6	42.2	-
Interest rate swap contract	118.0	7.6	-
Total derivative financial instruments		91.4	12.4
Less: Current portion		(41.6)	(12.4)
Non-current portion		49.8	-
Company			
2025			
Forward foreign exchange contracts	**18.1**	**0.1**	**-**
Cross currency swap contracts	**232.0**	**-**	**2.8**
Interest rate swap contract	**105.5**	**2.6**	**-**
Total derivative financial instruments		**2.7**	**2.8**
Less: Current portion		**(1.4)**	**(1.4)**
Non-current portion		**1.3**	**1.4**
2024			
Cross currency swap contracts	259.7	30.7	-
Interest rate swap contract	118.0	7.6	-
Total derivative financial instruments		38.3	-
Less: Current portion		-	-
Non-current portion		38.3	-

NOTES TO THE FINANCIAL STATEMENTS

18. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

i. Forward foreign exchange contracts

Forward foreign exchange contracts were entered into as hedges for sales and purchases denominated in foreign currencies and to limit the exposure to potential changes in foreign exchange rates with respect to the Group's foreign currencies denominated financial assets and financial liabilities.

ii. Commodity forward contracts and futures

The commodities forward contracts and futures were entered into with the objective of managing and hedging the respective exposure of the Group's plantation segment and resource-based manufacturing segment to adverse price movements in vegetable oil commodities. The fair values of these components except for forward contracts identified and entered into for own use, which is continue to be held to receive or deliver the commodities have been determined based on published market prices or quoted prices from reputable and credible financial services industry.

iii. Cross currency swap contracts

The cross currency swap contracts of the Group are mainly used to hedge against its exposures of borrowings, except for:

Cross currency swap contract, which swapped a floating rate of USD55.0 million liability to a fixed rate of EUR48.6 million liability ("USDEUR CCS") to serve as a net investment hedge against the Group's Euro denominated assets. The carrying amount of derivative liability in respect of the USDEUR CCS as at end of the financial year is RM2.8 million (2024 – derivative asset of RM30.7 million). USD27.5 million of the USDEUR CCS will mature in December 2025 and balance of USD27.5 million will mature in December 2026.

iv. Interest rate swap contract

Interest rate swap contract is used to hedge the Group's exposures to movements in interest rates.

All the above derivatives were initially recognised at fair value on the date the derivative contracts were entered into. The derivatives were subsequently remeasured at fair value and the changes in fair value were recognised as follows:

i. Derivatives recognised in the other comprehensive income pursuant to hedge accounting

Cross currency swap contract, which swapped a floating rate USD55.0 million liability to a fixed rate EUR48.6 million liability. USD27.5 million of the USDEUR CCS will mature in December 2025 and balance of USD27.5 million will mature in December 2026.

ii. Derivatives recognised in the profit or loss

All other derivatives other than those mentioned in (i) above.

During the financial year, the Group and the Company recognised total fair value gain of RM0.4 million (2024 – RM46.7 million) and fair value loss of RM2.8 million (2024 – Nil) respectively arising from fair value changes of derivative liabilities. The determination of the fair values of the derivative financial instruments involves significant judgements and assumptions made by the management. The methods and assumptions applied in determining the fair values of derivatives are disclosed in Note 39.6 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

19. DEFERRED TAX

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
At beginning of financial year	**1,213.1**	1,188.1	**(13.4)**	(10.0)
Recognised in profit or loss				
- Current year	**17.7**	28.2	**18.7**	(3.4)
- Prior years	**0.6**	(2.5)	**-**	-
	18.3	25.7	**18.7**	(3.4)
Acquisition of a subsidiary	**6.4**	-	**-**	-
Reclassified to assets/liabilities held for sale	**(3.3)**	-	**-**	-
Recognised in other comprehensive income	**(0.3)**	(0.3)	**-**	-
Foreign currency translation differences	**(0.4)**	(0.4)	**-**	-
At end of financial year	**1,233.8**	1,213.1	**5.3**	(13.4)

Presented after appropriate offsetting as follows:

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Deferred tax liabilities, net *	**1,257.0**	1,229.0	**5.3**	-
Deferred tax assets, net *	**(23.2)**	(15.9)	**-**	(13.4)
	1,233.8	1,213.1	**5.3**	(13.4)

Note:
* *The amounts of set-off between deferred tax liabilities and deferred tax assets were RM65.9 million (2024 – RM43.2 million) and RM0.7 million (2024 – RM5.7 million) for the Group and the Company respectively.*

NOTES TO THE FINANCIAL STATEMENTS

19. DEFERRED TAX (Continued)

The movements of deferred tax liabilities and deferred tax assets during the financial year prior to offsetting are as follows:

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Deferred tax liabilities				
At beginning of financial year	**1,272.2**	1,227.7	**5.7**	5.3
Recognised in profit or loss				
Temporary differences on property, plant and equipment	**47.4**	36.6	**0.2**	0.4
Other temporary differences	**2.1**	8.4	**0.1**	-
	49.5	45.0	**0.3**	0.4
Acquisition of a subsidiary	**6.4**	-	**-**	-
Reclassification to liabilities held for sale	**(4.6)**	-	**-**	-
Foreign currency translation differences	**(0.6)**	(0.5)	**-**	-
At end of financial year	**1,322.9**	1,272.2	**6.0**	5.7
Deferred tax assets				
At beginning of financial year	**59.1**	39.6	**19.1**	15.3
Recognised in profit or loss				
Temporary differences on unutilised tax losses	**18.2**	(1.5)	**-**	-
Other deductible temporary differences	**13.0**	20.8	**(18.4)**	3.8
	31.2	19.3	**(18.4)**	3.8
Reclassification to assets held for sale	**(1.3)**	-	**-**	-
Recognised in other comprehensive income	**0.3**	0.3	**-**	-
Foreign currency translation differences	**(0.2)**	(0.1)	**-**	-
At end of financial year	**89.1**	59.1	**0.7**	19.1

The components of deferred tax liabilities and deferred tax assets at the end of the financial year comprise the tax effects of:

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Deferred tax liabilities				
Temporary differences on property, plant and equipment	**1,304.4**	1,255.7	**5.9**	5.7
Other temporary differences	**18.5**	16.5	**0.1**	-
	1,322.9	1,272.2	**6.0**	5.7
Deferred tax assets				
Temporary differences on unutilised tax losses	**26.4**	8.9	**-**	-
Other deductible temporary differences	**62.7**	50.2	**0.7**	19.1
	89.1	59.1	**0.7**	19.1

NOTES TO THE FINANCIAL STATEMENTS

19. DEFERRED TAX (Continued)

The amount of temporary differences for which no deferred tax assets have been recognised in the statements of financial position is as follows:

	Group	
In RM million	**2025**	**2024**
Unutilised tax losses expire in year of assessment ("YA")		
YA2028	**73.6**	73.6
YA2029	**2.3**	2.3
YA2030	**1.0**	1.0
YA2033	**8.3**	8.3
YA2034	**36.7**	36.7
YA2035	**18.7**	-
Unabsorbed capital allowances	**49.1**	41.6
	189.7	163.5

The Group has assessed the likelihood of sufficient future profits available to recover the amount of deductible temporary differences. Deferred tax assets of certain subsidiaries of the Group have not been recognised in respect of these items as it is not probable that taxable income of the subsidiaries will be available against which the deductible temporary differences can be utilised.

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

As at 31 December 2023, the Government of Malaysia had enacted legislative provisions implementing the Organisation for Economic Co-operation and Development ("OECD") Pillar Two model rules, commonly referred to as the Global Minimum Tax ("GMT"), which are effective for financial years beginning on or after 1 January 2025.

Under the GMT legislation, the Group is liable to pay a top-up tax for the difference between the Group's jurisdictional effective tax rate ("ETR") determined under the GMT rules and the 15% minimum rate threshold in any jurisdiction where the Group operates.

The Group is within the scope of the OECD Pillar Two model rules. The Group also operates in several jurisdictions, including Germany and the Netherlands, where the Pillar Two legislation has been enacted and effective for financial years beginning on or after 31 December 2023. The Group has performed an assessment of the tax exposure in these jurisdictions. Based on this assessment, and by applying the Transitional Country-by-Country Reporting ("CbCR") Safe Harbour rules, the simplified effective tax rates indicate that no top-up tax is required for the financial year ended 2025.

The Group applies the temporary mandatory relief from deferred tax accounting for the top-up tax and requirements about the Pillar Two exposure as provided in Amendments to MFRS 112 *International Tax Reform – Pillar Two Model Rules*.

The Group continues to assess the potential impact of Pillar Two legislation in other jurisdictions where it operates, as and when such legislation is enacted.

NOTES TO THE FINANCIAL STATEMENTS

20. OTHER NON-CURRENT ASSETS

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Investment properties (Note 20.1)	**6.5**	7.2	**-**	-
Joint ventures (Note 20.2)	**15.0**	11.1	**7.7**	7.2
Other investments – non-current (Note 20.3)	**100.3**	104.0	**-**	-
Claim for tax refund – non-current (Note 20.4)	**46.9**	-	**-**	-
Plasma receivables – non-current (Note 22.3)	**31.2**	25.4	**-**	-
	199.9	147.7	**7.7**	7.2

20.1 Investment properties

Investment properties are initially measured at cost, including transaction costs.

After initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land under investment properties has an unlimited useful life and therefore is not depreciated. The principal depreciation periods for the building component of the investment properties is 30.5 (2024 – 22 to 30.5) years.

The fair value of the investment properties for disclosure purposes, which is at Level 3 fair value, is based on Directors' estimation by reference to the market evidence of transaction prices for similar properties and recent experience in the location and category of the property being valued.

The fair value of the investment properties at the end of the reporting period is RM9.0 million (2024 – RM10.8 million).

20.2 Joint ventures

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Investment in joint ventures				
Unquoted shares, at cost	**36.5**	36.5	**36.0**	36.0
Less: Impairment loss	**(9.9)**	(9.9)	**(35.0)**	(35.0)
	26.6	26.6	**1.0**	1.0
Share of post-acquisition results and reserves	**(18.3)**	(21.7)	**-**	-
	8.3	4.9	**1.0**	1.0
Amount due from a joint venture				
Amount due from a joint venture	**6.8**	11.7	**6.8**	11.7
Less: Impairment loss	**(0.1)**	(5.5)	**(0.1)**	(5.5)
	6.7	6.2	**6.7**	6.2
	15.0	11.1	**7.7**	7.2

Details of the joint ventures are set out in Note 41 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

20. OTHER NON-CURRENT ASSETS (Continued)

20.2 Joint ventures (Continued)

Investments in joint ventures are stated at cost less impairment loss in the separate financial statements. The Group recognises its interests in joint ventures as investment and accounts for that investment using the equity method of accounting.

Amount due from a joint venture represents outstanding amount arising from advances and payments made on behalf of a joint venture, which are unsecured, bear interest at 3.50% (2024 – 3.50%) per annum, except for an amount of RM0.1 million (2024 – RM0.1 million), which is interest-free. The amount due from a joint venture is not repayable within the next twelve (12) months in cash and cash equivalents. The carrying amount of non-current amount due from a joint venture approximates its fair value as its interest rate is priced at reasonable approximation of the market interest rate as at the end of the reporting period.

Impairment for non-trade amount due from a joint venture is recognised based on the general approach within MFRS 9 using the forward looking expected credit loss ("ECL") model as disclosed in Note 22.2 to the financial statements.

The reconciliation of movements in the impairment loss account for amount due from a joint venture is as follows:

In RM million	**12-month ECL**	**Lifetime ECL – Not credit impaired**	**Total**
Group and Company			
2025			
At beginning of financial year	**-**	**5.5**	**5.5**
Reversal of impairment losses	**-**	**(5.4)**	**(5.4)**
Reclassified from Stage 2 to Stage 1	**0.1**	**(0.1)**	**-**
At end of financial year	**0.1**	**-**	**0.1**
2024			
At beginning of financial year	-	6.1	6.1
Reversal of impairment losses	-	(0.6)	(0.6)
At end of financial year	-	5.5	5.5

The summarised financial information based on the Group's interest in the individually joint ventures in aggregate is as follows:

	Group	
In RM million	**2025**	**2024**
Profit for the financial period	**3.4**	4.3
Total comprehensive income	**3.4**	4.3
Carrying amount	**15.0**	11.1

NOTES TO THE FINANCIAL STATEMENTS

20. OTHER NON-CURRENT ASSETS (Continued)

20.3 Other investments – non-current

	Group	
In RM million	**2025**	**2024**
At fair value through profit or loss		
Outside Malaysia		
- Unquoted equity investments	**100.3**	104.0

20.4 Claim for tax refund – non-current

The tax refund claims represent additional tax assessments and Value Added Tax ("VAT") paid by certain Indonesian subsidiaries of the Group. The resolution of these claims with the relevant tax authorities is expected to take more than twelve (12) months.

21. INVENTORIES

	Group	
In RM million	**2025**	**2024**
At cost		
Plantation produce	**108.3**	98.6
Raw materials and consumables	**310.1**	152.6
Nursery inventories	**51.2**	51.6
Finished goods	**345.2**	497.8
Semi-finished goods	**34.9**	87.9
Others	**6.8**	6.9
	856.5	895.4
At net realisable value		
Raw materials and consumables	**81.5**	69.4
Finished goods	**400.4**	201.2
Semi-finished goods	**81.4**	55.2
	563.3	325.8
	1,419.8	1,221.2

Inventories are stated at the lower of cost and net realisable value.

Cost is determined on a weighted average basis. Cost comprises the original cost of purchase plus the cost of bringing the inventories to their intended location and condition. The cost of plantation produce and finished goods includes the cost of raw materials, direct labour and a proportion of production overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

A write down of inventories to net realisable value of RM31.6 million (2024 – RM4.8 million) was made by the Group during the financial year.

The Group reversed RM0.1 million (2024 – RM46.8 million) in respect of inventories written down in the previous financial year that were subsequently not required due to the increase in selling prices of commodities and products.

NOTES TO THE FINANCIAL STATEMENTS

22. TRADE AND OTHER RECEIVABLES

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Trade receivables (Note 22.1)	**1,105.3**	937.0	**-**	-
Other receivables, deposits and prepayments (Note 22.2)	**260.0**	273.7	**33.7**	34.8
Plasma receivables – current (Note 22.3)	**28.0**	72.7	**-**	-
	1,393.3	1,283.4	**33.7**	34.8

22.1 Trade receivables

	Group	
In RM million	**2025**	**2024**
Trade receivables	**1,111.6**	942.4
Less: Impairment losses	**(6.3)**	(5.4)
	1,105.3	937.0

i. The normal trade credit terms granted by the Group range from 1 to 120 days (2024 – 2 to 120 days). They are recognised at their original invoiced amounts, which represent their fair values on initial recognition.

ii. Impairment for trade receivables and trade amounts due from associates that do not contain a significant financing component are recognised based on the simplified approach by applying the provisional matrix approach using the flow-rate model to calculate the lifetime expected credit losses ("ECL").

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

The Group considers credit loss experience and observable data such as current changes and future forecasts in economic conditions by market segment of the Group as identified in Note 4 to the financial statements to estimate the amount of expected impairment losses. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

During this process, the probabilities of non-payments by the trade receivables and trade amounts due from associates are adjusted by forward looking information and multiplied by the amounts of the expected losses arising from defaults to determine the lifetime ECL for the trade receivables and trade amounts due from associates. The Group has identified the Gross Domestic Product, crude palm oil prices and unemployment rate as the key macroeconomic factors. For trade receivables and trade amounts due from associates, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within the statements of profit or loss. On confirmation that the trade receivables and trade amounts due from associates would not be collectable, the gross carrying values of the assets would be written off against the associated impairment.

Individual assessment of impairment of trade receivables are separately assessed when it is probable that cash due will not be received in full.

It requires management to exercise significant judgement in determining the probabilities of default by trade receivables and trade amounts due from associates and appropriate forward looking information.

NOTES TO THE FINANCIAL STATEMENTS

22. TRADE AND OTHER RECEIVABLES (Continued)

22.1 Trade receivables (Continued)

iii. The reconciliation of movements in the impairment losses accounts for trade receivables is as follows:

In RM million	Lifetime ECL	Credit impaired	Total
Group			
2025			
At beginning of financial year	**5.4**	**-**	**5.4**
Charge for the financial year	**0.9**	**-**	**0.9**
At end of financial year	**6.3**	**-**	**6.3**
2024			
At beginning of financial year	9.0	0.1	9.1
Write-off	-	(0.1)	(0.1)
Reversal of impairment losses	(3.6)	-	(3.6)
At end of financial year	5.4	-	5.4

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

22.2 Other receivables, deposits and prepayments

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Other receivables	**160.4**	168.1	**0.2**	0.7
Deposits	**45.4**	43.2	**32.0**	32.0
Prepayments	**54.2**	62.4	**1.5**	2.1
	260.0	273.7	**33.7**	34.8

NOTES TO THE FINANCIAL STATEMENTS

22. TRADE AND OTHER RECEIVABLES (Continued)

22.2 Other receivables, deposits and prepayments (Continued)

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

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

The Group defined significant increase in credit risk based on operating performance of the receivables, changes to contractual terms, payment delays and past due information.

The probabilities of non-payments by other receivables, financial guarantee contracts and amounts due from subsidiaries, associates and a joint venture are adjusted by forward looking information and multiplied by the amounts of the expected losses arising from defaults to determine the twelve-month or lifetime ECL for the other receivables, financial guarantee contracts and amounts due from subsidiaries, associates and a joint venture. The Group has identified the Gross Domestic Product, crude palm oil prices and unemployment rate as the key macroeconomic factors.

It requires management to exercise significant judgement in determining the probabilities of default by other receivables, financial guarantee contracts and amounts due from subsidiaries, associates and a joint venture, appropriate forward looking information and significant increase in credit risk.

ii. No ECL is recognised arising from other receivables as the amount is negligible.

NOTES TO THE FINANCIAL STATEMENTS

22. TRADE AND OTHER RECEIVABLES (Continued)

22.3 Plasma receivables

	Group	
In RM million	**2025**	**2024**
Gross plasma receivables	**65.4**	102.9
Less: Impairment losses	**(6.2)**	(4.8)
	59.2	98.1
Less: Plasma receivables – current	**(28.0)**	(72.7)
Plasma receivables – non-current	**31.2**	25.4

i. In accordance with the policy of the Government of the Republic of Indonesia, nucleus companies involved in plantation developments are required to provide support to develop and cultivate palm oil lands for local communities as part of their social obligation which is known as "plasma" schemes.

Plasma receivables represent costs incurred for plasma plantations development which are temporary self-funded by the Group and will be repaid by plasma farmers via financed through banks finance facilities or reimbursed directly by the plasma farmers.

ii. Impairment for plasma receivables are recognised based on the general approach using lifetime expected credit losses ("ECL") method in accordance with MFRS 9, which are derived from a probability-weighted outcomes for low to high default risks. Management expects that payments will be obtained from the utilisation of available banking facilities as well as sustainable cash flows generated from the operations by the plasma farmers. The estimated future cash flows recoverable from plasma receivables are determined based on the expected repayment period of the plasma scheme, adjusted for anticipated repayment pattern after taking into considerations of various factors and information, including time value of money. Discount rate used for cash flows discounting purpose is at 8.06% (2024 – 8.26%).

Management is of the view that the ECL of plasma receivables are adequate based on the analysis of probability of default by plasma receivables, appropriate forward-looking information, significant increase in credit risk and estimated cash flows recoverable based on expectation of repayment patterns from plasma receivables.

iii. The reconciliation of movements in the impairment losses accounts for plasma receivables is as follows:

	Group	
In RM million	**2025**	**2024**
At beginning of financial year	**4.8**	-
Charge for the financial year	**2.0**	5.5
Reversal of impairment losses	**(0.2)**	-
Foreign currency translation differences	**(0.4)**	(0.7)
At end of financial year	**6.2**	4.8

NOTES TO THE FINANCIAL STATEMENTS

23. AMOUNTS DUE FROM ASSOCIATES

	Group	
In RM million	**2025**	**2024**
Amounts due from associates	**103.2**	52.5
Less: Impairment losses	**(0.5)**	(0.2)
	102.7	52.3

Amounts due from associates represent outstanding amounts arising from sales, management income, advances and payments made on behalf by associates, which are unsecured, interest-free and payable within the next twelve (12) months in cash and cash equivalents.

Impairment for receivables from trade amounts due from associates are recognised based on the simplified approach using the lifetime expected credit losses ("ECL") as disclosed in Note 22.1 to the financial statements.

Impairment for receivables from non-trade amounts due from associates are recognised based on the three-stage general approach within MFRS 9 using the forward looking ECL model as disclosed in Note 22.2 to the financial statements.

The reconciliation of movements in the impairment losses accounts for amounts due from associates is as follows:

	Lifetime ECL – Not credit impaired	
In RM million	**2025**	**2024**
Group		
At beginning of financial year	**0.2**	0.3
Charge for the financial year	**0.3**	-
Reversal of impairment losses	**-**	(0.1)
At end of financial year	**0.5**	0.2

24. OTHER INVESTMENTS

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
At fair value through profit or loss				
In Malaysia				
- Quoted shares	**71.2**	63.6	**0.6**	1.0
- Unquoted shares	**9.8**	9.5	**0.2**	0.2
	81.0	73.1	**0.8**	1.2

NOTES TO THE FINANCIAL STATEMENTS

25. OTHER CURRENT ASSETS

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Biological assets (Note 25.1)	**58.6**	54.4	**0.3**	0.6
Current tax assets	**71.8**	76.9	**2.1**	2.8
	130.4	131.3	**2.4**	3.4

25.1 Biological assets

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
At fair value				
Plantation expenditure for orchard				
At beginning of financial year	**3.3**	1.7	**0.4**	0.2
Additions	**1.0**	3.6	**0.2**	0.2
Transfer to inventories	**(2.3)**	(2.0)	**(0.5)**	-
At end of financial year	**2.0**	3.3	**0.1**	0.4
Fresh fruit bunches				
At beginning of financial year	**51.1**	43.2	**0.2**	0.2
Changes in fair value less costs to sell	**6.0**	8.2	**-**	-
Foreign currency translation differences	**(0.5)**	(0.3)	**-**	-
At end of financial year	**56.6**	51.1	**0.2**	0.2
Total biological assets	**58.6**	54.4	**0.3**	0.6

The biological assets of the Group and the Company comprise:

i. Plantation expenditure for orchard

The Group deems the fair value less costs to sell of the plantation expenditure for orchard to approximate cost.

