



GROWTH WITH INTEGRITY, PROGRESS WITH PURPOSE



TH PLANTATIONS BERHAD
Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

Annual Report 2024

Basis of This Report



GROWTH WITH INTEGRITY, PROGRESS WITH PURPOSE

Guided by the AL-Falah 22/22 strategic framework, we are dedicated to achieving sustainable growth while upholding integrity at the heart of our business practices.

By embracing robust governance and innovative approaches, we build a resilient foundation that strengthens stakeholder trust and confidence.

Our commitment to operational excellence drives us to deliver positive, measurable impacts to local communities, empower our people, and protect the environment. This statement reflects THP's unwavering focus on aligning growth with ethical principles and ensuring that our progress serves a greater purpose.



Collection of fresh fruit bunches (FFB) to be transported to the mill at Sungai Tenegang.

Basis of Preparation

This Report has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia. We also strive to meet the Global Reporting Initiative Standards ("GRI") 2021 in our sustainability reporting.

The financial report is aligned with the Malaysian Financial Reporting Standards ("MFRS"), Malaysian Code on Corporate Governance 2021 and the requirements of the Companies Act 2016 in Malaysia.

Scope & Boundary

This report covers the activities, operations and impacts of TH Plantations Berhad ("THP" or "the Company") and Group ("THP Group") for the financial year ending 31 December 2024 (FY2024). Its scope includes:

- All operating subsidiaries where we have significant influence;
- Both financial and non-financial performance, including key aspects of environmental, social and governance (ESG) initiatives; and
- Material topics identified as critical by stakeholders and our business strategy.

Basis of This Report




Forward-Looking Statements

This report contains forward-looking statements that reflect current assumptions and expectations of future events. These statements are subject to uncertainties and risks, which may cause actual results to differ significantly. It is important to note that these forward-looking statements do not provide any warranty or guarantee that the anticipated results will be achieved.

Feedback

We welcome stakeholder feedback to improve the quality, relevance and inclusivity of our reporting. Your insights are essential in helping us meet stakeholder expectations and drive better outcomes.


Please share your thoughts or enquiries via:

 03-2603 4800

 info@thplantations.com

Navigation Icons

 This icon tells you where you can find more information inside this report.

 This icon tells you where you can find more information online at <https://thplantations.my>

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Highlights for the Year



Fresh fruit bunch (FFB) evacuation.

Financial Highlights



Return on Equity

10.20%

(FY2023: 6.60%)



Earnings Per Share

6.47 sen

(FY2023: 3.29 sen)



PBT Margin

18.28%

(FY2023: 11.42%)



Total Assets

RM2.69

billion

(FY2023: RM2.63 billion)



Revenue

RM877.73

million

(FY2023: RM752.03 million)



Dividend Declared

RM26.52

million

(FY2023: RM17.68 million)



Profit Before Taxation

RM160.42

million

(FY2023: RM85.91 million)



Visit our corporate
website at:
<https://thplantations.my>

Highlights for
the Year

Sustainability Highlights

**Reutilised****84% of Biomass**

in our operation.

**Our Total Emission****160,598 mt CO₂e**

(2024 is Our Baseline)

**Awarded****RM62 million**

(53%) contract to Bumiputera under Vendor Development Initiative (VDI).

**Signed****A Shareholders' Agreement
with Cenergi RE**

on 13 June 2024 for construction of biogas plant as part of our effort in emission mitigation.

**Paid****RM4,221,919**

under Native Customary Rights (NCR) land incentive programme benefiting 2,316 land owners.

**Provided****65,843 training hours**

with an average of 10 training hours per employee to ensure continuous upskilling and reskilling across the Group.

**Reduced Group-wide energy consumption for the second year running****from 213,233.78 GigaJoule
to 197,890.10 GigaJoule**

Estate workers at Ladang Bukit Lawiang.

Corporate Profile

Who We Are

THP Group, the plantation arm of Lembaga Tabung Haji, is a key player in the cultivation of oil palm, rubber and teak plantations. Established in 1972 as Perbadanan Ladang-Ladang Tabung Haji Sendirian Berhad, we have experienced a significant growth and were listed on the Main Board of Bursa Malaysia Securities Berhad on 27 April 2006, marking a major milestone in our journey.

What We Do

We manage a diverse portfolio, including 38 estates and six mills across Terengganu, Pahang, Johor, Sabah and Sarawak in Malaysia, as well as operations in Indonesia. With a total land bank exceeding 97,000 hectares, we produce fresh fruit bunches ("FFB"), crude palm oil ("CPO") and palm kernel ("PK") for the Malaysian market.

In addition to oil palm, we have expanded into rubber and teak plantations, ensuring a balanced and sustainable business approach. Guided by our commitment to operational excellence and sustainable growth, we strive to create meaningful impacts on our industry, environment and society.



Corporate
Profile**Vision**

Striving for operational excellence in a sustainable business by creating opportunities with positive growth & impact.

Mission

We aim to:

- Deliver optimal returns to shareholders, practise fair trade and provide a conducive working environment.
- Maintain a continuous commitment to environmental demands and social engagements whilst upholding high standards of governance & integrity.
- Build a sustainable business human capital development, marketing, technology & financial management.
- Improve operational efficiency by adopting good agricultural practices & good manufacturing practices in achieving and delivering best quality products.

Corporate Values

Our core values, which we consistently uphold in our work, serve as the foundation of our products:

**Teamwork****Integrity****Responsiveness****Professionalism****Innovation****Quality**

TH Plantations Berhad operates from its headquarters at Menara TH Selborn, standing proudly as part of Lembaga Tabung Haji's legacy in nurturing sustainable growth and excellence.

Corporate Information

As of 24 February 2025

Board of Directors

Datuk Dr. Ahmad Kushairi bin Din

Chairman,
Independent Non-Executive Director

Datuk Syed Hamadah bin Syed Othman

Non-Independent Non-Executive Director

YM Tengku Dato' Seri Hasmuddin bin Tengku Othman

Non-Independent Non-Executive Director

Dr. Shahril bin Simon

Non-Independent Non-Executive Director

Dr. Nurmazilah binti Dato' Mahzan

Independent Non-Executive Director

Kasmuri bin Sukardi

Independent Non-Executive Director

Fahda Nur binti Ahmad Kamar

Independent Non-Executive Director

BARGC

Board Audit, Risk & Governance Committee

Dr. Nurmazilah binti Dato' Mahzan

Chairman, Independent Non-Executive Director
(Redesignated as Chairman on 20 June 2024)

YM Tengku Dato' Seri Hasmuddin bin Tengku Othman

Member, Non-Independent Non-Executive Director

Kasmuri bin Sukardi

Member, Independent Non-Executive Director
(Appointed as Member on 20 June 2024)

BNRC

Board Nomination & Remuneration Committee

Fahda Nur binti Ahmad Kamar

Chairman, Independent Non-Executive Director
(Appointed as Chairman on 20 June 2024)

YM Tengku Dato' Seri Hasmuddin bin Tengku Othman

Member, Non-Independent Non-Executive Director

Dr. Nurmazilah binti Dato' Mahzan

Member, Independent Non-Executive Director
(Appointed as Member on 5 June 2024)

Kasmuri bin Sukardi

Member, Independent Non-Executive Director

BIC

Board Investment Committee

Dr. Nurmazilah binti Dato' Mahzan

Chairman, Independent Non-Executive Director

Dr. Shahril bin Simon

Member, Non-independent Non-Executive Director

Fahda Nur binti Ahmad Kamar

Member, Independent Non-Executive Director

Corporate Information

As of 24 February 2025

Chief Executive Officer**Mohamed Zainurin bin Mohamed Zain****Company Secretaries****Aliatun binti Mahmud**
(LS 0008841)
(SSM PC No. 201908003467)**Wan Nurul Hidayah binti Wan Yusoff**
(LS 0008555)
(SSM PC No. 201908003468)**Registered Office**Level 23
Menara TH Selborn
153 Jalan Tun Razak
50400 Kuala LumpurTel : 03 2603 4800
Fax : 03 2603 4695
Email : info@thplantations.com**Auditors****KPMG PLT**Level 10
KPMG Tower
8 First Avenue
Bandar Utama
47800 Petaling Jaya
Selangor Darul EhsanTel : 03 7721 3388
Fax : 03 7721 3399
Website: www.kpmg.com.my**Share Registrar****Boardroom Share Registrars Sdn. Bhd.**11th Floor
Menara Symphony
No. 5 Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul EhsanTel : 03 7890 4700
Fax : 03 7890 4670
Website: www.boardroomlimited.com
Email : BSR.Helpdesk@
boardroomlimited.com**Stock Exchange Listing****Main Market of Bursa Malaysia Securities Berhad**Listing Date : 27 April 2006
Stock Name : TH PLANT
Stock Code : 5112**Principal Bankers****Bank Islam Malaysia Berhad**
Maybank Islamic Bank Berhad**Principal Place of Business**Level 17, 18 & 23
Menara TH Selborn
153 Jalan Tun Razak
50400 Kuala LumpurTel : 03 2603 4800
Fax : 03 2603 4695
Email : info@thplantations.com**Investor Relations & Enquiries****Head, Investor Relations**Level 23
Menara TH Selborn
153 Jalan Tun Razak
50400 Kuala LumpurTel : 03 2603 4800
Fax : 03 2603 4699
Email : info@thplantations.com**Place of Incorporation and Domicile**

Malaysia

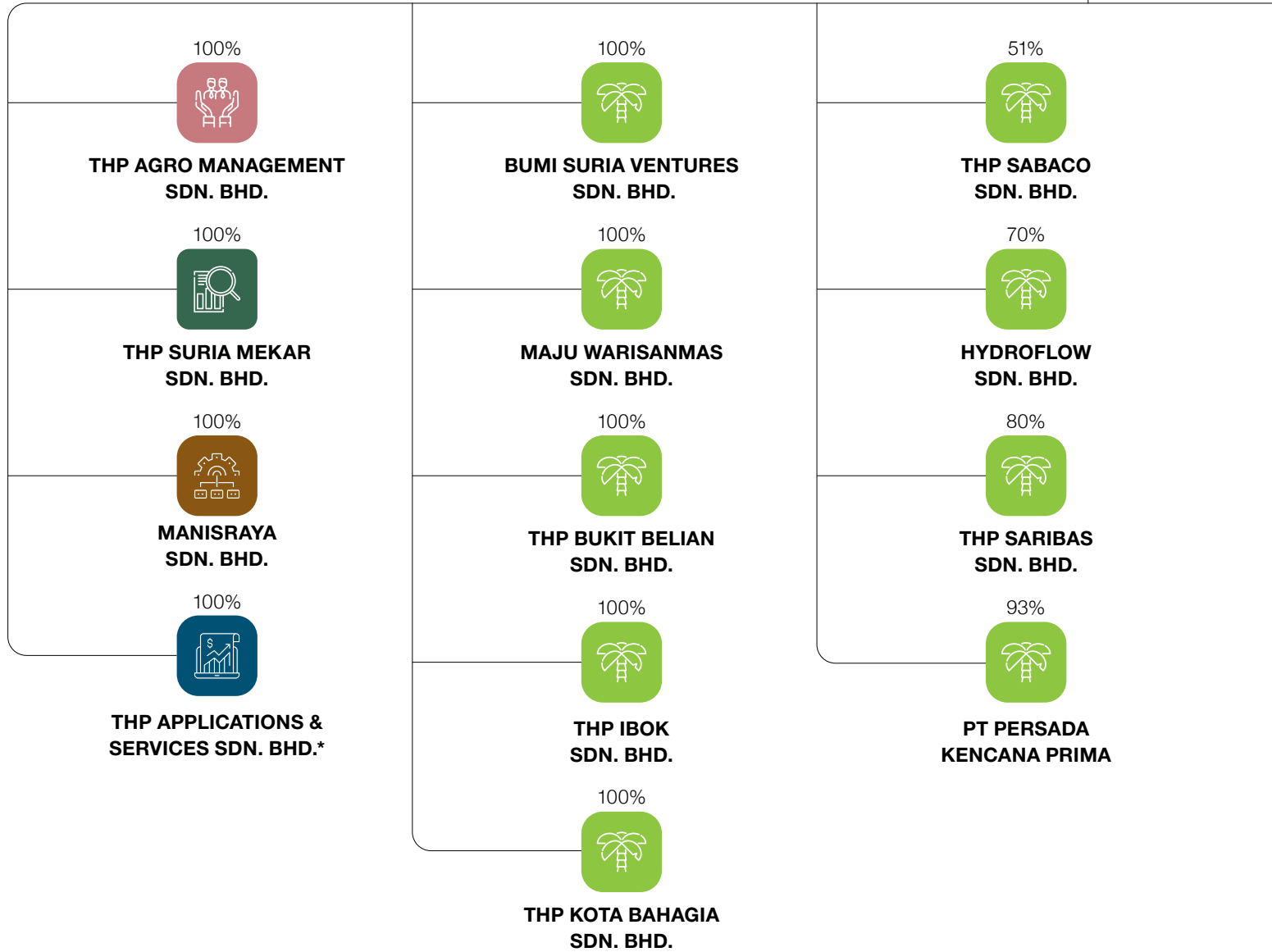
Website<https://thplantations.my>

Corporate Structure

As of 24 February 2025



TH PLANTATIONS BERHAD



Indicators



Oil Palm



Teak



Investment Holding



Tradeline Services



Dormant



Forestry



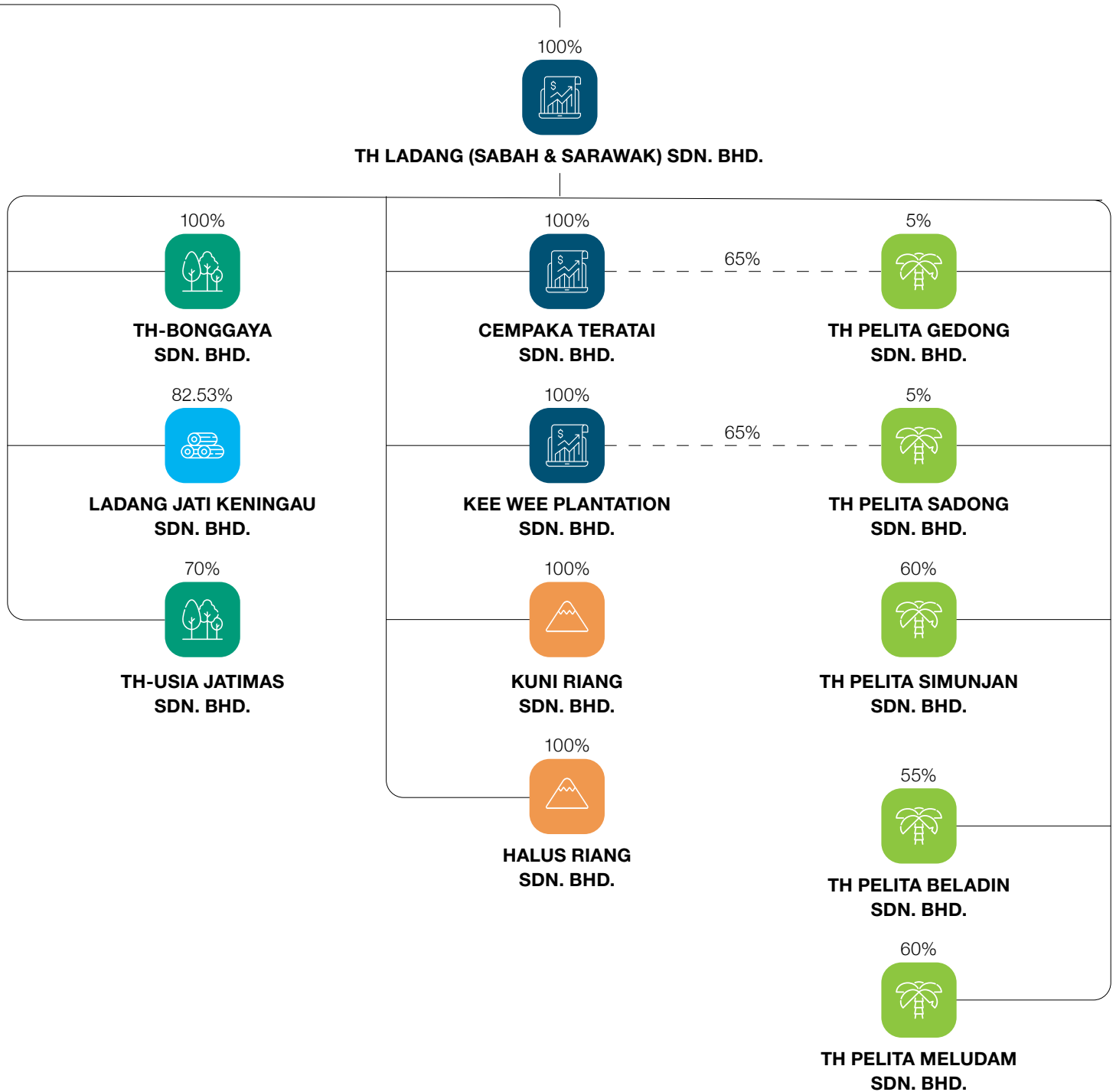
Financing



Management Services

Corporate Structure

As of 24 February 2025



Note:
 * Holds 40% equity interests in Cenergi Lawiang Sdn. Bhd., a Special Purpose Vehicle that constructs and operates the biogas plant at Bukit Lawiang Palm Oil Mill, Kluang, Johor.

Chairman's Statement

السَّلَامُ عَلَيْكُمْ وَرَحْمَةُ اللَّهِ وَبَرَكَاتُهُ

Assalamualaikum Warahmatullahi Wabarakatuh



**Dear Valued
Shareholders,**

**It is with great
pleasure that I
present to you TH
Plantations Berhad's
("THP Group")
Annual Report for the
financial year ended
31 December 2024.**

During the past year, we have taken strong steps to future-proof our business for success in a dynamic industry. From investing in renewable energy to continuing our collaboration with smallholders by purchasing fresh fruit bunches (FFB), our actions stand us in good stead to maintain a positive trajectory of value creation, above and beyond short-term market fluctuations.



**POSITIONED FOR
LONG-TERM
VALUE CREATION**

Chairman's
Statement

Our Marketplace

We benefitted from a relatively stable market environment in 2024, albeit punctuated by proposed key regulatory demands that are set to come into effect in 2025.

CPO prices remained stable throughout 2024 before starting an upward trend in November. This positive price movement was driven by low stock levels in palm oil-producing countries and increased demand for palm oil as feedstock for biodiesel production, aimed at reducing reliance on fossil fuels.

While these market trends contributed to THP Group's strong performance in 2024, the European Union ("EU") Deforestation-Free Products Regulation ("EUDR") and the Corporate Sustainability Due Diligence Directive ("CSDDD") may affect demands for Malaysian-produced palm oil in 2025. While THP does not directly export its products to the EU, we must ensure that all externally purchased and internally produced FFB comply with these regulations. To address this, we are actively collaborating with smallholders to promote sustainable practices and align with evolving global regulatory requirements.

Domestically, the upcoming increase of the minimum wage from RM1,500 to RM1,700 per month will have a material impact on business, potentially increasing the wage bill by 20-25%. Another challenge is the proposed introduction of mandatory Employees' Provident Fund ("EPF") contributions for foreign workers. In line with the stance of the Malayan Agricultural Producers Association ("MAPA"), we are closely monitoring this proposal.

While monitoring these cost-related issues, we will continue to invest in mechanisation technologies that enhance operational efficiencies to reduce cost and dependency on manual labour.

Financial Performance

THP Group delivered a commendable financial performance in FY2024, supported by the favourable market environment and progress against planned operational initiatives.

Group-wide revenue in FY2024 increased by 16.71%, from RM752.03 million to RM877.73 million, while Net Profit After Tax stood at RM97.32 million, 61.93% higher than the previous year's total of RM60.10 million. The growth was driven by two key factors: improvement in average realised priced for CPO and palm kernel and an increase in production and sales volume due to positive impact of replanting initiatives on our estates. Our strong performance can also be attributed to operational and cost efficiency efforts, including the use of digital technology, field mechanisation and collaboration with smallholders to ensure optimal throughput at the mills.

Due to these financial and operational achievements, the Board was pleased to approve a total dividend payout of 3.00 sen per share, amounting to RM26.52 million, for the period ended 31 December 2024.



Dividend

**total dividend payout of
3.00 sen per share.**

(FY2023: 2.00 sen per share)



Revenue

RM877.73 million

(FY2023: RM752.0 million)



Profit After Tax

RM97.32 million

(FY2023: RM60.1 million)

Chairman's Statement

Our Strategy

THP Group's strong performance in 2024 coincided with the first year uptrend of the 5-Year Strategic Business Plan, or AL-Falah 22/22.

AL-Falah 22/22 is more than just a set of business goals and objectives. It is a strategic response to an environment of increasing regulatory stringence and stakeholder expectations, where industry players must do business in ways that generate lasting values for the people, planet and profit. As such, the plan strives to deliver consistent growth alongside positive impact, laying the groundwork for the sustainability of the THP Group – both as a business and as a contributor to our shared vision and mission.

On this note, I would like to highlight the efforts of the Board in integrating this ethos of shared value into our thinking and actions as an organisation. For instance, THP's first biogas plant



THP's Board of Directors' visit to our first biogas plant site in Johor, reinforcing our commitment to renewable energy and lower carbon emissions.

- located at a palm oil mill in Johor - will reduce greenhouse gas ("GHG") emissions and generate income by supplying excess electricity to the grid. Another example is our collaboration with smallholders, where we upskill them in agricultural best practices, thereby strengthening their business and meeting our own needs, holistically.

We believe that, by seeking out more of such opportunities to create shared value, THP Group will be stronger and more resilient in the years to come.



Our inaugural Board retreat, held in 2024, where the Board discussed our budget for 2025.

Chairman's
Statement

Championing Sustainability

We took meaningful strides on our Environmental, Social and Governance (“ESG”) journey in 2024, in line with our role as a responsible and future-oriented organisation.**Reducing Our Emissions**

One of our key ESG achievements in FY2024 was the signing of a strategic partnership with a third party to install a 1.2MW on-grid biogas plant at our Bukit Lawiang mill in Johor. The biogas plant will recycle methane produced from palm oil mill effluent (“POME”) that would otherwise be released into the atmosphere. This initiative will significantly reduce our long-term greenhouse gas (“GHG”) emissions while allowing sale of excess electricity to the grid.

I am pleased to announce that the plant in Bukit Lawiang marked the first step in our broader renewable energy initiative. We are currently exploring the installation of a second biogas plant, as well as the deployment of rooftop solar panels at our estates in Sabah to further enhance our sustainability efforts. At the same time, we continue to utilise palm fibre and kernel shells as renewable fuel sources at our mills. Additionally, we are upgrading the boilers and turbines at our mills to more energy-efficient models, reducing fuel consumption and driving cost savings.

These actions contribute to our Climate Transition Strategy, under which we aim to achieve net zero emissions by 2050. Furthering our progress on this journey, we recently undertook a refreshed carbon footprint inventory exercise – covering Scopes 1, 2 and 3 – with the results disclosed in our Sustainability Statement within this report.

Supporting our climate action goals, we continue to work with the Johor State Forestry Department and Global Environment Centre on a long-term project at the Gunung Arong Forest Reserve, which aims to preserve vital coastal forest and peatland ecosystems that play vital roles in carbon sequestration. Key milestones achieved during the year include the construction of canal blocks to retain peatland water and prevent fires, comprehensive fauna and roadkill

surveys, water table monitoring with piezometers, and the establishment of community forest fire patrols.

Accelerating our contribution to climate change mitigation, we will continue to explore both natural and technological solutions, including the use of carbon credits as a mechanism to drive society and industry-wide emissions reductions.



The launch of our new housing, which was developed in line with ILO standards, at Bukit Lawiang estate in Kluang, Johor.



The Board's visit to Bukit Lawiang mill in January 2024.

Chairman's Statement

Supporting Human Advancement

Community-based contributions continued to be a key pillar of our ESG efforts in FY2024, with our teams supporting a range of important causes in the vicinity of our operations.

During the year, we collaborated with a range of community centres including schools and mosques, not only in providing financial contributions but also to identify their needs and deliver personalised support. We applied the same approach to our work with religious organisations such as Institut Pengajian Al-Quran ("IPAQ"), striving to deliver holistic benefits for local communities and our own employees through the programmes.

Beyond being supporters of external charitable initiatives, we see community impact as an intrinsic component of our value creation strategy, as evidenced by the investment we continue to make in uplifting local smallholders and vendors across the country. In FY2024, we expanded our action in this area by signing an MoU with Kementerian Pembangunan Usahawan dan Koperasi ("KUSKOP"), for vendor development programmes targeted at local entrepreneurs.

We remain dedicated to enhancing the welfare and wellbeing of our employees, with a particular emphasis on providing safe and supportive environments for all workers, including foreign workers, both in the workplace and their

accommodations. A key achievement in this area during FY2024 was the launch of our Housing Blueprint. This was developed in accordance with the International Labour Organization ("ILO")'s specifications of higher quality housing for our workers.