The fair value of planting expenditure of the Group is categorised within Level 3 of the fair value hierarchy. There were no transfers between all three (3) levels of the fair value hierarchy during the financial year.

ii. Fresh Fruit Bunches ("FFB") prior to harvest

The valuation model adopted by the Group considers the present value of the net cash flows expected to be generated from the sales of FFB. To arrive at the fair value, the management has considered the oil content of the unripe FFB and derived the assumption that the net cash flows to be generated from FFB prior to more than 15 days to harvest is negligible, therefore quantity of unripe FFB on bearer plant of up to 15 days prior to harvest was used for valuation purpose. The value of the unripe FFB was estimated to be approximately 80% of the ripe FFB, based on actual oil extraction rate and kernel extraction rate of the unripe FFB from the laboratory tests. Costs to sell include harvesting cost, transport and windfall profit levy.

During the financial year, the Group and the Company harvested approximately 2,839,583 tonnes (2024 – 2,803,965 tonnes) and 5,620 tonnes (2024 – 6,421 tonnes) of FFB respectively.

As at 30 June 2025, none of the biological assets are pledged as securities for liabilities.

The fair value measurement of the Group's biological assets is categorised within Level 3 of the fair value hierarchy. If the FFB selling price changes by 10%, profit or loss for the Group would have equally increased or decreased by approximately RM6.9 million (2024 – RM6.3 million) and no significant impact for profit or loss for the Company.

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

NOTES TO THE FINANCIAL STATEMENTS

26. SHORT TERM FUNDS

	Group	
In RM million	**2025**	**2024**
At fair value through profit or loss		
Investments in trust funds in Malaysia	**674.1**	1,164.8

Investments in trust funds in Malaysia represent investments in highly liquid money market instruments, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

27. DEPOSITS WITH FINANCIAL INSTITUTIONS

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Deposits with licensed banks	**307.1**	267.3	**178.3**	142.5

No expected credit loss is recognised arising from deposits with licensed banks because the probability of default by these financial institutions is negligible.

28. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

During the financial year, the proposed divestment of the entire equity interest in a palm oil mill company is presented as a disposal group classified as held for sale following the commitment of the Group's management to a plan to sell the proposed palm oil mill company. The proposed disposal is expected to be completed within the next twelve (12) months subsequent to the financial year end.

As at 30 June 2025, the assets and liabilities of disposal group classified as held for sale are as follows:

	Group
In RM million	**2025**
Asset of disposal group classified as held for sale	
Property, plant and equipment	**25.3**
Goodwill (Note 15.1)	**1.2**
Other assets	**0.7**
	27.2
Liabilities of disposal group classified as held for sale	
Total liabilities	**3.4**

NOTES TO THE FINANCIAL STATEMENTS

29. SHARE CAPITAL AND TREASURY SHARES

29.1 Share capital

	2025		2024	
	No. of shares	**Amount**	**No. of shares**	**Amount**
		RM million		*RM million*
Group and Company				
Issued and fully paid with no par value				
Ordinary shares				
At beginning of financial year/				
At end of financial year	**6,285,198,995**	**791.1**	6,285,198,995	791.1

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

ii. Of the total 6,285,198,995 (2024 – 6,285,198,995) issued and fully paid-up ordinary shares, 81,501,700 (2024 – 81,501,700) shares are held as treasury shares as disclosed in Note 29.2 to the financial statements. Accordingly, the number of ordinary shares in issue and fully paid-up after deducting treasury shares as at end of the financial year is 6,203,697,295 (2024 – 6,203,697,295).

29.2 Treasury shares

The shareholders of the Company, by an ordinary resolution passed at an extraordinary general meeting held on 18 November 1999, approved the Company's plan to repurchase up to 10% of the issued share capital of the Company ("Share Buy Back"). The authority granted by the shareholders was subsequently renewed during subsequent Annual General Meetings ("AGM") of the Company, including the last AGM held on 5 November 2024.

The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the Share Buy Back can be applied in the best interests of the Company.

The Company has the right to cancel, resell and/or distribute the treasury shares as dividends or transfer the treasury shares as purchase consideration at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution are suspended. None of the treasury shares repurchased had been sold, cancelled or transferred during the financial year.

The Company did not repurchase any of its issued ordinary shares from the open market during the financial year and in the previous financial year.

The transactions under Share Buy Back were financed by internally generated funds. The repurchased ordinary shares of the Company were held as treasury shares in accordance with the provision of Section 127 of the Companies Act 2016 in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

30. RESERVES

	Group	
In RM million	**2025**	**2024**
Capital reserves (Note 30.1)	**7.7**	7.7
Foreign currency translation reserve (Note 30.2)	**(182.2)**	95.6
Hedging reserves (Note 30.3)	**15.0**	17.6
Other reserves (Note 30.4)	**(8.2)**	(5.3)
	(167.7)	115.6

The movements in reserves are shown in the statements of changes in equity.

30.1 Capital reserves

	Group	
In RM million	**2025**	**2024**
Net accretion in Group's share of net assets arising from shares issued by certain subsidiaries to non-controlling shareholders	**7.7**	7.7
	7.7	7.7

30.2 Foreign currency translation reserve

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

30.3 Hedging reserves

Hedging reserves of the Group comprise:

i. The effective portion of cumulative gain or loss on hedging instruments relating to the hedges of the Group's net investment in a foreign operation; and

ii. Realised gain on settlement of Treasury lock contract ("T-lock"), which was used to hedge the fluctuations in benchmark interest rate risk of the U.S. Treasury Bill yield for the issuance of USD300 million 3.375% Guaranteed Notes due 2031 under a Euro Medium Term Note Programme as disclosed in Note 31.5 to the financial statements. A portion of the realised gain on the T-lock amounting to RM2.6 million (2024 – RM2.8 million) has been reclassified to profit or loss as an adjustment of the interest expense on the Notes during the financial year.

30.4 Other reserves

The other reserves arising from the Group's share of associates' post-acquisition other reserves.

NOTES TO THE FINANCIAL STATEMENTS

31. BORROWINGS

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Non-current liabilities				
Unsecured				
Term loans (Note 31.1)	**614.8**	615.9	**-**	-
Islamic financing facilities (Note 31.2)	**675.2**	897.0	**675.2**	897.0
Less: Portion due within 12 months included under short term borrowings	**(358.7)**	(141.6)	**(358.7)**	(141.6)
	316.5	755.4	**316.5**	755.4
Islamic revolving credit financing facilities – Long term (Note 31.3)	**278.9**	212.5	**278.9**	212.5
Guaranteed Notes due 2031 (Note 31.5)	**1,255.5**	1,403.2	**-**	-
Finance lease obligation	**9.0**	9.2	**-**	-
Less: Portion due within 12 months included under short term borrowings	**(0.2)**	(0.2)	**-**	-
	8.8	9.0	**-**	-
	2,474.5	2,996.0	**595.4**	967.9
Current liabilities				
Unsecured				
Islamic financing facilities – portion due within 12 months (Note 31.2)	**358.7**	141.6	**358.7**	141.6
Revolving credits (Note 31.6)	**23.2**	314.0	**23.2**	314.0
Trade financing (Note 31.7)	**315.8**	210.4	**-**	-
Islamic revolving credit financing facilities (Note 31.3)	**42.2**	42.5	**42.2**	42.5
Finance lease obligation – portion due within 12 months	**0.2**	0.2	**-**	-
	740.1	708.7	**424.1**	498.1
Total borrowings	**3,214.6**	3,704.7	**1,019.5**	1,466.0

NOTES TO THE FINANCIAL STATEMENTS

31. BORROWINGS (Continued)

31.1 Term loans

The term loans of the Group include:

Unsecured

i. 30-year JPY15.0 billion fixed-rate loan due 2037 that was drawn down on 22 January 2007 by a wholly-owned subsidiary incorporated in Labuan. This fixed-rate loan bears interest at 4.325% per annum. The outstanding amount as at the end of the financial year is JPY15.0 billion (2024 – JPY15.0 billion) and is repayable in full on 22 January 2037.

ii. 30-year JPY6.0 billion fixed-rate loan due 2038 that was drawn down on 5 February 2008 by a wholly-owned subsidiary incorporated in Labuan. This fixed-rate loan bears interest at 4.50% per annum. The outstanding amount as at end of the financial year is JPY6.0 billion (2024 – JPY6.0 billion) and is repayable in full on 5 February 2038.

31.2 Islamic financing facilities

The Islamic financing facilities of the Group include:

Unsecured

i. Commodity Murabahah Foreign Currency Term Financing Facility of USD55.0 million that was drawn down on 13 December 2021 by the Company. The profit rate of this Islamic financing facility is 1.015% plus SOFR and is repayable in two (2) annual instalments of USD27.5 million each commencing 48 months from the first drawn date. The outstanding amount as at end of the financial year is USD55.0 million (2024 – USD55.0 million).

ii. Commodity Murabahah Foreign Currency Term Financing Facility of USD25.0 million and USD30.0 million that were drawn down on 29 December 2021 and 29 April 2022 respectively by the Company. The profit rate of this Islamic financing facility is 1.015% plus SOFR and is repayable in two (2) annual instalments of USD27.5 million each commencing 48 months from the first drawn date. The outstanding amount as at end of the financial year is USD55.0 million (2024 – USD55.0 million).

iii. Commodity Murabahah Foreign Currency Term Financing Facility of USD50.0 million that was drawn down on 22 June 2022 by the Company. The profit rate of this Islamic financing facility is 1.162% plus SOFR and is repayable in two (2) annual instalments of USD30.0 million and USD20.0 million commencing 48 months from the first drawn date. The outstanding amount as at end of the financial year is USD50.0 million (2024 – USD50.0 million).

31.3 Islamic revolving credit financing facilities

The Islamic revolving credit financing facilities of the Group include:

Unsecured

i. On 27 June 2024, the Company converted USD45.0 million of Commodity Murabahah Revolving Credit-I facility to a 36-month tenure long term Islamic revolving credit financing facility, with final maturity date on 28 June 2027. The profit rate of this Islamic financing facility is 0.75% plus SOFR. The outstanding amount as at end of the financial year is USD45.0 million (2024 – USD45.0 million).

ii. On 23 June 2025, the Company converted EUR18.0 million of Commodity Murabahah Revolving Credit-I facility to a 36-month tenure long term Islamic revolving credit financing facility, with final maturity date on 23 June 2028. The profit rate of this Islamic financing facility is 0.75% plus EUR ICOF. The outstanding amount as at end of the financial year is EUR18.0 million (2024 – Nil).

iii. The other short term Islamic revolving credit financing facilities (Commodity Murabahah Revolving Credit) are subject to profit rates ranging from 4.80% to 5.88% (2024 – 5.70% to 5.89%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

31. BORROWINGS (Continued)

31.4 Repayment schedule

The term loans, Islamic financing facilities and the long term Islamic revolving credit financing facilities are repayable by instalments of varying amounts or upon maturity over the following periods:

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Less than 1 year	**358.7**	141.6	**358.7**	141.6
1 – 2 years	**506.4**	401.4	**506.4**	401.4
2 – 3 years	**89.0**	566.5	**89.0**	566.5
3 – 4 years	**-**	-	**-**	-
4 – 5 years	**-**	-	**-**	-
More than 5 years	**614.8**	615.9	**-**	-
	1,568.9	1,725.4	**954.1**	1,109.5

31.5 USD300 Million 3.375% Guaranteed Notes due 2031 ("Guaranteed Notes due 2031")

On 15 May 2012, the Company's wholly-owned subsidiary, IOI Investment (L) Berhad ("IOI Investment"), a company incorporated in the Federal Territory of Labuan under the Labuan Companies Act, 1990, established a Euro Medium Term Note Programme, with an initial programme size of USD1.5 billion ("EMTN Programme").

On 26 October 2021, IOI Investment issued USD300 million 3.375% Notes due 2031 at an issue price of 99.053% ("Guaranteed Notes due 2031") under the EMTN Programme. The Guaranteed Notes due 2031 are listed on the Singapore Exchange Securities Trading Limited. The Guaranteed Notes due 2031 carry an interest rate of 3.375% per annum payable semi-annually in arrears on 2 May and 2 November commencing 2 May 2022 and will mature on 2 November 2031. The Guaranteed Notes due 2031 are fully and unconditionally guaranteed by the Company.

Prior to the issuance of Guaranteed Notes due 2031, the Group entered into a Treasury lock contract ("T-lock"), which was akin to a forward contract on U.S. Treasury Bill yield ("UST"). The T-lock hedged the fluctuations in benchmark interest rate risk of the UST, which formed part of the pricing of the Guaranteed Notes due 2031. Upon the settlement of the T-lock, a realised gain of USD6.0 million (equivalent to RM24.8 million) was recognised in other comprehensive income in the previous financial year as disclosed in Note 30.3 to the financial statements.

At initial recognition, the Guaranteed Notes due 2031 were recognised in the Group's statement of financial position as follows:

In RM million	**Group**
Principal amount	**1,259.2**
Discount on issue price	**(11.9)**
Net proceeds received	**1,247.3**
Transaction cost	**(3.4)**
	1,243.9

NOTES TO THE FINANCIAL STATEMENTS

31. BORROWINGS (Continued)

31.5 USD300 Million 3.375% Guaranteed Notes due 2031 ("Guaranteed Notes due 2031") (Continued)

The movements of the Guaranteed Notes due 2031 during the financial year are as follows:

	Group	
In RM million	**2025**	**2024**
At beginning of financial year	**1,403.2**	1,389.7
Foreign currency translation differences	**(149.2)**	12.0
Interest expense	**1.5**	1.5
At end of financial year	**1,255.5**	1,403.2

31.6 Revolving credit financing facilities

Unsecured

The revolving credit financing facilities are subject to interest rates ranging from 2.45% to 5.85% (2024 – 5.67% to 5.99%) per annum.

31.7 Trade financing

Unsecured

Trade financing utilised during the financial year are subject to interest rates ranging from 3.30% to 5.01% (2024 – 3.41% to 5.50%) per annum.

31.8 Reconciliation of liabilities from financing activities to the statements of financial position and statements of cash flows

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
At beginning of financial year	**3,704.7**	3,757.2	**1,466.0**	1,499.5
Cash flows				
- Islamic financing facilities	**(48.3)**	-	**(48.3)**	-
- Term loan	**(4.7)**	-	**-**	-
- Short term borrowings	**(149.5)**	(15.7)	**(255.3)**	(45.7)
Non-cash flows				
- Interest expense	**1.5**	2.3	**-**	0.8
- Acquisition of a subsidiary	**4.7**	-	**-**	-
- Foreign currency translation differences	**(293.8)**	(39.1)	**(142.9)**	11.4
At end of financial year	**3,214.6**	3,704.7	**1,019.5**	1,466.0

NOTES TO THE FINANCIAL STATEMENTS

32. LEASE LIABILITIES

32.1 The Group as lessee

	Group	
In RM million	**2025**	**2024**
Non-current liabilities	**40.0**	50.6
Current liabilities	**6.5**	9.4
Total lease liabilities	**46.5**	60.0

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the Group's incremental borrowing rates ranging from 4.55% to 7.09% (2024 – 4.55% to 7.09%).

After initial recognition, lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessments or lease modifications.

The Group determines the lease term of a lease as the non-cancellable period of the lease, together with periods covered by an option to extend or to terminate the lease if the Group is reasonably certain to exercise the relevant options. Management has considered the relevant facts and circumstances that create an economic incentive for the Group to either exercise the option to extend the lease, or to exercise the option to terminate the lease. Any differences in expectations from the original estimates would impact the carrying amounts of the lease liabilities of the Group.

The Group has recognised the lease payments associated with short term leases of twelve (12) months or less and low value assets of RM20,000 and below on a straight-line basis over the lease terms and recognised as rental expenses as follows:

	Group	
In RM million	**2025**	**2024**
Short term leases	**0.8**	0.8
Low value assets	**0.3**	0.3

32.2 Reconciliation of liabilities from financing activities to the statements of financial position and statements of cash flows

	Group	
In RM million	**2025**	**2024**
At beginning of financial year	**60.0**	63.1
Cash flows		
- Payments of lease liabilities	**(12.5)**	(12.0)
- Payments of lease interest expense	**(3.3)**	(3.8)
Non-cash flows		
- Additions	**2.2**	9.9
- Interest expense	**3.3**	3.8
- Reassessments and modifications of leases	**(2.9)**	(1.0)
- Foreign currency translation differences	**(0.3)**	-
At end of financial year	**46.5**	60.0

During the financial year, the Group had total cash outflow for leases of RM16.9 million (2024 – RM16.9 million).

NOTES TO THE FINANCIAL STATEMENTS

33. OTHER NON-CURRENT LIABILITIES

	Group	
In RM million	**2025**	**2024**
Retirement benefits (Note 33.1)	**55.9**	55.1
Deferred income (Note 33.2)	**18.5**	21.0
	74.4	76.1

33.1 Retirement benefits

	Group	
In RM million	**2025**	**2024**
Present value of unfunded obligations	**55.9**	55.1
Recognised liability for defined benefit obligations	**55.9**	55.1

The plans of the subsidiaries are operated on an unfunded basis. The benefits payable on retirement are generally based on the length of service and average salary of the eligible employees.

The last actuarial valuations for the unfunded plans were carried out on 30 June 2024 and 30 June 2025.

Movements in the net liabilities recognised in the statements of financial position:

Present value of unfunded obligations

	Group	
In RM million	**2025**	**2024**
At beginning of financial year	**55.1**	55.0
Benefits paid	**(3.7)**	(4.7)
Expenses recognised in profit or loss (Note 10(b))	**4.3**	4.7
Re-measurements		
- Actuarial gain recognised in other comprehensive income	**1.1**	0.5
Foreign currency translation differences	**(0.9)**	(0.4)
At end of financial year	**55.9**	55.1

Expenses recognised in profit or loss:

	Group	
In RM million	**2025**	**2024**
Current service cost	**2.1**	2.2
Interest cost	**2.2**	2.2
Past service cost	**-**	0.3
	4.3	4.7

NOTES TO THE FINANCIAL STATEMENTS

33. OTHER NON-CURRENT LIABILITIES (Continued)

33.1 Retirement benefits (Continued)

Liability for defined benefit obligations

Principal actuarial assumption used at the end of the reporting period (expressed as weighted averages):

	Group	
%	**2025**	2024
Discount rate	**3.9**	3.8

Sensitivity analysis

The impact on changes of the significant actuarial assumption as at the end of the reporting period is as follows:

	Group	
In RM million	**2025**	2024
Discount rate increase by 0.1%	**(0.6)**	(0.6)
Discount rate decrease by 0.1%	**0.8**	0.8

33.2 Deferred income

Government grant

	Group	
In RM million	**2025**	2024
At beginning of financial year	**21.0**	23.5
Current year amortisation charge	**(2.5)**	(2.5)
At end of financial year	**18.5**	21.0

Deferred income represents government grant received from the Malaysian Palm Oil Board to build a new fatty ester and specialty oleo derivative production facility. The grant is amortised over the remaining useful life of seven (7) years of the plant.

34. TRADE AND OTHER PAYABLES

	Group		Company	
In RM million	**2025**	2024	**2025**	2024
Trade payables (Note 34.1)	**347.0**	333.4	**-**	-
Other payables and accruals (Note 34.2)	**474.9**	455.1	**106.3**	107.5
Financial guarantee contracts (Note 34.3)	**-**	-	**3.2**	4.1
	821.9	788.5	**109.5**	111.6

NOTES TO THE FINANCIAL STATEMENTS

34. TRADE AND OTHER PAYABLES (Continued)

34.1 Trade payables

Credit terms of trade payables vary from 1 to 90 days (2024 – 1 to 60 days) from date of invoices.

34.2 Other payables and accruals

	Group		Company	
In RM million	**2025**	2024	**2025**	2024
Other payables	**225.5**	218.2	**37.8**	37.9
Customer deposits and other deposits	**4.8**	4.8	**-**	-
Accruals	**244.6**	232.1	**68.5**	69.6
	474.9	455.1	**106.3**	107.5

34.3 Financial guarantee contracts

Financial guarantee contracts are subject to forward looking expected credit loss model based on the general approach within MFRS 9 as disclosed in Note 22.2 to the financial statements.

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

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

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

The nominal amounts of financial guarantee provided are as follows:

	Group		Company	
In RM million	**2025**	2024	**2025**	2024
Guarantee in respect of banking facilities granted to:				
- subsidiaries	**-**	-	**2,037.2**	2,279.5
- plasma receivables	**56.2**	31.3	**-**	-

The movements of the financial guarantee contracts during the financial year are as follows:

	Company	
In RM million	**2025**	2024
At beginning of financial year	**4.1**	4.5
Fair value changes on financial guarantee contracts	**(0.9)**	(0.4)
At end of financial year	**3.2**	4.1

No fair value is recognised arising from financial guarantee for banking facilities granted to plasma receivables as the amount is negligible on initial recognition. As at the end of the reporting period, there was no indication that the plasma receivables would default on repayment.

NOTES TO THE FINANCIAL STATEMENTS

35. OTHER CURRENT LIABILITIES

	Group	
In RM million	**2025**	**2024**
Amounts due to associates (Note 35.1)	**6.0**	4.3
Current tax liabilities	**62.1**	57.5
	68.1	61.8

35.1 Amounts due to associates

Amounts due to associates represent outstanding amounts arising from purchases, advances and payments made on behalf by associates, which are unsecured, interest-free and payable within the next twelve (12) months in cash and cash equivalents.

36. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the financial year comprise:

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Short term funds (Note 26)	**674.1**	1,164.8	**-**	-
Deposits with financial institutions with maturities of 3 months or less (Note 27)	**307.1**	267.3	**178.3**	142.5
Cash and bank balances	**597.2**	749.6	**36.1**	39.5
	1,578.4	2,181.7	**214.4**	182.0

The Group has undrawn borrowing facilities of RM7,698.0 million (2024 – RM8,516.2 million) at the end of the financial year, and this includes undrawn facilities equivalent to RM5,063.7 million (2024 – RM5,665.8 million) in respect of the EMTN Programme as disclosed in Note 31.5 to the financial statements.

Cash and cash equivalents include cash and bank balances, bank overdrafts, deposits and other short term, highly liquid investments and short term funds, which are readily convertible to cash and are subject to insignificant risk of changes in value.

No expected credit loss is recognised arising from cash and bank balances and deposits with financial institutions because the probability of default by these financial institutions is negligible.

NOTES TO THE FINANCIAL STATEMENTS

37. SIGNIFICANT RELATED PARTY DISCLOSURES

37.1 Identity of related parties

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

Related parties of the Group include:

i. Progressive Holdings Sdn Bhd, the ultimate holding company;

ii. Direct and indirect subsidiaries as disclosed in Note 41 to the financial statements;

iii. Associates and joint ventures as disclosed in Note 41 to the financial statements;

iv. Key management personnel, which comprises persons (including the Directors of the Company) having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly; and

v. Affiliates, companies in which the Directors are also the substantial shareholders of the Company and have substantial shareholding interests.

37.2 Significant related party transactions

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

In RM million	**2025**	**2024**
Group		
Associates		
Sales of oleochemical products and palm products	**950.9**	488.2
Purchases of oleochemical products and palm products	**108.8**	74.1
Rental income on storage tank	**10.6**	10.0
Affiliates		
Management fees income	**5.3**	5.5
Agency fees income	**3.9**	3.4
Purchases of palm products	**61.3**	53.9
Rental paid	**4.7**	4.6
Company		
Subsidiaries		
Sales of palm products	**6.6**	6.2
Advisory fees income	**22.6**	18.4
Management fees expenses	**11.1**	9.8
Interest income	**29.4**	130.3
Interest expense	**46.3**	51.9

The related party transactions described above were carried out on terms and conditions not materially different from those obtainable in transactions with unrelated parties.

Information regarding outstanding balances arising from related party transactions as at 30 June 2025 is disclosed in Note 16.2, Note 20.2, Note 23 and Note 35.1 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

37. SIGNIFICANT RELATED PARTY DISCLOSURES (Continued)

37.3 Key management personnel compensation

The remuneration of Directors and other key management personnel during the financial year is as follows:

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Directors and other key management personnel				
Fees	**1.6**	1.4	**1.6**	1.4
Remuneration	**23.3**	22.4	**20.2**	19.1
Total short term employee benefits	**24.9**	23.8	**21.8**	20.5
Post-employment benefits	**2.8**	2.5	**2.4**	2.1
	27.7	26.3	**24.2**	22.6

38. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that the entities of the Group are able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity mix. The overall strategy of the Group remains unchanged from that in financial year ended 30 June 2024.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. Capital of the Group comprises equity, borrowings and other long term liabilities. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, buy back shares or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 30 June 2025 and 30 June 2024.

The Group monitors capital using a gearing ratio, which is net debt divided by equity attributable to owners of the parent. The Group's net debt includes borrowings and lease liabilities less cash and cash equivalents. The Group has an appropriate target gearing ratio, which is monitored by the Group on an ongoing basis.

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Borrowings (Note 31)	**3,214.6**	3,704.7	**1,019.5**	1,466.0
Lease liabilities (Note 32.1)	**46.5**	60.0	**-**	-
	3,261.1	3,764.7	**1,019.5**	1,466.0
Less: Cash and cash equivalents (Note 36)	**(1,578.4)**	(2,181.7)	**(214.4)**	(182.0)
Net debt	**1,682.7**	1,583.0	**805.1**	1,284.0
Equity attributable to owners of the parent	**12,294.0**	11,678.6	**7,585.1**	7,426.0
Net gearing ratio (%)	**13.69%**	13.55%	**10.61%**	17.29%

Pursuant to the requirements of Practice Note No. 17/2005 of the Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of more than the 25% of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40.0 million. The Company has complied with this requirement for the financial year ended 30 June 2025.

The Group is not subject to any other externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks, including foreign currency risk, interest rate risk, price fluctuation risk, credit risk and liquidity and cash flow risk. The Group's overall financial risk management objective is to ensure that the Group creates value for its shareholders whilst minimising potential adverse effects on its financial performance and positions. The Group operates within an established risk management framework and clearly defined guidelines that are approved by the Board of Directors.

The Group operates within an established Enterprise Risk Management framework with clearly defined policies and guidelines, which are administered via divisional Risk Management Committees. Divisional Risk Management Committees report regularly to the Audit and Risk Management Committee, which oversees the management of risk in the Group on behalf of the Board of Directors.

39.1 Foreign currency risk

The Group operates internationally and is exposed to various currencies, mainly US Dollar ("USD"), Euro ("EUR") and Japanese Yen ("JPY"). Foreign currency denominated assets and liabilities together with expected cash flows from committed purchases and sales give rise to foreign currency exposures.

The Group's foreign currency risk management objective is to minimise foreign currency exposure that gives rise to economic impact, both at transaction and reporting period translation levels.

39.1.1 Risk management approach

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country, in which the property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

Foreign currency exposures in transactional currencies other than the functional currencies of the operating entities are kept to an acceptable level. Material foreign currency transaction exposures are hedged with derivative financial instruments such as forward foreign exchange contracts on a back-to-back basis.

The downstream segment's forward contractual commitments intended to be physically settled are fully hedged with respect to its currency risk on a back-to-back basis with currency forward contracts. Where the netting of forward sales against forward purchases with matching currency risk characteristics is possible, these would first be netted before hedging the net currency exposure with forward contracts. Currency risk on forward contractual commitments with clear intention for net-cash settlement (i.e. paper trading) are not considered for hedging until the exercising of the net settlement.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.1 Foreign currency risk (Continued)

39.1.1 Risk management approach (Continued)

The hedging methods that the Group adopts in managing its currency risk depend on the principal forms of foreign currency exposure, as discussed below:

i. Structural foreign currency exposure from its net investment in foreign operations (subsidiaries and associates)

Background

The Group's foreign operations of various functional currencies when translated into its parent's reporting currency based on closing rates (for assets and liabilities) and average transaction rates (for income and expenses) at consolidation, gives rise to foreign currency translation gain or loss that will be recognised in other comprehensive income. Intragroup transactions with foreign operations involving monetary financial instruments will also result in foreign currency translation gain or loss that cannot be eliminated on consolidation, but has to be recognised either in profit or loss or in other comprehensive income. However, non-monetary financial items translated at historical exchange rates will not give rise to foreign currency risk. Resulting from its net investment in foreign operations, the Group's current and future profit stream in various foreign currencies will also be exposed to foreign currency risk.

Hedging method

Where feasible, the Group would match its foreign currency borrowing with the functional currency of its foreign operations. Nevertheless, the Group considers such foreign currencies' overall fiscal position and borrowing costs before deciding on the major currency to be carried as debt in its book. In this regard, the Group has major foreign currency borrowings denominated in USD, EUR and JPY, which do not necessarily match all the functional currencies of its foreign operations. Where appropriate, exposures from mismatch in foreign currency borrowings are hedged with Cross Currency Swap.

ii. Transactional obligations or rights denominated in foreign currency

Background

The majority of the Group's transactional currency risk arises from its foreign currency based forward sales and purchases of commodity items, contracted by its subsidiaries along the palm value chain. These forward commodity contracts for "own use" purposes are non-financial instruments and are generally not recognised in the statements of financial position. However, these non-financial forward contracts denominated in foreign currency are exposed to economic risk due to currency fluctuations. Certain product-streams underlying the forward contracts are net-cash settled or have contract provisions for net-cash settlement, and these are accounted by the Group as financial instruments with fair valuation impact to its financial statements. Regardless of "own use" or fair value through profit or loss, these forward contracts on fulfilment at maturity will result in book receivables or payables in foreign currency.

Hedging method

Intra-day transactions or forward contracts in foreign currencies are first netted based on matching characteristics. The net exposure is then hedged off with vanilla foreign exchange forwards.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.1 Foreign currency risk (Continued)

39.1.1 Risk management approach (Continued)

In general, currency exposure from foreign investments and borrowings is managed centrally at the Group HQ level, whilst currency exposure arising from transactions or contractual obligations is managed at the respective entity or business unit's level. The Group adopts a uniform Foreign Currency Risk Management Policy and Guide, which sets out the authority and limits for inception of foreign currency derivatives; types of approved foreign currency derivatives; acceptable hedging practices and methods; and over-sight structure and controls. Below are extracts of key policies:

a) Speculative positioning on foreign currency is prohibited;

b) Net currency exposure on trade transactions and forward contracts are to be hedged in full on back-to-back basis. Hedging on portfolio basis (or macro-hedging) comprising unmatched mixed maturity and amount is disallowed;

c) Inception of foreign currency derivatives as hedging instrument against forecast trade transactions in foreign currency is disallowed;

d) Hedging with foreign currency futures on traded exchanges is generally disallowed;

e) Inception of over-the-counter structured derivatives for hedging purposes and each contract is subject to executive management's approval; and

f) Subsidiaries inception of foreign currency derivative for hedging purposes are confined to vanilla foreign currency forwards and plain European style foreign currency options.

The Group's entire currency exposure (as hedge items) and corresponding foreign currency derivative hedging instruments are marked-to-market and fair valued once a month primarily for operational hedge effectiveness testing and for executive management reporting and oversight. Weekly long-short positions on foreign currencies and foreign currency derivatives are also produced for timely control and intervention.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.1 Foreign currency risk (Continued)

39.1.2 Foreign currency risk exposure

The analysis of the Group's and the Company's foreign currencies long/(short) positions for each class of financial instruments with separate lines on currency derivative is as follows:

In RM million

Contract based currency	USD		EUR		JPY		Others	
Maturity	**< 1 year**	**> 1 year**	**< 1 year**	**> 1 year**	**< 1 year**	**> 1 year**	**< 1 year**	**> 1 year**
Group								
2025								
Financial assets in foreign currencies								
Cash and bank balances	**90.7**	**-**	**21.8**	**-**	**-**	**-**	**8.8**	**-**
Deposits with financial institutions	**12.7**	**-**	**-**	**-**	**-**	**-**	**165.7**	**-**
Trade and other receivables	**797.7**	**-**	**47.1**	**-**	**11.4**	**-**	**13.6**	**-**
Amount due from associates	**14.1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Derivative assets	**7.2**	**-**	**-**	**-**	**-**	**-**	**(0.2)**	**-**
Financial liabilities in foreign currencies								
Trade and other payables	**(44.2)**	**-**	**(1.4)**	**-**	**(1.9)**	**-**	**(1.0)**	**-**
Borrowings *	**(474.2)**	**(1,772.3)**	**-**	**(89.0)**	**-**	**(614.8)**	**-**	**-**
Currency derivatives								
Foreign currency forwards	**(1,450.1)**	**-**	**(131.2)**	**-**	**(21.9)**	**-**	**(14.8)**	**-**
Structured and hybrids	**116.0**	**(655.3)**	**(120.2)**	**(120.2)**	**-**	**614.8**	**-**	**-**
Net exposure	**(930.1)**	**(2,427.6)**	**(183.9)**	**(209.2)**	**(12.4)**	**-**	**172.1**	**-**
2024								
Financial assets in foreign currencies								
Cash and bank balances	77.0	-	21.0	-	-	-	1.9	-
Deposits with financial institutions	-	-	-	-	-	-	142.5	-
Trade and other receivables	724.7	-	31.6	-	8.7	-	5.1	-
Amount due from associates	0.4	-	-	-	-	-	-	-
Derivative assets	25.5	-	-	-	-	-	0.2	-
Financial liabilities in foreign currencies								
Trade and other payables	(51.2)	-	(2.5)	-	(0.5)	-	(0.6)	-
Borrowings *	(569.4)	(2,384.4)	-	-	-	(615.9)	-	-
Amount due to associates	(0.3)	-	-	-	-	-	-	-
Currency derivatives								
Foreign currency forwards	(1,600.6)	-	(138.6)	-	(27.3)	-	(21.7)	-
Structured and hybrids	-	(603.3)	-	(245.6)	-	615.9	-	-
Net exposure	(1,393.9)	(2,987.7)	(88.5)	(245.6)	(19.1)	-	127.4	-

* *Excluding transaction cost*.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.1 Foreign currency risk (Continued)

39.1.2 Foreign currency risk exposure (Continued)

In RM million

Contract based currency	USD		EUR		Others	
Maturity	**< 1 year**	**> 1 year**	**< 1 year**	**> 1 year**	**< 1 year**	**> 1 year**
Company						
2025						
Financial assets in foreign currencies						
Cash and bank balances	**3.4**	**-**	**19.5**	**-**	**3.9**	**-**
Deposits with financial institutions	**12.7**	**-**	**-**	**-**	**165.7**	**-**
Amounts due from subsidiaries	**167.4**	**203.9**	**0.4**	**-**	**-**	**-**
Financial liabilities in foreign currencies						
Borrowings	**(424.1)**	**(506.4)**	**-**	**(89.0)**	**-**	**-**
Amounts due to subsidiaries	**(14.6)**	**(771.3)**	**-**	**-**	**-**	**-**
Currency derivatives						
Foreign currency forwards	**18.1**	**-**	**-**	**-**	**-**	**-**
Structured and hybrids	**116.0**	**116.0**	**(120.2)**	**(120.2)**	**-**	**-**
Net exposure	**(121.1)**	**(957.8)**	**(100.3)**	**(209.2)**	**169.6**	**-**
2024						
Financial assets in foreign currencies						
Cash and bank balances	15.3	-	20.4	-	1.9	-
Deposit with a financial institution	-	-	-	-	142.5	-
Amounts due from subsidiaries	81.7	1,336.8	0.7	-	-	-
Financial liabilities in foreign currencies						
Borrowings	(498.1)	(967.9)	-	-	-	-
Amounts due to subsidiaries	(16.4)	(863.0)	-	-	-	-
Currency derivatives						
Structured and hybrids	-	259.7	-	(245.6)	-	-
Net exposure	(417.5)	(234.4)	21.1	(245.6)	144.4	-

i. The Group is net short in USD by USD0.8 billion (equivalent to RM3.4 billion) (2024 – net short by USD0.9 billion (equivalent to RM4.4 billion)) and net short in EUR by EUR0.1 billion (equivalent to RM0.4 billion) (2024 – net short by EUR0.1 billion (equivalent to RM0.3 billion)), where USD0.6 billion (equivalent to RM2.4 billion) (2024 – USD0.6 billion (equivalent to RM3.0 billion)) and EUR0.1 billion (equivalent to RM0.2 billion) (2024 – EUR0.1 billion (equivalent to RM0.2 billion)) are due beyond twelve (12) months. These short positions are expected to be met from their future revenue stream mainly denominated in USD and EUR; and

ii. The foreign currency long-short mismatch between forward commodity contracts (as hedge items) and foreign currency forward derivatives (as hedging instruments) is attributed to intragroup forward commodity sales and purchases that give rise to net currency exposure at the entity level. Foreign currency long-short position from forward commodity contracts of both related entities are eliminated on consolidation (but not necessarily its fair value gain or loss arising from foreign currency) i.e. leaving behind the currency long-short on foreign currency forward derivatives.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.1 Foreign currency risk (Continued)

39.1.2 Foreign currency risk exposure (Continued)

The cross currency swap contracts of the Group and of the Company are as follows:

Group

i. Cross currency swaps contract to swap JPY liability of JPY21.0 billion to USD liability of USD182.7 million (2024 – swap JPY liability of JPY21.0 billion to USD liability of USD182.7 million). These were entered into as a cash flow hedge for the Group's principal repayment for the loan obtained. The effective period for these cross currency swaps is from January 2007 to February 2038.

ii. Cross currency swaps contract to swap USD liability of USD55.0 million to fixed rate EUR liability of EUR48.6 million (2024 – swap USD liability of USD55.0 million to fixed rate EUR liability of EUR48.6 million). This was entered into as a net investments hedge against the Group's EUR denominated assets. The effective period for this cross currency swaps is from December 2021 to December 2026.

Company

Cross currency swaps contract to swap USD liability of USD55.0 million to fixed rate EUR liability of EUR48.6 million (2024 – swap USD liability of USD55.0 million to fixed rate EUR liability of EUR48.6 million). This was entered into as a net investments hedge against the Group's EUR denominated assets. The effective period for this cross currency swaps is from December 2021 to December 2026.

39.1.3 Sensitivity analysis

The Group's and the Company's exposure to foreign currency risk is primarily from foreign currency denominated borrowings, deposits and cash and bank balances. A 1,000 pips increase or decrease in foreign currency rate of foreign currency denominated borrowings, deposits and cash and bank balances would have equally decreased or increased the profit for the Group and the Company by approximately RM58.7 million (2024 – RM68.7 million) and RM17.3 million (2024 – RM25.5 million) respectively.

The effect to the equity of the Group and the Company are not presented as they are not affected by the changes in the exchange rates.

39.2 Interest rate risk

The Group's interest rate risk arises from its interest bearing financial instruments that could impact fair value and future cash flows due to fluctuation in market interest rates.

The Group's objective on interest rate risk management is to achieve a balance in repricing risks and the optimisation of its cost of funds whilst ensuring sufficient liquidity to meet funding needs.

39.2.1 Risk management approach

The Group actively reviews its debt portfolio, taking into account the nature and requirements of its businesses as well as the current business and economic environment. This strategy allows it to achieve an optimum cost of capital whilst locking in long term funding rates for long term investments.

Funds held for liquidity purposes and temporary surpluses are placed in short term interest bearing financial instruments. Changes in market interest rates will be re-priced immediately into these floating interest bearing financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.2 Interest rate risk (Continued)

39.2.2 Interest rate risk exposure

The following tables set out the carrying amounts, the weighted average effective interest rates as at the end of the financial year and the remaining repricing brackets of the Group's and the Company's financial instruments that are exposed to interest rate risk:

		Repricing Brackets					Total	
In RM million	Note	Less than 1 year	1 – 2 years	2 – 3 years	3 – 4 years	More than 4 years	Amount	Weighted average effective interest rate %
Group								
2025								
Interest bearing financial assets								
Fixed rate instruments								
Deposits with financial institutions	27	**307.1**	**-**	**-**	**-**	**-**	**307.1**	***3.16***
Amount due from a joint venture	20.2	**-**	**3.1**	**3.6**	**-**	**-**	**6.7**	***3.50***
		307.1	**3.1**	**3.6**	**-**	**-**	**313.8**	
Floating rate instruments								
Short term funds	26	**674.1**	**-**	**-**	**-**	**-**	**674.1**	***3.73***
Cash and bank balances	36	**597.2**	**-**	**-**	**-**	**-**	**597.2**	***1.95***
		1,271.3	**-**	**-**	**-**	**-**	**1,271.3**	
Total assets repricing		**1,578.4**	**3.1**	**3.6**	**-**	**-**	**1,585.1**	
Interest bearing financial liabilities								
Fixed rate instruments								
Term loans	31.1	**-**	**-**	**-**	**-**	**614.8**	**614.8**	***4.38***
Notes *	31.5	**-**	**-**	**-**	**-**	**1,265.9**	**1,265.9**	***3.32***
Trade financing	31.7	**315.8**	**-**	**-**	**-**	**-**	**315.8**	***3.73***
Finance lease obligation	31	**0.2**	**0.2**	**0.2**	**0.4**	**8.0**	**9.0**	***2.00***
Lease liabilities	32	**6.4**	**36.0**	**0.5**	**6.3**	**1.0**	**50.2**	***6.27***
		322.4	**36.2**	**0.7**	**6.7**	**1,889.7**	**2,255.7**	
Floating rate instruments								
Islamic financing facilities	31.2	**675.2**	**-**	**-**	**-**	**-**	**675.2**	***3.43***
Revolving credits	31.6	**23.2**	**-**	**-**	**-**	**-**	**23.2**	***4.81***
Islamic revolving credit financing facilities	31.3	**321.1**	**-**	**-**	**-**	**-**	**321.1**	***5.26***
		1,019.5	**-**	**-**	**-**	**-**	**1,019.5**	
Total liabilities repricing		**1,341.9**	**36.2**	**0.7**	**6.7**	**1,889.7**	**3,275.2**	
Net repricing gap		**236.5**	**(33.1)**	**2.9**	**(6.7)**	**(1,889.7)**	**(1,690.1)**	

* *Excluding transaction cost*.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.2 Interest rate risk (Continued)

39.2.2 Interest rate risk exposure (Continued)

		Repricing Brackets					Total	
In RM million	Note	Less than 1 year	1 – 2 years	2 – 3 years	3 – 4 years	More than 4 years	Amount	Weighted average effective interest rate %
Group								
2024								
Interest bearing financial assets								
Fixed rate instruments								
Deposits with financial institutions	27	267.3	-	-	-	-	267.3	*3.10*
Amount due from a joint venture	20.2	-	0.8	2.8	8.0	-	11.6	*3.50*
		267.3	0.8	2.8	8.0	-	278.9	
Floating rate instruments								
Short term funds	26	1,164.8	-	-	-	-	1,164.8	*3.50*
Cash and bank balances	36	749.6	-	-	-	-	749.6	*2.32*
		1,914.4	-	-	-	-	1,914.4	
Total assets repricing		2,181.7	0.8	2.8	8.0	-	2,193.3	
Interest bearing financial liabilities								
Fixed rate instruments								
Term loans	31.1	-	-	-	-	615.9	615.9	*4.38*
Notes *	31.5	-	-	-	-	1,416.5	1,416.5	*3.32*
Trade financing	31.7	210.4	-	-	-	-	210.4	*4.36*
Finance lease obligation	31	0.2	0.2	0.2	0.4	8.2	9.2	*2.00*
Islamic financing facilities	31.2	141.6	-	-	-	-	141.6	*1.55*
Lease liabilities	32	9.4	40.8	2.4	6.8	0.6	60.0	*6.31*
		361.6	41.0	2.6	7.2	2,041.2	2,453.6	
Floating rate instruments								
Islamic financing facilities	31.2	755.4	-	-	-	-	755.4	*3.74*
Revolving credits	31.6	314.0	-	-	-	-	314.0	*5.91*
Islamic revolving credit financing facilities	31.3	255.0	-	-	-	-	255.0	*5.80*
		1,324.4	-	-	-	-	1,324.4	
Total liabilities repricing		1,686.0	41.0	2.6	7.2	2,041.2	3,778.0	
Net repricing gap		495.7	(40.2)	0.2	0.8	(2,041.2)	(1,584.7)	