The launch of our new ILO-standard housing at our Bukit Lawang estate.

FY2024 also marked a historic milestone with zakat contributions exceeding RM2 million. For the first time, disbursements reached Johor, Pahang and Terengganu, further reinforcing our commitment to fostering equitable and inclusive growth.



Payment of Zakat from THP Sabaco to Majlis Ugama Islam Sabah.

Chairman's
Statement**Upholding Integrity and Responsible Business Conduct**

During the past year, we strengthened our focus on integrity and ethical conduct through targeted campaigns and initiatives.

A highlight was the Majlis Ikrar Bebas Rasuah, where our Board of Directors, Senior Management and employees took the oath and signed the Corruption Free Pledge with the Malaysian Anti-Corruption Commission ("MACC"). We have also appointed a Certified Integrity Officer ("CeIO") to lead our Integrity and Governance Unit ("IGU"). The Unit has been tasked with embedding ethical principles across the organisation.

Additionally, we introduced the THP Anti-Corruption Statement, reinforcing our zero-tolerance towards corruption, and developed a Corruption Risk Assessment ("CRA") Plan. The CRA provides clear guidance for identifying, analysing, and mitigating corruption risks throughout the organisation.

Another key enhancement in corporate governance during FY2024 was the revision of our Whistleblowing Policy. The

policy strengthens the reporting mechanisms and protection for whistleblowers, fostering a more conducive environment for employees and stakeholders to come forward with any suspected incidents of unethical practices, without fear of retribution. Supporting this, we have established a dedicated Whistleblowing Channel managed by an external party. This is to ensure that the process is independent and free of undue influences.

In addition, we introduced the Standard Operating Procedures ("SOPs") for the Integrity and Governance Unit. We also developed individual policies for Integrity Pact, Gift, Entertainment, Hospitality, Political Contributions, Donations and Sponsorship; apart from the Supplier Code of Ethics. There were also a wide range of training and awareness sessions put into place, to keep our employees aware of important developments in governance as well as their own responsibilities.



To learn more about these initiatives and their outcomes, please read our Sustainability Statement on page 32.



The Majlis Ikrar Bebas Rasuah, organised in collaboration with MACC.

Chairman's Statement



Our workers at Bukit Lawiang estate in their newly-built quarters.

Outlook & Prospects

Looking ahead, we are optimistic about our brighter prospects as an organisation.

In the plantation sector, positive market dynamics — including tight palm oil supply, low stock levels and increased demand for biodiesel — are expected to support robust CPO and PK prices, bolstering earnings. Meanwhile, the global economy is showing signs of strengthening. According to the Organisation for Economic Cooperation and Development (OECD), global growth is projected to rise to 3.3% in 2025 (up from 3.2% in 2024), with inflation easing from 5.4% to 3.8%. These factors should provide a solid foundation for demand stability in the coming year.

While our operations are by nature susceptible to factors beyond our control, such as weather patterns, trade protectionism and geopolitical conflicts, our focus on optimising our estates and mills through mechanisation, good agronomic practices and digital technology integration, among others, will stand us in good stead to mitigate the impact of negative externalities. Furthermore, we remain proactive in responding to the evolving sustainability regulatory environment in the EU and beyond, positioning ourselves as a sustainable and responsible industry player that is worthy of our clients' continued trust.

Acknowledgements

Reflecting on FY2024, we celebrate a year of remarkable financial success, marked by significant improvement over the previous year.

I am proud to have presided over this period of growth since assuming the role of Chairman in 2022 and I look forward to continuing my close collaboration with our CEO and management team to achieve our AL-Falah 22/22 targets.

Moving forward, 2025 promises to be a year of great progress, underscored by a focus on operational excellence, sustainable growth and sustainable value creation for all stakeholders. Guided by our strategic vision and strengthened by the resilience of our people, we will continue to overcome challenges and capitalise on opportunities to elevate our industry position.

On behalf of the Board of Directors, I would like to thank former Board members, Haji Bakri Jamaluddin and Muhammad Ramizu Mustaffa, for their guidance and contributions during their tenure. I also extend my heartfelt gratitude to our shareholders, employees, and partners for their unwavering trust and support. Together, we will continue to drive THP Group forward, building a legacy of sustainability, innovation, and shared prosperity for years to come.

Thank you.

Wassalamu'alaikum Warahmatullahi Wabarakatuh

Datuk Dr. Ahmad Kushairi Bin Din

Chairman

Chief Executive Officer's Management Discussion & Analysis

Assalamualaikum Warahmatullahi Wabarakatuh



Dear Valued
Shareholders,

2024 was a truly fruitful year for TH Plantations Berhad. Supported by elevated palm oil and FFB prices, and the optimisation of our production capacity, which resulted in high double-digit increases in revenue and net profit. Our Profit-After-Tax (PAT) margin has risen by 39%, demonstrating our ongoing commitment to operational effectiveness and cost control.

At the same time, we have accelerated people-driven transformation through our AL-Falah 22/22 initiatives, purposefully orienting our business to deliver consistent growth alongside positive impact on local communities and the environment.



Chief Executive Officer’s Management Discussion & Analysis

Our Marketplace

Our strong performance in FY2024 was underpinned by a supportive market environment in the palm oil industry. A combination of relatively low palm oil inventories and heightened demand, particularly due to Indonesia's expanded biodiesel mandate, led to elevated prices for CPO, PK, and FFB. The global palm oil supply was further constrained by labour shortages, rising fertiliser costs and prolonged rainy weather, particularly in Indonesia and Malaysia.

Business Transformation

FY2024 marked the first year of our 5-year Strategic Business Plan for 2024–2028, or AL-Falah 22/22.



THP Group’s 5-year Strategic Business Plan: AL-Falah 22/22

<p>Vision</p> <p>Striving for operational excellence in a sustainable business by creating opportunities with positive growth & impact.</p>	<p>Mission</p> <ol style="list-style-type: none"> Delivering optimal returns to shareholders, practicing fair trade and conducive working environment. Continuous commitment on environmental demands, social engagement whilst upholding high standard of governance & integrity. Building a sustainable business through the development of human capital, marketing, technology, and financial management. Improving operational efficiency by adopting good agriculture practices & good manufacturing practices in achieving and delivering Best Quality Products. 	<p>Core Values</p> <ul style="list-style-type: none"> Teamwork Responsive Innovative Integrity Professionalism Quality
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Strategic Thrusts

- Strengthening Financial, Monitoring & Management
- Proactive Management & Sustainable Operations
- Enhancing People Capability

Comprehensive Work Plans (“CWP”)

25 Initiatives

1 Financial Plan	5
2 Estate Performance Improvement Plan	4
3 Mill Performance Improvement Plan	6
4 Environmental, Social & Governance Plan	3
5 Human Capital Plan	7
6 Value Creation Initiative Plan	

The THP Group will be exploring new business opportunities to broaden its income pool and improve the business margin.

Chief Executive Officer's Management Discussion & Analysis



Unveiling of AL-Falah 22/22, driving sustainable growth and excellence for THP.

As our blueprint for a future of greater prosperity and positive impact, AL-Falah 22/22 places sustainability at the heart.

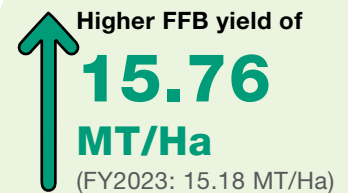
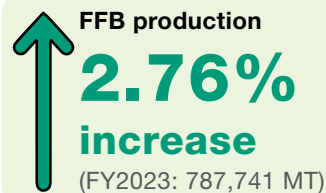
It enshrines the importance of achieving growth in a way that creates shared value for people, communities and the environment, and seeks to future-proof our business for an era set to be defined by more severe climate change impacts, regulatory changes and geopolitical instability.

The four pillars of AL-Falah 22/22 set out our mission in relation to four key stakeholder groups – our shareholders, society at large, our own people and our customers. For our shareholders, we seek to deliver optimal returns via fair trade and a conducive work environment. For society, we are committed to responsible care for the environment and positive contributions to the social good of communities that we call our neighbours. Our own people will experience the continued development of their human capital, augmented by investments in technology to boost their performance capacity. Lastly, our dedication to providing high quality products for our customers translates to the adoption of best practices in our plantations and manufacturing activities.

Our efforts to achieve these objectives are, in turn, pillared on three strategic thrusts – corresponding to financial, operational and people-related focus areas – and translated into six Comprehensive Work Plans (CWP), under which we have identified key initiatives and targets to drive measurable and sustainable progress.

Financial Performance

Supported by an average realised CPO price of RM3,996 per tonne, we recorded revenue of RM877.73 million in FY2024, a 16.71% increase from RM752.03 million in FY2023, with Profit Before Tax (PBT) increasing by 86.73%, from RM85.91 million to RM160.42 million. Our performance was further bolstered by a 2.76% increase in FFB production, which enabled us to achieve a higher FFB yield of 15.76MT/Ha. Meanwhile, we also managed to lower our net debt to equity to 0.50 times, compared to 0.58 times in FY2023, providing a firmer base for investment in growth opportunities.



Operational Performance

In FY2024, our total landbank remained consistent with the previous year, reflecting our strategy to optimise existing assets and focus on enhancing the productivity of current estates, rather than expanding land holdings. We also successfully completed 80% of our replanting exercise covering Peninsular Malaysia and Sabah, with the balance delayed due to the late approval of the Environmental Impact Assessment (“EIA”) and set to be completed in early 2025. This exercise improves the age profile of our estates, providing us with a strong pipeline of trees coming into maturity over the coming years.

Chief Executive Officer's Management Discussion & Analysis

	Mature (Ha)	Immature (Ha)	In Course of Planting (Ha)	Planted Area (Ha)	Others (Ha)	Total (Ha)
Oil Palm 2024						
Semenanjung	11,524	911	487	12,922	531	13,453
Sabah	6,804	1,658	626	9,088	842	9,930
Sarawak	31,233	330	335	31,898	19,849	51,747
Indonesia	1,815	-	-	1,815	5,114	6,929
Total	51,376	2,900	1,448	55,724	26,336	82,059

Rubber & Teak 2024						
Sabah	-	10,380	-	10,380	5,333	15,713
Total	-	10,380	-	10,380	5,333	15,713

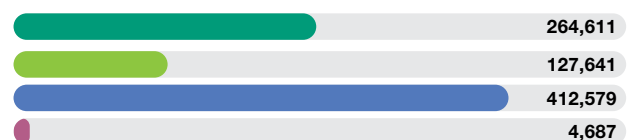
Year	Oil Palm			Rubber/Teak		Total (Ha)
	Mature (Ha)	Immature (Ha)	In Course of Planting (Ha)	Immature (Ha)	Others (Ha)	
2024	51,376	2,900	1,448	10,380	31,669	97,773
2023	51,875	2,261	1,579	10,380	31,686	97,781

Oil Palm Planted Area (Ha)

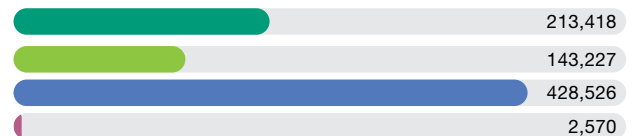


- 1% > 26 years (Very Old Mature)
- 8% 22 - 25 years (Old Mature)
- 10% 18 - 21 years (Late Prime)
- 42% 13 - 17 years (Mid Prime)
- 22% 8 - 12 years (Early Prime)
- 9% 4 - 7 years (Young Mature)
- 8% 0 - 3 years (Immature)

FFB Production (MT)



Total Production 2024: 809,518 MT



Total Production 2023: 787,741 MT

● Peninsular ● Sabah ● Sarawak ● Indonesia

Guided by our AL-Falah 22/22 plan, we successfully introduced key mechanisation and digitalisation initiatives to enhance operational efficiency and reduce our dependence on manual labour at our estates. These initiatives resulted in the improvement of our harvesters and workers ratio to 1.28 (FY2023: 1:24) and 1:13/Ha (FY2023: 1:12/Ha) respectively.

During the year, we also achieved significant advancements in mill efficiency, leading to solid increases to our CPO and palm kernel production levels, an improved mill utilisation rate and reductions to oil loss. I expand upon our performance against these metrics within the sections below.

Chief Executive Officer's Management Discussion & Analysis

Performance Against AL-Falah 22/22

For the remainder of this statement, I shall analyse our performance in more detail, through the lens of the six CWP's under our Strategic Business Plan.

Securing Our Financial Footing

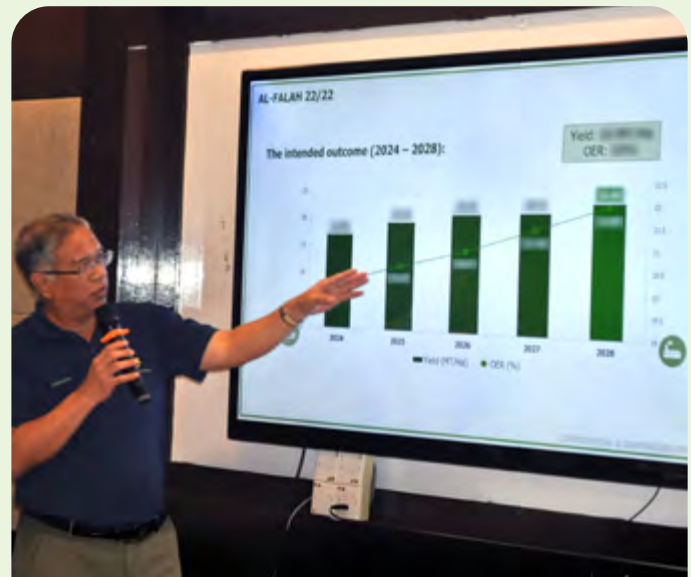
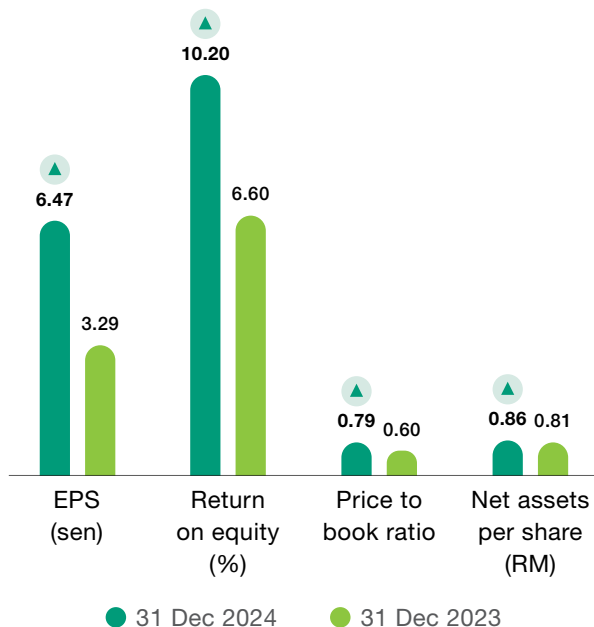
As described earlier in this statement, we performed strongly across key financial metrics in FY2024, achieving gains to our top and bottom line while significantly strengthening our balance sheet. Looking beyond these key metrics, our Financial Plan sets out measurable initiatives and targets relating to cost reduction and market capitalisation, as well as qualitative objectives pertaining to tax efficiency, our accounting system and other process-related issues.

We are strongly tracking against our targets, with overheads reduced by 24.40% as of the end of FY2024. These accomplishments have not only strengthened our financial position but have also been recognised by the market; as reflected in our share price performance.

This positive momentum underscores the Group's resilience and market confidence in our transformation strategies. As we continue enhancing internal processes and embedding sustainability into our operations, we are confident in driving greater value for our stakeholders, while advancing our long-term objectives.

Our AL-Falah 22/22 Balanced Scorecard for FY2024 recorded a score of 79%, reflecting the weighted average of our performance across each of our CWP's. While overall results fell below target due to operational challenges, we achieved strong scores in our Human Capital initiatives. Moving forward, our performance will be further strengthened by the implementation of the High Impact Performance Enhancement Training & Workshop, designed to drive human capital growth and generate positive ripple effects across our estate and mill operations.

Key Financial Ratios



AL-Falah 22/22: Tracking performance excellence.

Chief Executive Officer's Management Discussion & Analysis

Enhancing The Productivity of Our Estates

In order to optimise the quality and productivity of our estates, we are mechanising operational processes, leveraging analytics to gain a data-driven understanding of our estates and employing both natural and synthetic controls to mitigate against pests and diseases. Our actions in each of these areas are described in detail below.

Mechanisation

We introduced a range of mechanisation initiatives in FY2024, deploying specialised equipment tailored to challenges and opportunities present in specific geographies across our footprint. In Sarawak, for example, a mechanical crawler was introduced to navigate challenging terrains of peatlands more effectively, increasing the speed at which we can carry out planting and harvesting. Meanwhile, we installed mechanised buffalos at our estates in Sabah and EV mechanised buffalos in Peninsular Malaysia to streamline the process of collecting and transporting harvested crops, enabling us to enhance the efficiency of this process in a cost-effective and sustainable manner.

Moving forward, we will continue to identify potential machinery investments that can unlock gains in operational efficiency in environmentally responsible ways, in line with our twin priorities of productivity and sustainability.



Mechanised buffalos enhance efficiency in harvesting and crop evacuation.

Chief Executive Officer's Management Discussion & Analysis

Enhancing The Productivity of Our Estates

Digitalisation and Smart Farming

We are actively integrating precision agriculture practices such as drone and satellite imaging to gather comprehensive data on our plantations. These tools enable us to undertake accurate assessments of the amount of plantable area and Stand per Hectare (“SPH”) in each of our estates. Drone surveys are also being used to verify plantation boundaries and identify unplatable areas like ravines, large rocks, swamps and low-lying regions, thus helping to optimise land use and ensuring continual compliance with land regulations.



Furthering our use of IR4.0 technologies, we analyse historical and real-time data through tools such as Power BI to predict our crop yields, optimise planting schedules and streamline supply chain management. This data-driven approach has unlocked and enabled more informed decision-making across the THP Group, and will continue to be a key enabler of our efforts to drive higher productivity and safeguard the long-term sustainability of our operations.



Harnessing precision agriculture and data analytics for smarter plantation management.

Chief Executive Officer's Management Discussion & Analysis

Enhancing The Productivity of Our Estates *(continued)*

Agronomic Best Practices

The health of our soil and control of local risks such as pests and diseases is crucial to maintain the productivity of our estates. With this in mind, we adhere to stringent good agronomy practices ("GAP") encompassing SOPs covering water level management, site-specific fertiliser programmes, integrated pest management ("IPM"), the use of herbicides and the culling of plants to drive vegetative growth, amongst other areas.

In FY2024, we advanced the implementation of key practices from our standard operating procedures ("SOP") on good agricultural practices (GAP), focusing on water management, site-specific fertilisation, integrated pest management (IPM), weed control, and the culling of unproductive palms. Noteworthy enhancements include updated SOPs for managing major pests such as rats, Ganoderma, and Tirathaba, improving the effectiveness of our IPM strategy. We also refined the SOP for weevil hatchery management to optimise pollination and improve bunch formation of crop production. Our revised SOP for empty fruit bunch ("EFB") applications also emphasises on moisture conservation, boosting the palm's nutrient uptake and reinforcing our commitment to sustainable, high-performance plantation operations.

In the area of pest management, our use of biological controls continues to prove highly effective. At Bukit Lawiang estate, barn owls help manage rat populations, while earwigs and kerengga (local red ants) combat Tirathaba (oil palm bunch moths) in the Sarawak estates. For fungal threats like ganoderma, meanwhile, infected palms are either rehabilitated through mounding or, if unproductive, sanitised to protect the health of neighbouring plants. In addition, we plant specific species such as Tunera, Cassia, Antigonian and Euphoria that offer a habitat for pest predators, thus enhancing our level of protection against biological risks.



Enhancing soil moisture and nutrient retention with EFB applications, for sustainable palm growth.



Nature's pest control - barn owl play a vital role in managing rat population for sustainable palm growth.

Chief Executive Officer’s Management Discussion & Analysis

Maximising The Potential of Our Mills

The productivity of our mills is a major determinant of our performance as an organisation. By maximising mill utilisation, we not only increase the amount of CPO that we produce and sell, but unlock operational and cost efficiencies that positively impact our bottom line.

To ensure optimal throughput is maintained even as plantation conditions change, we focus on a two-pronged strategy: maximising the FFB we produce through our estates, and partnering with local smallholders to purchase FFB. At present, 21.14% of our FFB is procured from these farmer-partners, and our goal is to reach 30% in order to better protect ourselves against fluctuations in estate productivity.

The breakdown of our FFB received and processed in FY2024 is shown below.

FFB Received in 2024 (MT)



Own Estates (Total : 736,917 MT)



Third Parties (Total: 197,580 MT)

● Peninsular ● Sabah ● Sarawak

FFB Processed in 2024 (MT)



Total: 917,898 MT

● Peninsular ● Sabah ● Sarawak

Alongside continued efforts to enhance the operational efficiency of our mills, our strategy paid dividends in FY2024. All mills remained operational throughout the year and mill utilisation rose from 63% to 73%, while CPO and kernel production increased by 14% and 4%, respectively. In addition, oil loss was reduced to 1.53% - below our target of 1.70%.

We did experience operational disruptions caused by adverse weather and delays in equipment replacements during the year. However, these factors did not have a major impact on our oil extraction rate and the overall operational efficiency of our mills.



Gedong Palm Oil Mill, in Sarawak

Moving forward, our collaboration with local smallholder farmers will be increasingly vital to meeting the changing demands of the industry. In light of the stringent requirements of the EU’s European Union Deforestation Regulation (“EUDR”) and EU’s Corporate Sustainability Due Diligence Directive (“CSDDD”), we are working with our farmer-partners to provide them with knowledge around best practices in environmental sustainability and human rights-related practices, in addition to our existing advisory services on GAP best practices and support in other areas such as seed selection, fertilisation and pest control. This close level of collaboration will help to ensure that the value generated by our growth is shared equitably with Malaysia’s agricultural community, elevating the sector to new heights.

Meanwhile, sustainability remains a guiding principle in our mill operations. Our inaugural Biogas Power Plant, under construction at the Bukit Lawiang mill, exemplifies this commitment by converting biogas from POME to energy under Feed in Tariff (“FIT”). We are also reutilising biomass such as fibre and kernel shell, as fuel for boiler. By products such as EFB are repurposed as organic fertilisers. This initiative aligns with our dual objectives of waste reduction and economic efficiency. Additionally, water usage remains tightly controlled, with measures such as recycling turbine cooling water and optimising dilution processes reducing consumption to 1.47m³ per metric tonne of FFB.

Chief Executive Officer's Management Discussion & Analysis

Upholding Excellence in ESG

At THP Group, our Environmental, Social, and Governance (“ESG”) initiatives serve as a cornerstone of sustainable growth, underpinning our operations, employment practices and community engagement efforts. As outlined in the sections pertaining to estate and mill operations, several of our initiatives align seamlessly with our ESG objectives. These include the adoption of EV agricultural equipment, the development of biogas solutions, our waste reduction measures and collaboration with smallholder farmers. Together, these efforts exemplify our commitment to upholding environmental stewardship, social responsibility and robust governance while simultaneously supporting our financial performance goals.

Our commitment to enhancing environmental standards was further solidified in FY2024 with the certification for our second mill, Bukit Lawiang mill under the International Sustainability and Carbon Certification (“ISCC”) EU – Point of Origin standard. This prestigious certification confirms our adherence to a sustainable and fully traceable raw material source, which is crucial for meeting market and regulatory requirements. It also strengthens the supply chain by enhancing transparency and contributing to overall reductions in greenhouse gas emissions, thereby helping millers meet environmental targets. This ensures that we remain aligned with other climate and sustainability-related regulations including the Renewable Energy Directive (“RED II”) and mandatory EU UDB registration.

During the past year, we also strengthened our focus on integrity and ethical conduct. Highlights included the Majlis Ikrar Bebas Rasuah, where our Board of Directors, senior management, and employees pledged their commitment to corruption-free practices, our appointment of a Certified Integrity Officer (“CeIO”) to lead the Integrity and Governance Unit (“IGU”), and the strengthening of our existing Whistleblowing Policy to enhance protection for whistleblowers.



Powering a greener future - TH Plantations Berhad and Cenergi SEA join forces to develop a 1.2MW biogas plant in Kluang, Johor.



Strengthening integrity - TH Plantations Berhad commits to ethical governance, in collaboration with SPRM.



For more detailed information on our ESG initiatives and performance in FY2024, please read our Sustainability Statement at pages 32 to 85.

Chief Executive Officer's Management Discussion & Analysis

Driving Human Capital Growth

Recognising the vital role that human capital plays in realising the objectives of our AL-Falah 22/22 transformation plan, we have continued to place the highest priority on the enhancement of the people's capability through structured development and advancement programmes.