* *Excluding transaction cost.*

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.2 Interest rate risk (Continued)

39.2.2 Interest rate risk exposure (Continued)

		Repricing Brackets					Total	
In RM million	Note	Less than 1 year	1 – 2 years	2 – 3 years	3 – 4 years	More than 4 years	Amount	Weighted average effective interest rate %
Company								
2025								
Interest bearing financial assets								
Fixed rate instruments								
Deposits with financial institutions	27	**178.3**	**-**	**-**	**-**	**-**	**178.3**	***3.48***
Amount due from a joint venture	20.2	**-**	**3.1**	**3.6**	**-**	**-**	**6.7**	***3.50***
		178.3	**3.1**	**3.6**	**-**	**-**	**185.0**	
Floating rate instruments								
Cash and bank balances	36	**36.1**	**-**	**-**	**-**	**-**	**36.1**	***1.21***
Amounts due from subsidiaries	16.2	**642.7**	**-**	**-**	**-**	**-**	**642.7**	***2.14***
		678.8	**-**	**-**	**-**	**-**	**678.8**	
Total assets repricing		**857.1**	**3.1**	**3.6**	**-**	**-**	**863.8**	
Interest bearing financial liabilities								
Fixed rate instruments								
Amounts due to subsidiaries	16.2	**-**	**-**	**-**	**-**	**771.3**	**771.3**	***4.83***
		-	**-**	**-**	**-**	**771.3**	**771.3**	
Floating rate instruments								
Islamic financing facilities	31.2	**675.2**	**-**	**-**	**-**	**-**	**675.2**	***3.43***
Revolving credits	31.6	**23.2**	**-**	**-**	**-**	**-**	**23.2**	***4.81***
Islamic revolving credit financing facilities	31.3	**321.1**	**-**	**-**	**-**	**-**	**321.1**	***5.26***
Amount due to a subsidiary	16.2	**115.0**	**-**	**-**	**-**	**-**	**115.0**	***4.66***
		1,134.5	**-**	**-**	**-**	**-**	**1,134.5**	
Total liabilities repricing		**1,134.5**	**-**	**-**	**-**	**771.3**	**1,905.8**	
Net repricing gap		**(277.4)**	**3.1**	**3.6**	**-**	**(771.3)**	**(1,042.0)**	

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.2 Interest rate risk (Continued)

39.2.2 Interest rate risk exposure (Continued)

		Repricing Brackets					Total	
In RM million	Note	Less than 1 year	1 – 2 years	2 – 3 years	3 – 4 years	More than 4 years	Amount	Weighted average effective interest rate %
Company								
2024								
Interest bearing financial assets								
Fixed rate instruments								
Deposit with a financial institution	27	142.5	-	-	-	-	142.5	*3.12*
Amount due from a joint venture	20.2	-	0.8	2.8	8.0	-	11.6	*3.50*
		142.5	0.8	2.8	8.0	-	154.1	
Floating rate instruments								
Cash and bank balances	36	39.5	-	-	-	-	39.5	*1.51*
Amounts due from subsidiaries	16.2	2,275.1	-	-	-	-	2,275.1	*5.90*
		2,314.6	-	-	-	-	2,314.6	
Total assets repricing		2,457.1	0.8	2.8	8.0	-	2,468.7	
Interest bearing financial liabilities								
Fixed rate instruments								
Amounts due to subsidiaries	16.2	60.0	-	-	-	863.0	923.0	*4.65*
Islamic financing facilities	31.2	141.6	-	-	-	-	141.6	*1.55*
		201.6	-	-	-	863.0	1,064.6	
Floating rate instruments								
Islamic financing facilities	31.2	755.4	-	-	-	-	755.4	*3.74*
Revolving credits	31.6	314.0	-	-	-	-	314.0	*5.91*
Islamic revolving credit financing facilities	31.3	255.0	-	-	-	-	255.0	*5.80*
Amount due to a subsidiary	16.2	123.0	-	-	-	-	123.0	*4.67*
		1,447.4	-	-	-	-	1,447.4	
Total liabilities repricing		1,649.0	-	-	-	863.0	2,512.0	
Net repricing gap		808.1	0.8	2.8	8.0	(863.0)	(43.3)	

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.2 Interest rate risk (Continued)

39.2.2 Interest rate risk exposure (Continued)

i. The interest rate swap contract of the Group and of the Company is as follows:

Interest rate swap contract to swap notional principal amount of USD25.0 million (2024 – USD25.0 million) from floating interest rate to fixed interest rate to hedge against interest rate fluctuations. The effective period for this interest rate swap is from December 2021 to December 2026. USD12.5 million of the interest rate swap will mature in December 2025 and balance of USD12.5 million will mature in December 2026.

ii. The Treasury lock contract of the Group is as follows:

Treasury lock contract used to hedge the fluctuation in benchmark U.S. Treasury Bill yield for the issuance of USD300 million 3.375% Guaranteed Notes due 2031 under a Euro Medium Term Note Programme as disclosed in Note 31.5 to the financial statements.

39.2.3 Sensitivity analysis

Sensitivity analysis on interest rate is applied on floating rate financial instruments (after taking into consideration of interest rate swap) only, as the carrying amount of fixed rate financial instruments are not affected by changes in interest rates.

A 50 basis points increase or decrease in interest rates would have equally increased or decreased the profit for the Group by approximately RM3.0 million (2024 – RM4.7 million) and equally increased or decreased the profit for the Company by approximately RM0.5 million (2024 – RM6.2 million) respectively.

The effect to the equity of the Group and the Company are not presented as they are not affected by the changes in the interest rates.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.3 Price fluctuation risk

The Group's plantation and resource-based manufacturing segments are inversely exposed to price fluctuation risk on sales and purchases of vegetable oil commodities. These two (2) operating segments enter into commodity future contracts with the objective of managing and hedging their respective exposures to price volatility in the commodity markets.

The Group's objective on price risk management is to limit the Group's exposure to fluctuations in market prices and to achieve expected margins on revenue.

39.3.1 Risk management approach

The Group manages its price fluctuation risk by having strict policies and procedures governing forward and futures positions with dynamic limits on volume and tenure, mark-to-market losses, and on approvals. The Group's marketing and trading operations are centralised, and the long-short and mark-to-market positions are monitored daily and reported to Senior Management weekly.

The Group's commodity price risk management activities are integrated with its commodity sales and marketing activities, which is centralised at the corporate level. The operation is governed by formalised policies and procedures of which an outline is extracted below:

i. Forward sales commitment is generally not exceeding period of six (6) months, depending on product type;

ii. Volume that can be committed to forward sales is limited to a certain percentage of forecast production (generally not exceeding 70% of monthly production, depending on product type);

iii. Forward contracts can only be incepted with pre-approved counterparties. (Limits on volume and forward period are further established for each counterparty);

iv. Commodity futures can only be traded by authorised officers with established volume limits; and

v. Each portfolio (by product category and legal entity) is subject to further limits on net volume exposure, payment exposure and net mark-to-market fair value ("MTM FV") loss limit (that serves as trigger for intervention).

Trade positions are compiled daily, and mark-to-market fair value is reviewed weekly. An exposure report on the Group's total long-short position (of all physical contracts, futures contracts and uncommitted inventory) with mark-to-market fair value is produced monthly for executive oversight.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.3 Price fluctuation risk (Continued)

39.3.2 Price risk exposure

Detailed in the table below is a summary of the Group's and the Company's financial instruments subject to price risk along with their contract values and mark-to-market fair value on closing, plus fair value recognised over the financial year.

	Contract and Notional amount			Fair value attributed to price changes at period closing		
In RM million	**< 1 year**	**> 1 year**	**Total**	**< 1 year**	**> 1 year**	**Total**
Group						
2025						
Commodity based						
Forward sales contracts	**(379.1)**	**-**	**(379.1)**	**4.6**	**-**	**4.6**
Forward purchase contracts	**170.2**	**-**	**170.2**	**2.7**	**-**	**2.7**
Commodity futures	**79.5**	**-**	**79.5**	**7.9**	**-**	**7.9**
Equity based						
Other investments	**70.7**	**-**	**70.7**	**71.2**	**-**	**71.2**
				86.4	**-**	**86.4**
2024						
Commodity based						
Forward sales contracts	(783.1)	-	(783.1)	18.1	-	18.1
Forward purchase contracts	367.2	-	367.2	8.3	-	8.3
Commodity futures	279.1	-	279.1	4.3	-	4.3
Equity based						
Other investments	69.4	-	69.4	63.6	-	63.6
				94.3	-	94.3
Company						
2025						
Equity based						
Other investments	**1.4**	**-**	**1.4**	**0.6**	**-**	**0.6**
				0.6	**-**	**0.6**
2024						
Equity based						
Other investments	1.4	-	1.4	1.0	-	1.0
				1.0	-	1.0

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.3 Price fluctuation risk (Continued)

39.3.3 Sensitivity analysis

The Group's exposure to price volatility was derived from palm products and other investments. If the price changes by 7.5%, profit or loss for the Group and the Company would have equally increased or decreased by approximately RM4.3 million (2024 – RM5.5 million) and nil (2024 – RM0.1 million) respectively.

The effect to the equity of the Group and the Company are not presented as they are not affected by the price volatility.

39.4 Credit risk

The Group's credit risk exposure is mainly related to external counterparty credit risk on monetary financial assets and trade credits. Credit risk is managed at the business unit level, but macro Group-wide policies on the granting of credit and credit control are issued and monitored centrally, such as those relating to credit risk concentration, adequacy of formal credit rating and evaluation of counterparties, credit impairment and unit level credit control performance.

Credit risk from monetary financial assets is generally low as the counterparties involved are strongly rated financial institutions or authorised exchanges. The Group does not extend any loans or financial guarantees to third parties except for its own subsidiaries, plasma receivables and a joint venture.

The Group's objective on credit risk management is to avoid significant exposure to any individual customer or counterparty and to minimise concentration of credit risk.

39.4.1 Risk management approach

Credit risk or financial loss from the failure of customers or counterparties to discharge their financial and contractual obligations from trade credits is managed through the application of credit approvals, credit limits, insurance programmes and monitoring procedures on an ongoing basis. If necessary, the Group may obtain collateral from counterparties as a means of mitigating losses in the event of default.

The Group's credit risk varies with the different classes of counterparties as outlined below:

i. Plantation and resource-based manufacturing

Most of the upstream sales are intragroup to downstream "resource-based manufacturing". Upstream sales to external parties are mainly payment on delivery. Resource-based manufacturing sales are mostly to external parties with credit terms ranging from 1 to 120 days and across global markets of varying sovereign risk. The Group also engages in forward sales and forward procurement of feedstock. Such forward contracts may have positive fair valuation giving rise to counterparty default risk.

Policies and procedures

a) Customers are assessed for credit and sovereign nation risks (where applicable) on both quantitative and qualitative elements prior to the approval of credit exposure and limits. In this regard, external credit rating services such as Dun & Bradstreet are used. Where customers are approved for forward physical contracts, limits on contractual forward periods and value are established. Regular reviews are made;

b) Credit risk authority is decentralised to the respective entities' credit committee – but supervised centrally at the corporate level; and

c) Credit exposure is monitored on limits and ageing, managed and reviewed periodically. Customers with emerging credit problems are identified early and remedial actions are taken promptly to minimise further exposure and to restore past due status.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.4 Credit risk (Continued)

39.4.1 Risk management approach (Continued)

i. Plantation and resource-based manufacturing (Continued)

Collateral and credit enhancement

In general, a combination of:

a) Corporate guarantee may be required for globe-wide credit facilities for multinational corporations;

b) Cash deposits/advances may be required for certain customers or orders;

c) Transactional documentation (i.e. Letter of Credit or Cash against Document) for export sales; and

d) Credit insurance coverage (up to certain established limits) for downstream Oleochemical's credit sales - leaving some credit exposure on declined coverage and those beyond approved limits.

ii. Financial institutions and exchanges

The Group places its working capital and surplus funds in current account, money market, and time-deposits with banks; and investment trusts managed by licensed institutions. The Group also enters into financial derivative contracts with licensed financial institutions and into commodity futures contracts with licensed exchanges for hedging purposes. Beyond the minimal deposit guarantee offered by certain sovereign nation's deposit insurance schemes, the Group is exposed to a degree of counterparties' credit risk in times of severe economic or financial crisis.

Policies and procedures

a) Funds are placed only with licensed financial institutions with credit rating of "A- and above". Similar requirement is enforced on counterparties for financial derivatives in addition to the mandatory International Swaps and Derivatives Association master agreements;

b) Funds placements are centrally monitored, and where applicable are spread out based on location needs; and

c) Commodity futures are incepted only with main licensed exchanges.

Collateral and credit enhancement

In general, a combination of:

a) National deposit insurance; and

b) Fidelity guarantee.

In general, all business units in the Group have a comprehensive policy that governs the need for formal credit rating system and evaluation on counterparties prior to any contractual arrangement that would result in credit risk exposure. Besides exposure amount, credit risk is also measured and monitored by way of credit quality segregation, ageing analysis, and limits breach alerts. Reviews on credit impairment needs are made quarterly based on objective evidence of loss events.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.4 Credit risk (Continued)

39.4.2 Credit risk exposures and concentration

The Group's credit risks are mainly on financial assets relating to trade receivables, cash deposits, and securities placements, investments and amounts due from subsidiaries as summarised in the table below for both the Group and the Company level.

In RM million	Note	Maximum exposure	Collateral and credit enhancement obtained	Net exposure to credit risk	Collateral and credit enhancement obtained
Group					
Financial assets					
2025					
Cash and bank balances	36	**597.2**	**-**	**597.2**	
Deposits with financial institutions	27	**307.1**	**-**	**307.1**	
Trade and other receivables, excluded deposits and prepayments		**1,337.8**	**115.9**	**1,221.9**	Letter of credit and credit insurance
Other investments		**181.3**	**-**	**181.3**	
Short term funds	26	**674.1**	**-**	**674.1**	
Amounts due from associates	23	**103.2**	**-**	**103.2**	
Amount due from a joint venture	20.2	**6.8**	**-**	**6.8**	
Derivative assets	18	**90.3**	**-**	**90.3**	
		3,297.8	**115.9**	**3,181.9**	
2024					
Cash and bank balances	36	749.6	-	749.6	
Deposits with financial institutions	27	267.3	-	267.3	
Trade and other receivables, excluded deposits and prepayments		1,151.9	63.1	1,088.8	Letter of credit and credit insurance
Other investments		177.1	-	177.1	
Short term funds	26	1,164.8	-	1,164.8	
Amounts due from associates	23	52.5	-	52.5	
Amount due from a joint venture	20.2	11.7	-	11.7	
Derivative assets	18	91.4	-	91.4	
		3,666.3	63.1	3,603.2	

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.4 Credit risk (Continued)

39.4.2 Credit risk exposures and concentration (Continued)

In RM million	Note	Maximum exposure	Collateral and credit enhancement obtained	Net exposure to credit risk	Collateral and credit enhancement obtained
Company					
Financial assets					
2025					
Cash and bank balances	36	**36.1**	**-**	**36.1**	
Deposits with financial institutions	27	**178.3**	**-**	**178.3**	
Other receivables, excluded deposits and prepayments		**0.2**	**-**	**0.2**	
Other investments	24	**0.8**	**-**	**0.8**	
Amounts due from subsidiaries		**663.2**	**-**	**663.2**	
Amount due from a joint venture	20.2	**6.8**	**-**	**6.8**	
Derivative assets	18	**2.7**	**-**	**2.7**	
		888.1	**-**	**888.1**	
2024					
Cash and bank balances	36	39.5	-	39.5	
Deposit with a financial institution	27	142.5	-	142.5	
Other investments	24	1.2	-	1.2	
Amounts due from subsidiaries		2,358.0	-	2,358.0	
Amount due from a joint venture	20.2	11.7	-	11.7	
Derivative assets	18	38.3	-	38.3	
		2,591.2	-	2,591.2	

The maximum credit risk exposure of the financial guarantee issued by the Group and the Company is limited to the credit amount utilised of RM56.2 million (2024 – RM31.3 million) and RM2,037.2 million (2024 – RM2,279.5 million) respectively. The financial guarantees have low credit risk at the end of the year as the probability of plasma receivables and subsidiaries defaulting on the credit line is remote.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.4 Credit risk (Continued)

39.4.2 Credit risk exposures and concentration (Continued)

The table below outlines the credit quality analysis of the Group's and the Company's financial assets together with the impairment charged/(reversed) during the financial year.

	Not past due					Impairment charged/ (reversed) in the financial year	Impairment losses at end of financial year
In RM million	**Strong**	**Medium**	**Weak**	**Past due**	**Total**		
Group							
2025							
Cash and bank balances	**597.2**	**-**	**-**	**-**	**597.2**	**-**	**-**
Deposits with financial institutions	**307.1**	**-**	**-**	**-**	**307.1**	**-**	**-**
Trade and other receivables, excluded deposits and prepayments	**947.2**	**163.9**	**-**	**226.7**	**1,337.8**	**2.7**	**12.5**
Other investments	**181.3**	**-**	**-**	**-**	**181.3**	**-**	**-**
Short term funds	**674.1**	**-**	**-**	**-**	**674.1**	**-**	**-**
Amounts due from associates	**63.4**	**-**	**-**	**39.8**	**103.2**	**0.3**	**0.5**
Amount due from a joint venture	**-**	**6.8**	**-**	**-**	**6.8**	**(5.4)**	**0.1**
Derivative assets	**90.3**	**-**	**-**	**-**	**90.3**	**-**	**-**
	2,860.6	**170.7**	**-**	**266.5**	**3,297.8**	**(2.4)**	**13.1**
2024							
Cash and bank balances	749.6	-	-	-	749.6	-	-
Deposits with financial institutions	267.3	-	-	-	267.3	-	-
Trade and other receivables, excluded deposits and prepayments	961.3	128.4	-	62.2	1,151.9	1.9	10.2
Other investments	177.1	-	-	-	177.1	-	-
Short term funds	1,164.8	-	-	-	1,164.8	-	-
Amounts due from associates	48.1	-	-	4.4	52.5	(0.1)	0.2
Amount due from a joint venture	-	-	11.7	-	11.7	(0.6)	5.5
Derivative assets	91.4	-	-	-	91.4	-	-
	3,459.6	128.4	11.7	66.6	3,666.3	1.2	15.9

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.4 Credit risk (Continued)

39.4.2 Credit risk exposures and concentration (Continued)

	Not past due					Impairment charged/ (reversed) in the financial year	Impairment losses at end of financial year
In RM million	**Strong**	**Medium**	**Weak**	**Past due**	**Total**		
Company							
2025							
Cash and bank balances	**36.1**	**-**	**-**	**-**	**36.1**	**-**	**-**
Deposits with financial institutions	**178.3**	**-**	**-**	**-**	**178.3**	**-**	**-**
Other receivables, excluded deposits and prepayments	**0.2**	**-**	**-**	**-**	**0.2**	**-**	**-**
Other investments	**0.8**	**-**	**-**	**-**	**0.8**	**-**	**-**
Amounts due from subsidiaries	**663.2**	**-**	**-**	**-**	**663.2**	**(71.3)**	**2.9**
Amount due from a joint venture	**-**	**6.8**	**-**	**-**	**6.8**	**(5.4)**	**0.1**
Derivative assets	**2.7**	**-**	**-**	**-**	**2.7**	**-**	**-**
	881.3	**6.8**	**-**	**-**	**888.1**	**(76.7)**	**3.0**
2024							
Cash and bank balances	39.5	-	-	-	39.5	-	-
Deposit with a financial institution	142.5	-	-	-	142.5	-	-
Other investments	1.2	-	-	-	1.2	-	-
Amounts due from subsidiaries	2,358.0	-	-	-	2,358.0	16.3	74.2
Amount due from a joint venture	-	-	11.7	-	11.7	(0.6)	5.5
Derivative assets	38.3	-	-	-	38.3	-	-
	2,579.5	-	11.7	-	2,591.2	15.7	79.7

Credit quality is analysed into the categories of Strong, Medium and Weak, whereby:

Strong: Strong financial standing, low probability of default
Medium: Low to moderate risk of default
Weak: Weak financial standing, history of past due

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.4 Credit risk (Continued)

39.4.2 Credit risk exposures and concentration (Continued)

Receivables class using simplified approach

Ageing analysis of the receivables class using simplified approach is as follows:

In RM million	Current	1 – 30 days	31 – 60 days	61 – 90 days	91 – 120 days	>120 days	Credit impaired	Total	Estimated fair values of collateral and credit enhancement obtained
Group									
2025									
Trade receivables									
Gross receivables	**889.1**	**216.5**	**3.5**	**2.3**	**-**	**0.2**	**-**	**1,111.6**	**115.9**
Impairment losses	**(4.7)**	**(1.6)**	**-** *	**-** *	**-**	**-** *	**-**	**(6.3)**	**-**
	884.4	**214.9**	**3.5**	**2.3**	**-**	**0.2**	**-**	**1,105.3**	**115.9**
Amounts due from associates (Trade)									
Gross receivables	**63.4**	**39.8**	**-**	**-**	**-**	**-**	**-**	**103.2**	**-**
Impairment losses	**(0.3)**	**(0.2)**	**-**	**-**	**-**	**-**	**-**	**(0.5)**	**-**
	63.1	**39.6**	**-**	**-**	**-**	**-**	**-**	**102.7**	**-**
2024									
Trade receivables									
Gross receivables	880.2	58.6	3.4	-	-	0.2	-	942.4	63.1
Impairment losses	(4.7)	(0.7)	- *	-	-	- *	-	(5.4)	-
	875.5	57.9	3.4	-	-	0.2	-	937.0	63.1
Amounts due from associates (Trade)									
Gross receivables	48.1	4.4	-	-	-	-	-	52.5	-
Impairment losses	(0.2)	- *	-	-	-	-	-	(0.2)	-
	47.9	4.4	-	-	-	-	-	52.3	-

* *The expected credit loss is immaterial.*

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.4 Credit risk (Continued)

39.4.2 Credit risk exposures and concentration (Continued)

Credit risk concentration by geographic location and business segment

The credit risk concentration of the Group is mainly in the "receivables" class, except for deposits and prepayments, and this is further analysed below to reveal the credit risk concentration by geographic location and business segment.

	Plantation		Resource-based manufacturing		Others		Total	
In RM million	Amount	%	Amount	%	Amount	%	Amount	%
Group								
2025								
Malaysia	**22.1**	**15**	**247.7**	**20**	**18.4**	**100**	**288.2**	**20**
Europe	**-**	**-**	**188.2**	**15**	**-**	**-**	**188.2**	**13**
Asia (excluding Malaysia)	**129.8**	**85**	**704.5**	**55**	**-**	**-**	**834.3**	**57**
North America	**-**	**-**	**42.1**	**3**	**-**	**-**	**42.1**	**3**
Others	**-**	**-**	**95.0**	**7**	**-**	**-**	**95.0**	**7**
	151.9	**100**	**1,277.5**	**100**	**18.4**	**100**	**1,447.8**	**100**
2024								
Malaysia	24.4	19	224.4	21	19.0	100	267.8	22
Europe	-	-	265.0	25	-	-	265.0	21
Asia (excluding Malaysia)	106.0	81	497.9	47	-	-	603.9	50
North America	-	-	33.5	3	-	-	33.5	3
Others	-	-	45.9	4	-	-	45.9	4
	130.4	100	1,066.7	100	19.0	100	1,216.1	100

	Company			
	2025		2024	
In RM million	Amount	%	Amount	%
Malaysia	**509.5**	**76**	1,186.6	50
Asia (excluding Malaysia)	**160.3**	**24**	1,182.4	50
Europe	**0.4**	**-**	0.7	-
	670.2	**100**	2,369.7	100

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.5 Liquidity and cash flow risk

Liquidity or cash flow risk arises when financial resources are insufficient to meet financial obligations as and when they fall due, or have to be met at excessive cost. The Group's liquidity risk includes non-financial instruments and forward contract obligations.

The Group's liquidity risk management objective is to ensure that all foreseeable funding commitments can be met as and when due and in a cost-effective manner.

39.5.1 Risk management approach

The Group leverages on IOI Corporation Berhad as the public listed parent company whereby treasury related activities are centralised and where the optimal weighted-average-costs-of funds is managed. IOI Corporation Berhad and the treasury management company play a central liquidity management role where the Group's longer term funding requirements are managed based on business and liquidity needs, whilst the day-to-day operational liquidity needs are decentralised at the business unit level. The Group practises an arm's-length market based policy with regard to funding costs and encourages its business units to seek localised trade financing facilities where appropriate.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure all operating, investing and financing needs are met. To mitigate liquidity risk, management measures and forecasts its cash commitments, monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and investment activities. In addition, the Group strives to maintain available banking facilities at a reasonable level against its overall debt position.

The Group manages its liquidity risk with a combination of the following methods:

i. Maintain a balanced contractual maturity profile of financial assets to meet financial liabilities (particularly on near and immediate term maturity);

ii. Maintain a diversified range of funding sources with adequate back-up facilities;

iii. Maintain debt financing and servicing plan; and

iv. Maintain medium to long term cash flow planning incorporating funding positions and requirements of all its subsidiaries.

As the Group's policy, all business units conform to the following processes in ensuring its liquidity profiles are balanced and that all its obligations can be met when due:

i. Perform annual cash flow budgeting and medium term cash flow planning, in which the timing of operational cash flows and its resulting surplus or deficit is reasonably determined. (Such aggregation allows for an overview of the Group's forecasted cash flow and liquidity position, which in turn facilitates further consolidated cash flow planning);

ii. Manage contingent liquidity commitments and exposures;

iii. Monitor liquidity ratios against internal thresholds;

iv. Manage working capital for efficient use of tied-in funds and optimise cash conversion cycle; and

v. Manage concentration and maturity profile of both financial and non-financial liabilities.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.5 Liquidity and cash flow risk (Continued)

39.5.2 Liquidity risk exposure

The following table details the maturity profile of the Group's and the Company's financial liabilities at the end of the financial year based on contractual undiscounted repayment obligations.

In RM million	Less than 1 year	1 – 2 years	2 – 3 years	3 – 4 years	More than 4 years	Total
Group						
Financial liabilities						
2025						
Trade and other payables	**762.2**	**-**	**-**	**-**	**-**	**762.2**
Borrowings	**858.0**	**608.5**	**174.6**	**80.9**	**2,491.2**	**4,213.2**
Lease liabilities	**10.3**	**5.5**	**1.9**	**1.4**	**88.8**	**107.9**
Amounts due to associates	**6.0**	**-**	**-**	**-**	**-**	**6.0**
Derivative liabilities – net settlement	**10.6**	**1.4**	**-**	**-**	**-**	**12.0**
	1,647.1	**615.4**	**176.5**	**82.3**	**2,580.0**	**5,101.3**
2024						
Trade and other payables	720.0	-	-	-	-	720.0
Borrowings	861.1	527.2	677.4	90.5	2,876.4	5,032.6
Lease liabilities	15.7	16.9	35.8	2.2	57.3	127.9
Amounts due to associates	4.3	-	-	-	-	4.3
Derivative liabilities – net settlement	12.4	-	-	-	-	12.4
	1,613.5	544.1	713.2	92.7	2,933.7	5,897.2
Company						
Financial liabilities						
2025						
Other payables	**104.5**	**-**	**-**	**-**	**-**	**104.5**
Borrowings	**461.2**	**527.6**	**93.6**	**-**	**-**	**1,082.4**
Amounts due to subsidiaries	**73.9**	**57.8**	**61.9**	**85.4**	**1,037.7**	**1,316.7**
Derivative liabilities – net settlement	**1.4**	**1.4**	**-**	**-**	**-**	**2.8**
	641.0	**586.8**	**155.5**	**85.4**	**1,037.7**	**2,506.4**
2024						
Other payables	105.8	-	-	-	-	105.8
Borrowings	560.1	436.7	586.8	-	-	1,583.6
Amounts due to subsidiaries	131.4	62.8	61.8	65.9	1,250.6	1,572.5
	797.3	499.5	648.6	65.9	1,250.6	3,261.9

Maturity profile of financial guarantee contracts of the Group and of the Company at the end of each reporting period based on contractual undiscounted obligations is repayable upon any default by the plasma receivables and subsidiaries in respect of the guaranteed bank facilities of RM56.2 million (2024 – RM31.3 million) and RM2,037.2 million (2024 – RM2,279.5 million) respectively.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.5 Liquidity and cash flow risk (Continued)

39.5.2 Liquidity risk exposure (Continued)

i. The Group and the Company maintain a level of cash and cash equivalents and banking facilities to meet their financial liabilities and obligations maturing in the next twelve (12) months;

ii. The Group also strives to maintain a balance between long term and short term borrowings to ensure continuity of funding at a cost efficient manner to meet its financial obligations on a timely basis; and

iii. Financial liabilities contractual maturity periods exceeding twelve (12) months are within comfortable levels, and should be well covered by its annual free cash flows to be generated from its operations.

39.6 Fair values

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3 based on the degree to which the fair value is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Financial instruments carried at fair value			
	Hierarchy of the underlying variable input used in measuring fair valuation			
In RM million	**Level 1**	**Level 2**	**Level 3**	**Total**
Group				
2025				
Derivatives				
Forward foreign exchange contracts	**-**	**31.9**	**-**	**31.9**
Commodity forward contracts	**-**	**7.3**	**-**	**7.3**
Commodity futures	**7.9**	**-**	**-**	**7.9**
Cross currency swap contracts	**-**	**28.6**	**-**	**28.6**
Interest rate swap contract	**-**	**2.6**	**-**	**2.6**
Equity based				
Other investments	**71.2**	**-**	**110.1**	**181.3**
Short term funds	**674.1**	**-**	**-**	**674.1**
	753.2	**70.4**	**110.1**	**933.7**

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.6 Fair values (Continued)

Fair value hierarchy (Continued)

	Financial instruments carried at fair value			
	Hierarchy of the underlying variable input used in measuring fair valuation			
In RM million	**Level 1**	**Level 2**	**Level 3**	**Total**
Group				
2024				
Derivatives				
Forward foreign exchange contracts	-	(1.5)	-	(1.5)
Commodity forward contracts	-	26.4	-	26.4
Commodity futures	4.3	-	-	4.3
Cross currency swap contracts	-	42.2	-	42.2
Interest rate swap contract	-	7.6	-	7.6
Equity based				
Other investments	63.6	-	113.5	177.1
Short term funds	1,164.8	-	-	1,164.8
	1,232.7	74.7	113.5	1,420.9

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

	Financial instruments carried at fair value			
	Hierarchy of the underlying variable input used in measuring fair valuation			
In RM million	**Level 1**	**Level 2**	**Level 3**	**Total**
Company				
2025				
Derivatives				
Forward foreign exchange contracts	**-**	**0.1**	**-**	**0.1**
Cross currency swap contracts	**-**	**(2.8)**	**-**	**(2.8)**
Interest rate swap contract	**-**	**2.6**	**-**	**2.6**
Equity based				
Other investments	**0.6**	**-**	**0.2**	**0.8**
	0.6	**(0.1)**	**0.2**	**0.7**

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.6 Fair values (Continued)

Fair value hierarchy (Continued)

	Financial instruments carried at fair value			
	Hierarchy of the underlying variable input used in measuring fair valuation			
In RM million	**Level 1**	**Level 2**	**Level 3**	**Total**
Company				
2024				
Derivatives				
Cross currency swap contracts	-	30.7	-	30.7
Interest rate swap contract	-	7.6	-	7.6
Equity based				
Other investments	1.0	-	0.2	1.2
	1.0	38.3	0.2	39.5

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

Reconciliation of fair value measurements of Level 3 financial instruments

	Group		Company	
In RM million	**2025**	**2024**	**2025**	**2024**
Financial assets/liabilities designated at fair value through profit or loss				
At beginning of financial year	**113.5**	100.8	**0.2**	-
Additions	**27.9**	20.5	**-**	0.2
Return of capital contribution from other investments	**(9.0)**	-	**-**	-
Net fair value loss recognised in profit or loss	**(11.8)**	(8.9)	**-**	-
Foreign currency translation differences	**(10.5)**	1.1	**-**	-
At end of financial year	**110.1**	113.5	**0.2**	0.2

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.6 Fair values (Continued)

The carrying amounts of financial assets and financial liabilities, which are not carried at fair values, would approximate their fair values as at the end of the financial year. This is due to the relatively short term nature of the financial instruments or there is no significant difference between the historical interest rate at the point when liabilities were undertaken and the current prevailing market interest rate.

The following methods and assumptions were used to estimate the fair values of financial instruments:

i. The carrying amounts of financial assets and financial liabilities maturing within twelve (12) months approximate fair values due to the relatively short term maturity of these financial instruments.

ii. The fair values of quoted investments are their quoted market prices at the end of the financial year. The fair values of current unquoted investments are estimated based on a valuation approach by reference to discounted price to book ratio for comparable public companies of similar industry and size.

iii. The fair values of non-current unquoted equity investments are determined by reference to their last transaction prices at initial recognition. The non-current unquoted equity investments are then subsequently measured at fair value using the net asset value approach.

iv. The fair values of the Group's borrowings are estimated using discounted cash flow analysis, based on current incremental lending rates for similar types of lending and borrowing arrangements and of the same remaining maturities.

v. The fair values of derivative financial instruments are the estimated amounts that the Group would expect to pay or receive on the termination of the outstanding positions as at the end of the financial year arising from such contracts. They are determined by reference to the difference between the contracted rate and the forward rate as at the end of the financial year applied to a contract of similar amount and maturity profile.

vi. The fair values of short term funds are determined by reference to the quoted prices at the close of the business at the end of each reporting period.

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.7 Classification of financial instruments

The financial assets and financial liabilities are classified into the following categories after initial recognition for the purpose of subsequent measurement:

In RM million	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Total
Group				
Financial assets				
2025				
Trade and other receivables, excluded deposits and prepayments	**1,325.3**	**-**	**-**	**1,325.3**
Amounts due from associates	**102.7**	**-**	**-**	**102.7**
Amount due from a joint venture	**6.7**	**-**	**-**	**6.7**
Derivative assets	**-**	**90.3**	**-**	**90.3**
Other investments	**-**	**181.3**	**-**	**181.3**
Short term funds	**-**	**674.1**	**-**	**674.1**
Deposits with financial institutions	**307.1**	**-**	**-**	**307.1**
Cash and bank balances	**597.2**	**-**	**-**	**597.2**
	2,339.0	**945.7**	**-**	**3,284.7**
2024				
Trade and other receivables, excluded deposits and prepayments	1,078.7	-	-	1,078.7
Amounts due from associates	52.3	-	-	52.3
Amount due from a joint venture	6.2	-	-	6.2
Derivative assets	-	60.7	30.7	91.4
Other investments	-	177.1	-	177.1
Short term funds	-	1,164.8	-	1,164.8
Deposits with financial institutions	267.3	-	-	267.3
Cash and bank balances	749.6	-	-	749.6
	2,154.1	1,402.6	30.7	3,587.4

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.7 Classification of financial instruments (Continued)

In RM million	Amortised cost	Fair value through profit or loss	Total
Group			
Financial liabilities			
2025			
Borrowings	**3,214.6**	**-**	**3,214.6**
Lease liabilities	**46.5**	**-**	**46.5**
Trade and other payables	**762.2**	**-**	**762.2**
Amounts due to associates	**6.0**	**-**	**6.0**
Derivative liabilities	**-**	**12.0**	**12.0**
	4,029.3	**12.0**	**4,041.3**
2024			
Borrowings	3,704.7	-	3,704.7
Lease liabilities	60.0	-	60.0
Trade and other payables	720.0	-	720.0
Amounts due to associates	4.3	-	4.3
Derivative liabilities	-	12.4	12.4
	4,489.0	12.4	4,501.4

NOTES TO THE FINANCIAL STATEMENTS

39. FINANCIAL INSTRUMENTS (Continued)

39.7 Classification of financial instruments (Continued)

In RM million	Amortised cost	Fair value through profit or loss	Total
Company			
Financial assets			
2025			
Amounts due from subsidiaries	**660.3**	**-**	**660.3**
Amount due from a joint venture	**6.7**	**-**	**6.7**
Derivative assets	**-**	**2.7**	**2.7**
Other investments	**-**	**0.8**	**0.8**
Deposits with financial institutions	**178.3**	**-**	**178.3**
Cash and bank balances	**36.1**	**-**	**36.1**
	881.4	**3.5**	**884.9**
2024			
Amounts due from subsidiaries	2,283.8	-	2,283.8
Amount due from a joint venture	6.2	-	6.2
Derivative assets	-	38.3	38.3
Other investments	-	1.2	1.2
Deposit with a financial institution	142.5	-	142.5
Cash and bank balances	39.5	-	39.5
	2,472.0	39.5	2,511.5
Financial liabilities			
2025			
Borrowings	**1,019.5**	**-**	**1,019.5**
Other payables	**107.7**	**-**	**107.7**
Amounts due to subsidiaries	**902.7**	**-**	**902.7**
Derivative liabilities	**-**	**2.8**	**2.8**
	2,029.9	**2.8**	**2,032.7**
2024			
Borrowings	1,466.0	-	1,466.0
Other payables	109.9	-	109.9
Amounts due to subsidiaries	1,063.1	-	1,063.1
	2,639.0	-	2,639.0

NOTES TO THE FINANCIAL STATEMENTS

40. COMMITMENTS

40.1 Capital commitments

	Group		Company	
In RM million	2025	2024	2025	2024
Authorised capital expenditure not provided for in the financial statements				
Additions of property, plant and equipment				
- Contracted	**298.7**	317.6	**-**	-
- Not contracted	**542.4**	596.6	**-**	-
Additions of intangible assets				
- Contracted	**2.1**	4.5	**-**	0.3
- Not contracted	**0.4**	0.3	**-**	-

40.2 Lease commitments

40.2.1 The Group and the Company as lessor

The minimum lease payments receivable under non-cancellable operating leases contracted for as at end of the financial year but not recognised as receivables are not material to the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS

41. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The subsidiaries, associates and joint ventures, incorporated and principally based in Malaysia except as otherwise stated, are as follows:

Name of Company	Effective Group Interest 2025	Effective Group Interest 2024	Principal Activities
Direct Subsidiaries			
Plantation			
B. A. Plantations Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
IOI Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm, plantation produce and investment holding
Pine Capital Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and investment holding
Mayvin Incorporated Sdn Bhd	**100.0%**	100.0%	Processing of palm oil and investment holding
Dynamic Plantations Berhad	**100.0%**	100.0%	Cultivation of oil palm and processing of palm oil
Halusah Ladang Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and processing of palm oil
Ladang Sabah Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and processing of palm oil
Morisem Palm Oil Mill Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and processing of palm oil
Morisem Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm, processing of palm oil and investment holding
Perusahaan Mekassar (M) Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and processing of palm oil
Syarikat Pukin Ladang Kelapa Sawit Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and processing of palm oil
Pamol Plantations Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm, processing of palm oil and investment holding
Syarimo Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm, processing of palm oil and investment holding
Right Purpose Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and softwood timber
Ladang Asas Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Ladang Cantawan (Sabah) Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Laksana Kemas Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Meriteam Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Morisem Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Morisem (Sabah) Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Palmco Plantations (Sabah) Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and investment holding
Palmco Properties Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Permodalan Plantations Sdn Bhd	**70.0%**	70.0%	Cultivation of oil palm
PR Enterprise Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm

NOTES TO THE FINANCIAL STATEMENTS

41. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2025	Effective Group Interest 2024	Principal Activities
Direct Subsidiaries (Continued)			
Plantation (Continued)			
Priceland Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Safima Plantations Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Sakilan Desa Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Terusan Baru Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
IOI Commodity Trading Sdn Bhd	**100.0%**	100.0%	Trading of palm oil commodities
IOI Palm Biotech Sdn Bhd	**100.0%**	100.0%	Commercialisation of high quality clonal ramets through tissue culturing process and its biotechnology related research and development activities
IOI Plantation Services Sdn Bhd	**100.0%**	100.0%	Provision of management services
Zonec Plus Sdn Bhd	**100.0%**	100.0%	Provision of management services
Mayvin (Sabah) Sdn Bhd	**100.0%**	100.0%	Investment holding
Lynwood Capital Resources Pte Ltd * *(Incorporated and principally based in Singapore)*	**100.0%**	100.0%	Investment holding
Oakridge Investments Pte Ltd * *(Incorporated and principally based in Singapore)*	**100.0%**	100.0%	Investment holding
Oleander Capital Resources Pte Ltd * *(Incorporated and principally based in Singapore)*	**100.0%**	100.0%	Investment holding
Cantawan Oil Palms Sdn Bhd	**100.0%**	100.0%	Investment holding ^
Fruitful Plantations Sdn Bhd	**100.0%**	100.0%	Investment holding ^
Hill Land Sdn Bhd *(In member's voluntary winding-up)*	**100.0%**	100.0%	Investment holding ^
Sri Cantawan Sdn Bhd	**100.0%**	100.0%	Investment holding ^
Unipamol Malaysia Sdn Bhd	**100.0%**	100.0%	Investment holding ^

NOTES TO THE FINANCIAL STATEMENTS

41. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2025	Effective Group Interest 2024	Principal Activities
Direct Subsidiaries (Continued)			
Resource-based Manufacturing			
IOI Bio-Energy Sdn Bhd	**100.0%**	100.0%	Producing and supplying palm-based renewable energy
IOI Edible Oils Sdn Bhd	**100.0%**	100.0%	Investment holding and palm oil trading and refinery
IOI Global Services Sdn Bhd	**100.0%**	100.0%	Commodities trading, international procurement of palm oil related products, provision of marketing and management services
IOI Oleochemical Industries Berhad *	**100.0%**	100.0%	Investment holding and provision of management services
IOI Loders Croklaan Procurement Company Sdn Bhd	**100.0%**	100.0%	Investment holding ^
IOI Speciality Fats Sdn Bhd	**100.0%**	100.0%	Investment holding ^
IOI Oils BV ** *(Formerly known as IOI Organic Oils BV) (Incorporated and principally based in the Netherlands)*	**100.0%**	100.0%	Trading in oilseeds, edible oils and fats and the processing of raw materials for the edible oils and fats industry
IOI Palm Wood Sdn Bhd	**80.0%**	80.0%	Processing of oil palm trunks and other bio-matter derived from plantations to produce materials used in furniture, construction and building industries
IOI Coconut Oil Sdn Bhd	**100.0%**	100.0%	Processing of copra, crude coconut oil and other related coconut products
Non-Segment			
IOI Management Sdn Bhd	**100.0%**	100.0%	Provision of treasury management services to its related companies
Kayangan Heights Sdn Bhd	**100.0%**	100.0%	Property development
Rapat Jaya Sendirian Berhad	**100.0%**	100.0%	Property development, property investment and cultivation of plantation produce
IOI Investment (L) Berhad *(Incorporated and principally based in the Federal Territory of Labuan)*	**100.0%**	100.0%	Issuance of Exchangeable Bonds
IOI Ventures (L) Berhad *(Incorporated and principally based in the Federal Territory of Labuan)*	**100.0%**	100.0%	Issuance of Guaranteed Notes
IOI Green Energy Sdn Bhd	**100.0%**	100.0%	Production and supply of renewable energy
IOI Green Tech Services Sdn Bhd	**100.0%**	100.0%	Provision of green energy technology services ^
IOI Palm Products Sdn Bhd	**100.0%**	100.0%	Manufacturing and trading of oil palm related by-products ^