Our efforts in this area were stepped up in FY2024 with the launching of the Human Capital Strategic Blueprint 2024-2028. Signature programmes namely the High Impact Performance Enhancement Training & Workshop (“HIPETW”) was introduced as an impactful experiential learning programme rolled-out as an organisation-wide development programme that seeks to harness the deep expert know-how of our most experienced estate and mill executives – such as En. Kasmuri bin Sukardi, our Independent Non-Executive Director, who has many decades of experience working in oil palm estates. These subject matter experts will disseminate this vital human capital development intervention throughout the organisation. In addition to bridging the knowledge and competency gaps that exists across THP Group, the programme is also helping us to identify established practices that encourage people to take ownership and drive change, paving the way to the creation of a high performance culture that rewards hard work, creativity and innovation at all levels.

While our desired cultural shift will take considerable time and investment, we remain fully focused on maximising the current potential of our workforce through various training and development interventions, and the creation of programmes that promote teamwork, balancing between mental and physical wellbeing. This is typified by the “My Job, My Pride” initiative, which seeks to foster teamwork and achieving a greater sense of pride and accountability amongst our employees – a crucial ingredient in achieving our long-term goals as an organisation.



THP kickstarts the High Impact Performance Enhancement Workshop to drive peak performance and innovation.



“
What Went Well
What Can Be Done Better
What Did We Learn

KASMURI BIN SUKARDI
 OIL PALM SUBJECT MATTER EXPERT

Hands-on insights from industry experts to refine best practices in oil palm management.

Chief Executive Officer's Management Discussion & Analysis

Outlook & Prospects

2024 has been an important year at TH Plantations, marked by strong financial results and firm progress against our AL-Falah 22/22 targets.

During this time, we made significant gains in optimising operational efficiencies via advanced technologies and approaches while remaining attuned and responsive to our evolving regulatory environment.

As we look ahead to 2025, the industry landscape is poised to become more challenging. Critical factors include the implementation of Indonesia's B40 biodiesel mandate, expected to significantly increase Indonesia's domestic demand for palm oil, potentially tightening palm oil supply. At the same time, rising protectionist policies among producer and consumer nations may add complexities to market access and trade dynamics.

On the production front, growth will continue to be constrained by structural limitations. Restricted availability of land for new planting, coupled with stagnating oil yield improvements, underscores the increasing need for innovation. Additionally, compliance with stringent sustainability standards such as the EUDR and the no deforestation, no peat, no exploitation ("NDPE") commitments — while essential for long-term industry viability — imposes operational and financial pressures on producers by further limiting usable land.

Further unpredictability arises from the inauguration of the new U.S. President on 20 January 2025, which could bring shifts in trade policies, environmental regulations, and international relations, influencing global palm oil demand.

Amid this uncertainty, our ability to sustain success lies in innovation and the creation of additional value from existing resources. Central to this effort is our sixth CWP – the Value Creation Initiative Plan, which focuses on identifying and pursuing new business opportunities that diversify our income streams and enhance profit margins. This strategic imperative supports our broader mission to build a resilient, future-ready business capable of adapting to volatility and maintaining a competitive edge.



Recognition of Employees' Children's Achievement In Learning (RECAL) award presentation.

Our people are equally key to our value creation goals. Guided by THP's People Development Agenda, we have put in place a blueprint to drive their optimal performance. As an example, the Recognition of Employees' Children's Achievements in Learning (RECAL) Award Ceremony — held periodically across various regions where TH Plantations operates — celebrates the achievements of our employees and their family members, particularly the children of our workforce, in recognition of their academic success. These events serve as an incentive for them to continually pursue personal growth and development, reinforcing our commitment to fostering a knowledge-driven organisation.

At the same time, we recognise the vital role that work-life balance plays in bringing out the best in our employees. Events such as the recent Hari Sukan **TH** typified this emphasis, providing employees across various divisions with the opportunity to build camaraderie and team spirit in a physically healthy way. This was mirrored by the cohesive energy present at our recent Senior Management Retreat in Cyberjaya, where our leadership team gathered to develop purposeful strategies and chart the future of THP.

The central role of people is mirrored at the heart of our AL-Falah 22/22 framework. Rooted in the spirit of *Ukhuwah*, AL-Falah 22/22 emphasises a shared commitment to excellence that harnesses together the collective talents and energy of every team member. Moving forward, we will continue to be guided by this meaningful approach as we advance our collective journey towards greater growth and impact, ensuring a thriving and sustainable future for both our organisation and the communities we serve.

Chief Executive Officer's Management Discussion & Analysis

People and Culture: The Strategy Enabler

Summary: Human Capital Plan ("HCP") – Timeline: 2024 - 2028

INITIATIVE 1:

Enhancement on Performance Management System

- i. To introduce a robust & improved performance management process
- ii. To have a clear linkage of individual targets/ KPI with the organisational strategy
- iii. Linking performance to rewards and consequence management

Target Indicator

- i. No. of engagements / education sessions conducted on PMS per year
- ii. Effectiveness of performance planning
- iii. Submission of performance appraisal form, mid-year and end-year review

Target

- i. 4 Engagements at the Regions and 3 at HQ
- ii. Completion of performance planning by 30 March
- iii. Submission of performance appraisal form, mid-year June and end-year review in Dec

INITIATIVE 2:

Structured Learning & Development Programmes

- i. To enhance employees' knowledge, skills and attribute
- ii. To establish and execute the Competency Model in order to address competency gaps

Target Indicator

- i. Completion of competency gaps assessment (based on THP Competency Model)
- ii. Completion of the individual development programme ("IDP")
- iii. Roll out of structured leadership & technical programmes

Target

- i. By 1st quarter
- ii. By 1st quarter
- iii. 3rd Quarter 2025

INITIATIVE 3:

Enhance Total Rewards Competitiveness to Drive High Performance

- i. Undertake market benchmarking to enhance competitiveness & engagement
- ii. To link rewards with performance & productivity

Target Indicator

- i. Improved employees' satisfaction & engagement
- ii. Achieved more competitive employees' total rewards and remuneration:
 - Employees' salary & allowances package
 - Employees variable pay (bonus)
 - Long term incentive policy
- iii. Rewards & recognition for high performance
- iv. Manpower rationalisation

Target

- i. 90% employee satisfaction
- ii. Approval by:
 - 1st Quarter 2025
 - 1st Quarter 2025
 - 1st Quarter 2025
- iii. 4th Quarter 2025 (year of next review)
- iv. 4th Quarter 2026

INITIATIVE 4:

Succession Planning & Organisational Restructuring

- i. To identify and develop potential successors for key positions

Target Indicator

- i. No. of potential successor for mission critical positions to be developed and retained
- ii. No. of department
- iii. No. of total manpower

Target

- i. HQ - 24
Estate / Mills - 35
- ii. Maintaining ≤ 7 departments
- iii. ≤ 730 total manpower

Chief Executive Officer's Management Discussion & Analysis

A cornerstone of our strategy is our commitment to the holistic development of our people. At THP, we prioritise fostering a high-performing and engaged workforce while promoting a healthy work-life balance. This is reflected in our encouragement of active lifestyles, such as employee participation in sporting events, as seen in our recent Hari Sukan **TH**, which brought together employees across various divisions to build camaraderie and teamwork.



Hari Sukan TH.



After-work sports activity among THP workforce, indicative of the emphasis on work-life balance.

Additionally, the recent Senior Management Retreat in Cyberjaya demonstrated our focus on teamwork and collaboration. By fostering a spirit of unity and shared purpose among our leadership, we strengthen the collective resolution to achieve THP's strategic goals.



THP Senior Management Retreat at Cyberview Lodge, Cyberjaya.



After work, some of our women employees come together for cooking, laughter and shared moments, because balance fuels excellence.

Guided by the AL-Falah 22/22 framework, we emphasise on a shared commitment to excellence, requiring the active participation of every team member. This framework is more than just a strategy — it is a journey of unity and collaboration rooted in the spirit of *Ukhuwah*, as we work together to build a stronger, more resilient THP workforce.

Together, we will continue to align with sustainability best practices, adapt to industry challenges, and pave the way for a thriving and sustainable future for our organisation.

Chief Executive Officer's Management Discussion & Analysis



A meeting between our CEO and the Menteri Besar of Johor during the zakat presentation ceremony, reinforcing our commitment to community welfare and shared prosperity.

Acknowledgements

As we continue our journey of growth and transformation, I would like to extend my heartfelt gratitude to all our stakeholders for their unwavering support.

To our employees, thank you for always willing to learn, evolve and grow. Your belief in our potential as an organisation is central to achieving our shared goals.

To our customers, thank you for being more than purchasers of our products but true partners to us. Thanks for your continued faith, we have been able to invest consistently in improving our operations, and we look forward to creating greater shared value as we take further steps in our journey.

We would also like to take this opportunity to express our sincere appreciation to Ministry of Plantations and Commodities, Ministry of Finance, YB Senator Dato' Setia Dr. Haji Mohd Na'im bin Mokhtar, Minister in the Prime Minister's Office (Religious Affairs), office of the Menteri Besar of Johor, Malaysian Palm Oil

Association ("MPOA"), and the Malayan Agricultural Producers Association ("MAPA") for their unwavering support and guidance throughout our journey. Your contributions have been instrumental in shaping the growth and sustainability of THP Group, enabling us to navigate challenges with confidence and achieve meaningful progress. We deeply value your partnership and look forward to continuing this collaboration to advance the industry and create a sustainable future together.

TH Plantations Boleh!

Lastly, I would like to express our appreciation to our shareholders, especially Lembaga Tabung Haji, for their trust and support. Powered by our AL-Falah 22/22 plan, we look forward to unfolding a new era for THP Group, defined by sustainable returns and lasting value.

Thank you.

Mohamed Zainurin Bin Mohamed Zain
Chief Executive Officer

Our Approach to Sustainability

About This Statement

We are proud to present our sustainability statement for the financial year ended 31 December 2024 (FY2024).

This statement provides detailed insight into our strategies, initiatives and outcomes across key ESG topics, emphasising the key role that sustainability plays in securing our long-term strength and competitiveness as an organisation.

This statement is sub-divided into three sections:

Economic



Refer to page 44.

Environmental

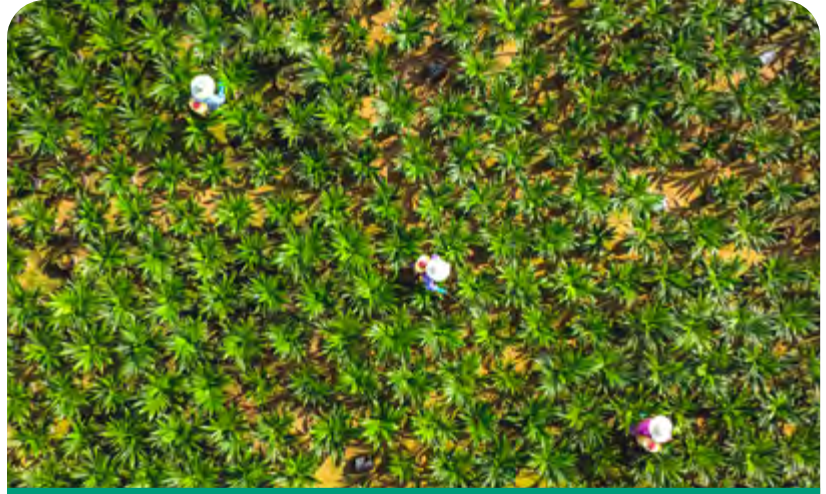


Refer to page 52.

Social



Refer to page 70.



Ladang Bukit Belian.

Reporting Boundary & Scope

The disclosures within this statement cover our core operations across West and East Malaysia, including palm oil cultivation, Fresh Fruit Bunch (“FFB”) processing, and Crude Palm Oil (“CPO”) and palm kernel marketing, which collectively contribute close to 100% of our revenue.

Reporting Framework

This statement has been prepared in accordance with Bursa Malaysia Securities Berhad’s (“Bursa Malaysia”) Sustainability Reporting Guide (3rd edition).

In addition, we have strived to align our disclosures with the United Nations Sustainable Development Goals (“UNSDGs”), underlining our commitment to contributing to the global sustainable development agenda.

Assurance

The information in this statement has been verified internally by Internal Audit to ensure accuracy and reliability. Our external assurance provider, BSI Services Malaysia Sdn Bhd, has also reviewed specific data to provide and engage limited assurance and confirm the statement’s alignment with recognised industry standards.

Feedback & Contact Point

We value our stakeholders’ feedback on our sustainability initiatives and reporting standards. To share your input, please contact us at: info@thplantations.com

Our Approach to Sustainability

Sustainability Governance

Leadership

The Board of Directors sets the tone for sustainability at THP Group, guiding our strategic direction and diligently overseeing our wide-ranging initiatives.

In leading our sustainability agenda, the Board is supported by the Board Audit, Risk & Governance Committee (“BARGC”), the Chief Executive Officer (“CEO”) and the Sustainability Committee (“SC”), thereby ensuring that sustainability strategies are translated into effective and impactful execution at all levels.

BARGC's roles include:

- 1 To review sustainability matters to ensure that the Company's business operations are aligned and comply with the ESG requirements set by the relevant stakeholders.
- 2 To review and provide directions on the status of any ESG issues in THP operations.
- 3 To review and provide directions on any changes in ESG compliance in line with market requirements.
- 4 To review the Sustainability Disclosures (reporting) as required by Bursa Malaysia.
- 5 To assess climate change-related issues such as climate risks and opportunities, and climate disclosures.
- 6 To delegate responsibility to the SC to supervise and manage the overall sustainability implementation across the organisation.

Our CEO is responsible for:

- 1 Regularly updating the Board on our sustainability performance.
- 2 Reviewing updates from the SC, and providing input to these updates, pertaining to our sustainability initiatives and the preparation of our annual sustainability statement.

The SC, which was established on 26 November 2020, is chaired by the CEO and comprises Heads of Departments from across THP Group, bringing together a wealth of collective knowledge and expertise towards cohesively delivering our business and sustainability goals.

The SC's mandate includes:

- 1 Executing the board's strategic sustainability direction by ensuring seamless integration and alignment with the Company's overall strategies.
- 2 To ensure and monitor the implementation and understanding of sustainability policy at all levels in THP.
- 3 To coordinate the action plan and decision related to sustainability among departments efficiently.
- 4 Deliberating on all sustainability-related matters during regular meetings, guided by the direction and recommendations of the Chairman.

Our Approach to Sustainability



Sustainability Department

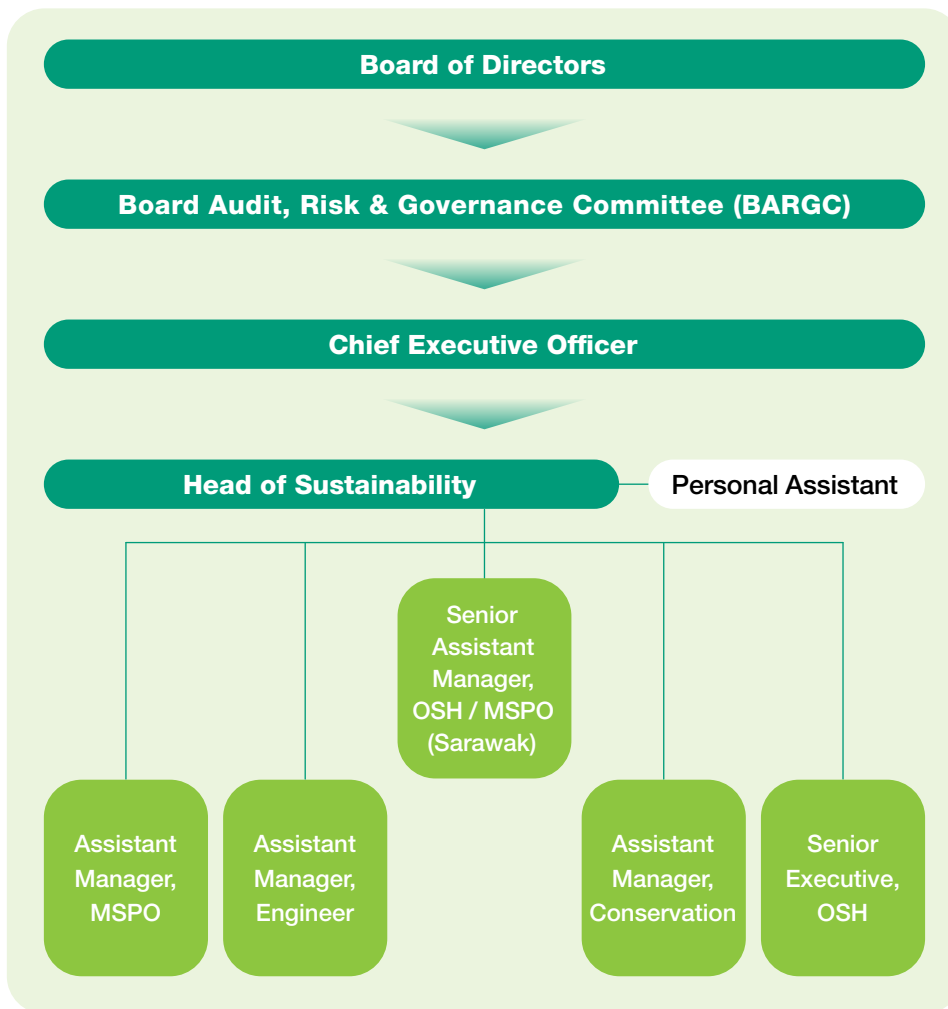
In response to heightened stakeholder and regulatory demands pertaining to sustainability, we established the standalone Sustainability Department ("SD") in November 2020.

Reporting directly to the CEO, the SD is organised into the three following units:

- 1 MSPO Certification/Sustainability Unit – Ensures compliance with MSPO standards across all operations.
- 2 Occupational Safety and Health ("OSH") Unit – Implements OSH management systems in alignment with relevant policies, laws and regulations.
- 3 Conservation and Biodiversity Unit – Develops and implements comprehensive conservation and biodiversity management strategies to further environmental protection, ensuring compliance with environmental regulations.

Our Approach to Sustainability

The SD is, in turn, led by the Head of Sustainability, who is responsible for managing and overseeing the implementation of sustainability initiatives across the organisation. In doing so, the Head of Sustainability works closely with the CEO and the Board, and is assisted by key personnel across THP Group, as detailed below.



Group Sustainability Policy

In FY2024, we enhanced our sustainability management structure with the appointment of an Assistant Manager (Conservation), who is tasked with advancing conservation initiatives and environmental stewardship across THP Group. To integrate sustainability across THP Group, we incorporated a revised, Board-approved Group Sustainability Policy on 26 November 2020. This comprehensive policy aligns with the agricultural industry’s No Deforestation, No Peat, No Exploitation (NDPE) commitments and the MSPO standards, providing a robust framework for operations that drive sustainable, long-term ESG impact alongside business success.

The policy is pillared on three key focus areas, under which we have established the following commitments:

Human Rights and Social Commitments

- Uphold human rights.
- Maintain a safe and healthy workplace.
- Enhance employee welfare and support career development.
- Respect and uphold land rights.
- Create shared value for local and national-level development.

Environmental Responsibility Commitments

- Manage waste, effluent, and air emissions responsibly.
- Protect neighbouring water resources.
- Implement zero-burning practices.
- Promote biodiversity and conservation.
- Adhere to our NDPE commitments.
- Ensure efficient use of resources.

Ethical Business Commitments

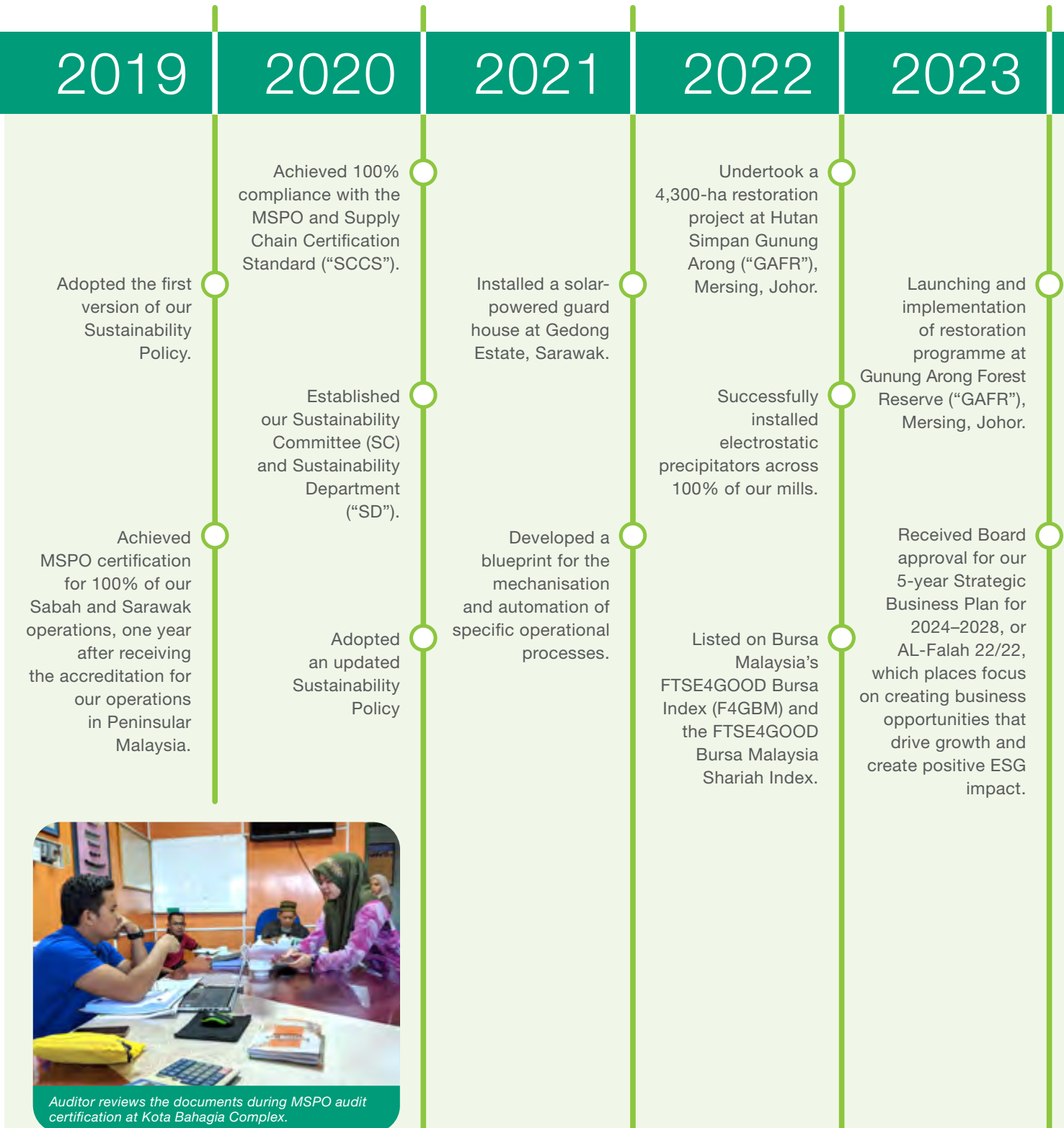
- Adhere to responsible procurement practices.
- Ensure supply chain traceability.
- Uphold corporate integrity.



The Group Sustainability Policy is publicly accessible on our corporate website: <https://thplantations.my/>

Our Approach to Sustainability

Our Sustainability Milestones



Auditor reviews the documents during MSPO audit certification at Kota Bahagia Complex.

Our Approach
to Sustainability

2024

Environmental

Appointed a Conservation Officer to enhance our conservation initiatives.

Recognised as a Malaysian Palm Oil Green Conservation Foundation (“MPOGCF”) Strategic Partner.

Signed a Shareholders’ Agreement with Cenergi RE Sdn. Bhd. to install an on-grid biogas plant at Bukit Lawiang Mill under the Feed-In Tariff (“FIT”) programme.

Introduced Electrical Vehicles (“EV”) in our estate operations.

Engaged with local non-governmental organisations (“NGO’s”) to address human-wildlife conflicts.

Social

Appointed 36 OSH Coordinators across all operating units to strengthen our OSH practices.

Recognised as an anchor company under the Vendor Development Programme by the Malaysian Ministry of Entrepreneur and Cooperatives Development (“MECD”).

Established a Community Learning Centre (“CLC”) in Sabah for the children of Indonesian workers.

Economic

Revised our Whistleblowing Policy to enhance reporting mechanisms and protection for whistleblowers.

Appointed a Certified Integrity Officer (CeIO) to further strengthen our stance against unethical business practices.

Established a Corruption Risk Assessment (“CRA”) Plan through the Integrity Governance Unit (IGU) to reinforce our anti-corruption framework.

Adopted the new THP Anti-Corruption Policy Statement.

Signed organisation-wide Corruption-Free Pledge with the Malaysian Anti-Corruption Commission (“MACC”).



Recognised as a Malaysian Palm Oil Green Conservation Foundation (MPOGCF) Strategic Partner in Resort World Awana Hotel, Genting Highland.