NOTES TO THE FINANCIAL STATEMENTS

41. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2025	Effective Group Interest 2024	Principal Activities
Direct Subsidiaries (Continued)			
Non-Segment (Continued)			
IOI Paper Pulp Sdn Bhd	**100.0%**	100.0%	Investment holding
Eglinton Investments Pte Ltd # *(Incorporated and principally based in Singapore)*	**100.0%**	100.0%	Investment holding
Morisem Consolidated Sdn Bhd	**100.0%**	100.0%	Investment holding
Luminous Aspect Sdn Bhd	**100.0%**	100.0%	Investment holding
Indirect Subsidiaries			
Plantation			
Subsidiary of Mayvin (Sabah) Sdn Bhd			
Sri Mayvin Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Subsidiaries of Pine Capital Sdn Bhd			
Sri Vagas Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Ladang Tebu Batu Putih Sdn Bhd	**100.0%**	100.0%	Investment holding ^
Sayang Segama Sdn Bhd	**100.0%**	100.0%	Investment holding ^
Sri Yongdankong Sdn Bhd	**100.0%**	100.0%	Investment holding ^
Subsidiary of Mayvin Incorporated Sdn Bhd			
Gamore Corporation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Subsidiary of Morisem Sdn Bhd			
Plus Bumimas Sdn Bhd	**100.0%**	-	Cultivation of oil palm
Subsidiaries of Syarimo Sdn Bhd			
Agroplex (Sabah) Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Maxgrand Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Mewahandal Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Syarikat Best Cocoa Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Very Good Estate Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Fastscope Development Sdn Bhd	**100.0%**	100.0%	Cultivation of softwood timber

NOTES TO THE FINANCIAL STATEMENTS

41. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2025	Effective Group Interest 2024	Principal Activities
Indirect Subsidiaries (Continued)			
Plantation (Continued)			
Subsidiaries of Pamol Plantations Sdn Bhd			
IOI Organic Oils (M) Sdn Bhd	**100.0%**	100.0%	Cultivation of organic oil palm and processing of organic palm oil
Pamol Estates (Sabah) Sdn Bhd	**70.0%**	70.0%	Cultivation of oil palm, processing of palm oil and investment holding
Subsidiary of Pamol Estates (Sabah) Sdn Bhd			
Milik Berganda Sdn Bhd	**70.0%**	70.0%	Cultivation of oil palm
Subsidiaries of Oleander Capital Resources Pte Ltd			
PT Berkat Agro Sawitindo # *(Incorporated and principally based in the Republic of Indonesia)*	**100.0%**	100.0%	Management consulting services and investment holding
PT Sawit Nabati Agro # *(Incorporated and principally based in the Republic of Indonesia)*	**100.0%**	100.0%	Management consulting services and investment holding
Subsidiaries of PT Sawit Nabati Agro			
PT Bumi Sawit Sejahtera # *(Incorporated and principally based in the Republic of Indonesia)*	**95.0%**	95.0%	Cultivation of oil palm and processing of palm oil
PT Berkat Nabati Sejahtera # *(Incorporated and principally based in the Republic of Indonesia)*	**95.0%**	95.0%	Cultivation of oil palm
PT Kalimantan Prima Agro Mandiri # *(Incorporated and principally based in the Republic of Indonesia)*	**95.0%**	95.0%	Cultivation of oil palm
PT Sukses Karya Sawit # *(Incorporated and principally based in the Republic of Indonesia)*	**95.0%**	95.0%	Cultivation of oil palm and processing of palm oil
PT Ketapang Sawit Lestari # *(Incorporated and principally based in the Republic of Indonesia)*	**100.0%**	100.0%	Cultivation of oil palm ^

NOTES TO THE FINANCIAL STATEMENTS

41. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2025	Effective Group Interest 2024	Principal Activities
Indirect Subsidiaries (Continued)			
Plantation (Continued)			
Subsidiaries of IOI Plantation Sdn Bhd			
Future Growth Sdn Bhd	**100.0%**	100.0%	Cultivation, harvesting and marketing of coconut
Unico-Desa Plantations Berhad	**100.0%**	100.0%	Cultivation of oil palm, palm oil milling, sales of crude palm oil and palm kernel and investment holding
IOI Pelita Plantation Sdn Bhd	**70.0%**	70.0%	Cultivation of oil palm
Subsidiaries of Unico-Desa Plantations Berhad			
Unico Plantations Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and investment holding
Basic Plantation (S) Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Builtec Agricultural & Development Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Gelodar Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Golden Focus Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Korop Holdings Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Zutaland Development Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Subsidiaries of Unico Plantations Sdn Bhd			
Fasgro Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Segaco Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Supercrop Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Syarikat Zuba Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Topcrop Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Tutico Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Unico Oil Mill Sdn Bhd	**100.0%**	100.0%	Processing of palm oil

NOTES TO THE FINANCIAL STATEMENTS

41. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2025	Effective Group Interest 2024	Principal Activities
Indirect Subsidiaries (Continued)			
Resource-based Manufacturing			
Subsidiaries of IOI Oleochemical Industries Berhad			
IOI Acidchem Sdn Bhd *	**100.0%**	100.0%	Manufacture and sale of fatty acids, soap noodles, glycerine and other related products
IOI Derichem Sdn Bhd *	**100.0%**	100.0%	Investment holding ^
IOI Esterchem (M) Sdn Bhd *	**100.0%**	100.0%	Manufacturing and trading of fatty esters
IOI Pan-Century Edible Oils Sdn Bhd *	**100.0%**	100.0%	Refining and processing of crude palm oil for sale to local and overseas market
IOI Pan-Century Oleochemicals Sdn Bhd *	**100.0%**	100.0%	Manufacturing of oleochemical products and soap noodles
Palmco Oil Mill Sendirian Berhad *	**100.0%**	100.0%	Sale of crude palm kernel oil, crude palm kernel olein and renting of storage tanks
Stabilchem (M) Sdn Bhd *	**100.0%**	100.0%	Investment holding ^
Subsidiaries of IOI Acidchem Sdn Bhd			
IOI Oleo GmbH * *(Incorporated and principally based in Germany)*	**100.0%**	100.0%	Manufacture and sale of oleochemical specialty products
Acidchem (USA) Inc * *(Incorporated and principally based in the United States of America)*	**100.0%**	100.0%	Trading in fatty acids and glycerine
Subsidiaries of IOI Oleo GmbH			
KetoLipix Therapeutics GmbH ** *(Incorporated and principally based in Germany)*	**100.0%**	100.0%	Development of proprietary keto-ester portfolio
IOI Oleo Beteiligungs GmbH ** *(Incorporated and principally based in Germany)*	**100.0%**	100.0%	Holding and management of its own assets, shareholdings in the chemical and pharmaceutical products business ^
Subsidiary of IOI Oleo Beteiligungs GmbH			
IOI Oleo U.S. Corp ** *(Incorporated and principally based in the United States of America)*	**100.0%**	100.0%	Dormant

NOTES TO THE FINANCIAL STATEMENTS

41. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2025	Effective Group Interest 2024	Principal Activities
Indirect Subsidiaries (Continued)			
Non-Segment			
Subsidiaries of IOI Oleochemical Industries Berhad			
Palmco Jaya Sendirian Berhad *	**100.0%**	100.0%	Provision of bulk cargo warehousing facilities
Palmco International (HK) Limited * *(Incorporated and principally based in Hong Kong)*	**100.0%**	100.0%	Investment holding
Palmco Management Services Sdn Bhd *	**100.0%**	100.0%	Investment holding ^
Palmina Sendirian Berhad *	**100.0%**	100.0%	Investment holding ^
Pamol Bintang Sdn Bhd *	**100.0%**	100.0%	Investment holding ^
Performance Chemicals (M) Sdn Bhd *	**100.0%**	100.0%	Investment holding ^
Quantum Green Sdn Bhd *	**100.0%**	100.0%	Provision of management services
Subsidiaries of Palmco International (HK) Limited			
Palmco Engineering Limited * *(Incorporated and principally based in Hong Kong)*	**100.0%**	100.0%	Investment holding ^

Notes:

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

** *Statutory audit not required as at 30 June 2025.*

Audited by member firms of BDO International.

^ *The companies remained dormant during the financial year.*

On 30 May 2025, Palmco Plantations (Sabah) Sdn Bhd, a wholly-owned subsidiary of the Company entered into a Sale and Purchase Agreement for the acquisition of 2,600,000 ordinary shares representing 100% of the issued and paid-up share capital of the Lubah Plantations (S) Sdn Bhd from Sit Seng & Sons Realty Sdn Bhd, for a total purchase consideration of RM24.6 million (the "Proposed Acquisition"). The Proposed Acquisition has been completed on 1 July 2025.

NOTES TO THE FINANCIAL STATEMENTS

41. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2025	Effective Group Interest 2024	Principal Activities
Associates			
Plantation			
Reka Halus Sdn Bhd	**30.0%**	30.0%	Cultivation of oil palm and processing of palm oil
Associate of Lynwood Capital Resources Pte Ltd and Oakridge Investments Pte Ltd			
Bumitama Agri Ltd *(Incorporated and principally based in Singapore)*	**32.1%**	32.1%	Investment holding
Resource-based Manufacturing			
Bunge Loders Croklaan Group BV *(Incorporated and principally based in the Netherlands)*	**20.0%**	20.0%	Investment holding
Associates of IOI Oleochemical Industries Berhad			
Fatty Chemical (Malaysia) Sdn Bhd	**30.0%**	30.0%	Manufacturing and sale of fatty alcohols, refined glycerine and olefin
Kao Plasticizer (Malaysia) Sdn Bhd	**30.0%**	30.0%	Manufacturing and sale of plasticizer products
Peter Greven Asia Sdn Bhd	**40.0%**	40.0%	Production, marketing and distribution of metallic stearates
Malaysia Pakistan Venture Sdn Bhd	**25.0%**	25.0%	Investment holding
Joint Ventures			
Resource-based Manufacturing			
Adeka Foods (Asia) Sdn Bhd	**40.0%**	40.0%	Manufacturing of margarine, shortening and fat spreads
Joint Venture of Luminous Aspect Sdn Bhd			
Rosa RE Pte Ltd *(Incorporated and principally based in Singapore)*	**20.0%**	20.0%	Generation of electricity by other sources (e.g. solar power, biofuels etc.)
Joint Venture of IOI Paper Pulp Sdn Bhd			
Nextgreen IOI Pulp Sdn Bhd	**45.0%**	45.0%	Manufacturing, import, export and trading of pulp

42. AUTHORISATION FOR ISSUE

The financial statements of the Group and of the Company for the financial year ended 30 June 2025 were authorised for issue by the Board of Directors on 11 September 2025.

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 155 to 262 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2025 and of their financial performance and cash flows of the Group and of the Company for the financial year then ended.

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

Tan Sri Peter Chin Fah Kui
Non-Independent Non-Executive Chairman

Dato' Lee Yeow Chor
Group Managing Director and Chief Executive

Putrajaya
11 September 2025

STATUTORY DECLARATION

I, Kong Kian Beng (CA 19179) being the officer primarily responsible for the financial management of IOI Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 155 to 262 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared)
by the abovenamed)
at Puchong, Selangor Darul Ehsan) **Kong Kian Beng**
this 11 September 2025)

Before me

Lim Cin Wei
Commissioner for Oaths
No. B630

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IOI CORPORATION BERHAD

(INCORPORATED IN MALAYSIA)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of IOI Corporation Berhad, which comprise the statements of financial position as at 30 June 2025 of the Group and of the Company, and the 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 155 to 262.

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 June 2025, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

(a) Impairment assessment of the carrying amounts of goodwill

Goodwill of the Group is allocated to two (2) Cash-generating Units ("CGUs") identified according to the operating segments. Management has considered that plantation and resource-based manufacturing as the operating segments of the Group, with carrying amounts of goodwill of RM130.7 million and RM208.9 million respectively as disclosed in Note 15.1 to the financial statements. There was no impairment loss on goodwill in the current financial year.

We determined this to be a key audit matter because it requires significant judgements and estimates about the future results and underlying key assumptions applied to cash flow forecasts of the CGUs in determining the recoverable amounts. These underlying key assumptions include forecasted growth in future revenue and profit margins, as well as determining an appropriate pre-tax discount rate and growth rates.

Our audit procedures included the following:

(i) compared prior period forecasts to actual outcomes to assess reliability of management forecasting process;

(ii) compared cash flow forecast against recent performance, and assessed and compared the key assumptions in forecasts to available external industry sources of data, where applicable;

(iii) verified forecasted profit margins and growth rates to support the key assumptions applied in the impairment assessment;

(iv) evaluated pre-tax discount rate used by management for each CGU to the weighted average cost of capital of the Group and its relevant risk factors; and

(v) performed sensitivity analysis of our own to stress test the key assumptions in the impairment model.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IOI CORPORATION BERHAD

(INCORPORATED IN MALAYSIA)

Key Audit Matters (Continued)

(b) Accounting for derivative financial instruments

The Group and the Company use derivative financial instruments such as forward foreign exchange contracts, commodity forward contracts and futures, cross currency swap contracts and interest rate swap contract to hedge their risks associated with foreign currency, commodity price fluctuations and interest rates, as set out in Note 18 to the financial statements.

As at 30 June 2025, the total derivative financial instruments of the Group and of the Company that were carried at fair value comprised financial assets of RM90.3 million and RM2.7 million and financial liabilities of RM12.0 million and RM2.8 million respectively.

The determination of the fair values of the derivative financial instruments is a key audit matter due to the volume of trades entered into and it involves significant judgements and is subject to estimation uncertainty as subjective variables need to be used in order to derive the fair values.

Our audit procedures included the following:

(i) obtained an understanding on the overall commodity trading process and treasury function of derivative financial instruments;

(ii) read and discussed with management on the analysis of the contractual terms and evaluated the accounting treatments adopted by management, including the reasons for entering into derivative financial instruments;

(iii) assessed and compared the key inputs used to determine the fair value against observable market data, where applicable; and

(iv) vouched to statements and/or confirmations from banks and other financial institutions to compare the fair values of the derivative financial instruments recorded in the accounting system, where applicable.

(c) Impairment assessment of property, plant and equipment of IOI Palm Wood Sdn Bhd ("IOI Palm Wood") and cost of investment of the Company in IOI Palm Wood

As at 30 June 2025, the carrying amount of property, plant and equipment of IOI Palm Wood was RM89.4 million as disclosed in Note 14 to the financial statements and the cost of investment of the Company in IOI Palm Wood amounted to RM97.7 million as disclosed in Note 16.1 to the financial statements. An impairment loss amounting to RM39.2 million was recognised by the Group on property, plant and equipment of IOI Palm Wood and impairment loss amounting to RM76.5 million was recognised on cost of investment of the Company in IOI Palm Wood during the financial year.

We determined this to be a key audit matter because it requires significant judgements and estimates about the future results and underlying key assumptions applied to cash flow forecasts of IOI Palm Wood in determining the recoverable amount. The underlying key assumptions include forecasted growth in future revenue and profit margins, as well as determining an appropriate pre-tax discount rate and growth rates.

Our audit procedures included the following:

(i) compared prior period forecasts to actual outcomes to assess reliability of management forecasting process;

(ii) compared cash flow forecast against recent performance, and assessed and compared the key assumptions in forecasts to available external industry sources of data, where applicable;

(iii) verified forecasted profit margins and growth rates to support the key assumptions applied in the impairment assessment;

(iv) evaluated pre-tax discount rate used by management for the subsidiary to the weighted average cost of capital of the Group and its relevant risk factors; and

(v) performed sensitivity analysis of our own to stress test the key assumptions in the impairment model.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IOI CORPORATION BERHAD

(INCORPORATED IN MALAYSIA)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IOI CORPORATION BERHAD

(INCORPORATED IN MALAYSIA)

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

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

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current 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 41 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.

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

Rejeesh A/L Balasubramaniam
02895/08/2026 J
Chartered Accountant

Kuala Lumpur
11 September 2025

GROUP PROPERTIES

A. PLANTATION ESTATES

Location	Tenure	Area (Hectare)	Crop Planted	Factory/ Mill	Year of Acquisition	Net Carrying Amount as at 30 June 2025 RM million
Malaysia						
Pahang Darul Makmur						
Bukit Dinding Estate, Bentong	Freehold	1,660	OP	-	1983	119.1
Pukin Estate, Pekan Rompin	Leasehold expiring 2071, 2074, 2077	2,435	OP	1	1985	114.9
Mekassar Estate, Pekan Rompin	Leasehold expiring 2075	1,215	OP	-	1985	53.3
Detas Estate, Pekan	Leasehold expiring 2081	2,301	OP	-	1989	118.0
Bukit Leelau Estate, Pekan	Leasehold expiring 2088	2,096	OP	1	1989	122.7
Merchong Estate, Pekan	Leasehold expiring 2075	1,953	OP	-	1990	87.2
Leepang A Estate, Rompin	Leasehold expiring 2067	2,404	OP	-	2000	97.4
Laukin A Estate, Rompin	Leasehold expiring 2067	1,620	OP	-	2000	61.9
Shahzan IOI Estate 1, Rompin	Leasehold expiring 2062	1,562	OP	-	2002	57.5
Shahzan IOI Estate 2, Rompin	Leasehold expiring 2062	1,640	OP	-	2002	43.1
Negeri Sembilan Darul Khusus						
Regent Estate, Tampin	Freehold	2,300	OP	-	1990	184.1
Bahau Estate, Kuala Pilah	Freehold	2,544	OP	-	1990	188.4
Kuala Jelei Estate, Kuala Pilah	Freehold	679	OP	-	1990	47.5
Johor Darul Takzim						
Gomali Estate, Segamat	Freehold	2,556	OP R	1	1990	202.7
Paya Lang Estate, Segamat	Freehold	2,444	OP R C	-	1990	190.6
Tambang Estate, Segamat	Freehold	2,006	OP C	-	1990	167.9
Bukit Serampang Estate, Tangkak	Freehold	2,725	OP C	-	1990	191.6
Kahang Estate, Kluang	Leasehold expiring 2082	2,420	OP	-	1990	99.3
Sagil Estate, Tangkak	Freehold	2,377	OP C	-	1990	221.1
Segamat Estate, Segamat	Freehold	1,340	OP	-	1990	108.0
Pamol Plantations Estate, Kluang	Freehold	8,090	OP	1	2003	610.8
Sabah						
Morisem 1 Estate, Kinabatangan	Leasehold expiring 2080	2,032	OP	-	1993	46.4
Morisem 2 Estate, Kinabatangan	Leasehold expiring 2038, 2087, 2090	2,042	OP	-	1993-2009	54.6
Morisem 3 Estate, Kinabatangan	Leasehold expiring 2087, 2088	2,014	OP	-	1993	65.4
Morisem 4 Estate, Kinabatangan	Leasehold expiring 2089	2,023	OP	-	1993	63.3
Morisem 5 Estate, Kinabatangan	Leasehold expiring 2078	1,878	OP	-	1993	51.6
Baturong 1-4 Estates, Kunak	Leasehold expiring 2081, 2098	8,134	OP	1	1991-2024	311.9
Halusah Estate, Lahad Datu	Leasehold expiring 2076, 2078	813	OP	-	1991	27.1
Syarimo 1-9 Estates, Kinabatangan	Leasehold expiring 2035, 2077-2097, 2963-2990	18,417	OP	1	1985-2000	589.3

A. PLANTATION ESTATES (Continued)

Location	Tenure	Area (Hectare)	Crop Planted	Factory/ Mill	Year of Acquisition	Net Carrying Amount as at 30 June 2025 RM million
Malaysia (Continued)						
Sabah (Continued)						
Permodalan Estate, Kinabatangan	Leasehold expiring 2078	8,094	OP	-	1995	221.9
Laukin Estate, Sugut	Leasehold expiring 2077	2,128	OP	-	1996	80.4
Sakilan Estate, Sandakan	Leasehold expiring 2887	2,278	OP	1	1996	113.0
Ladang Sabah Estates, Labuk-Sugut	Leasehold expiring 2077, 2082, 2087, 2089	12,194	OP	1	1998-2003	437.8
Cantawan Estate, Lahad Datu	Leasehold expiring 2061, 2066, 2078-2080	1,452	OP	-	1998	42.8
Tas Estate, Kinabatangan	Leasehold expiring 2077	1,209	OP	-	1998	35.5
Tangkulap Estate, Labuk-Sugut	Leasehold expiring 2080-2086	2,277	OP	-	2001	115.8
Bimbingan Estate, Labuk-Sugut	Leasehold expiring 2083	3,893	OP	-	2001	191.0
Pamol Plantations, Labuk-Sugut	Leasehold expiring 2037, 2081, 2097	1,792	OP	-	2003-2007	44.8
Pamol Estates, Labuk-Sugut	Leasehold expiring 2888	8,186	OP	1	2003	419.6
Milik Berganda Estate, Labuk-Sugut	Leasehold expiring 2090	5,278	OP	-	2003	153.5
Linbar 1-2 Estates, Kinabatangan	Leasehold expiring 2081	4,840	OP	-	2003	170.3
Mayvin 1-2 Estates, Labuk-Sugut	Leasehold expiring 2079-2081, 2090, 2092	3,423	OP	1	2003	139.0
Mayvin 5-6 Estates, Kinabatangan	Leasehold expiring 2082	3,620	OP	-	2003	116.4
Leepang 1-5 Estates, Kinabatangan	Leasehold expiring 2030-2039, 2078-2102	10,032	OP	2	2003-2009	266.8
Unico 1-5 Estates, Kinabatangan	Leasehold expiring 2081-2101	11,396	OP	1	2013	412.4
Unico 6 Estate, Lahad Datu	Leasehold expiring 2074, 2077-2079	2,264	OP	-	2013	66.0
Sarawak						
Sejap Estate, Baram	Leasehold expiring 2058	4,960	OP	-	2002	7.1
Tegai Estate, Baram	Leasehold expiring 2067, 2095	4,038	OP	-	2002	5.9

GROUP PROPERTIES

A. PLANTATION ESTATES (Continued)

Location	Tenure	Area (Hectare)	Crop Planted	Factory/ Mill	Year of Acquisition	Net Carrying Amount as at 30 June 2025 RM million
Indonesia						
Kalimantan Barat						
Dusun Arang-arang, Desa Air Hitam Hulu, Kec. Kendawangan, Kab. Ketapang	Hak Guna Usaha expiring 2052, 2056	6,016	OP	1	2009	71.0
Dusun Arang-arang, Desa Air Hitam Besar, Kec. Kendawangan, Kab. Ketapang	Hak Guna Usaha expiring 2055, 2058	6,213	OP	-	2009	114.5
Dusun Natai Maju, Desa Natai Kuini, Kec. Kendawangan, Kab. Ketapang	Hak Guna Usaha expiring 2052, 2056	7,533	OP	1	2013	136.5
Desa Danau Buntar, Desa Jambi & Desa Suka Ramai, Kec. Kendawangan & Kec. Manis Mata, Kab. Ketapang	Hak Guna Usaha expiring 2058	6,682	OP	-	2018	100.7