Our Approach to Sustainability

Stakeholder Engagement

Our approach to sustainability is centred on creating holistic, shared value that benefits both our business and stakeholders, thereby building the foundation for sustainable and equitable advancement.

Through regular engagements, we gain insight into our stakeholders' specific expectations and needs, empowering the development of strategies and approaches that deliver mutual benefit.

Stakeholder Groups & Engagement Platforms

Shareholders

Engagement Platforms:

- Annual General Meetings ("AGMs")
- Quarterly announcements

Stakeholder Concerns

- Management Discussion & Analysis – pages 17 to 31
- Product Quality & Operational Efficiency – pages 44 to 47
- Audited Financial Statements – pages 161 to 245

Directors

Engagement Platforms:

- Quarterly and special Board meetings
- Quarterly and special Board Committee meetings

Stakeholder Concerns

- Governance & Ethics – pages 49 to 51
- Corporate Governance Overview Statement – pages 116 to 139
- Statement of Risk Management & Internal Control – pages 140 to 146

Management

Engagement Platforms:

- Operational and ad-hoc meetings

Stakeholder Concerns

- Product Quality & Operational Efficiency – pages 44 to 47
- Traceability & Supply Chain Management – page 48
- Effluent & Water Discharge – pages 66 to 67
- Waste Management – pages 60 to 61
- Water Management – pages 68 to 69
- Human Rights – pages 76 to 77
- OSH – pages 70 to 75
- Employee Welfare & Development – pages 78 to 82

Employees

Engagement Platforms:

- Our 'open-door' policy
- Our Company intranet
- Special briefings
- Employee bulletins
- Training and development programmes

Stakeholder Concerns

- Governance & Ethics – pages 49 to 51
- Human Rights – pages 76 to 77
- OSH – pages 70 to 75
- Employee Welfare & Development – pages 78 to 82

Our Approach to Sustainability

Stakeholder Groups & Engagement Platforms *(continued)*

Customers

Engagement Platforms:

- Regular emails and in-person correspondence

Stakeholder Concerns

- Product Quality & Operational Efficiency – pages 44 to 47
- Traceability & Supply Chain Management – page 48
- Governance & Ethics – pages 49 to 51
- Biodiversity & Conservation – pages 52 to 58
- NDPE Commitments – page 59
- Local Communities/Community Investment – pages 83 to 84

Local Communities

Engagement Platforms:

- Informal grievance channels
- Community-based programmes
- Land management schemes

Stakeholder Concerns

- Effluent & Water Discharge – pages 66 to 67
- Biodiversity & Conservation – pages 52 to 58
- Local Communities/Community Investment – pages 83 to 84
- Land Rights – page 85

Local Authorities

Engagement Platforms:

- Monthly, annual and special reports
- Meetings and dialogues

Stakeholder Concerns

- Governance & Ethics – pages 49 to 51
- Effluent & Water Discharge – pages 66 to 67
- Waste Management – pages 60 to 61
- Water Management – pages 68 to 69
- Human Rights – pages 76 to 77
- OSH – pages 70 to 75

As our sustainability journey has progressed, we have identified gaps in the scope of our stakeholder engagement efforts. In response to these gaps, and to align with MSPO certification requirements, we have since introduced new engagement channels including stakeholder meetings at each of our operational complexes and launched dedicated grievance channels which allow stakeholders to formally raise concerns about our practices and any suspected incidents.



High Impact Performance & Enhancement Training and Workshop at Bukit Lawiang, Kluang Johor.

Our Approach to Sustainability

Material Matters

Our material matters represent the ESG issues that impacted our ability to deliver sustainable values for our stakeholders and business.

We identified our material matters through materiality assessments in 2017. Since 2017, we have carried out the following exercises within materiality:

2017

Materiality Efforts

- Conducted a full-scale materiality assessment referencing Bursa Malaysia's Sustainability Reporting Guide involving:
 - Our internal stakeholders (i.e., the Board, Management and our employees);
 - All our external stakeholder groups (i.e., shareholders, customers, local communities and local authorities).
- Identified and prioritised seven key stakeholder groups and 11 material matters.
- Reviewed the identified stakeholder groups and material matters through the SC, and received Board endorsement.

2020

Materiality Efforts

- Reviewed our materiality matrix and stakeholders list through focus group sessions with our customers.
- Identified one new material matter - NDPE Commitments - to bring our total to 12, while reaffirming the relevance of our existing material matters.

2021

Materiality Efforts

- Reviewed our materiality matrix and stakeholders list through focus group sessions with two external stakeholder groups (management and local communities).
- Identified two additional material matters - GHG Emissions and Land Rights - to bring our total to 14, while reaffirming the relevance of our existing material matters.

2023

Materiality Efforts

- Conducted a limited-scale materiality review which referenced Bursa Malaysia's Sustainability Reporting Guide, and benchmarked our material matters against local and regional peers.
- Concluded that all 14 existing material matters remained aligned with our strategic priorities and stakeholder expectations.

We conducted a limited-scale materiality review in FY2023, which reaffirmed that our 14 material matters remain aligned with our strategic priorities and stakeholder expectations. Furthermore, no significant changes were identified in our business model or operations, underscoring the continued relevance of our sustainability framework.

As such, our materiality matrix, which plots each material matter's significance to our business and our stakeholders, remains unchanged.

Our Approach to Sustainability

Materiality Matrix



Risk Management

We employ a thorough approach to risk management which is designed to ensure that all potential threats to our businesses are systematically identified and responses implemented in line with our Group-wide governance standards.

Our risk management process, guided by the MCCG 2021, enables us to identify and address potential risks effectively. It is complemented by an Enterprise Risk Management (“ERM”) framework that integrates sustainability into key risk categories, including environment, strategy, compliance, corporate, financial and operational.

To keep risks within our defined risk appetite, designated risk owners and the Risk and Compliance Department monitor our identified risks on an ongoing basis, providing updates to the BARGC and the SC.

Our Approach to Sustainability

Sustainability Framework

The UNSDGs comprise 17 “Global Goals” that are central to building a more sustainable, equitable and prosperous world for all.

As a responsible corporate citizen, we have aligned our sustainability efforts to the UNSDGs, identifying specific goals that we aim to contribute towards our initiatives and actions. In Malaysia, the Twelfth Malaysia Plan (“12MP”), which spans from 2021 to 2025, sets the direction to improve the country’s Prosperity, Inclusivity and Sustainability. In doing this, we strive to create a sustainability-centric culture at THP Group that inspires our employees to further their efforts for the greater good.

Economic

- 1 Resetting the Economy
- 2 Strengthening Security, Well-Being and Inclusivity
- 3 Advancing Sustainability

UNSDGs:



Environmental

- 3 Advancing Sustainability

UNSDGs:



Social

- 1 Resetting the Economy
- 2 Strengthening Security, Well-Being and Inclusivity







UNSDGs:



Our Approach to Sustainability

Sustainability Performance Scorecard

Our sustainability performance scorecard provides a clear and concise overview of our progress in achieving key sustainability goals, uniting our teams behind a cohesive plan to drive long-term value.

Material Matters	Targets	Current Progress Against Targets
Economic		
1 Governance & Ethics (Anti-Corruption Practices)	Zero incidents of corruption annually	Zero incidents of corruption across our business operations in FY2024 
Environmental		
1 Waste Management	Reutilise up to 80% of biomass residue annually	Reutilised 84% of biomass residue in our operations in FY2024 
2 Water Management	Maintain water consumption rate below 1.5 m ³ /MT FFB annually	Water consumption rate of 1.47 m ³ /MT in FY2024 
3 GHG Emissions	Our total carbon footprint is 160,598 mt CO ₂ e. The details are as below: <ul style="list-style-type: none"> • Scope 1: 157,907 mt CO₂e • Scope 2: 2,063 mt CO₂e • Scope 3: 628 mt CO₂e 	2024 is our baseline 
Social		
1 Human Rights	Zero substantiated complaints concerning human rights violations annually	Zero complaints concerning human rights violations in FY2024  One fatality in FY2024
2 Safety & Health	Zero fatalities annually	Total number of accidents reduced by 20% compared to the previous year  LTIR has dropped by 46%

Legend: Progress tracking



On track to meeting set target.



Falling short on meeting target for one year; review current practices.



Falling short on meeting target for more than two years; review and revise target (if necessary).

Economic



> Crude Palm Oil.

Product Quality & Operational Efficiency

Why It Matters

Prioritising the production of responsibly sourced, high-quality products is key to driving long-term success.

By consistently meeting customer expectations and optimising our operations, we engender the trust and preference of buyers, thereby strengthening our ability to achieve our goals and secure our sustainability as a business.

Our Approach

Ensuring Customer Satisfaction

We are committed to fostering strong partnerships with our customers through regular engagement, addressing their needs and discussing shared challenges. By working closely with our customers in this way, we are better positioned to develop solutions that drive their continued satisfaction.

At the same time, we recognise that the quality of our CPO and palm kernel is key to customer satisfaction. To optimise product quality, each batch is meticulously measured and monitored against stringent internal benchmarks aligned with the Standard Quality Grade of the Malaysian Standards – MS814:2007 for CPO and MS236:2007 for palm kernel.

Performance of CPO & Palm Kernel

CPO

Free Fatty Acid (“FFA”) (%)



Internal Target: ≤5.00

Deterioration of Bleachability Index (“DOBI”)



Internal Target: ≥2.30

Moisture & Impurities (“M&I”) (%)



Internal Target: <0.25

PK

Moisture (%)



Internal Target: <7.00

Dirt & Shell (%)



Internal Target: <6.00

Economic

Driving Economic Performance

At the heart of our business strategy lies a commitment to robust economic performance and business growth.

By staying ahead of market trends, maintaining strong financial health, embracing technological advancements and proactively managing risks, we position ourselves to capitalise on growth opportunities as they arise, generating value that we then distribute to our stakeholders through taxes, salaries, benefits, dividends and investments.

In FY2024, we achieved RM882 million in revenue through our core activities, including investment holdings, oil palm cultivation, FFB processing and the marketing of CPO, PK and FFB within Malaysia. Our performance was further strengthened by several key initiatives during the year that played a pivotal role in our success. These included the AL-Falah 22/22 strategy, which aligns our operations with our goals of efficiency, sustainability and profitability, and the newly-implemented High-Performance Impact Training programme, which strives to enhance the capabilities of our workforce to drive improvements to our financial performance.

Economic Performance

Item	2022 (RM)	2023 (RM)	2024 (RM)
Economic value generated (i.e. revenue and other income)	891,550,000	773,285,000	882,020,000
Economic value distributed			
- Operating costs	569,719,000	484,971,000	555,387,000
- Employee wages and benefits	127,551,000	158,582,000	150,315,000
- Payments to providers of capital (i.e. dividends and financing costs)	84,317,000	88,120,000	82,426,000
- Payments to government (i.e. tax)	57,229,000	33,470,000	54,579,000
- Community investments	-	119,600	54,000
Economic value retained	52,734,000	8,022,400	39,259,000

Note:

Number of beneficiaries for community investments in 2024 is 304.

Enhancing Good Agricultural Practices

In our plantation operations, we adhere to SOP for GAP. These procedures focus on key areas such as efficient water management, site-specific fertilisation, IPM, effective weed control and the removal of unproductive palms. Together, these practices aid us in optimising field productivity and ensuring sustainable agricultural operations.

In FY2024, we further enhanced these practices to promote sustainable and efficient plantation management. Updated protocols were introduced to manage major pests such as rats, Ganoderma and Tirathaba, while improvements to weevil hatchery management optimised our pollination processes, leading to increased crop production and operational efficiency.

Economic

In FY2024, we undertook several key projects that balance our productivity with environmental responsibility

INITIATIVE 1: PLANTING MATERIALS AND SEEDS

- We continued our work in planting materials and seeds as part of our replanting programme, providing estates with the support they need to drive optimal productivity.

INITIATIVE 2: INDIGENOUS MICROORGANISM APPLICATION

- We implemented an updated SOP for applying indigenous microorganisms (“IMO”) before transplanting seedlings to improve soil health and support stronger, healthier plants.

INITIATIVE 3: SLOW-RELEASE FERTILISER TRIALS

- We began testing the use of slow-release fertilisers in immature areas to optimise nutrient use and reduce environmental impact.

INITIATIVE 4: EFB APPLICATION

- We refined our SOP on the usage of EFB to enhance soil structure, retain moisture and boost nutrient levels, making it a more effective tool for improving soil health.

INITIATIVE 5: RAT CONTROL USING BARN OWLS

- We prioritised the use of barn owls (*Tyto alba*) as a natural, eco-friendly method to manage rat populations on our estates.
- In cases of severe infestations, first-generation rat bait is used as a backup measure, but only when necessary, ensuring a balanced approach that protects barn owls and minimises chemical use.



Barn owl spotted at Ladang Sungai Mengah, Pahang.

Economic

Advancing Research & Development

Research and Development (“R&D”) plays a crucial role within our Agronomy Department, driving innovations that enhance both yield quality and quantity in an environmentally sustainable manner.

Our efforts are spearheaded by our dedicated R&D team, comprising four skilled professionals, who focus on optimising productivity through fertiliser recommendations, plantation research and other activities.

In line with our goal of becoming an integrated and sustainable plantation company, we will continue to invest in R&D and maintain our internal quality controls, as we explore new areas of agricultural practice to improve yields and produce high-quality products.

R&D Budget**Annual expenditure budget for R&D (RM million)**

2022	1.3
2023	2.0
2024	1.2

MSPO Certification

Given our position as a producer of CPO and PK with an extensive network of business relationships, we have the responsibility to improve and drive the adoption of sustainable practices across our supply chain.

The MSPO standards define clear expectations of our operations in the following areas:

- 1 Management commitment and responsibility
- 2 Transparency
- 3 Compliance with legal requirements
- 4 Social responsibility, safety and employment conditions
- 5 Environment, natural resources, biodiversity and ecosystem services
- 6 Best practices
- 7 Development and new plantings.



The Head of Agronomy provided a briefing on the management of upkeep and maintenance to the Sungai Buan's estate management during the agronomy team's visit to the estate.

As of December 2023, all our estates and mills in Peninsular Malaysia have undergone the MSPO recertification process for the next five years, while those in Sabah and Sarawak underwent the process in 2024.

To uphold the required standards, we have implemented rigorous procedures covering key areas such as management responsibility, transparency, legal adherence, social responsibility, environmental stewardship, best practices and responsible development.

In addition to this, we have increased the support we provide to our stakeholders, and particularly our FFB suppliers, to obtain the MSPO certification for their business. Through this, we not only open growth opportunities for our partners but further strengthen the resilience of our supply chain for the long term.

In FY2024, we advanced our compliance efforts by aligning with the updated MSPO standard, the MS2530:2022 series. Additionally, by Q3 2024, all Assistant Managers overseeing estates and mills had completed the necessary training to ensure adherence to the new standards.

Economic



> Fresh Fruit Bunch at Kota Bahagia Mill.

Traceability & Supply Chain Management

Why It Matters

Adopting responsible and sustainable sourcing practices enables us to achieve our business goals while reducing negative environmental impacts and supporting equitable outcomes for local communities and people.

This approach creates long-term value for the environment and communities we serve while meeting the expectations of our stakeholders.

Our Approach

Supporting MSPO SCCS Compliance

We are committed to achieving full traceability at every stage of FFB production, from the planting of seedlings to the harvesting and transportation of FFB. Similarly, at our palm oil mills, we ensure the traceability of our CPO and PK across the entire production process, encompassing FFB receipt, mill processing, transportation and delivery. These measures are essential for maintaining compliance with the MSPO SCCS, which is renewed every five years for all our mills.

Advancing Fair & Sustainable Sourcing Principles

We have institutionalised fair and transparent procurement practices, ensuring that all potential suppliers, including participants in our Vendor Development Initiative (VDI) are treated equally.

Our Procurement Department oversees the supplier selection process based on clearly defined criteria, such as vendor resources, capabilities, as well as the quality and suitability of requested resources. To uphold accountability and impartiality, our procurement activities are governed by strict internal controls, including limits of authority and approvals by the Tender Committee.

Aligned with our commitment to fostering a responsible and resilient supply chain, sustainability is integrated into every stage of our procurement process – from pre-qualification and supplier registration to annual performance evaluations. All suppliers, both new and existing, are expected to meet our established sustainability standards, which cover ethical practices, health and safety, environmental management and respect for human rights.

In addition, we carry out detailed supplier sustainability assessments that cover key environmental and social criteria. In FY2024, 0.7% of our major suppliers were subjected to the assessment.

Procurement Assessments			
Item	2022	2023	2024
Suppliers screened using environmental criteria (%)	Nil	3	0.7
Number of suppliers assessed for environmental impacts	Nil	51	13
Suppliers screened using social criteria (%)	Nil	3	0.7
Number of suppliers assessed for social impacts	Nil	51	13

Economic



> "Majlis Ikrar Bebas Rasuah" at Dewan Lembaga Tabung Haji.

Governance & Ethics

Why It Matters

Robust governance frameworks, ethical practices and strong cybersecurity measures are essential to our long-term health as a business.

Together, they provide clear principles, structures and processes that guide decision-making and behaviour, strengthening our foundation for growth and resilience.

Our Approach

Spearheading a Culture of Anti-Corruption

Governing Framework

We adhere to the enhanced corporate governance requirements and standards outlined in the Malaysian Code on Corporate Governance 2021, Bursa Malaysia's Main Market Listing Requirements and Bursa Malaysia's Corporate Governance Guide, which form the foundation of our governance practices.

Our strong stance against corruption forms a key pillar of our approach. Through measures such as operational limits of authority, mandatory declarations of conflicts of interest for all Directors and employees, and our open-door policy, we strive to maintain a workplace that is free from corruption in all its forms.

To institutionalise our standards in governance, we have implemented a Code of Ethics and Conduct. The Code aligns us with all applicable laws, rules and regulations while providing a structured framework for employees to follow regarding business conduct. Additionally, the Code outlines disciplinary procedures applicable to both management and employees, reinforcing our commitment to a culture of ethical excellence.

Integrity

Integrity is the foundation of our ethical practices, guiding every aspect of our operations. Through targeted initiatives and ongoing engagement, we strive to create a workplace that consistently upholds the highest ethical standards.

In FY2024, we conducted integrity awareness sessions for our Board and Heads of Departments, focusing on corporate liability under Section 17A of the MACC Act 2009. Facilitated by an MACC officer, the session on 24 July 2024 emphasised the critical role of ethical leadership and accountability in combating corruption.

Reinforcing this commitment, our Board, management and employees collectively reaffirmed their dedication to transparency and ethical practices by signing the Corruption-Free Pledge with the MACC on 12 November 2024.

During the year, one incident of suspected misconduct was reported and is currently under investigation, reflecting our commitment to diligently addressing any potential breaches to our standards.

Economic

Additional initiatives carried out in FY2024 included:

- 1 An anti-corruption briefing on 12 November 2024 by the Director of the MACC in Kuala Lumpur, providing insights into managing conflicts of interest.
- 2 A talk on 28 November 2024 by an officer from Institut Integriti Malaysia (“IIM”), focusing on ways to foster integrity in the workplace.
- 3 The sharing of integrity-related articles via our Centralised Document Centre and THP Bulletin to reinforce ethical practices.

Whistleblowing

Our Whistleblowing Policy plays a vital role in furthering ethical practices across THP Group.

The policy provides all employees and stakeholders with a secure and accessible platform to report any suspected violations of our ethical standards, nurturing a culture where people feel emboldened to speak up and convey their concerns without fear of retaliation.

In FY2024, we revised the policy to strengthen our reporting mechanisms and enhance protection for whistleblowers. A new Whistleblowing Channel, independently managed by an independent third-party, was also launched to ensure impartiality and confidentiality, with these additions communicated

to employees through an awareness programme held on 6 August 2024.

Complementing the revised policy, our IGU is tasked with enhancing our anti-corruption measures and conducting integrity awareness programmes across our headquarters (HQ), estates and mills, building the practical know-how necessary to uphold our stringent standards.

Corruption Risk Assessments

To further strengthen our anti-corruption framework, we implemented our CRA Plan in FY2024. This plan provides the basis for corruption risks to be effectively identified, evaluated and mitigated, and is reinforced by the adoption of the new THP Anti-Corruption Policy Statement, reinforcing our zero-tolerance approach to corruption.

As part of this initiative, a three-day CRA Workshop was held in January 2024, involving Heads of Departments and their deputies. The workshop identified 102 potential corruption risks, which were documented in a risk register and presented to the Board for approval on 17 October 2024.

Complementing these initiatives, various awareness materials, including posters and bunting, were displayed across our offices and operations during the year, covering topics such as whistleblowing channels, the THP Anti-Corruption Policy Statement and our policy on the giving and receiving of gifts.

Anti-Corruption

Item	2022	2023	2024
Number of confirmed corruption incidents	0	0	0 ³
Percentage of operations assessed for corruption-related risks	N/A	N/A	100% ¹
Employee Category	2022 ²	2023	2024
Percentage of employees who have received training on anti-corruption			
- Management	N/A	79	87
- Executive	N/A	75	86
- Non-Executive/Technical	N/A	29	51

Notes:

¹ As we only began undergoing corruption risk assessments in FY2024, previous data is unavailable.

² As we only began undergoing training on anti-corruption in FY2023, previous data is unavailable.

³ One case reported and still under investigation.

Economic



Corruption Risk Assessment Workshop at Ibis Hotel on 9-11 January 2024.

Enhancing Cybersecurity & Data Privacy

Disaster Recovery

We recognise the central role that building a resilient and secure digital environment plays in driving the trust of our stakeholders. With this in mind, we continue to invest in enhancing network security, strengthening data privacy measures and building a culture of cyber awareness that permeates the entire organisation.

Our Information Technology Disaster Recovery Plan (“IT DRP”), which was introduced in 2020, is central to these efforts. Developed in alignment with Malaysia’s Personal Data Protection Act (“PDPA”) 2010, the General Data Protection Regulation (“GDPR”) and the Asia Pacific Economic Cooperation (“APEC”) Privacy Framework, the IT DRP forms the cornerstone of our robust cybersecurity framework. It ensures compliance with regulatory requirements across all regions we operate in, and is fully integrated into our operations and processes.

During the year, our IT disaster recovery process was significantly improved with the introduction of encrypted tunnelling, offering users a secure method of accessing critical systems during disaster recovery scenarios. This enhancement strengthens our ability to protect sensitive data and maintain operational integrity during potential disruptions.

Data Management

Managing data and security is a key component of our ERM framework. We prioritise lawful data collection and maintain transparency about how data is gathered, used and secured, with regular reviews conducted to ensure that our data privacy and security controls remain effective and resilient.

For contractors and suppliers, we obtain necessary consent and securely store their data on our Contractor Management System (“CMS”), with access restricted to authorised personnel. User

activities are continuously monitored to prevent unauthorised access or misuse. Additionally, a robust data retention and destruction policy ensures data is retained only as long as necessary and securely disposed of when no longer required.

Network Security

Building on these efforts, FY2024 saw a significant focus on strengthening network security through several strategic initiatives aimed at safeguarding our digital infrastructure.

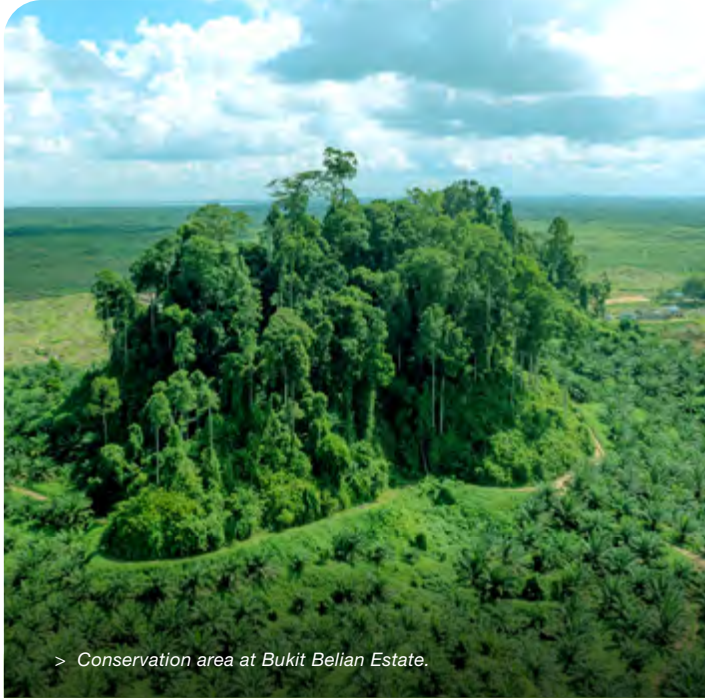
We enhanced security measures within the Microsoft 365 platform by integrating advanced features of Trend Vision One, a comprehensive threat management solution. This upgrade improved our capability to monitor activities, detect anomalies and prevent unauthorised access, fostering a more secure operating environment. Our firewall security policies also underwent a thorough review and upgrade to align with the latest security standards and patches, bolstering the firewall’s ability to counter evolving cyber threats.