OP Oil palm
R Rubber
C Coconut

B. INVESTMENT PROPERTY

Location	Tenure	Land Area	Net Lettable Area	Usage	Age of Building (Years)	Net Carrying Amount as at 30 June 2025 RM million
No. 7 Jalan Kenari 5 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan	Freehold	465 sq m	17,168 sq ft	1 unit 3½ storey shop office	30	6.5

C. INDUSTRIAL PROPERTIES

Location	Tenure	Land Area	Usage	Age of Building (Years)	Year of Acquisition	Net Carrying Amount as at 30 June 2025 RM million
Lorong Perusahaan Satu Prai Industrial Complex 13600 Prai Penang	Leasehold expiring between 2069-2114	180,263 sq m	Offices and factory sites Factory site	46 3-24	2001	83.6 28.3
Deep Water Wharves 12100 Butterworth Penang	Leasehold expiring 2030	8,615 sq m	Bulking installation	51	2001	-
PT 110296 Jalan Pekeliling Mukim Plentong Pasir Gudang Johor Bahru Johor Darul Takzim	Leasehold expiring 2052	2.3 hectares	Factory complex and vacant industrial land	33	2007	20.9
PT 216213 Jalan Pekeliling Mukim Plentong Pasir Gudang Johor Bahru Johor Darul Takzim	Freehold	3.6 hectares	Factory complex and vacant industrial land	48	2007	2.0
Lot 51693 Jalan Pekeliling PT 101373 & PT 80565 Jalan Timah Pasir Gudang Johor Bahru Johor Darul Takzim	Leasehold expiring 2038, 2047, 2051	8.3 hectares	Factory complex	34-47	2007	10.3
PTD13060 & 13061 Mukim Pogoh, Segamat Johor	Freehold	8.2 hectares	Palm wood factory	2	2021	46.8
Country lease 075365632, 075376279 075376260 & 075469340 Sg Mowtas and Batu Sapi Sandakan Sabah	Leasehold expiring 2039, 2042, 2044	22 hectares	Palm oil refinery and palm based renewable energy	28	1995	42.8
Zur Hafenspitze 15 19322 Wittenberge Germany	Freehold	60,000 sq m	Factory complex	24	2016	9.0
Arthur-Imhausen-Strasse 92 D-58453 Witten Germany	Perpetual lease	24,000 sq m	Factory complex	34	2016	32.5

GROUP PROPERTIES

D. OTHER PROPERTIES

Location	Tenure	Land/Built Up Area	Usage	Age of Building (Years)	Year of Acquisition	Net Carrying Amount as at 30 June 2025 RM million
Geran 199129, Lot 40337 Mukim Petaling Selangor Darul Ehsan	Freehold	1,803 sq m	Petrol station land	-	1992	-
Lot 40476 & 40480 Daerah Wilayah Persekutuan Kuala Lumpur	Freehold	3,018 sq m	Bungalow plots	-	1992	2.0
Geran 1341, Lot 12040 Mukim of Tangkak Johor Darul Takzim	Freehold	2 hectares	Vacant land	-	1998	0.1
Lot 29440, PTD 13062 Kawasan Perindustrian Segamat 2 Mukim Pogoh, Segamat Johor	Freehold	49,290 sq m	Future development land for Coconut Oil Mill	-	2023	9.1
Lots 429, 432 & 434 Bukit Sebukor Bukit Baru, Melaka Tengah Melaka	Freehold	19 hectare	Future development land	-	1990	1.2
HS(D) 41664 PT 1349 Mukim 01 Seberang Perai Tengah Penang	Leasehold expiring 2124	24,615 sq m	Warehouse	3	2020	15.2
Lot 8165, Mukim 12 Sg Ara Estate Penang	Freehold	1,799 sq m	Future development land	-	2001	0.2
Country lease 115325534 New Wharf Road Lahad Datu Sabah	Leasehold expiring 2914	2 hectares	Vacant land	-	1993	0.1
Country lease 115325543, 116179269 New Wharf Road Lahad Datu Sabah	Leasehold expiring 2058, 2914	5 hectares	Vacant land	-	1993	0.1
Country lease 115310926 Jalan Segama Lahad Datu Sabah	Leasehold expiring 2932	1 hectare	Regional office	24	1993	-
Country lease 075349343, 075349352 Lot 34, Phase 7A Northern Ring Road Sandakan Sabah	Leasehold expiring 2882	417 sq m	3 storey shop/ office	11	2015	1.0

D. OTHER PROPERTIES (Continued)

Location	Tenure	Land/Built Up Area	Usage	Age of Building (Years)	Year of Acquisition	Net Carrying Amount as at 30 June 2025 RM million
Jl. Samari, Kelurahan Madurejo Kec. Arut Selatan, Kab. Kotawaringin Barat, Provinsi Kalimantan Tengah Indonesia	Hak Guna Bangunan expiring 2047	1,885 sq m	Vacant land	-	2017	0.1
Jl. Utama Pasir Panjang, Desa Batu Belaman, Kec. Kumai, Kab. Kotawaringin Barat, Provinsi Kalimantan Tengah Indonesia	Hak Guna Bangunan expiring 2050	7,002 sq m	Vacant land	-	2020	0.5

SHAREHOLDERS INFORMATION

AS AT 29 AUGUST 2025

Issued shares : 6,285,198,995 Ordinary shares
(Including 81,501,700 treasury shares)

Voting rights : One vote per shareholder on a show of hands
One vote per ordinary share on a poll

Number of shareholders : 19,943

ANALYSIS OF SHAREHOLDINGS

Size of holdings	No. of holders	Total holdings	%
1 - 99	2,532	28,570	*
100 - 1,000	4,380	3,055,644	0.05
1,001 - 10,000	9,467	37,149,248	0.60
10,001 - 100,000	2,808	76,531,573	1.23
100,001 – 310,184,863	754	2,482,508,015	40.02
310,184,864 and above	2	3,604,424,245	58.10
Total	19,943	6,203,697,295	100.00

** Negligible*

LIST OF TOP 30 SHAREHOLDERS

Name	No. of shares held	%
1. Progressive Holdings Sdn Bhd	1,382,166,880	22.28
2. Progressive Holdings Sdn Bhd	1,017,285,200	16.40
3. Progressive Holdings Sdn Bhd	643,082,900	10.37
4. Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board*	561,889,265	9.06
5. AmanahRaya Trustees Berhad *Amanah Saham Bumiputera*	256,710,000	4.14
6. Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board (Islamic)*	252,443,665	4.07
7. Kumpulan Wang Persaraan (Diperbadankan)	204,437,800	3.30
8. Annhow Holdings Sdn Bhd	115,372,300	1.86
9. AmanahRaya Trustees Berhad *Amanah Saham Malaysia*	90,000,000	1.45
10. HLB Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Progressive Holdings Sdn Bhd*	87,000,000	1.40
11. Lembaga Tabung Haji	77,504,500	1.25
12. AmanahRaya Trustees Berhad Amanah Saham Malaysia 2 - Wawasan	55,536,600	0.90
13. DB (Malaysia) Nominee (Asing) Sdn Bhd *Exempt Authorised Nominee for State Street Bank & Trust Company*	48,208,550	0.78
14. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Vanguard Total International Stock Index Fund*	41,541,738	0.67

LIST OF TOP 30 SHAREHOLDERS (Continued)

Name	No. of shares held	%
15. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Vanguard Emerging Markets Stock Index Fund*	38,854,890	0.63
16. Permodalan Nasional Berhad	37,982,700	0.61
17. Dato' Lee Yeow Chor	36,500,000	0.59
18. Citigroup Nominees (Asing) Sdn Bhd *Exempt Authorised Nominee for UBS AG Singapore*	32,000,000	0.52
19. Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board*	31,018,000	0.50
20. Citigroup Nominees (Tempatan) Sdn Bhd *Exempt Authorised Nominee for AIA Bhd*	30,297,801	0.49
21. Citigroup Nominees (Tempatan) Sdn Bhd *Great Eastern Life Assurance (Malaysia) Berhad*	29,283,313	0.47
22. AmanahRaya Trustees Berhad *Amanah Saham Malaysia 3*	25,300,400	0.41
23. AmanahRaya Trustees Berhad *Amanah Saham Bumiputera 3 - Didik*	21,991,700	0.35
24. Pertubuhan Keselamatan Sosial	21,500,090	0.35
25. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA For Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II*	21,456,400	0.35
26. Cartaban Nominees (Tempatan) Sdn Bhd *Prudential Assurance Malaysia Berhad for PRULink Strategic Fund*	20,992,100	0.34
27. Citigroup Nominees (Tempatan) Sdn Bhd *UBS AG Singapore for Chan Cha Lin*	19,301,750	0.31
28. Citigroup Nominees (Tempatan) Sdn Bhd *Pledged Securities Account - UBS AG Singapore for Annhow Holdings Sdn Bhd*	19,030,000	0.31
29. Cartaban Nominees (Asing) Sdn Bhd *BNYM SA/NV for People's Bank of China*	18,946,300	0.31
30. Koon KM Holding Sdn Bhd	16,800,000	0.27
Total	**5,254,434,842**	**84.74**

SHAREHOLDERS INFORMATION

AS AT 29 AUGUST 2025

SUBSTANTIAL SHAREHOLDERS

(Based on the Register of Substantial Shareholders)

	No. of ordinary shares held#			
Name of substantial shareholders	**Direct**	**%**	**Indirect ***	**%**
Dato' Lee Yeow Chor	36,500,000	0.59	3,129,534,980	50.45
Lee Yeow Seng	-	-	3,129,534,980	50.45
Progressive Holdings Sdn Bhd ("PHSB")	3,129,534,980	50.45	-	-
Employees Provident Fund Board	892,626,480	14.39	-	-

Notes:

* *Deemed interested by virtue of his interest in PHSB pursuant to Section 8 of the Companies Act 2016*

\# *Based on the total number of issued voting shares (excluding 81,501,700 treasury shares)*

GLOSSARY

3-monochloropropanediol ("3-MCPD")	Organic chemical compounds formed during oil/food production and preparation at high temperatures (above 200°C). These process contaminants can be minimised or eliminated entirely through changes to how oil/food is produced.
Active Pharmaceutical Ingredient ("API")	Active components in a pharmaceutical drug that produce the required effect on the body to treat a condition.
CDP	A not-for-profit that provides a platform for all suppliers to manage their environmental impacts.
CARE Studio	An in-house application laboratory of IOI Oleo GmbH located at Hamburg, Germany, is primarily used for developing new ideas and formulations as well as providing advanced training and seminars for our customers.
Climate Change Action initiative ("CCAi")	IOI's Group-wide long-term action plans to mitigate and reduce greenhouse gas emissions from our diverse operations. The ultimate aim of this initiative is to achieve net zero by 2040.
Crude Palm Oil ("CPO")	An edible oil derived from the pulp of oil palm fruits.
Dow Jones Sustainability Indices ("DJSI")	Benchmarks the sustainability performance of leading companies based on economic, environmental, social and governance criteria.
Enterprise Resource Planning ("ERP")	A system that ties together a multitude of business processes within a company and enables the flow of data between them.
European Union Deforestation Regulation ("EUDR")	Under the EUDR, operators (companies who first place products in the single market) will be required to implement the due diligence on their supply chains to ensure they are deforestation-free, while traders will be responsible for storing and sharing information on their supply chain to operators.
Environmental, Social and Governance ("ESG")	Three key factors which are used to measure the sustainability and ethical impacts of an investment in a business or company.
Economic, Environmental, Social and Governance ("EESG")	A holistic framework for sustainability, recognising the interconnectedness of economic growth, environmental protection, social well-being, and strong governance.
Electronic Plantation Monitoring System ("ePMS")	An operations management software implemented by the IOI in palm oil plantations to grade fresh fruit bunches in a handheld device.
Expandable Polystyrene ("EPS")	Used in a large variety of industries as an insulation or packaging material.
European Union-Good Manufacturing Practice ("EU-GMP")	A quality assurance which ensures that the quality of medicinal products is maintained throughout all stages of the supply chain.
Fresh Fruit Bunches ("FFB")	Bunches harvested from the oil palm trees.
Fast-moving consumer goods ("FMCG")	Products that are highly in demand, sold quickly and affordable.
Food Safety System Certification ("FSSC") 22000	A robust, ISO-based, internationally recognised certification scheme for auditing and certification of food safety for organisations in the food supply chain.
Geographic Information System ("GIS")	A computer system for capturing, storing, checking and displaying data related to positions on Earth's surface.
Greenhouse Gas ("GHG")	Gases in Earth's atmosphere that trap heat and act like glass walls of a greenhouse. The main GHGs include carbon dioxide, methane, nitrous oxides, and water vapour which cause global warming.
Global Reporting Initiative ("GRI")	An international independent organisation that helps businesses, governments and other organisations understand and communicate the impact of business on critical sustainability issues such as climate change, human rights, corruption and many others.
Glycidyl Esters ("GEs")	Contaminants primarily found in refined oils, mainly formed during the deodorisation step in the refining process of edible oils.

GLOSSARY

High Conservation Value ("HCV")	Biological, ecological, social or cultural values which are significant or critically important at the national, regional or global level.
High Carbon Stock ("HCS") areas	Tropical forests that hold large reserves of carbon and biodiversity, which are released and lost when these forests are cleared.
High-Mono-Ester	High cloud point ester designed for improved emulsion stability in high electrolyte conditions.
HPLC-GC-FID	An online technique that couples High-Performance Liquid Chromatography ("HPLC") with Gas Chromatography ("CG") and a Flame Ionization Defector ("FID").
International Labour Organization ("ILO")	A United Nations agency which sets international labour standards, promotes rights at work and encourages decent employment opportunities, the enhancement of social protection and the strengthening of dialogue on work-related issues.
International Sustainability & Carbon Certification ("ISCC")	An independent multi-stakeholder organisation providing a globally applicable certification system for the sustainability of raw materials and products.
International Sustainability Standards Board ("ISSB")	An organisation to develop a superior standard for disclosures regarding sustainability in order to help investors and potential stakeholders.
IOI Cares	A personalised and comprehensive employee wellness programme that fosters employees' well-being holistically through Naluri's evidence-based digital health platform.
IOI Foundation	Formerly known as Yayasan Tan Sri Lee Shin Cheng, a charity arm jointly funded by the Group and its sister company, IOI Properties Group Berhad.
IOI Group Sustainability Policy ("IOISP")	Formerly known as the Sustainable Palm Oil Policy ("SPOP"), this revised policy incorporates new sustainability requirements and reflects IOI's latest commitments.
Isopropyl Esters	Widely used in food and cosmetics due to characteristics such as non-toxicity and skin-friendly nature.
KetoLipix Therapeutics GmbH ("KetoLipix")	A biotech start-up founded in 2022 to establish a pipeline of novel therapeutic products that are based on proprietary chemical structures. It is a spin-off from IOI Oleo GmbH, Germany and part of the IOI Group.
Lean Manufacturing	A holistic approach to production that emphasises efficiency, value creation, and continuous improvement by minimising waste and maximising productivity.
Learning Management System ("LMS")	A software tool to create, deliver and report on employees' training courses and programmes.
Lipid Excellence Center ("LEC")	A new state-of-the-art facility located in Witten, Germany, that will unite the areas of Research & Development, Application Technology and Analytics, while also providing a central location for the offices at the site.
Malaysian Sustainable Palm Oil Certification ("MSPO")	A national scheme in Malaysia for oil palm plantations, independent and organised smallholdings, and palm oil processing facilities to be certified against the requirements of the MSPO Standards.
Medium-Chain Triglycerides ("MCT")	Lipids that can be derived from palm kernel oils for people who cannot tolerate other types of oils which primarily contain long-chain triglycerides. IOI Oleo GmbH offers a broad range of MCT oils under the WITARIX® and MIGLYOL® brands.
Mineral Oil Hydrocarbons ("MOH")	Chemical substances found in mineral oils which can contaminate food and are potentially toxic to humans. The source of contamination could be from the environment, agriculture, processing, transport and packaging materials. Two main types of MOH are Mineral Oil Saturated Hydrocarbons ("MOSH") and Mineral Oil Aromatic Hydrocarbons ("MOAH").
No Deforestation, No New Planting on Peat and No Social Exploitation ("NDPE")	A commitment which can be achieved by protecting HCV and HCS areas, avoiding planting on peat and protecting human rights, workers' rights and the rights of local communities and indigenous people.

Near-Infrared ("NIR") Online System	An online system installed at IOI Oleo GmbH that enables real-time reaction monitoring within the esterification reactors which allows optimisation of reaction and analysis times.
Net Zero	A state in which the GHG entering the atmosphere are balanced by removal from the atmosphere.
Novel Food	Novel foods are foods or food ingredients that have not been widely consumed within a specific region before a certain date, often due to a lack of history of safe consumption or because they are produced using new methods. These foods can include new plant sources, novel ingredients, or those produced using new technologies. They are often introduced to offer new flavours, nutritional benefits, or more sustainable food options.
Novel Suppository	PGE component instead of standard hard fats which is used to deliver a drug by insertion into a body orifice. IOI Oleo GmbH produces hard fats for suppositories and ovules under the WITEPSOL® brand name.
Oil Extraction Rate ("OER")	The quantity of oil that is obtained from fresh fruit bunches.
Oil Palm Trunks ("OPT")	One of the oil palm biomass wastes with high carbon content that can be commercially and sustainably converted into eco-friendly, sustainable and high-performance palm wood panels.
OnCore®	A premium-grade thermally modified palm lumber, blockboards and engineered palm wood panels that are produced by IOI Palm Wood.
Open Innovation Programme	A programme designed to collaborate with external stakeholders to advance IOI's innovation agenda and address our challenges or pain points.
Palm Kernel ("PK")	The edible seed of oil palm fruit that yields palm kernel oils.
PalmGHG calculator	An online calculator created by Roundtable on Sustainable Palm Oil ("RSPO") to enable oil palm growers to estimate and monitor their net GHG emissions as well as allow them to easily identify and address gaps in their production chain.
Palm Oil Mill Effluent ("POME")	Wastewater generated from palm oil milling activities which requires effective treatment before discharging into watercourses.
Polyglycerol Esters ("PGE")	A class of emulsifiers widely used in pharmaceutical and cosmetics.
Precision Project	A sales and operations planning project in IOI Oleo GmbH involving an integrated planning process that is aligned with demand, supply and financial planning.
Product Carbon Footprint ("PCF")	A measure of the total GHG emissions generated during a product's entire lifecycle, from raw material extraction to disposal.
Regenerative Agriculture ("RA")	A conservation and rehabilitation approach to farming system which focuses on improving soil health and biodiversity by protecting soil from erosion and improves water infiltration, water retention and others.
Registration, Evaluation, Authorisation & Restriction of Chemicals ("REACH")	A regulation to evaluate chemical risk while protecting human health and the environment.
Robotic Process Automation ("RPA")	Known as software robotics, uses intelligent automation technologies to perform high-volume, repetitive office tasks of human workers.
Roundtable on Sustainable Palm Oil ("RSPO")	A multi-stakeholder organisation that advances sustainable palm oil through global standards and certification, backed by active stakeholder engagement.
Science Based Target initiative ("SBTi") Forest, Land and Agriculture ("FLAG")	A framework that provides standard guidance for companies to develop verifiable science-based emissions reduction targets in line with the latest climate science. IOI Group has committed to this initiative since March 2023.

GLOSSARY

Scope 1 Emissions	Covers all direct GHG emissions from owned or controlled sources.
Scope 2 Emissions	Covers indirect GHG emissions from the generation of purchased energy including electricity, steam, heating and cooling that is consumed by the reporting company.
Scope 3 Emissions	Includes all other indirect GHG emissions that occur in a company's value chain.
SOFTISAN®	A brand name of specialty oleochemical ingredients for the pharmaceutical, personal care and nutrition industries, developed by IOI Oleo GmbH.
Sustainability Advisory Panel ("SAP")	Formed in January 2017 and tasked with overseeing the execution of IOI Group's Sustainability Implementation Plan. It also advises on sustainability issues raised by multi-stakeholders such as non-governmental organisations and the RSPO.
Sustainability Policy Transparency Toolkit ("SPOTT")	A free, online platform assessing commodity producers, processors and traders on their public disclosure regarding their organisation, policies, and practices related to ESG issues.
Sustainability Consultation Forum ("SCF")	Set up by IOI Group with the SAP as its core member, to gather feedback and perceptions from external stakeholders on selected and complex sustainability issues as well as bottom-up feedback from IOI's management and sustainability team.
Sustainable Palm Oil Policy ("SPOP")	The keystone policy for IOI Group's commitment to sustainability practices and the implementation of a responsible global palm oil supply chain, now known as the IOI Group Sustainability Policy ("IOISP").
Task Force on Climate-Related Financial Disclosures ("TCFD")	A set of disclosure recommendations created by the Financial Stability Board to help companies, banks and investors in disclosing consistent climate-related financial information to their stakeholders.
Transformation Concept project	A project that commenced in March 2023 specifying the measures IOI Oleo GmbH is implementing over the next 10 years to achieve climate neutrality.
Yayasan Tan Sri Lee Shin Cheng ("Yayasan TSLSC")	The charity arm of IOI Group, established by and named after the late founder, Tan Sri (Dr) Lee Shin Cheng. It is now known as IOI Foundation.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-Sixth Annual General Meeting ("56th AGM") of IOI Corporation Berhad (the "Company") will be convened and held physically (Physical Meeting) at Millennium Ballroom 1, Level 1, Le Méridien Putrajaya, Lebuh IRC, IOI Resort City, 62502 Putrajaya, Malaysia ("Meeting Venue") and by way of electronic means (Virtual Meeting) using Remote Participation and Electronic Voting facilities hosted at https://investor.boardroomlimited.com on Tuesday, 4 November 2025 at 10:00 am (Malaysia time) for the purpose of considering and if thought fit, passing with or without modifications, the following Ordinary Resolutions:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 June 2025 and the Reports of the Directors and Auditors thereon.