To address phishing risks, meanwhile, we introduced a phishing-security testing programme, equipping users with the skills to differentiate genuine emails from phishing or spyware attempts. As part of this initiative, all external emails are now tagged with clear identifiers to help users recognise their origins and authenticity.

Cybersecurity

Item	2022	2023	2024
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0

Our Environmental Stewardship



> Conservation area at Bukit Bellian Estate.

Biodiversity & Conservation

Why It Matters

Safeguarding local ecosystems and their biodiversity is essential to maintain environmental balance and promoting sustainable development.

As an industry player, we have a responsibility to minimise our impact on habitats in the vicinity of our operations and their surrounding ecosystems.

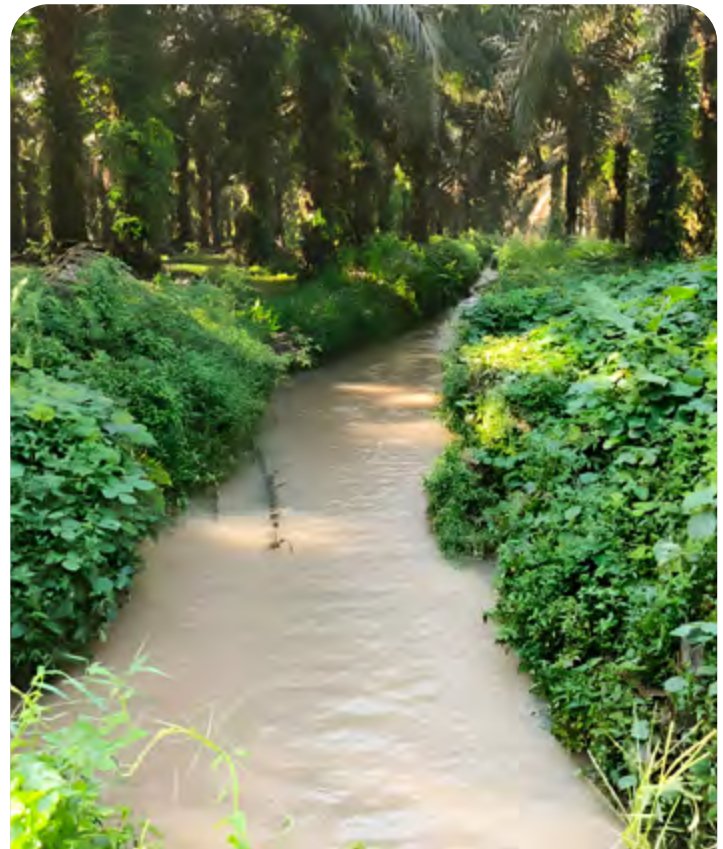
Our Approach

Preserving Riparian Reserves

Riparian reserves are crucial conservation areas that lie between land and rivers, providing habitats for a wide variety of plants and animals. Their protection is also crucial to maintaining soil health and water quality in surrounding areas.

We have established buffer zones and riparian reserves within our plantations, covering 597.85 ha. Additionally, we use legume cover crops (“LCCs”) within our reserves to prevent soil erosion, control weeds and enhance the fertility of the soil, further strengthening these important areas.

During FY2024, we focused on maintaining and preserving our riparian reserves in line with MSPO requirements, striving to be seen as a positive example for environmental protection within our industry.



Riparian reserve at Ladang Gunung Sumalayang, Kluang Johor.

Our Environmental Stewardship

Conducting Environmental Impact Assessments

Before starting any replanting exercise, we carry out thorough Environmental Impact Assessments in line with Malaysian Department of Environment (“DOE”) requirements, using independent third-party consultants.

Key factors considered in the EIAs include:

- 1 Soil erosion, slope stability and soil conditions.
- 2 Water and noise pollution.
- 3 Loss of flora, fauna and their habitats.
- 4 Waste disposal.
- 5 Impacts of replanting and abandoned land.
- 6 Socioeconomic and ecological effects.
- 7 Safety and health concerns.
- 8 Peat soil subsidence.

The results of these assessments are reported to the DOE, ensuring all considerations are accounted for before replanting begins. Decisions on replanting are influenced by the age of the palms (yields drop below 15 MT/ha for palms over 25 years old), palm height (harvesting becomes difficult for palms over 45 feet) and areas where soil quality has degraded due to flooding or root diseases.

Managing Our Peatlands

We cultivate only on peatland designated by the Malaysian government for agricultural development, adhering to strict guidelines to ensure sustainable use.

Recognising the fragile nature of peatland, we adhere to specific processes to ensure responsible development. Our Agronomy team provides valuable technical and advisory support here, focusing on practices that maintain water levels at optimal ranges and drain excess water to prevent peat degradation. These measures are essential for preserving the long-term health and productivity of the land.

By the end of FY 2024, we owned 44,749.27 ha of peatland, of which 14,924.84 ha was unplanted and contributed to biodiversity and conservation areas.

Integrated Pest Management

Pest management is an essential aspect of oil palm cultivation, ensuring healthy yields and protecting plantations from damage. To balance this necessity with our conservation efforts, we prioritise IPM strategies that minimise chemical usage. Our approach focuses on incorporating bio-pesticides and bio-control agents, tailored to the specific needs of each estate, to effectively manage pests while supporting environmental sustainability.

Our efforts include:

- 1 Using *Tyto alba*, commonly referred to as barn owls, to control rat populations.
- 2 Shredding felled trunks into chips of acceptable size to suppress the breeding of rhinoceros beetles.
- 3 Planting beneficial plants that provide shelter and food for predators and parasitoids of the pest.
- 4 Using *Bacillus thuringiensis*, a soil-dwelling bacterium, against insect pests such as *Tirathaba rufivena* and bagworm larvae.

Our Environmental Stewardship

Restoration Programme in Gunung Arong Forest Reserve, Mersing, Johor

In FY2024, we made significant progress on our initiative to restore the vital coastal forest and peatland ecosystems of GAFR in Mersing, Johor.

- **8 canal blocks were constructed** in FY2024.
- **11 Piezometers were installed.** Regular patrollings and data recordings were undertaken to monitor fire risk levels, with a low water table reading indicating that the peatland is getting dry and a higher risk of fire.
- **Establishment of community forest fire patrollers** in GAFR, who have played a crucial role in preventing fires in GAFR. The team conducts patrols and monitors the GAFR area four times per week.
- **Installed 8 forestry enactment signages, 4 FDRS signages, and 3 Peatland Fire Risk Markers** with piezometers at GAFR to enforce regulations and provide early fire risk warnings with real-time groundwater level data.



Installed 8 forestry enactment signages, 4 FDRS signages and 3 Peatland Fire Risk Markers.



Established a community of forest fire patrollers.

- Wildlife monitoring in GAFRC using **camera traps** confirmed active wildlife presence, emphasising its role as a sanctuary for local species.
- **Planted 1,600 trees** with local communities in FY2024, moving towards the 4,600-tree goal.
- **Organised an expedition to assess GAFR's peat swamp, freshwater swamp, and mangrove forests**, involving 137 researchers from universities, government, and NGOs.



Wildlife monitoring in GAFRC using camera traps.



An expedition to assess GAFR'S peat swamp, freshwater swamp and mangrove forests.

Our Environmental Stewardship

- **Established a nursery** producing over 3,000 trees for planting in degraded areas. Local communities also visited Raja Musa Forest Reserve and Pulau Tanjung Surat to learn about peatland conservation.
- Promoted GAFR through events such as Ocean Conservation Workshop in Mersing, Independence Day Exhibitions at Kg. Padang Endau and Kg. Semaloi, and Mersing International Conservation Day, showcasing initiatives such as peatland rehabilitation, water table monitoring, and fire prevention.
- Management team and key stakeholders **visited GAFR** to align efforts, monitor progress, and share insights.
- Trained local communities and smallholders on best oil palm practices for peat soil.



Ocean Conservation Workshop in Mersing to promote GAFR.



Management team and key stakeholders visited GAFR.



Training for local communities and smallholders.

Overall, our activities for GAFR in FY2024 have largely been implemented as planned, achieving significant successes in rehabilitation and conservation. Key accomplishments include the installation of fire risk signage, the establishment of a community nursery, and increased local engagement, while the growing involvement of local community members reflects their strong interest and commitment.

Biodiversity & High Conservation Value (“HCV”) Training: Strengthening Sustainability

In FY2024, we conducted a HCV training session at Ladang Sungai Tenegang, Lahad Datu, Sabah. The programme brought together participants from across our oil palm estates in the Sabah region, as well as local smallholders from Lahad Datu.

The training provided participants with a deeper understanding of the latest HCV guidelines under the MSPO certification framework, emphasising the importance of biodiversity conservation in plantation operations. It emphasised the critical role of biodiversity conservation in plantation management, equipping participants to integrate these principles into their daily operations while ensuring alignment with our Sustainability Policy. The programme also included field activities, such as biodiversity assessments within plantation areas, to provide hands-on experience.

Our Environmental Stewardship

This training not only strengthened the capabilities of our staff but also empowered local smallholders to adopt responsible practices, in line with our efforts to promote sustainability across the Malaysian palm oil industry.



Session on HCV identification and monitoring in oil palm plantation.

Guidelines for Biodiversity-Friendly Plantation Workshop

In FY2024, the second “Guidelines for Biodiversity-Friendly Plantation” workshop was held in Royal Belum State Park, Perak, as part of an effort to develop a comprehensive manual for biodiversity-friendly plantation practices. A collaboration between government agencies, local universities and NGOs, the workshop focused on refining guidelines to promote biodiversity conservation while ensuring sustainable plantation management. It highlighted the importance of collaboration among stakeholders, including communities, researchers, and conservation groups, to create solutions that benefit both the environment and local livelihoods.



Exploring Biodiversity: The participants exploring the Royal Belum Forest to study ecosystems, assess conservation areas, and observe local flora and fauna in their natural habitat.

Supporting Coexistence with Elephants

We have furthered our efforts to support harmonious coexistence with wildlife by collaborating with local NGOs and other plantation companies in Johor. Under this coalition, we were involved in workshops, meetings and discussions aimed at unearthing collaborative and sustainable solutions for better human-elephant interactions in the state.

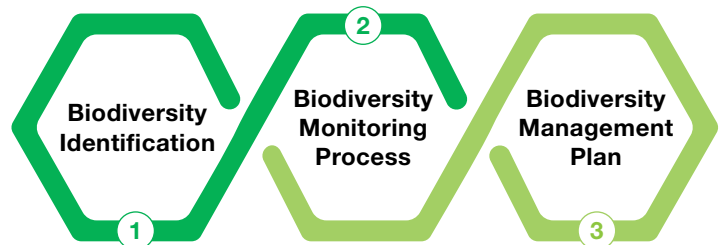
To enhance these efforts, four camera traps have been installed at our estate in Kluang, Johor, to monitor elephant movements and document other wildlife species. These tools provide valuable insights into wildlife behaviour, helping us to develop more effective conservation strategies.



A focus group discussion addressing the elephant situation in Johor, emphasising conservation efforts, habitat management, and human-wildlife coexistence strategies.

Biodiversity Risk Assessments

In FY2024, all of our estates underwent internal biodiversity risk assessments to ensure compliance with MSPO standards. The assessment process, which is carried out annually, is conducted by the operations team of each estate, who also lead in identifying, monitoring and managing biodiversity risks.



Our Environmental Stewardship

Based on the assessments conducted, over 1,500 ha of land has been designated as protected areas within our estates. These areas serve as habitats for around 40 plant and animal species, identified according to the International Union for Conservation of Nature (IUCN) Red List of Threatened Species and detailed below.

Identified Species	NE (Not Evaluated)	DD (Deficient)	LC (Least Concern)	NT (Near Threatened)	VU (Vulnerable)	EN (Endangered)	CR (Critically Endangered)	CO (Collapsed)
Fauna								
1. Sumatran Rhinoceros							●	
2. Banteng						●		
3. Asian Elephant						●		
4. Orang Utan						●		
5. Sambar Deer					●			
6. Sun Bear					●			
7. Clouded Leopard					●			
8. Bearded Pig					●			
9. Crocodylus Porosus						●		
10. Dogania Sublpana						●		
11. Macacafascicularis						●		
12. Amaurornis Phoenicurus						●		
13. Copsychus Malabaricus						●		
14. Pythyhton Reticulatus						●		
15. Varanus Salvator						●		
16. Ayuthia Spectabile						●		
17. Geyxazureus						●		
18. Acridotheres Tristis						●		
19. Cuculidae						●		
20. Paradoxurus Hermaphroditus						●		

Our Environmental Stewardship

Identified Species	NE (Not Evaluated)	DD (Deficient Deficient)	LC (Least Concern)	NT (Near Threatened)	VU (Vulnerable)	EN (Endangered)	CR (Critically Endangered)	CO (Collapsed)
Fauna (cont'd)								
21. Limnonectes Malesianus						●		
22. Hylarana Erythraea						●		
23. Pomponia Adusta						●		
24. Hymenopus Coronatus						●		
25. Phaenopharos Struthioneus						●		
26. Coturnix						●		
27. Tragulus Javanicus						●		
28. Ophiophagus						●		
29. Malayemys Macrocephala						●		
Flora								
30. Caryota No			●					
31. Cycas				●				
32. Zingiberaceae				●				
33. Nenga Spp				●				
34. Nepenthaceae				●				
35. Cymbidium Orchid				●				
36. Bird's Nest Fern				●				
37. Shores Teysmanniana						●		
38. Cengal						●		
39. Belian					●			
40. Keruing					●			
41. Senduduk						●		

Our Environmental Stewardship



> Conservation area at Sungai Kerian Estate.

NDPE Commitments

Why It Matters

By preventing deforestation, protecting peatlands and ensuring the fair treatment of people and communities, we contribute to a more equitable and sustainable future, both for our business and the industry as a whole.

Our Approach

Upholding the NDPE Commitments

The following NDPE commitments – detailed in our Sustainability Policy – balance our economic activities with the need to protect the planet and uphold human rights, thereby aligning with the global agenda for sustainable development.

No Deforestation

- We protect areas with HCV and High Carbon Stock (“HCS”) by following recognised national and international best practices.
- Any plantation development must identify and safeguard HCV areas and HCS forests, using international best practice guidance.
- Where possible, we collaborate with experts and local communities to explore opportunities for natural forest restoration.

No New Development on Peat

- We do not allow new development on peatland, regardless of its depth.
- Existing plantations on peat are managed using strict Best Management Practices (“BMP”) in line with national standards, industry guidelines and recommendations from the Malaysian Palm Oil Board (“MPOB”).
- Peatland management follows good agricultural practices laid out in our policies and SOPs.
- Where feasible, we work with experts and local communities to restore peatland areas.

No Exploitation of People and Local Communities

We are committed to supporting the sustainable development of people and local communities by:

- Respecting human rights.
- Providing a safe and healthy workplace.
- Supporting employee welfare and career development.
- Honouring land rights and ensuring fair treatment of land owners.

Our Environmental Stewardship



> Empty Fruit Bunch application at Bukit Lawiang Estate.

Waste Management

Why It Matters

By responsibly managing waste and maximising the reuse of by-products, we reduce our environmental impact and contribute to the circular economy.

Our Approach

Managing Hazardous & Non-Hazardous Waste

We are committed to upholding responsible waste management by adhering to environmental regulations and implementing best practices for disposal. Our waste management strategy includes both scheduled (hazardous) and non-hazardous waste, ensuring compliance with Malaysia’s Environmental Quality (Scheduled Wastes) Regulations 2005. Under these regulations, hazardous waste can only be maintained on-site for no more than 180 days and cannot exceed 20 MT at any given time.

On average, we generate less than 10 MT of waste per month across our sites. For hazardous waste, we work with third-party contractors endorsed by the DOE to ensure proper disposal, closely monitoring collection records provided by these contractors and submitting detailed reports to the DOE on a monthly basis. For non-hazardous and domestic waste, meanwhile, we engage licensed waste collectors to ensure appropriate disposal methods are used.

Our newer mills feature advanced processing technology designed to improve operational efficiency and reduce waste generation. Looking ahead, we aim to enhance our waste management efforts by tracking and reporting our total domestic waste collected with the aim of driving progressive improvement over time.

Waste Generation & Disposal

Item	2024
Waste Generated (MT)	462,616
Total waste diverted from disposal (%)	84
Total waste directed to disposal (%)	16

Note:

Waste source: EFB, shells, fibres, scheduled (hazardous) waste and non-hazardous waste.

Our Environmental Stewardship

Reutilising Biomass Residue

We transform biomass residue, a by-product of processing FFB into CPO and PK, into fuel and natural fertilisers, creating a sustainable resource that can be used within our operations and beyond.

How We Reuse Biomass Residue

EFBs:

- Used as natural fertilisers in our West Malaysian plantations through mulching.
- Incinerated to produce bunch ash (Sarawak mills only), which is then used to fertilise peatlands.

Shells:

- Used as fuel for boiler systems.
- Sold to other plantations or industries as a renewable fuel source.

Fibres:

- Used as fuel for boiler systems.

Total Biomass Residue Amount Produced (MT)



Total Biomass Residue Amount Reutilised (MT)



Fibres from palm oil used as fuel for boiler systems.

Our Environmental Stewardship



> Solar panel at guard house, Ladang Sungai Buan.

GHG Emissions

Why It Matters

Climate change poses significant risks to ecosystems, economies and communities worldwide, and the onus is upon us to be a part of the solution.

As a player in the oil palm sector, which has been subject to considerable scrutiny from regulators and the general public, it is vital that we take a proactive approach to addressing climate change and its impacts.

Our Approach

In our commitment to addressing climate change and reducing our GHG emissions, we are guided by our Environmental Policy and our Climate Transition Strategy, which is integrated within the AL-Falah Strategic Business Plan.

Our Climate Transition Strategy focuses on three strategic pillars of our decarbonisation journey:

Pillar 1: Managing Our Emissions

Effort: Improving energy efficiency at our premises

Energy Efficiency

(Strategic Business Plan: AL-Falah 22/22)

- Boiler and turbine replacement contract awarded for Bukit Lawang Mill.

Effort: Integrating sustainable practices into our developments

- Implemented the Industrialised Building System (“IBS”) for housing projects on peatlands in Sarawak to reduce environmental impact.



Solar panel at Ladang Sungai Tenegang, Sabah.

Our Environmental Stewardship

Pillar 2: Investing in Low Emissions and Green Technologies

- Installing solar panels at office buildings, guardhouses, nurseries, loading ramps, stores and street lighting.

Effort: Alignment to SDG Goals

On-Grid Biogas Plant

(Strategic Business Plan: AL-Falah 22/22)

- Shareholders' Agreement signed with Cenergi RE.
- Preliminary works initiated, with completion targeted in 2026.

Biomass Waste Utilisation

- Utilising fibres and palm kernel shells as fuel for renewable energy ("RE").

Solar Panels

(Strategic Business Plan: AL-Falah 22/22)

- Installation of rooftop solar panels in Sabah Region.

Electrical Vehicles

- Exploring the use of electric vehicles ("EVs") at Ladang Bukit Lawiang with the purchase of two Badang electric-powered mechanical buffaloes.



Pillar 3: Leveraging Partnerships and Collaborations

- Collaborating with a local NGO over a seven-year project (2022-2029) to restore 4,300 ha of the degraded GAFR in Johor, focusing on conserving its biodiversity and ecosystems through nature-based solutions.
- Carbon sink will increase through re-vegetation and tree planting activities.

Task Force on Climate-related Financial Disclosures ("TCFD") Recommendations

We are enhancing our internal capabilities to address the recommendations of the TCFD, enabling us to manage critical climate-related risks and opportunities more strategically and comprehensively.

Our Environmental Stewardship

Energy Management

Energy Consumption

In FY2024, we utilised 197,890 GJ of energy, marking a 7% decrease compared to FY2023 that underscores the effectiveness of our energy conservation initiatives.

Item	2023 (GJ)	2024 (GJ)
Non-Renewable Energy Fuel (Purchased & Consumed)	5,601.55	2,564.75
Non-Renewable Energy Electricity (Purchased)	3,744.14	6,371.73
Renewable Energy Fuel (Purchased / Acquired & Consumed)	153,917.28	157,752.56
Total Renewable Energy (Generated)	49,970.81	31,201.06
Total Energy	213,233.78	197,890.10

Managing Our GHG Emissions

We have adopted a range of strategies to reduce and remove our GHG emissions including:

- 1 Setting up of biogas plant.
- 2 Installing rooftop solar panels at our mills, estates and office buildings.
- 3 Upgrading our boilers and turbines to be more energy efficient.
- 4 Utilising fibres and palm kernel shells as fuel for renewable energy (RE).
- 5 Exploring electric vehicles (EVs) at our estates.
- 6 Improving our operational processes - including better peatland management, optimised waste management, and more - to reduce unnecessary emissions.
- 7 Strictly adhering to our zero-burning policy.

A key component of our emissions reduction strategy is the construction of biogas plant at our mill. This facility capture

methane emissions and convert them into energy, providing a resource while reducing operational costs. Recognising the substantial investment required, we are taking a measured, long-term approach to their implementation.

GHG Data Collection Training

During the year, we engaged an expert consultant to conduct four GHG data collection workshops across our operations in Peninsular Malaysia, Sarawak and Sabah, and at our HQ.

Completed by Q3 2024, these workshops covered:

- 1 An introduction to GHG emissions and climate change.
- 2 Frameworks and methodologies for GHG inventories tailored to our operations.
- 3 Data collection processes and workflows for our staff.

The workshops aimed at strengthening staff expertise and understanding, empowering more effective GHG data management and supporting our broader climate action initiatives.

Our Environmental Stewardship

Our Carbon Footprint

FY2024 marks the baseline for measuring our carbon footprint across Scope 1, 2 and 3 of GHG emissions, establishing a benchmark to track progress and assess impact. To ensure alignment with our strategic objectives and sustainability priorities, our AL-Falah 22/22 framework will guide future mitigation strategies.

GHG Emissions

Item	2022	2023	2024
Scope 1 Emissions (tCO ₂ e)	N/A	N/A	157,907
Scope 2 Emissions (tCO ₂ e)	N/A	N/A	2,063
Scope 3 Emissions (tCO ₂ e)	N/A	N/A	628
Average Total GHG Emissions (tCO₂e/MT)	N/A	N/A	160,598

Scope 3: For business travel and employee commuting only

Boiler Emissions

We closely monitor emissions from our mill boilers through our Continuous Emissions Monitoring System (CEMS), which ensures compliance with local environmental regulations and provides real-time updates to the DOE. Furthermore, to enhance transparency, we installed closed-circuit television (CCTV) systems in FY2024 to continuously monitor emissions from boiler chimneys, allowing both mill managers and head office teams to access live video feeds as needed.

As of FY2024, all our mills are equipped with Electrostatic Precipitator, ensuring effective management of dust and smoke opacity. This proactive step positions us to not only meet but exceed future regulatory requirements for detailed reporting on dust particles and smoke opacity.

Boiler Emissions

For the past three years, all our mills have consistently operated within smoke opacity regulatory limits, demonstrating the success of our dust and smoke management practices.

Mill	Regulatory Limits (%)	Smoke Opacity Readings (%)/Year		
		2022	2023	2024
Bukit Lawiang, Johor	20	18.00	18.00	18.00
Kota Bahagia, Pahang	20	12.98	2.05	9.78
Sungai Tenegang, Sabah	20	3.98	5.92	5.84
Mamahat, Sabah	20	17.20	4.54	5.28
Raja Udang, Sarawak	20	21.90	29.00	4.70
Gedong, Sarawak	50	29.13	25.97	24.70

Our Environmental Stewardship



> Tertiary Effluent Treatment Plant at Sungai Tenegang Mill.

Effluent & Water Discharge

Why It Matters

Effective management of our effluent and water discharge drives regulatory compliance and preserves essential and shared natural resources, bringing benefits to local communities.

Our Approach

Managing Effluent Treatment

Treating POME is a vital part of processing FFB as untreated POME can have severe significant environmental impacts. Stringent internal controls and advances in technology have significantly improved how we manage and monitor the biochemical oxygen demand (“BOD”) of this by-product, ensuring better water quality and minimising environmental impact.

To ensure our effluents are treated to the highest standards before discharge, we have installed advanced Tertiary Effluent Treatment Plants (“TETPs”) at several of our mills. These systems play a key role in maintaining water quality within safe limits. Other mills are in the process of upgrading their systems to meet anticipated stricter regulations from the DOE.

Central to our treatment process is rigorous testing of effluent samples to ensure compliance with regulatory standards. Current laws mandate that BOD levels must not exceed 100 mg/ℓ in West Malaysia, and 20 mg/ℓ in Sarawak and Sabah’s Kinabatangan Basin. By consistently achieving levels well below these limits, we demonstrate responsible environmental stewardship.