   Please refer to Explanatory Note C(1)

2. To re-elect Dato' Kong Sooi Lin retiring by rotation pursuant to Article 91 of the Company's Constitution. **Resolution 1**

   Please refer to Explanatory Note C(2)

3. To re-elect Tan Sri Abdul Wahid bin Omar retiring pursuant to Article 97 of the Company's Constitution. **Resolution 2**

   Please refer to Explanatory Note C(2)

4. To approve the payment of Directors' fees (inclusive of Board Committees' fees) of RM1,675,000 for the financial year ending 30 June 2026 payable quarterly in arrears after each month of completed service of the Directors during the financial year. **Resolution 3**

   Please refer to Explanatory Note C(3)

5. To approve the payment of Directors' benefits (other than Directors' fees) of up to RM350,000 for the period from 5 November 2025 until the next Annual General Meeting to be held in year 2026. **Resolution 4**

   Please refer to Explanatory Note C(3)

6. To re-appoint BDO PLT, the retiring Auditors for the financial year ending 30 June 2026 and to authorise the Directors to fix their remuneration. **Resolution 5**

   Please refer to Explanatory Note C(4)

7. As special business, to consider and if thought fit, to pass the following Ordinary Resolutions:

   7.1 Authority to Directors to issue and allot shares under the Companies Act 2016

   "THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (the "Act"), the Board of Directors (the "Board" or the "Directors") be hereby authorised with full powers to issue and allot shares in the Company from time to time and upon such terms and conditions and for such purposes as they may deem fit subject always to the approval of the relevant authorities being obtained for such issuance and allotment provided that the aggregate number of shares to be issued and allotted pursuant to this resolution does not exceed **five percent (5%)** of the total number of issued shares (excluding treasury shares) [the "New Shares"] of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so allotted (the "Mandate").

   AND THAT in connection to the above, pursuant to Section 85 of the Act read together with Article 55 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emption rights to be offered New Shares and the Company be given the approval to disapply the statutory pre-emption rights conferred upon the shareholders of the Company and that the Directors are exempted from the obligation to offer such New Shares first to the existing shareholders of the Company arising from any issuance of the New Shares ranking pari passu with the existing shares, pursuant to the Mandate." **Resolution 6**

   Please refer to Explanatory Note C(5)

NOTICE OF ANNUAL GENERAL MEETING

7.2 Proposed Renewal of Existing Share Buy-Back Authority

"THAT subject to compliance with applicable laws, regulations and the approval of all relevant authorities, approval be hereby given to the Company to utilise up to the aggregate of the Company's latest audited retained earnings, to purchase, from time to time during the validity of the approval and authority under this resolution, such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad ("Bursa Securities") upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares to be purchased and/or held by the Company pursuant to this resolution does not exceed **ten percent (10%)** of the total number of issued shares of the Company at the time of purchase (the "Proposed Purchase").

THAT at the discretion of the Directors of the Company, the shares of the Company to be purchased are to be cancelled and/or retained as treasury shares which may be distributed as dividends, resold on Bursa Securities and/or otherwise dealt with by the Directors in the manners allowed by the Companies Act 2016.

THAT the Directors of the Company be hereby empowered generally to do all acts and things to give effect to the Proposed Purchase with full powers to assent to any condition, modification, revaluation, variation and/or amendment (if any) as may be imposed by the relevant authorities and/or do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company.

AND THAT such authority shall commence immediately upon passing of this resolution until:

(i) the conclusion of the next Annual General Meeting of the Company at which time the authority shall lapse unless by ordinary resolution passed at a general meeting, the authority is renewed either unconditionally or subject to conditions;

(ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or

(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Main Market Listing Requirements of Bursa Securities."

Resolution 7

Please refer to Explanatory Note C(6)

7.3 Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

"THAT subject always to the provisions of the Companies Act 2016 (the "Act"), the Constitution of the Company, Main Market Listing Requirements of Bursa Malaysia Securities Berhad or other regulatory authorities, approval be hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations involving the interests of Directors, major shareholders or persons connected to the Directors and/or major shareholders of the Company and its subsidiaries (the "Related Parties"), as detailed in Part B, Section 4 of the Circular to Shareholders of the Company dated 6 October 2025 (the "Shareholders' Mandate") subject to the following:

(i) the transactions are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and

(ii) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the financial year.

THAT the authority conferred by this resolution will commence immediately upon the passing of this resolution and shall continue to be in force until:

(i) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless renewed by a resolution passed by the shareholders of the Company in a general meeting;

(ii) the expiration of the period within which the next Annual General Meeting of the Company after that date is required to be held pursuant to Section 340(2) of the Act *(but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act)*; or

(iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier,

AND THAT the Directors of the Company be hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Shareholders' Mandate."

Resolution 8

Please refer to Explanatory Note C(7)

8. To transact any other business of which due notice shall have been given.

By Order of the Board,

Tan Choong Khiang
Company Secretary
(SSM PC 201908000048) (MAICSA 7018448)

Putrajaya
6 October 2025

Notes:

A. Mode of Meeting

1. The 56th AGM of the Company will be held on a hybrid basis whereby shareholders, proxies and corporate representatives will have the option to be physically present at the Meeting Venue or to participate and vote remotely via Remote Participation and Electronic Voting ("RPEV") facilities available on the Boardroom Smart Investor Portal ("BSIP") at https://investor.boardroomlimited.com.

2. All shareholders, proxies and corporate representatives who wish to participate either in person (physically) or virtually using RPEV facilities at the 56th AGM are required to pre-register online at BSIP. **Please follow the registration procedures provided in the Administrative Guide of the 56th AGM.**

3. All of the above ordinary resolutions will be carried if more than half of the votes cast are in favour of those resolutions. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), all resolutions shall be put to vote by way of a poll.

4. Only shareholders whose names appear in the Record of Depositors and Register of Members as at **17 October 2025** shall be eligible to participate and vote at the 56th AGM or to appoint proxy to participate and vote on his or her behalf.

B. Appointment of Proxy

1. A shareholder may appoint any person to be his or her proxy and there shall be no restriction as to the qualification of the proxy.

2. If an instrument appointing a proxy is submitted in hard copy, it must be in writing under the hand of the appointor or of his or her attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of two (2) authorised officers, one (1) of whom shall be a director, or of its attorney duly authorised in writing.

3. A shareholder of the Company [including an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 and Exempt Authorised Nominee who holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (the "Omnibus Account")] may appoint more than one (1) proxy, provided that the shareholder specifies the proportion of his or her shareholdings to be represented by each proxy. When two (2) or more valid but differing appointments of proxy are delivered or received for the same share for use at the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others in respect of that share. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share.

4. An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.

NOTICE OF ANNUAL GENERAL MEETING

5. The proxy form may be submitted in hard copy or by electronic means, **not less than forty-eight (48) hours** before the time for holding the 56th AGM or any adjournment thereof, as follows:

   (i) **In hard copy form**

   The proxy form must be deposited at the office of our Administration and Polling Agent, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

   (ii) **By electronic means**

   The proxy form can also be lodged electronically via BSIP. Please follow the procedures provided in the Administrative Guide for the 56th AGM on how to deposit the proxy form electronically.

6. Any corporation which is a shareholder can appoint one (1) or more corporate representatives who may exercise on its behalf all of its power as a shareholder in accordance with the Companies Act 2016 (the "Act").

C. Explanatory Notes to the Agenda

1. Audited Financial Statements for the financial year ended 30 June 2025

Under the provision of Section 340(1)(a) of the Act, the audited financial statements do not require a formal approval of the shareholders. Hence, this agenda item is meant for discussion only and will not be put forward for voting.

The Chairman will extend an invitation to shareholders, proxies and corporate representatives to pose questions and offer feedback concerning the Directors' Report, Audited Financial Statements and the Group's performance, in accordance with the mode of communication as stated in the Administrative Guide.

Shareholders, proxies and corporate representatives will also be given an opportunity to pose questions to the representative(s) of the Company's Auditors, BDO PLT ("BDO") on matters relevant to the audit of financial statements, including the Auditors' Report.

2. Ordinary Resolutions 1 to 2: Re-election of Retiring Directors

Dato' Kong Sooi Lin ("Dato' Kong") who retires in accordance with Article 91 of the Company's Constitution and Tan Sri Abdul Wahid bin Omar ("Tan Sri Abdul Wahid") who retires in accordance with Article 97 of the Company's Constitution, are eligible for re-election and hence, they have offered themselves for re-election at the 56th AGM. The re-election of retiring Directors shall be voted on individually.

Each of the retiring Directors standing for re-election had undergone a performance evaluation and had provided his/her annual declaration on his/her fitness and propriety to continue acting as Directors of the Company in accordance with the Fit and Proper Policy of the Group, as well as the confirmation of their independence.

In determining the eligibility of the retiring Directors to stand for re-election at the 56th AGM of the Company, the Governance, Nominating and Remuneration Committee ("GNRC") had considered the following:

(i) Evaluation of the effectiveness of the Directors in terms of character, experience, integrity, competency and time in discharging their roles as Directors of the Company; and

(ii) The ability to continually provide constructive challenge to management as well as to express their own views independent of the management or other Directors.

The retiring Directors standing for re-election have been demonstrating these attributes and desired behaviours as circumstances require.

The Board of Directors (the "Board") (save for retiring Directors who had abstained from deliberations and decisions on their own re-election) has endorsed the GNRC's recommendations and agreed to propose to the shareholders of the Company the re-election of the retiring Directors, based on the following justifications:

Retiring Director	Justification for Re-election
a) Tan Sri Abdul Wahid	• Tan Sri Abdul Wahid was appointed to the Board on 16 June 2025 as the Senior Independent Non-Executive Director. Following a review of his independence declaration, the GNRC concluded that he meets all independence requirements under the Listing Requirements of Bursa Securities. Since joining the Board, Tan Sri Abdul Wahid has demonstrated proven aptitude for the role, drawing on his governance experience, financial acumen, and forward-looking insight. His professionalism, integrity, and commitment to his responsibilities have been evident, and he has consistently contributed constructively and meaningfully as a valuable member of the Board. • The Board fully endorsed the GNRC's assessment. With his distinguished track record in the public sector, Tan Sri Abdul Wahid brings broad leadership experience and deep expertise that strengthen the Company's governance and oversight. The Board is also satisfied that he meets the criteria set out in the Group's Fit and Proper Policy. His re-election is therefore considered to be in the best interests of the Company, supporting the Board's ongoing commitment to high standards of governance, independence, and leadership continuity.

Retiring Director	Justification for Re-election
b) Dato' Kong	• The GNRC is of the view that Dato' Kong fulfils the independence requirements under the Listing Requirements of Bursa Securities and has consistently demonstrated the highest standards of commitment, integrity, and suitability in her role as a Director. As Chairman of the Audit and Risk Management Committee ("ARMC"), she has shown strong financial acumen and analytical judgment, providing steadfast and effective leadership in overseeing financial reporting, internal controls, and risk management processes. • The Board has endorsed the GNRC's assessment and recognises Dato' Kong's valuable contributions, as Chairman of the ARMC and as a member of the Board Sustainability Committee, as well as her active role on the Board. Her re-election is supported by her insights, depth of experience, and continued ability to contribute meaningfully to the Board deliberations. The Board is satisfied that she meets the criteria set out in the Group's Fit and Proper Policy and considers her re-election to be beneficial to the Company, particularly in strengthening Board independence, diversity, and governance effectiveness.

The detailed profile of each retiring Director, including their career history, competencies and qualifications can be found on pages 90 to 91 of this Annual Report.

Tan Sri Peter Chin Fah Kui will retire from his role as Non-Independent Non-Executive Chairman at the conclusion of the 56th AGM, following nearly eleven (11) years of distinguished service on the Board. His retirement comes after his decision not to seek re-election. The Board extends its sincere appreciation for his steadfast leadership and contributions.

Save for conflict of interest disclosures on pages 131 to 133 of the ARMC Report in this Annual Report, there is no other information that needs to be disclosed pursuant to the Listing Requirements of Bursa Securities, nor are there other matters that need to be brought to the attention of shareholders in respect of the retiring Directors standing for re-election at the 56th AGM.

3. Ordinary Resolutions 3 and 4: Directors' Fees and Benefits

The GNRC and the Board had reviewed the Directors' fees, taking into account fee levels and trends for similar positions in the market, as well as time commitment required from the Directors. The payment of Directors' fees (inclusive of Board Committees' fees) for the financial year ending 30 June 2026 shall be payable quarterly in arrears after each month of completed service of the Directors during the financial year.

The Directors' benefits (other than Directors' fees) consist of meeting attendance allowances, insurance coverage and golf privileges to Non-Executive Directors. In determining the estimated total amount of Directors' benefits, the Board had considered the estimated number of meetings of the Board and its Committees, the estimated proportionate insurance premium and the estimated usage of golf facilities based on the limits provided by the Company during the relevant period.

4. Ordinary Resolution 5: Re-appointment of Auditors

The ARMC had conducted an evaluation of the performance and effectiveness of BDO, including an assessment of BDO's independence and objectivity. The ARMC, being satisfied with the performance, suitability and independence of BDO as external auditors, has recommended to the Board that BDO be re-appointed at the 56th AGM and its remuneration be determined by the Board. The Board in turn has endorsed the ARMC's recommendation. The representatives of BDO will be present at the 56th AGM.

5. Ordinary Resolution 6: Authority to Directors to issue and allot shares

Ordinary Resolution 6 is to seek a renewal of the general mandate which was approved at the 55th AGM of the Company held on 5 November 2024 and will lapse at the conclusion of the 56th AGM to be held on 4 November 2025. This is also to approve the disapplication of statutory pre-emption rights under Section 85 of the Act, to allot new shares (or to grant rights over shares) without first offering them to existing shareholders in proportion to their holdings pursuant to the general mandate.

The general mandate, if approved, will provide flexibility to the Company for any possible fund-raising activities, including but not limited to the placing of shares for the purpose of funding future investment project(s), acquisition(s) and for strategic reasons or such other purposes as the Directors consider will be in the best interest of the Company. In order to eliminate any delay and costs in convening a general meeting to specifically approve such issuance of shares, it is considered appropriate that the Directors be empowered, as proposed under the Ordinary Resolution 6, to issue and allot shares in the Company up to an amount not exceeding in total **five percent (5%)** of the total number of issued shares of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company to be held in year 2026.

The Company did not issue any new shares pursuant to Sections 75 and 76 of the Act under the general mandate which was approved at the 55th AGM of the Company.

NOTICE OF ANNUAL GENERAL MEETING

6. Ordinary Resolution 7: Proposed Renewal of Existing Share Buy-Back Authority ("SBB Authority")

Ordinary Resolution 7 is to seek the renewal of the SBB Authority granted by the shareholders to the Company at the 55th AGM of the Company held on 5 November 2024, which will lapse at the conclusion of the 56th AGM to be held on 4 November 2025. The resolution, if passed, will authorise the Company to make market purchases of its own ordinary shares as permitted by the Act.

If the SBB Authority is renewed at the 56th AGM, the Board will be allowed to purchase up to **ten percent (10%)** of the Company's total number of issued shares, should market conditions and price justify such purchase(s). The Board will only make such purchase(s) under the SBB Authority if doing so could lead to an increase in the net asset value per share held by the remaining shareholders and the purchase(s) are in the best interests of the Company in general, having due regard to appropriate gearing levels, alternative investment opportunities and the overall financial position of the Company.

Any purchase of ordinary shares of the Company will be by means of market purchases through Bursa Securities. Shares purchased under the SBB Authority may either be cancelled or held as treasury shares by the Company. Such treasury shares may subsequently be cancelled, resold for cash, distributed as dividends or otherwise dealt with by the Directors in the manners allowed by the Act.

As at 29 August 2025, the Company had bought back 81,501,700 ordinary shares at an average price of RM3.80 per ordinary share, all of which are currently being held as treasury shares.

Please refer to Part A, Share Buy-Back Statement in the Circular to Shareholders dated 6 October 2025 for the explanatory information on the SBB authority.

7. Ordinary Resolution 8: Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT") of a Revenue or Trading Nature (the "Proposed Shareholders' Mandate")

Ordinary Resolution 8 is to seek approval from the shareholders for renewal of the shareholders' mandate for RRPT granted at the 55th AGM held on 5 November 2024. The Proposed Shareholders' Mandate will enable the Company and its subsidiaries to enter into any of the RRPT of a revenue or trading nature which are necessary for the day-to-day operations involving the interest of Directors, major shareholders or persons connected to the Directors and/or major shareholders of the Company and its subsidiaries (the "Related Parties"), subject to the transactions being in the ordinary course of business, on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. The Proposed Shareholders' Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company to be held in year 2026.

Please refer to Part B of the Circular to Shareholders dated 6 October 2025 for more details on this proposal.

Statement Accompanying Notice of Annual General Meeting
(Pursuant to Paragraph 8.27(2) of the Listing Requirements)

1. Details of individuals who are standing for election as Directors

Other than the retiring Directors standing for re-election at the 56th AGM, no individual is seeking election as a Director at the forthcoming 56th AGM.

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Listing Requirements

Details of the general mandate to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Act are set out in Explanatory Note C(5) to the Agenda.

Personal Data Privacy

By (i) submitting an instrument appointing proxy(ies) and/or representative(s) to participate and vote at the 56th AGM and/or any adjournment thereof, (ii) completing the pre-registration to attend the Physical Meeting or Virtual Meeting in accordance to this Notice, and/or (iii) submitting questions relating to resolutions to be tabled at the 56th AGM, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxy(ies) and representative(s) appointed for the 56th AGM (including any adjournment thereof), the preparation and compilation of the attendance lists and other documents relating to the 56th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing requirements, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/ or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

IOI CORPORATION BERHAD
Company Registration No. 196901000607 (9027-W)
(Incorporated in Malaysia)

No. of Shares Held	
CDS Account No.	

IOI GROUP

PROXY FORM

I/We _____
(full name of shareholder as per NRIC/Passport/Certificate of Incorporation in capital letters)

NRIC/Passport/Company Registration No. _____ Mobile Phone No. _____

of _____
(full address/email address)

being shareholder(s) of **IOI Corporation Berhad**, hereby appoint:

First Proxy "A"			
Full Name *(full name of proxy as per NRIC/Passport in capital letters)*:	NRIC/Passport:	**Proportion of Shareholdings**	
		No. of Shares	**%**
Full Address:	Email Address:		
	Mobile Phone No.:		

AND/OR (delete as appropriate)

Second Proxy "B"			
Full Name *(full name of proxy as per NRIC/Passport in capital letters)*:	NRIC/Passport:	**Proportion of Shareholdings**	
		No. of Shares	**%**
Full Address:	Email Address:		
	Mobile Phone No.:		

or failing him/her, the Chairman of the Fifty-Sixth Annual General Meeting of the Company ("56th AGM") as my/our proxy/proxies to vote on my/our behalf at the 56th AGM which will be convened and held physically **(Physical Meeting)** at Millennium Ballroom 1, Level 1, Le Méridien Putrajaya, Lebuh IRC, IOI Resort City, 62502 Putrajaya, Malaysia **(Meeting Venue)** and by way of electronic means **(Virtual Meeting)** using Remote Participation and Electronic Voting facilities hosted at Boardroom Smart Investor Portal (https://investor.boardroomlimited.com) on **Tuesday, 4 November 2025 at 10:00 am (Malaysia time)** or any adjournment thereof.

My/our proxy/proxies shall vote as follows:

(Please indicate with an "X" or "√" in the space provided as to how you wish your votes to be cast. If you do not do so, the proxy/proxies will vote or abstain from voting on the resolutions at his/her/their discretion.)

No.	**Ordinary Resolutions**	**First Proxy "A"**		**Second Proxy "B"**	
		For	**Against**	**For**	**Against**
1.	To re-elect Dato' Kong Sooi Lin as a Director.				
2.	To re-elect Tan Sri Abdul Wahid bin Omar as a Director.				
3.	To approve the payment of Directors' fees (inclusive of Board Committees' fees) of RM1,675,000 for the financial year ending 30 June 2026 payable quarterly in arrears after each month of completed service of the Directors during the financial year.				
4.	To approve the payment of Directors' benefits (other than Directors' fees) of up to RM350,000 for the period from 5 November 2025 until the next Annual General Meeting.				
5.	To re-appoint BDO PLT, the retiring Auditors for the financial year ending 30 June 2026 and to authorise the Directors to fix their remuneration.				
6.	To authorise the Directors to issue and allot shares of up to **5%** of the total issued shares.				
7.	To approve the proposed renewal of existing share buy-back authority.				
8.	To approve the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature.				

Dated this _____ day of _____ 2025

_____
Signature/Common Seal of Shareholder(s)

Notes:

1. Only shareholders whose names appear in the Record of Depositors and Register of Members as at **17 October 2025** shall be eligible to participate and vote at the 56th AGM or appoint proxy to participate and vote on his or her behalf.
2. A shareholder may appoint any person to be his or her proxy and there shall be no restriction as to the qualification of the proxy.
3. If an instrument appointing a proxy is submitted in hard copy, it must be in writing under the hand of the appointor or of his or her attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of two (2) authorised officers, one (1) of whom shall be a director, or of its attorney duly authorised in writing.
4. A shareholder of the Company [including an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 and Exempt Authorised Nominee who holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (Omnibus Account)] may appoint more than one (1) proxy, provided that the shareholder specifies the proportion of his or her shareholdings to be represented by each proxy. When two (2) or more valid but differing appointments of proxy are delivered or received for the same share for use at the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others in respect of that share. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share.
5. An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
6. The proxy form may be submitted in hard copy or by electronic means, **not less than forty-eight (48) hours** before the time for holding the 56th AGM or any adjournment thereof, as follows:

   (i) **In hard copy form**
   The proxy form must be deposited at the office of our Administration and Polling Agent, **Boardroom Share Registrars Sdn Bhd** at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

   (ii) **By electronic means**
   The proxy form can also be lodged electronically via **Boardroom Smart Investor Portal** at https://investor.boardroomlimited.com. Please follow the procedures provided in the Administrative Guide for the 56th AGM on how to deposit the proxy form electronically.

7. Any corporation which is a shareholder can appoint one (1) or more corporate representatives who may exercise on its behalf all of its power as a shareholder in accordance with the Companies Act 2016.

Personal Data Privacy

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The Administration and Polling Agent of
IOI CORPORATION BERHAD
Company Registration No. 196901000607 (9027-W)

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

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