In FY2024, we introduced several enhancements to improve how we manage effluents. By the end of the year, all our mills had implemented either ponding systems or advanced tertiary treatment technologies to handle POME. Ponding systems utilise natural biological processes to break down pollutants, while TETPs incorporate advanced technologies to further enhance the quality of treated effluent.

Bukit Lawiang Mill, in particular, has taken a significant step forward by signing a Shareholders’ Agreement with Cenergi RE to develop a biogas plant. This innovative facility is designed to improve the performance of its effluent treatment by capturing methane gas that would otherwise escape into the atmosphere. It will also reduce the BOD of the final effluent water before releasing it into the flatbed system. Construction is currently underway, with the project expected to be completed in 2026.

Our Environmental Stewardship

BOD Measurements

Over the past three years, we have consistently adhered to BOD limits in both West Malaysia (<100 mg/ℓ) and East Malaysia (<20 mg/ℓ). Notably, our Sungai Tenegang mill in Sabah continues to boast the lowest BOD measurement among our mills.

BOD Measurement (mg/ℓ)

Bukit Lawiang, Johor



Kota Bahagia, Pahang



Sungai Tenegang, Sabah



Mamahat, Sabah



Raja Udang, Sarawak



Gedong, Sarawak



Note:

² Low BOD levels recorded due to scheduled anaerobic pond maintenance, including desludging every two to five years to prevent sludge buildup.

POME Generation

Total POME generated (MT)



Our Environmental Stewardship



> Artificial Lake at the Gedong Complex Office.

Water Management

Why It Matters

Given the water-intensive nature of our plantation and mill operations, efficient water management is essential to reducing our environmental impacts and costs while maintaining productivity.

Our Approach

Optimising Our Water Usage

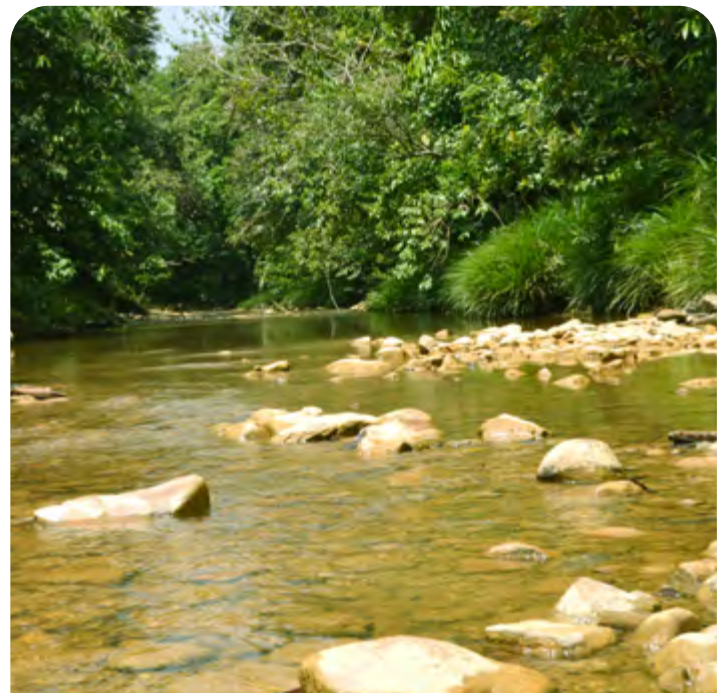
In our mills, where the processing of FFBs requires high-quality water, we treat natural water sources to meet operational standards.

Our water consumption consistently remains below 1.5 cubic metres per MT of FFB, a testament to the effectiveness of our current measures.

Protecting Our Waterways

Our mills and estates share rivers with local communities, making it our responsibility to ensure these vital waterways remain free from contamination caused by effluent and water discharge. To uphold this commitment, we conduct regular water quality testing at our mills, and submit monthly upstream and downstream water samples to accredited external laboratories for analysis, with the results reported to the DOE.

To date, there have been no recorded instances of water contamination in rivers near our operations. This positive outcome is due to rigorous monitoring processes, dedicated personnel and the expertise of a competent person overseeing our mill operations.



River at Ladang Sungai Karangan Bintulu, Sarawak.

Our Environmental Stewardship

Water Consumption

Water Consumption in Mill Operations ('000 litres)

Mill	Water Consumption in Mill Operations ('000 litres)	
	2023	2024
Bukit Lawiang, Johor	267,380.00	296,810
Kota Bahagia, Pahang	159,473.00	189,963
Sungai Tenegang, Sabah	170,959.00	143,272
Mamahat Estate, Sabah	88,372.00	81,538
Raja Udang Estate, Sarawak	317,708.00	354,812
Gedong, Sarawak	172,139.70	283,359.30
Total	1,176,031.70	1,349,754.30

Total Volume of Water Used (megalitres)

2022	1,274.074
2023	1,176.032
2024	1,349.754

Water Consumption Rate (m³/MT FFB)

2022	1.56
2023	1.46
2024	1.47

Our Social Commitments



> Workers at Bukit Lawiang Estate, Johor.

Safety & Health

Why It Matters

Prioritising the safety and health of our employees, workers and contractors is essential to protecting them from harm, boosting productivity and preserving the strength of our human capital.

Our Approach

Our OSH Policy and OSH for Chemical Substances Policy, which were recently updated, align with Malaysia's OSH Act 1994 and its 2022 amendment.

In FY2024, we distributed these updated policies to all estates and mills. Through the SOPs and standards contained within, we continue to ensure our employees receive proper gear, training and supervision while placing focus on preventing workplace accidents and hazards.

Facilitating Safety & Health Audits

Internal Audits

Our OSH unit conducts annual audits at all estates and mills to uphold workplace safety and health standards. These audits monitor the implementation of safety and health in accordance with the regulatory framework and provide recommendations for improvement.

Key focus areas of the audits include:

- 1 Reviewing OSH records and adherence to SOPs.
- 2 Assessing emergency response readiness and personal protective equipment ("PPE") quality.
- 3 Ensuring proper equipment and machinery maintenance.
- 4 Inspecting worksite infrastructure.

Audit findings are shared with Estate and Mill Managers, with corrective actions reviewed in the next audit cycle to drive ongoing improvements.

Our Social Commitments

In FY2024, the OSH unit completed compliance visits to all 31 estates and six mills to ensure alignment with Malaysia’s OSH Act 1994 and enhance our safety systems.



Ensuring OSH practices are being complied at nursery.

DOSH Inspection

In line with the OSHA Amendment 2022, all our mills undergo inspections by Malaysia’s Department of Occupational Safety and Health (“DOSH”) every 15 months. These inspections include the Occupational Safety and Health Workplace Assessment (“OSHWA”) and checks on critical machinery such as boilers, Unfired Pressure Vessels (“UPVs”) and hoisting machines.

Appointing OSH Coordinators

In FY2024, we appointed 36 OSH Coordinators across our HQ, estates and mills in compliance with Section 29A of the OSH Act (Amendment) 2022, empowering a more systematic and effective approach to OSH across our operations.

Between January and October 2024, all appointed coordinators successfully completed the required OSH Coordinator course.



Hazard identification is a key element in OSH practices.

Managing Noise Levels

Noise Exposure Limits

We monitor noise levels at our estates and mills to ensure compliance with the Occupational Safety and Health (Noise Exposure) Regulations 2019.

To protect employees from excessive noise, we enforce strict guidelines including:

- 1 Daily Noise Exposure Level (“NEL”) must not exceed 85 dB(A).
- 2 Peak Sound Pressure Level (“SPL”) must not exceed 140 dB(C).
- 3 Maximum Sound Pressure Level (“SPL”) must not exceed 115 dB(A) at any time.

Employees working in areas where NEL exceeds these limits are provided with earplugs to safeguard their hearing, in line with recommendations from DOSH’s Noise Risk Assessment.

Annual Audiometric Tests

We also conduct annual audiometric tests for selected employees at all estates and mills, with employees chosen for testing based on our Noise Risk Assessment Report.

These audiometric tests:

- 1 Assess hearing across different frequencies and volumes to identify impairments.
- 2 Detect early signs of hearing loss, enabling timely action.
- 3 Track hearing changes, especially for those in high-noise environments.
- 3 Establish baseline records to monitor long-term hearing health.

The practices detailed above comply fully with the OSH Act (Noise Exposure) Regulations 2019.

Lost Time Injury Rate (LTIR)

To mitigate risks and maintain a safe working environment, we have strengthened our Hazard Identification, Risk Assessment

Our Social Commitments

and Risk Control (HIRARC) framework. This framework is reviewed annually and updated as necessary, especially after incidents, to ensure it remains effective. In addition, we have intensified worker training programmes and conducted targeted safety briefings, as detailed in the following subsection, to raise awareness and promote a proactive safety culture.

In 2024, our number of lost time injuries have decreased by 20% compared to the previous year. Additionally, our LTIR has dropped by 46%, partly due to enhanced efforts in awareness, training and continuous monitoring at all levels.

In FY2024, one work-related fatality occurred during operation due to the technical failure of a tractor. We take this incident very seriously and have conducted thorough investigations to identify the root causes. As a result, corrective actions have been implemented to enhance safety measures, and our procedures have been updated accordingly.

Work Injuries & LTIR

	2022			2023			2024		
	Employees	Contractors	Total	Employees	Contractors	Total	Employees	Contractors	Total
Total Hours Worked	12,293,348	707,217	13,000,565	11,814,153	753,855	12,568,008	16,860,674	1,582,809	18,443,483
Number of Fatalities	0	0	0	0	0	0	1	0	1
Number of Lost Time Injuries	238	10	248	377	2	379	297	5	302
Lost Time Incident Rate (LTIR) (%)	3.87	2.83	3.82	6.38	0.53	6.03	3.52	0.63	3.27

In 2024, a total of 6,269 participants were given various types of training on health and safety standards.

Number of workers and contractors trained on health and safety standards



Safety & Health Training

We provide our employees with a range of purpose-fit safety and health-related trainings to keep them updated on processes and foster a safety culture. All workers and employees are assigned specific training schedules according to their job function and are obligated to attend the trainings stipulated, with training participation rates monitored on an ongoing basis. Supporting this, our operation unit reviews training plans for improvement and ensure that we are meeting the needs of our employees and business.

Our Social Commitments

Our key annual training programmes for FY2024 are highlighted below.

Name of Training	Content of Training	Frequency of Training	Participants of Training
Training on Mechanisation	Safe operating procedures for mechanical handling	Once/year	Tractor drivers and harvesters/loaders
Emergency Response Action Plan Procedures (Accident, Chemical Spillage, Fire, Flood, Drowning, Animal Attack)	SOPs of Emergency Response Plan ("ERP")	Once/year	All management, employees & workers
Basic First Aider	Basic first aider training	Once/year	OSH Committee
Fire Extinguisher Safety & Fire Drill (Inspection & Training)	Potential sources of fire and fire management procedures	Once/year	All management, employees & workers
PPE Handling and Replacement Procedures	SOPs of PPE use	Five times/year	All management, employees & workers
SOP Training and Best Practices for Estates and Mill Operations	Briefing on our SOPs based on task/department	Four times/year	All management, employees & workers
Noise Exposure Training	Training, instruction and information regarding noise exposure	Once/year	Any employees who are subjected to excessive noise in the Noise Risk Assessment (NRA)



Conducted annual training at our headquarters since 2022. In FY2024, 30 staff members attended and were certified as First Aiders.



BOMBA conducted fire safety briefings as part of the annual fire drill exercise.

Our Social Commitments

In FY2024, the following OSH-related trainings were introduced across our operations.

ERGONOMICS TRAINED PERSONS FOR INITIAL ERGONOMICS RISK ASSESSMENT (ERA 1)

- Understand the fundamentals of ergonomic assessment methods for each risk factor.
- Conduct surveys on ergonomics-related injuries or musculoskeletal disorders among employees.
- Assess ergonomics risk factors for workplace activities based on DOSH ERA Guidelines.
- Prepare initial ergonomic risk assessment reports.



Conducted by regions in Peninsular Malaysia, Sarawak and Sabah, four individuals were certified as Ergonomics Trained Persons for ERA 1.

MANAGING HAZARDOUS CHEMICALS AT WORKPLACE TRAINING FOR USE AND STANDARD OF EXPOSURE OF CHEMICALS HAZARDOUS TO HEALTH (USECHH) REGULATORY COMPLIANCE

- Raise awareness on hazardous chemicals and their effects on worker health.
- Equip participants with knowledge and skills to improve chemical handling procedures in the workplace.
- Enhance understanding of OSH legislation related to chemicals and their application.



Conducted the "Managing Hazardous Chemicals at Workplace" training across Peninsular Malaysia, Sarawak and Sabah to enhance safety and compliance.

FOREIGN WORKERS SAFETY INDUCTION TRAINING

- Provide general information about Malaysia.
- Outline the benefits and compensations offered by the Social Security Organisation (SOCSO).
- Explain workplace legislation related to safety, health and the environment.



In collaboration with SOCSO and the National Institute of Occupational Safety and Health (NIOSH), forty foreign workers attended the Foreign Workers Safety Induction Training conducted at the Kota Bahagia Complex, Pahang.

Our Social Commitments

FARM MACHINERY TRACTOR DRIVING COURSE FOR CLASS H LICENSE

- Understand the concept of prudent driving and general vehicle guidelines.
- Introduce farm machinery and basic driving techniques.
- Learn safety regulations and measures for handling farm machinery before, during and after use.
- Gain skills for the safe operation of farm machinery.
- Conduct driving training and preparation for Class H driving tests.



In collaboration with PLASMA and MPOB, twenty local tractor drivers from THP estates in Peninsular Malaysia attended the training in Kratong, Pahang.

OFF-ROAD TRACTOR HANDLING TRAINING

- Teach proper and efficient techniques for driving tractors on various surfaces and under different conditions.
- Emphasise safety measures during tractor operation and related tasks.
- Provide fundamental knowledge of regular maintenance to ensure our tractors are safe and in good working condition.



Tractor drivers from all THP estates in Sarawak and Sabah attended trainings on tractor handling.

Our Social Commitments



> Interview Session for Indonesian Workforce Candidates.

Human Rights

Why It Matters

Human rights are integral to our values and form the foundation of our workforce's well-being and satisfaction which is essential to our success.

As a key component of our sustainability mandate, respecting and protecting the rights of all individuals ensures a fair and dignified working environment while fostering long-term business growth.

Our Approach

Upholding Human Rights

We are committed to upholding the human rights of all 6,337 of our employees and workers, both local and foreign.

This commitment is guided by our Human Capital (HC) Policies, which outline fundamental human rights principles, including:

- 1 Fair wages
- 2 No discrimination
- 3 No child labour
- 4 No compulsory or forced labour
- 5 Equal opportunity
- 6 Freedom of association
- 7 Workplace safety and health
- 8 Social protection
- 9 Employment security
- 10 Work-life balance

To ensure these principles are upheld, we continuously review and improve our practices and internal systems to mitigate any potential negative impacts.

Supporting Our Foreign Workforce

Hiring Process

We treat all workers fairly and equally, with particular attention given to foreign workers to ensure a smooth transition from their home countries. In doing so, we have instituted thorough hiring and worker welfare practices that strictly forbid foreign workers from being subjected to hidden fees.

The majority of our foreign workers are from Indonesia, with a smaller group from Bangladesh. In support of the Malaysian government, we participated in the Program Pertukaran Majikan Khas ("PTM") pilot project in collaboration with the Ministry of Human Resources ("MOHR") for Bangladeshi workers.

Our Social Commitments

The hiring process for this programme entails:

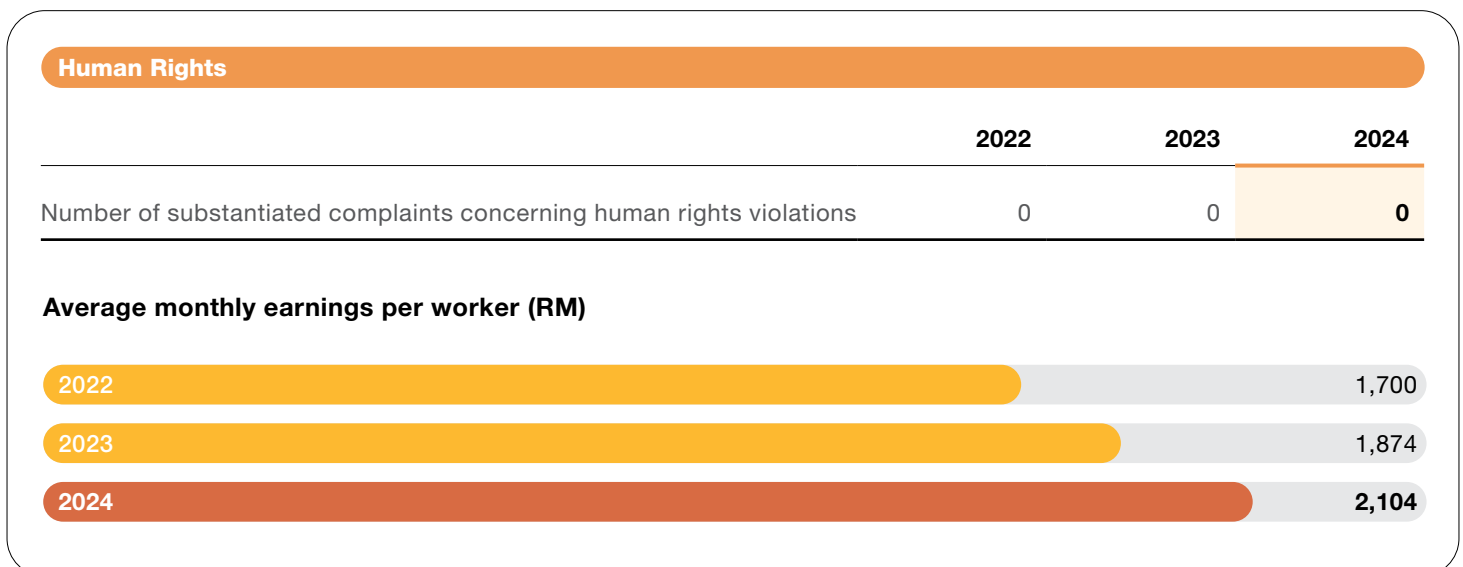


Worker Support & Compliance

We prioritise the welfare of our foreign workers by providing them with safe and secure accommodation near their worksites, with our workers quarters having been recently upgraded to ensure compliance with local laws and regulations and improve living conditions. Additionally, we have established welfare and sports facilities for estate and mill employees, aligning with International Labour Organization (“ILO”) standards.

In addition to this, we strictly adhere to Malaysia’s national minimum wage regulations. Since the minimum wage was set at RM1,500 per month under the Wage Order 2020 in April/May 2022, all workers across our estates have consistently earned above this threshold, reflecting our commitment to fair and equitable compensation.

Our Performance



Our Social Commitments



> Madani Career Carnival organised by MyFutureJobs Festival Ideas at Putrajaya.

Employee Welfare & Development

Why It Matters

Supporting our employees, both in terms of their welfare and professional development, is essential to building a highly-skilled, motivated and loyal team that drives our business forward.

By prioritising fair remuneration, career growth, skills training and employee well-being, we empower our people to align with our strategic goals, contributing to our long-term business growth and sustainability objectives.

Our Approach

Creating an Enabling Workforce

We are committed to creating a fair, inclusive and supportive environment for all employees, ensuring their well-being from recruitment to retirement. Guided by our updated Sustainability Policy, our approach prioritises equal opportunities for all, regardless of gender, race, religion, age or nationality, and fostering diversity and inclusion as part of our core values.

Wages & Career Progression

Once on board, employees benefit from competitive, gender-equal wages. Career progression, recognition and rewards are based solely on performance, fostering a merit-based work culture.

Employee Welfare & Benefits

We provide a comprehensive range of benefits to enhance employee well-being, career development and work-life balance. Beyond standard benefits like annual leave and life insurance, estate and mill workers receive housing, electricity, water, and transportation allowances. Additional support, including parental leave and activities promoting personal and spiritual well-being, ensures a holistic approach to employee welfare.

To address long-term needs, we contribute to the EPF and SOCSO on behalf of our employees, securing their financial stability. Most permanent employees also benefit from our Retirement Gratuity Scheme, which offers an attractive retirement package to ensure financial security in their later years.

Moreover, we organised various social and sporting events across our HQ, estates, and mills throughout the year to foster a greater sense of camaraderies amongst our team members.

Our Social Commitments

Employee Lifestyle Programmes 2024

13 January

THP Family Day 2024

2 February

Program Pengurusan Jenazah: Theory and Practical at Masjid At-Taqwa, Sungai Tenegang Complex

25 & 28 February

Hiking & Healing to Air Terjun Bertiga and Air Terjun Sipar Long Pias by THP Hikers, Sungai Tenegang Complex

21 March

Talk by Institute Pengajian Al-Quran (IPAQ)

16 - 17 August

Tabung Haji Sports Carnival 2024

1 July

Go Green campaign launched at our HQ

29 June

Archery competition featuring the Tandang Sari Traditional Archery Club (TSTAC) at THP Saribas Complex, organised by Sarawak Xtive

11 May

Workers' Day Celebration at Sungai Tenegang Estate

21 August

Talk on 'Hibah, Assests & Will'

7 September

Sports in Conjunction with Malaysia Day 2024 at Sarawak Region 1

12 September

IPAQ's class started at HQ

19 September

Maulidur Rasul Celebration, Ladang Sungai Merchong

Supporting Employee Upskilling

We provide our employees with a range of avenues to enhance their skills and knowledge, ranging from job rotations to mobility programmes and a wide range of role-specific, targeted training initiatives.

To enhance learning opportunities during the year, we prioritised in-house training programmes tailored to address specific skill gaps among employees. These efforts focused on non-technical areas, including compliance, leadership development and personal effectiveness.

For workers at our estates and mills, the management conducted internal training sessions covering specific job requirements. Additionally, a yearly Training Needs Analysis ("TNA") is conducted to identify and address skill gaps based on workers' routines and job categories.

In FY2024, the following trainings were conducted across our operations.

OSH Training

- Fire drill
- First aider
- PPE
- Safe work procedures

Environmental Training

- Waste handling
- Pollution control
- Recycled waste handling
- Scheduled waste handling
- Biodiversity

Operations Training

- Company Policies
- MSPO Awareness
- Company SOPs
- FFB harvesting
- FFB grading
- Field upkeep & maintenance
- Manuring
- Store handling
- Workshops

Our Social Commitments

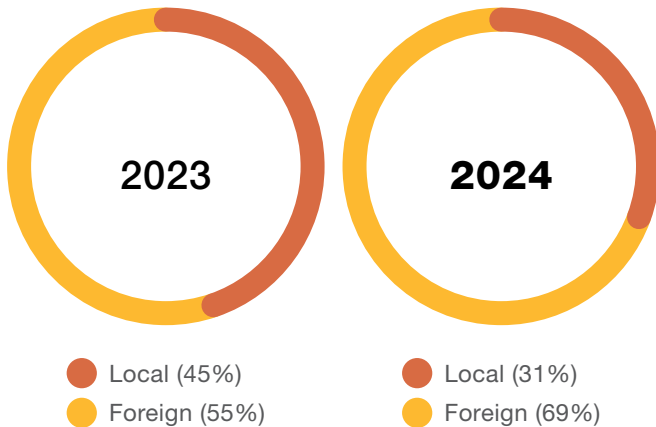
Training for Non-Technical Skills	Frequency of Training	Employees Who Attended the Training
MPOB Seminar & Training	Twice/year	Marketing, Agronomy and Estate
MAICSA & SSM	Twice/year	Secretarial Department
MPOC Market Forum 2024	Once/year	Marketing, Sustainability and Management
Basic Occupational First Aid	Once/year	Representative Department
Malaysia Anti-Corruption Academy (MACA)	Twice/year	Internal Audit Department
MAPA & Employment Law	Once/year	IT, HC and Management
Training conducted by Malaysian Institute of Accountants	Thrice/year	Finance Department
POC East Malaysia Palm & Lauric Oils	Once/year	Marketing Department
Training conducted by National Institute of Occupational Safety and Health (“NIOSH”)	Once/year	Estate
Training conducted by Incorporated Society of Planters (“ISP”)	Once/year	Mechanisation Unit

Employee Breakdown

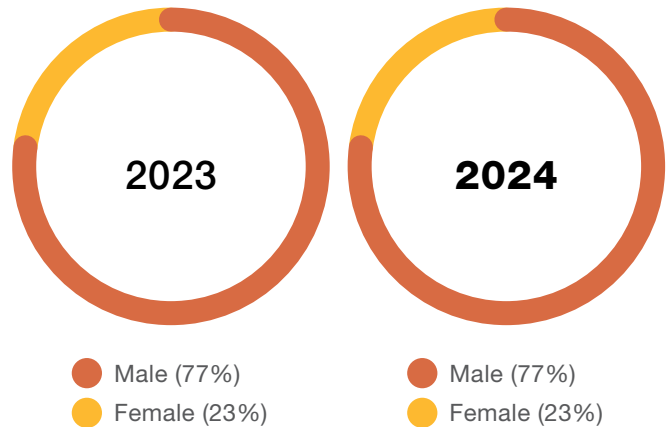
Total Number of Employees



Breakdown by Nationality (%)



Breakdown by Gender (%)



Our Social Commitments

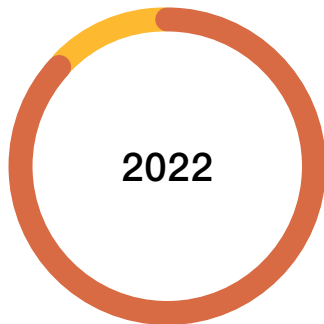
Employee Breakdown (continued)

Gender Breakdown by Employee Category	2022		2023		2024	
	Male %	Female %	Male %	Female %	Male %	Female %
Employee Category						
Management (Senior Management)	83	17	50	50	67	33
Employees (Management, Executives and Non-Executives)	74	26	73	27	72	28
Workers (Local)	80	20	78	22	79	21
Workers (Foreign)	72	28	77	23	77	23

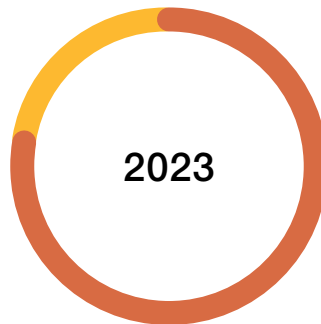
Age Breakdown by Employee Category	2022			2023			2024		
	<30 %	30-50 %	>50 %	<30 %	30-50 %	>50 %	<30 %	30-50 %	>50 %
Employee Category									
Management (Senior Management)	0	8	92	0	25	75	0	22	78
Employees (Management, Executives and Non-Executives)	10	71	19	11	70	19	11	68	21
Workers	30	58	12	32	58	10	30	60	10

Board Breakdown

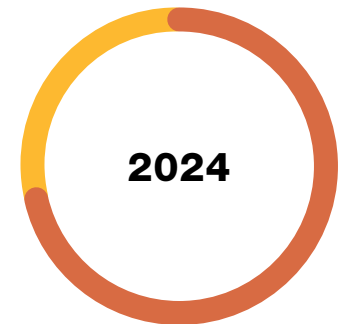
Breakdown by Gender (%)



● Male (87%)
● Female (13%)



● Male (78%)
● Female (22%)

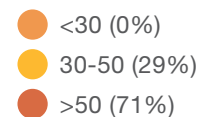
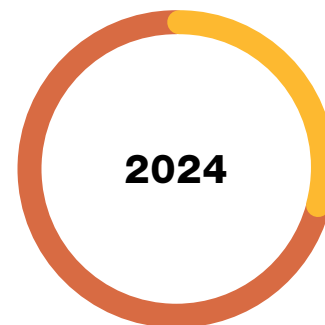
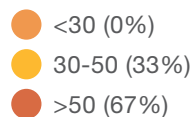
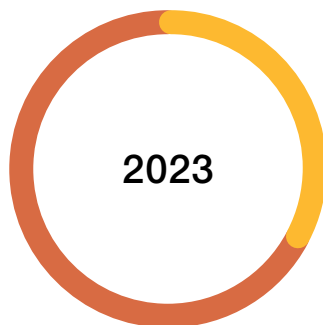
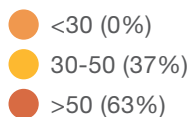
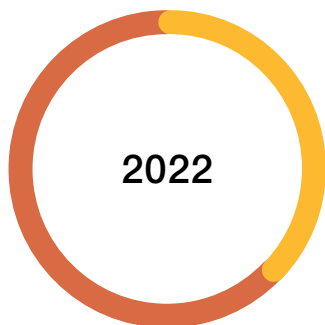


● Male (71%)
● Female (29%)

Our Social Commitments

Board Breakdown *(continued)*

Breakdown by Age Group (%)



Parental Leave

	2022		2023		2024	
	Male	Female	Male	Female	Male	Female
Total number of employees who took parental leave	2	3	1	1	16	9
Total number of employees who returned to work in the reporting year after utilising their parental leave	2	3	1	1	11	3

Training Hours

During the year, we recorded a notable increase in training hours compared to 2023, reflecting our commitment to fostering learning and development among employees at all levels.

Total Hours of Training by Employee Category	2022	2023	2024
Management	352	441	6,102
Employees	40	240	11,120
Workers	39,786	53,150	48,621

Employee Turnover

Employee Turnover by Employee Category	2022	2023	2024
Management	5	3	0
Employees	32	78	47
Workers	1,191	769	1,536

Our Social Commitments



Local Communities/ Community Investment

Why It Matters

Building strong relationships with surrounding communities fosters trust, supports local development and strengthens our social licence to operate as a business.

By creating jobs and offering charitable aid, we also contribute to the socioeconomic advancement of Malaysians, including those from the areas where we operate.

Our Approach

We continue to build meaningful partnerships with local and indigenous communities, using our resources to support their development.

Our efforts align with national priorities to uplift youth, strengthen local economies and contribute to sustainable growth in the regions where we operate.

Promoting Local Entrepreneurship

Vendor Development Initiative

Our Vendor Development Initiative (“VDI”) empowers local communities by encouraging entrepreneurship and fostering business opportunities for local business owners. Through this programme, individuals from local communities are supported in establishing their own businesses and provided the skills and capabilities needed to become a business partner of THP Group. This leads to the sharing of economic value within their local communities, creating positive multipliers that benefit a wider range of people.

A key focus of the VDI is supporting Bumiputera contractors and ensuring their active participation in our supply chain. In FY2024, we awarded contracts worth RM117 million through the initiative, with 53% – valued at RM62 million – allocated to Bumiputera businesses.

Vendor Development Programme

In 2024, Lembaga Tabung Haji and SME Bank signed a Memorandum of Understanding (“MoU”), marked by an exchange ceremony on 8 August 2024 between MEDC and Syarikat Anchor Baharu Program Pembangunan Vendor (“PPV”), with the aim of fostering the growth of Bumiputera vendors in the manufacturing and services sectors.

As part of the LTH Group, we were appointed as an Anchor Company of the programme, under which we will collaborate with the government to strengthen the capacity and capabilities of vendor companies to drive their development and long-term success.

Our Social Commitments

Transforming Lives through Education

This year, we established the Indonesian Community Learning Centre (CLC) at the Sungai Tenegang Complex, Sabah, to provide quality education for the children of Indonesian workers.

Currently, the CLC serves more than 80 children aged 5 to 12, guided by three dedicated teachers. The curriculum adheres to Indonesia's national education standards, with adjustments to meet the unique needs of Indonesian children living in East Malaysia, thereby ensuring they receive a comprehensive and relevant education.



CLC at Ladang Sungai Tenegang.

Our Social Commitments



> Participants of NCR Land Development Programme at Semalatong Estate, Simunjan, Sarawak.

Land Rights

Why It Matters

Strengthening our partnerships with local landowners and supporting indigenous communities in our areas of operation is essential to fostering trust and collaboration.

By prioritising fair and inclusive land management, we ensure sustainable operations while maintaining our social licence to operate.

Our Approach

Empowering Indigenous Landowners

In Sarawak, many of our estates are run as part of a collaborative land management programme with indigenous communities, reflecting our commitment to respecting their rights and creating shared value through sustainable land use practices.

As participants in Sarawak’s Native Customary Rights (“NCR”) Land Development Programme, facilitated by the Sarawak Land Custody and Development Authority, we work closely with native landowners to develop and manage plantation lands. In return, landowners receive biannual leasehold payments and incentives based on the land under our management, providing them with a steady and equitable income stream.

In FY2024, 2,316 NCR landowners participated in the incentive payment programme, demonstrating ongoing efforts to promote shared land management and economic support for local indigenous communities. Payments were disbursed on schedule in May and December, coinciding with the Gawai and Christmas festivals.

Being close to local communities has enabled us to offer employment as machine operators and general workers within our plantations. These roles provide individuals with stable jobs and opportunities to develop practical skills in agriculture and machinery handling. By hiring locally, we support economic growth and help individuals gain valuable experience, fostering long-term career prospects. Our commitment to local employment strengthens community ties and ensures that the workforce remains familiar with the land and its operations, contributing to both productivity and sustainability.

To further support these efforts, we launched a comprehensive training programme in FY2024 focused on sustainable agricultural practices and land management. This initiative equips local community members with essential skills for sustainable farming, improving their livelihoods while fostering responsible environmental stewardship.

Incentives to Local Communities

	2022	2023	2024
Total number of beneficiaries	2,035	2,162	2,316
Incentives paid as part of land management (RM)	4,340,961	3,408,437	4,221,919

Performance Data Table

Indicator	Unit	2022	2023	2024	Targets
Economic Performance					
Economic value generated (ie., revenue and other income)	MYR	891,550,000.00	773,285,000.00	882,020,000	
Economic value distributed:					
- Operating Cost	MYR	569,719,000.00	484,971,000.00	555,387,000	
- Employee wages and benefits	MYR	127,551,000.00	158,582,000.00	150,315,000	
- Payment to providers of Capital (ie., dividend and financing cost)	MYR	84,317,000.00	88,120,000.00	82,426,000	
- Payment to government (ie., tax)	MYR	57,229,000.00	33,470,000.00	54,579,000	
- Community Investment	MYR	-	119,600.00	54,000	
Economic value retained	MYR	52,734,000.00	8,022,400.00	39,259,000	
Customer Satisfaction					
Free Fatty Acid (FFA) (%)	Percentage	3.95	3.79	3.74	≤5.00
Deterioration of Bleachability Index (DOBI)	Percentage	2.52	2.52	2.49	≥2.30
Moisture & Impurities (M&I) (%)	Percentage	0.15	0.16	0.16	<0.25
Moisture (%)	Percentage	6.19	6.33	6.28	<7.00
Dirt & Shell (%)	Percentage	4.86	4.80	5.99	<6.00
Research & Development					
Budget for R&D: Annual Expenditure	MYR ('000 000)	1.3	2.0	1.2	
Fair Procurement Practices					
Percentage of suppliers that were screened using environmental criteria	Percentage	Nil	3	0.7	
Number of suppliers assessed for environmental impacts	Number	Nil	51	13	
Percentage of suppliers that were screened using social criteria	Percentage	Nil	3	0.7	
Number of suppliers assessed for social impacts	Number	Nil	51	13	
Anti-Corruption Practices					
Number of confirmed corruption incidents	Number	0	0	0	
Completion Rate - Training					
Management Level	Percentage	Nil	79	87	
Executive	Percentage	Nil	75	86	
Non-executive/Technical staff	Percentage	Nil	29	51	
Cybersecurity & Data Protection					
Number of substantiated complaints concerning breaches in customer privacy or data loss	Number	0	0	0	
Waste Generation & Disposal					
Waste generated	Metric tonnes	Nil	Nil	462,616	Reutilised Biomass residue by 80%
Total waste diverted from disposal	Percentage	Nil	Nil	84	
Total waste directed to disposal	Percentage	Nil	Nil	16	

Performance
Data Table

Indicator	Unit	2022	2023	2024	Targets
Energy Consumption					
Non-renewable energy fuel (purchased & consumed)	GJ	Nil	5601.55	2,564.75	
Non-renewable energy electricity (purchased)	GJ	Nil	3,744.14	6,371.73	
Renewable energy (purchased/acquired & consumed)	GJ	Nil	153,917.28	157,752.56	
Total Renewable Energy (Generated)	GJ	Nil	49,970.81	31,201.06	
Total Energy	GJ	Nil	213,233.79	192,890.10	
GHG emissions					
Scope 1	tCO ₂ e	Nil	Nil	157,907	
Scope 2	tCO ₂ e	Nil	Nil	2,063	
Scope 3	tCO ₂ e	Nil	Nil	628	
Average total GHG emissions	tCO ₂ e	Nil	Nil	160,598	
Emissions from the Boilers					
KS Bukit Lawiang	Percentage	18.00	18.00	18.00	<20%
KS Kota Bahagia	Percentage	12.98	2.05	9.78	<20%
KS Sungai Tenegang	Percentage	3.98	5.92	5.84	<20%
KS Ladang Mamahat	Percentage	17.20	4.54	5.28	<20%
KS Ladang Raja Udang	Percentage	21.90	29.00	4.70	<20%
KS Gedong	Percentage	29.13	25.97	24.70	<50%
Palm Oil Mill Effluent ("POME") and Biological Oxygen Demand ("BOD") Measurements					
KS Bukit Lawiang	mg/L	54.00	54.00	52.00	<100 mg/L
KS Kota Bahagia	mg/L	80.00	70.00	84.00	<100 mg/L
KS Sungai Tenegang	mg/L	9.01	10.07	10.70	<20 mg/L
KS Ladang Mamahat	mg/L	13.68	9.55	13.58	<20 mg/L
KS Ladang Raja Udang	mg/L	6.07	15.38	14.78	<20 mg/L
KS Gedong	mg/L	13.60	18.20	18.05	<20 mg/L
Total POME generated	metric tonne	510,073	492,034	565,118.47	
Water Consumption					
Total Water Consumed at Mill Operations	(Megalitres)	1,274.074	1,176.032	1,349.754	
Health & Safety					
Employees					
Total Hours Worked	Hours	12,293,348.35	11,814,152.69	16,860,674	
Number of Fatalities	Number	0	0	1	
Number of Lost Time Injuries	Number	238	377	297	
Lost Time Incident Rate ("LTIR")	Rate	3.87	6.38	3.52	

Performance Data Table

Indicator	Unit	2022	2023	2024	Targets
Health & Safety					
Contractors					
Total Hours Worked	Hours	707,217.00	753,855	1,582,809	
Number of Fatalities	Number	0	0	0	
Number of Lost Time Injuries	Number	10	2	5	
Lost Time Incident Rate ("LTIR")	Rate	2.83	0.53	0.63	
Total					
Total Hours Worked	Hours	13,000,565	12,568,008	18,443,483	
Number of Fatalities	Number	0	0	1	
Number of Lost Time Injuries	Number	248	379	302	
Lost Time Incident Rate ("LTIR")	Rate	3.82	6.03	3.27	
Number of workers and contractors trained on health and safety standards	Number	5,754	6,282	6,269	
Supporting Our Foreign Workforce					
Average monthly earnings per worker	MYR	1,700	1874	2,104	
Our People					
Total No. of Employees (%) - Men					
Management (Senior Management)	Percentage	83	50	67	
Employees (Management, Executives and Non-Executives)	Percentage	74	73	72	
Workers (Local)	Percentage	80	78	79	
Workers (Foreign)	Percentage	72	77	77	
Total No. of Employees (%) - Women					
Management (Senior Management)	Percentage	17	50	33	
Employees (Management, Executives and Non-Executives)	Percentage	26	27	28	
Workers (Local)	Percentage	20	22	21	
Workers (Foreign)	Percentage	28	23	23	
Diversity, Equity & Inclusion					
Total no. of employees by gender (including workers)					
Male	Percentage	76	77	77	
Female	Percentage	24	23	23	
Total percentage of employees by age category					
Management (Senior Management Team as per current)					
Age under 30	Percentage	0	0	0	
Age 30-50	Percentage	8	25	22	
Age Above 50	Percentage	92	75	78	

Performance
Data Table

Indicator	Unit	2022	2023	2024	Targets
Diversity, Equity & Inclusion					
Total percentage of employees by age category					
Employees (Management, Executives and Non-Executives)					
Age under 30	Percentage	10	11	11	
Age 30-50	Percentage	71	70	68	
Age Above 50	Percentage	19	19	21	
Workers					
Age under 30	Percentage	30	32	30	
Age 30-50	Percentage	58	58	60	
Age Above 50	Percentage	12	10	10	
Total percentage of BOD by gender					
Male	Percentage	87	78	71	
Female	Percentage	13	22	29	
Total percentage of BOD by age					
Age under 30	Percentage	0	0	0	
Age 30-50	Percentage	37	33	29	
Age above 50	Percentage	63	67	71	
Benefits for Employees and Workers					
Total no. of employees who took parental leave					
Men	Number	2	1	16	
Women	Number	3	1	9	
Total no. of employees who returned to work in the reporting year after parental leave					
Men	Number	2	1	11	
Women	Number	3	1	3	
Career Development and Training					
Total Hours of Training					
Management	Hours	352	441	6,102	
Employees	Hours	40	240	11,120	
Workers	Hours	39,876	53,150	48,621	
Total number of employee turnover					
Management	Number	5	3	0	
Employees	Number	32	78	47	
Workers	Number	1191	769	1,536	
Serving the Local Communities and Land Rights					
Total amount of incentives paid to local communities, as part of land management	MYR	4,340,961	3,408,437	4,221,919	

Validated Data & Basis

- Table for Bursa

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	87.00
Executive	Percentage	86.00
Non-executive/Technical Staff	Percentage	51.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	54,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	304
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	0.00
Senior Management Between 30-50	Percentage	22.00
Senior Management Above 50	Percentage	78.00
30 Management to Non-Executives Under	Percentage	11.00
30-50 Management to Non-Executives Between	Percentage	68.00
50 Management to Non-Executives Above	Percentage	21.00
50 Workers (Local & Foreign) Under 30	Percentage	30.00
50 Workers (Local & Foreign) Between 30-	Percentage	60.00
50 Workers (Local & Foreign) Above 50	Percentage	10.00
Gender Group by Employee Category		
Senior Management Male	Percentage	67.00
Senior Management Female	Percentage	33.00
Management to Non-Executives Male	Percentage	72.00
Management to Non-Executives Female	Percentage	28.00
Workers (Local & Foreign) Male	Percentage	77.00
Workers (Local & Foreign) Female	Percentage	23.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	71.00
Female	Percentage	29.00
Under 30	Percentage	0.00
Between 30-50	Percentage	29.00
Above 50	Percentage	71.00

Validated Data & Basis
- Table for Bursa

Indicator	Measurement Unit	2024
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	53,629.72
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	1
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	3.27
Bursa C5(c) Number of employees trained on health and safety standards	Number	6,269
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	6,102
Employees	Hours	11,120
Workers	Hours	48,621
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	0
Employees	Number	47
Workers	Number	1,536
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	53.00
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	1,349.754000
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	462,616.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	388,597.44
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	74,018.56
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	157,907.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	2,063.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	628.00

GRI

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	2-8	Workers who are not employees	76-82
	2-9	Governance structure and composition	Corporate Governance Statement in AR2024
	2-10	Nomination and selection of the highest governance body	Corporate Governance Statement in AR2024
	2-11	Chair of the highest governance body	Corporate Governance Statement in AR2024
	2-12	Role of the highest governance body in overseeing the management of impacts	34-35
	2-13	Delegation of responsibility for managing impacts	34-35
	2-14	Role of the highest governance body in sustainability reporting	34-35
	2-15	Conflicts of interest	Our Board Leadership in AR 2024
	2-16	Communication of critical concerns	38-39
	2-17	Collective knowledge of the highest governance body	34-35
	2-18	Evaluation of the performance of the highest governance body	Chairman Statement, CEO's Management Discussion & Analysis.
	2-19	Remuneration policies	Board Nomination & Remuneration Committee Report
	2-20	Process to determine remuneration	130
	2-21	Annual total compensation ratio	N/a
	2-22	Statement on sustainable development strategy	42, 44-85
	2-23	Policy commitments	44-85

GRI
Content Index

GRI Standard	Disclosure	Page Number	
General Disclosures			
GRI 2: General Disclosures 2021	2-24	Embedding policy commitments	44-85
	2-25	Processes to remediate negative impacts	44-85
	2-26	Mechanisms for seeking advice and raising concerns	49-51
	2-27	Compliance with laws and regulations	44-85
	2-28	Membership associations	N/a
	2-29	Approach to stakeholder engagement	38-40
	2-30	Collective bargaining agreements	N/a
Material Topics			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	40-42
	3-2	List of material topics	40-42
Economic Performance			
GRI 201: Material Topics 2021	3-3	Management of material topics	45
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	45
Anti-Corruption			
GRI 3: Material Topics 2021	3-3	Management of material topics	49
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	50
	205-2	Communication and training about anti-corruption policies and procedures	50
	205-3	Confirmed incidents of corruption and actions taken	50
Health & Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	70
GRI 403: Occupational Safety and Health 2018	403-1	Occupational health and safety management system	70-75
	403-4	Worker participation, consultation, and communication on occupational health and safety	70-75
	403-5	Worker training on occupational health and safety	72
	403-9	Work-related injuries	72
Cybersecurity & Data Protection			
GRI 3: Material Topics 2021	3-3	Management of material topics	51
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	51

GRI

Content Index

GRI Standard	Disclosure	Page Number
Climate Change		
GRI 3: Material Topics 2021	3-3 Management of material topics	62
GRI 302: Energy 2016	302-1 Energy consumption within the organization	64
	302-4 Reduction of energy consumption	64
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	65
	305-2 Energy indirect (Scope 2) GHG emissions	65
	305-3 Other indirect (Scope 3) GHG emissions	65
	305-5 Reduction of GHG emissions	65
Employee Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	78
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	82
	404-2 Programs for upgrading employee skills and transition assistance programs	80
Diversity, Equity & Inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	78
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	80-82
Human Rights		
GRI 3: Material Topics 2021	3-3 Management of material topics	76
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	76-77
Supply Chain Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	48
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	83
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	48
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	48

GRI
Content Index

GRI Standard	Disclosure	Page Number
Waste Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	60
GRI 306: Waste 2020	306-3 Waste generated	60
	306-4 Waste diverted from disposal	60
	306-5 Waste directed to disposal	60
Community Investment		
GRI 3: Material Topics 2021	3-3 Management of material topics	83
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	45
Water Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	68
GRI 303: Water and Effluents 2018	303-5 Water consumption	69

Assurance Statement

In strengthening the credibility of our reporting, selected parts of this Sustainability Statement have been subjected to independent assurance in accordance with recognised assurance standards for selected indicators.

The scope, subject matter covered and conclusions (where applicable) are provided below:

Material Matters	Subject Matter	Scope	Conclusion
Type of Assurance: Independent Limited Assurance			
Governance and Ethics	Anti-Corruption Practices: <ol style="list-style-type: none"> Percentage of employees who have received training on anti-corruption by employee category. Percentage of operations assessed for corruption-related risks. Confirmed incidents of corruption and action taken. Cybersecurity & Data Protection: <ol style="list-style-type: none"> Number of substantiated complaints concerning breaches of customer privacy and loss of customer data. 	Operations assessed: <ul style="list-style-type: none"> Malaysia 	Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter as presented in TH Plantations Berhad's Sustainability Statement has not been prepared and presented fairly, in all material respects, in accordance with the defined criteria in ISAE 3000 (Revised).
Water Management	<ol style="list-style-type: none"> Total volume of water used 		
Employee Welfare and Development	Diversity, Equity & Inclusion: <ol style="list-style-type: none"> Percentage of employees by gender and age group for each employee category. Percentage of Directors by gender and age group. 		
Type of Assurance: Limited Assurance (Internal Review)			
Product Quality & Operational Efficiency	Ensuring Customer Satisfaction Driving Economic Performance Advancing Research and Development	Operations assessed: <ul style="list-style-type: none"> Malaysia 	Based on Internal Audit review's on the process and evidence obtained, nothing has come to our attention that cause us to believe that the Subject Matter information for the financial ended 31 December 2024 with exceptions.
Traceability & Supply Chain Management	Advancing Fair and Sustainable Sourcing Principles		
Biodiversity & Conservation	Biodiversity Risk Assessment		
Waste Management	Managing Hazardous & Non-Hazardous Waste Reutilising Biomass Residue		
GHG Emissions	Energy Management Our Carbon Footprint Boiler Emissions		
Effluent & Water Discharge	BOD Measurements Total POME Generated		
Safety & Health	Lost Time Injury Rate (LTIR) Number of Workers and Contractors Trained on Health and Safety Standards Worker Support & Compliance <ol style="list-style-type: none"> Number of substantiated complaints concerning human rights violations Average monthly earnings per worker 		
Employee Welfare & Development	<ol style="list-style-type: none"> Parental Leave Training Hours Employee Turnover 		
Local Communities/Community Investment	Promoting Local Entrepreneurship		
Land Rights	Empowering Indigenous Landowners		



Please refer to page 97 for the Independent Limited Assurance Statement provided by BSI Sdn Bhd.

We will continue to improve our data accuracy and quality to strengthen our disclosures moving forward by ensuring that all indicators are subject to independent assurance within the next five years.

Independent Limited Assurance Statement



INDEPENDENT ASSURANCE OPINION STATEMENT

To the Directors of TH Plantations Berhad

Holds Statement No: SRA821288

The British Standards Institution (**BSI**) has conducted a limited assurance engagement on the sustainability information (described in the "Scope") in the Sustainability Statement 2024 of TH Plantations Berhad.

Scope

The scope of engagement agreed upon with TH Plantations Berhad includes the following:

The assurance covers the information of the following subject matters in the TH Plantations Berhad's Sustainability Statement for 2024.

1. Anti-Corruption

- Percentage of employees who have received training on anti-corruption by employee category
- Percentage of operations assessed for corruption related risks
- Confirmed incidents of corruption and action taken

2. Diversity

- Percentage of employees by gender and age group, for each employee category
- Percentage of directors by gender and age group

3. Data Privacy and Security

- Number of substantiated complaints concerning breaches of customer privacy and losses of customer data

4. Water

- Total volume of water used

The selected information is reported in accordance with ISAE 3000 (Revised).

Independent Limited Assurance Statement

Opinion Statement

We have conducted a limited assurance engagement on the sustainability information described in the "Scope" above. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the accompanying Sustainability Information is not prepared, in all material respects, in accordance with ISAE 3000 (Revised).

Methodology

Our assurance engagements were carried out in accordance with ISAE3000 (Revised). Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a top-level review of issues raised by external parties that could be relevant TH Plantations Berhad policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers and staffs on TH Plantations Berhad approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- document review of relevant systems, policies, and procedures where available.
- review of supporting evidence for claims made in the reports.
- visit of the headquarter office to confirm the data collection processes, record management and practices.

Responsibility

TH Plantations Berhad is responsible for the preparation and fair presentation of the sustainability information and report in accordance with the agreed criteria. BSI is responsible for providing an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Independence, Quality Control and Competence

BSI is independent to TH Plantations Berhad and has no financial interest in the operation of TH Plantations Berhad other than for the assurance of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of TH Plantations Berhad only for the purposes of verifying its statements relating to the Scope above.

This independent assurance opinion statement is prepared on the basis of review by BSI of information presented to it by TH Plantations Berhad. In making this independent assurance opinion statement, BSI has assumed that all information provided to it by TH Plantations Berhad is true, accurate and complete. BSI accepts no liability to any third party who places reliance on this statement.

BSI applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021-1:2015 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

BSI is a leading global standards and assessment body founded in 1901. The BSI assurance team has extensive experience in conducting verification over environmental, social and governance (ESG), and management systems and processes.

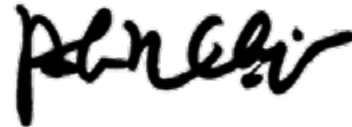
Independent Limited Assurance Statement

Issue Date: 7 February 2025

For and on behalf of BSI:



Salmiah Hasbullah, Lead Assurer



Evelyn Chye, Managing Director BSI Malaysia

BSI Malaysia Suite 29.01, Level 29, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.



Independent Limited Assurance Statement

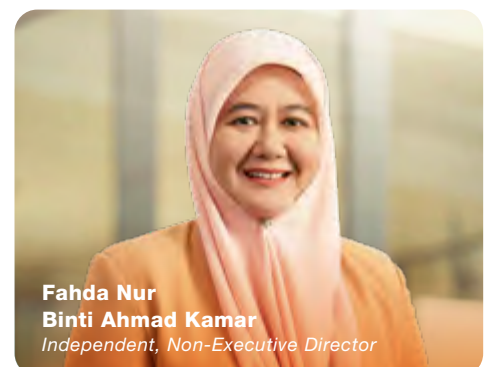
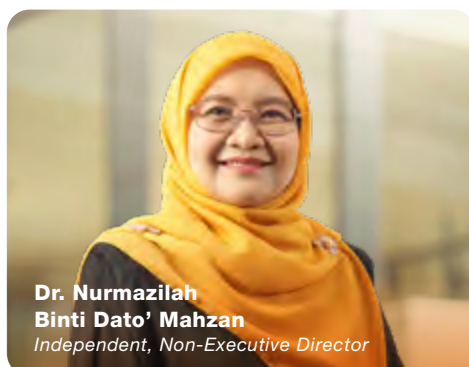
Appendix A: Summary of Subject Matters Data for 2024 –TH Plantations Berhad

Subject Matters	2024	Units
Anti-Corruption		
A) Percentage of employees who have received training on anti-corruption by employee category		
• Management	87	%
• Executive	86	%
• Non-executive/Technical Staff	51	%
B) Percentage of operations assessed for corruption related risks	100	%
C) Confirmed incidents of corruption and action taken	0	Number
Diversity		
A) Percentage of employees by gender and age group, for each employee category		
Gender group by employee category:		
• Management (Senior Management) - Men	67	%
• Management (Senior Management) - Women	33	%
• Employees (Management, Executives and Non-Executives) - Men	72	%
• Employees (Management, Executives and Non-Executives) - Women	28	%
• Workers (Local) - Men	79	%
• Workers (Local) – Women	21	%
• Workers (Foreign) – Men	77	%
• Workers (Foreign) - Women	23	%
Total percentage by gender (All employees including workers):		
• Male	77	%
• Female	23	%
Age group by employee category		
• Management (Current Senior Management Team) - Under 30	0	%
• Management (Current Senior Management Team) - Between 30-50	22	%
• Management (Current Senior Management Team) - Above 50	78	%
• Employees (Management, Executives and Non-Executives) - Under 30	11	%
• Employees (Management, Executives and Non-Executives) - Between 30-50	68	%
• Employees (Management, Executives and Non-Executives) - Above 50	21	%
• Workers - Under 30	30	%
• Workers - Between 30-50	60	%
• Workers - Above 50	10	%
B) Percentage of directors by gender and age group		
• Male	71	%
• Female	29	%
• Under 30	0	%
• Between 30-50	29	%
• Above 50	71	%
Data Privacy and Security		
Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	0	Number
Water		
Total volume of water used	1,349.754	ML

Board Composition



EMPOWERING GROWTH THROUGH LEADERSHIP EXCELLENCE



Our Board Leadership

DATUK DR. AHMAD KUSHAIRI BIN DIN

Independent
Non-Executive Chairman



Qualifications

- PhD in Genetics, Universiti Kebangsaan Malaysia
- Master of Science (Genetics), Universiti Kebangsaan Malaysia
- Master of Science (Agronomy), Louisiana State University, USA
- Bachelor of Science in Agriculture (Agronomy), Universiti Pertanian Malaysia
- Diploma in Agriculture, Universiti Pertanian Malaysia

Working Experience and Occupation

Datuk Dr. Ahmad Kushairi served the MPOB since its establishment in 1979 until he retired as the Director-General in 2019. He possesses 40 years of experience, skills and knowledge, which amongst others include organisational management, oil palm breeding, quantitative genetics, seed production, plantation management and research management.

He has received numerous awards and honours from MPOB, national and international organisations, including the Gold Medal Research Award, the Director General's Science Excellence Challenge Trophy, the Best Publication Award and the Innovation Award.

Currently, he is an Independent Non-Executive Director of Bank Pertanian Malaysia Berhad (Agrobank).



Date of Appointment

- As Chairman on 28 June 2022
- As Independent Non-Executive Director on 18 March 2022

Length of Tenure as Director

- 2 Years 11 Months (as at 24 February 2025)

Membership of Board Committees

- Nil

Interest in Securities of the Company & its Subsidiaries

- Nil

Present Directorship(s) in Other Public Companies

Listed:

- Nil

Non – Listed:

- Bank Pertanian Malaysia Berhad (Agrobank)

Meeting Attendance

100%

12/12

Our Board
Leadership**DATUK SYED HAMADAH
BIN SYED OTHMAN**

*Non-Independent
Non-Executive Director*

**Qualifications**

- Bachelor of Science in Actuarial Mathematics & Statistics, Heriot-Watt University, Edinburg, United Kingdom

Professional Affiliations

- Fellow, Faculty and Institute of Actuaries, United Kingdom

Working Experience and Occupation

Datuk Syed Hamadah was the Chief Executive Officer of the Retirement Fund (Incorporated), a consulting actuary at Mercer Zainal Consulting Sdn. Bhd., a technical analyst at Petronas Trading Corporation Sdn. Bhd. and a Director of EDOTCO Sdn. Bhd.

Currently, he is the Group Managing Director & Chief Executive Officer of **TH**, the major shareholder of THP. He is also a Director of the Private Pension Administrator Malaysia and a Director & Senior Partner of Actuarial Partners Consulting Sdn. Bhd.

**Date of Appointment**

- 5 September 2023

Length of Tenure as Director

- 1 Year 5 Months (as at 24 February 2025)

Membership of Board Committees

- Nil

Interest in Securities of the Company & its Subsidiaries

- Nil

Present Directorship(s) in Other Public Companies**Listed:**

- Bank Islam Malaysia Berhad
- Syarikat Takaful Malaysia Keluarga Berhad

Non – Listed:

- Yayasan Tabung Haji
- Private Pension Administrator Malaysia

Meeting Attendance

100%

12/12

Our Board Leadership

YM TENGKU DATO' SERI HASMUDDIN BIN TENGKU OTHMAN

Non-Independent
Non-Executive Director



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Qualifications

- Bachelor of Law (Honours), University of Malaya

Working Experience and Occupation

YM Tengku Dato' Seri Hasmuddin is a practicing advocate and solicitor, having admitted to the Malaysian Bar on 14 July 1987.

In 1990, he joined Messrs. Hisham, Sobri & Kadir where he is presently the Principal Partner. His main areas of practice are corporate commercial law and Islamic banking and finance. He played a significant role in framing the structural framework for Islamic banking documentation during its early development in Malaysia.

He has been a member of the Association of Chartered Islamic Finance Professionals Malaysia since 2009. He continues to play an active role in the development of this area of law through his involvement in the Kuala Lumpur Islamic Finance Forum (KLIFF), an annual forum that gathers prominent personalities, practitioners and industry players of Islamic Finance.

He was appointed as a Non-Independent Non-Executive Director of Bank Muamalat Malaysia Berhad on 18 April 2006 and was later re-designated as an Non-Executive Director by Bank Negara Malaysia on 16 February 2009 until his retirement on 18 April 2018. He was also a former director of **TH**, Rangkaian Hotel Seri Malaysia Sdn. Bhd., Amanah Ikhtiar Malaysia, and Serba Dinamik Holdings Berhad, as well as Chairman of Theta Edge Berhad, an associate of **TH**.

Currently, he sits on the boards of IJN Holdings Sdn. Bhd., Aliran Ihsan Resources Berhad, and Putrajaya Perdana Berhad as well as actively being involved in charitable organisations as trustees.



Date of Appointment

- 30 September 2021

Length of Tenure as Director

- 3 Years 5 Months (as at 24 February 2025)

Membership of Board Committees

- Member of the Board Audit, Risk & Governance Committee
- Member of the Board Nomination & Remuneration Committee
- Member of the Board Tender Committee

Interest in Securities of the Company & its Subsidiaries

- Nil

Present Directorship(s) in Other Public Companies

Listed:

- Nil

Non – Listed:

- Aliran Ihsan Resources Berhad
- Putrajaya Perdana Berhad

Meeting Attendance

100%

12/12

Our Board Leadership

DR. SHAHRIL BIN SIMON

*Non-Independent
Non-Executive Director*

**Qualifications**

- PhD in Islamic Finance, University of Bolton, United Kingdom
- PhD in Financial Mathematics, University of Malaya
- Master of Quantitative Sciences (Financial Engineering), Universiti Teknologi MARA
- Bachelor of Science (Honours) in Actuarial Science, Universiti Teknologi MARA

Working Experience and Occupation

Dr. Shahril brings a wealth of experience across diverse domains, including investment banking, asset management, private equity, venture capital, real estate, infrastructure, corporate finance, security services, wealth management and Islamic finance. His market exposure extends across Southeast Asia, the Middle East and Europe, complemented by a global presence through numerous speaking arrangements in the realms of investments and Islamic finance. Additionally, he has demonstrated extensive managerial expertise as an executive director and has excelled in areas such as corporate strategy, turnaround, transformation, portfolio management & monitoring, deal structuring, strategic asset allocation, finance, and business development.

Currently, he is the Head of Group Investment Management of **TH**, a major shareholder of THP. In this capacity, he undertakes the responsibility of managing and creating value for strategic investee companies spanning diverse sectors such as technology and telecommunication, financial services, plantations, properties, hospitality, marine, transportation, manufacturing, industrial services and consumer goods.

He also sits on the boards of TH Properties Sdn. Bhd., TH Travel & Services Sdn. Bhd. and Sigma Entity Sdn. Bhd.

**Date of Appointment**

- 17 November 2023

Length of Tenure as Director

- 1 Year 3 Months (as at 24 February 2025)

Membership of Board Committees

- Member of the Board Investment Committee

Interest in Securities of the Company & its Subsidiaries

- Nil

Present Directorship(s) in Other Public Companies

- | | |
|----------------|----------------------|
| Listed: | Non – Listed: |
| • Nil | • Nil |

Meeting Attendance

100%

12/12

Our Board Leadership

DR. NURMAZILAH BINTI DATO' MAHZAN

Independent

Non-Executive Director



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Qualifications

- PhD in Accounting, University of Birmingham, United Kingdom
- Bachelor of Accounting, International Islamic University of Malaysia
- Certified ESG Analyst
- Certified Risk Management and Assurance
- Certified Internal Auditor
- Certified Public Accountant
- Chartered Global Management Accountant

Professional Affiliations

- Member of the Malaysian Institute of Accountants (MIA)
- Member of the Institute of Corporate Directors Malaysia (ICDM)
- Member of the Institute of Internal Auditors (IIA)
- Member of the Malaysian Institute of Certified Public Accountants (MICPA)
- Member of ASEAN Chartered Professional Accountant (ASEAN CPA)
- Fellow of Chartered Global Management Accountant (CGMA)

Working Experience and Occupation

A highly accomplished and results-oriented leader with over 30 years of experience in diverse organizations, Dr. Nurmazilah brings a wealth of expertise to the boardroom. Her deep understanding of governance, strategy, and finance is complemented by a strong commitment to sustainability and stakeholder engagement.

As a former CEO of MIA, Dr. Nurmazilah spearheaded transformative initiatives in risk management, governance, technology adoption, and branding. She also developed and executed strategic, operational and financial plans to enhance organizational effectiveness and efficiency.

She possesses extensive knowledge of auditing, accounting, and regulatory functions including financial statement review, audit quality and professional ethics. She has actively engaged with diverse stakeholders across various sectors, both locally and globally.

Dr. Nurmazilah is a highly effective communicator and collaborator with a passion for driving positive change. Her expertise and experience make her a valuable asset to any board seeking to enhance its governance, strategy and sustainability performance.

A recognized thought leader in Integrated Reporting, ESG, and the future of corporate reporting, Dr. Nurmazilah currently serves as a member of the IFRS Foundation Integrated Reporting and Connectivity Council.

Currently, she is an Authority Member of the Sustainable Energy Development Authority (SEDA) Malaysia and a Director of CIMB Bank Berhad. She brings valuable boardroom experience and a proven track record of contributing to organizational success.



Date of Appointment

- 11 September 2023

Length of Tenure as Director

- 1 Years 5 Months (as at 24 February 2025)

Membership of Board Committees

- Chairman of the Board Audit, Risk & Governance Committee
- Chairman of the Board Investment Committee
- Member of the Board Nomination & Remuneration Committee
- Member of the Board Tender Committee

Interest in Securities of the Company & its Subsidiaries

- Nil

Present Directorship(s) in Other Public Companies

Listed:

- Nil

Non – Listed:

- CIMB Bank Berhad

Meeting Attendance

100%

12/12

Our Board
Leadership**KASMURI BIN
SUKARDI**

*Independent
Non-Executive Director*



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**Qualifications**

- Advanced Management Program, Harvard Business School, Boston Massachusetts, United States of America
- Master in Management from Asian Institute of Management, Manila, Philippines
- Associate Diploma from Incorporated Society of Planters, Malaysia
- Diploma in Planting Industry Management from the University Teknologi MARA
- Certified Professional Trainer, Quest Group Asia & Institute of Professional Managers Association, United Kingdom
- Certified Professional Coach, Quest Group Asia & Institute of Business Coaches

Working Experience and Occupation

Kasmuri has over than 51 years of experience in various capacities involving plantation agribusiness namely oil palm, rubber, cocoa and coconut. He began his career in 1973 as an Estate Assistant/Senior Assistant Manager at Harrisons & Crosfield PLC which later became Harrisons Malaysian Plantations Berhad and Golden Hope Plantations Berhad (Golden Hope). In 1982, he was appointed as Estate Manager and was later promoted to various positions, as Estate Visiting Agent, General Manager, Director of Estates and Group Director, Plantations Agribusiness until his retirement in 2006.

From 2006 to 2008, he served as Director of Special Functions and later as the Consultant and Lead Trainer for Golden Hope. In 2008, he joined Poliplant Group, Indonesia and Clarity Resources Ltd, Hong Kong based in Jakarta, Indonesia as a Director on its Board and Corporate & Operational Director where he served until 2015. During this period, he successfully led the development and management of more than 50,000 hectares of oil palm plantations primarily from greenfields in Ketapang, Kalimantan Barat, Indonesia.

He obtained certification as a Certified Professional Trainer from Quest Group Asia and the Institute of Professional Managers Association, United Kingdom and Certified Professional Coach from Quest Group Asia and the Institute of Business Coaches.

Currently, he is the Director and Principal Consultant & Trainer of KAZ Corporation Sdn. Bhd.

**Date of Appointment**

- 8 December 2023

Length of Tenure as Director

- 1 Year 2 Months (as at 24 February 2025)

Membership of Board Committees

- Chairman of the Board Tender Committee
- Member of the Board Audit, Risk & Governance Committee.
- Member of the Board Nomination & Remuneration Committee.

Interest in Securities of the Company & its Subsidiaries

- Nil

Present Directorship(s) in Other Public Companies

Listed:

- Nil

Non – Listed:

- Nil

Meeting Attendance

100%

12/12

Our Board Leadership

FAHDA NUR BINTI AHMAD KAMAR

Independent
Non-Executive Director



Qualifications

- Master of Laws, University College London, United Kingdom
- Bachelor of Laws, International Islamic University Malaysia
- Diploma in Shariah Law and Legal Practice, International Islamic University Malaysia

Working Experience and Occupation

Fahda Nur has been an Advocate & Solicitor of the High Court of Malaya since 2001. Previously, she was an associate at Messrs. Zain & Co. and Messrs. Tommy Thomas. For the past sixteen (16) years, she has served as the Managing Partner of her law firm, Fahda Nur & Yusmadi, where her key practice is centered in litigation, particularly in corporate, and commercial cases. As an experienced court barrister, Fahda Nur has appeared at all levels of the court, i.e. both the Subordinate Courts and Appellate Courts.

She has extensive experience in handling complex and high-profile cases, involving both private and government-linked corporations. She is also a dual civil-syariah practitioner who is adept in matters relating to Islamic Banking and Finance and is a certified syariah lawyer for three (3) states. Her legal experience spans across borders and she has handled many disputes involving foreign jurisdictions and foreign law firms, having advised clients in Australia, United Arab Emirates, United Kingdom, Singapore, Indonesia, Japan and Germany. She was named a Member of the Order of the Crown of Selangor (Ahli Mahkota Selangor) in 2017.

Currently, she is the Managing Partner and founder of the firm, Fahda Nur & Yusmadi.



Date of Appointment

- 28 December 2023

Length of Tenure as Director

- 1 Years 2 Months (as at 24 February 2025)

Membership of Board Committees

- Chairman of the Board Nomination & Remuneration Committee
- Member of the Board Investment Committee
- Member of the Board Tender Committee

Interest in Securities of the Company & its Subsidiaries

- Nil

Present Directorship(s) in Other Public Companies

- | | |
|----------------|----------------------|
| Listed: | Non – Listed: |
| • Nil | • Nil |

Meeting Attendance

100%

12/12

Notes:

1. Save as disclosed in the Profile of Directors, none of the Directors has
 - i. any family relationship with any director and/or major shareholder of THP; and
 - ii. any conflict of interest or potential conflict of interest with THP, including interest in any competing business, that the person has with THP or its subsidiaries.
2. None of the Directors has:
 - i. been convicted for any offence (other than traffic offences) within the past five (5) years; and
 - ii. been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2024.
3. Details of the Directors' attendance for the Board and Board Committees are provided in the Corporate Governance Overview Statement on pages 116 to 139 of this Annual Report.

Chief Executive Officer



MOHAMED ZAINURIN MOHAMED ZAIN
Chief Executive Officer

Mohamed Zainurin Mohamed Zain, 57, male, Malaysian, is the Chief Executive Officer and was appointed on 1 October 2021.

Mohamed Zainurin holds a Bachelor's Degree in Accountancy (Honours) from Universiti Utara Malaysia ("UUM"). He is a Chartered Accountant, a member of the Malaysian Institute of Accountants ("MIA") and a Certified Practising Accountant ("CPA") in Papua New Guinea.

He has over 33 years of experience in various capacities in several different industries, including: Integrated Agrifood Plantations, Halal Food Supply Chain and Halal Logistics, Food Manufacturing, Defence and Aerospace Industry.

Mohamed Zainurin has been involved in Halal Food Supply Chain and Agriculture Plantation since 2006 with Malaysian Agrifood Corporation Berhad, a Khazanah Nasional Berhad ("KNB") wholly owned subsidiary, as Vice President of Finance and was subsequently promoted to Senior Vice President of Infrastructure Development. In 2009, he then joined KNB as Senior Vice President of the Agrifood Unit of Khazanah Research & Investment Division.

During his tenure in KNB, he was seconded to the Ministry of Agriculture of Malaysia as CEO for the Malaysian Modern Agriculture Project. In 2011, he was appointed as Group Chief Financial Officer of Malaysia Agrifood Corporation Berhad. He was thereafter promoted to Director of Operations and Business Development of a wholly owned KNB subsidiary, where he was a key personnel leading and managing several strategic collaboration initiatives for the integrated premium Vegetables, Tropical Fruits, and Halal Cold Chain Logistics business with domestic business partners and reputable foreign investors.

He was formerly the Financial Controller of New Britain Palm Oil Limited, a wholly owned subsidiary company of Sime Darby Plantation Berhad, based in West New Britain of Papua New Guinea, before joining TH Plantations Berhad as the Chief Executive Officer on 1 October 2021.



57



Date of Appointment:
1 October 2021

Our Management Team



ALIKAMAL ABU HASSAN
Chief Operating Officer

 **52**  **Date of Appointment:**
10 February 2025

Alikamal Abu Hassan, 52, male, Malaysian, is the Chief Operating Officer and was appointed on 10 February 2025.

Alikamal holds a Bachelor’s Degree in Corporate Administration from MARA University of Technology Malaysia (“UiTM”) and has over 20 years of experience in the plantation industry. Before joining THP, he was the Country CEO of Planting Naturals Gold Tree B.V managing over 2,000 personnel and collaborating with more than 7,000 organic-certified farmers in Sierra Leone. He was also the Head of Upstream in Liberia and later became the Regional General Manager in Sarawak at Sime Darby Plantation, where he implemented automation initiatives and strengthened sustainability frameworks.

Currently, he is responsible for overseeing the Group’s overall plantation operations, ensuring efficiency in estate management, optimising yield performance, and driving THP’s strategic and sustainable operational initiatives.



MARLIYANA OMAR
Chief Financial Officer

 **43**  **Date of Appointment:**
14 April 2023

Marliyana Omar, 43, female, Malaysian, is the Chief Financial Officer in THP, appointed on 14 April 2023.

Marliyana holds a Bachelor’s Degree in Accounting (Honours) from UiTM. She is a Fellow Chartered Accountant of the Association of Chartered Certified Accountants (ACCA) and a member of the MIA. She began her career with KPMG PLT in 2006. She joined THP in 2009 as an Assistant Manager in the Finance Department.

Currently, she is responsible for managing the financial operations of the Group.



MOHD JAFRI ARSHAD
Head of Operations

 **59**  **Date of Appointment:**
1 March 2023

Mohd Jafri Arshad, 59, male, Malaysian, is the Head of Operations in THP, appointed on 1 March 2023.

Mohd Jafri holds a Bachelor’s Degree of Science in Agriculture and a Diploma in Agriculture, both from Universiti Pertanian Malaysia. He began his career with Kuala Lumpur Kepong Berhad as a Cadet Planter in 1990 and was promoted to a Managerial position in 1999 with extensive experience in managing rubber & oil palm estates. He joined THP on 1 March 2009 as an Estate Manager at Ladang Sungai Tenegang, Sabah and promoted to Estate Senior Manager based in Riau, Indonesia in 2012. Jafri has been entrusted to manage and oversee the operations of several estates and the Estate Department within the Group. In 2021, he was appointed as the Acting Head of Plantation Controller and promoted as the Head of Operations in 2023. In his current capacity, he oversees plantation operations, ensuring estates adhere to the company’s policies and procedures accordingly as well as motivating subordinates and the workforce.

Our Management
Team**ALIATUN MAHMUD***Head, Legal & Secretarial and Company Secretary*

55

**Date of Appointment:**
1 January 2014

Aliatun Mahmud, 55, female, Malaysian, is the Head of Legal & Secretarial and the Company Secretary in THP, appointed on 1 January 2014.

Aliatun holds a Master's in Business Administration ("MBA") and a Bachelor's Degree (Honours) of Laws (LLB), both from the UiTM as well as a Diploma in Syariah Law and Practice from the International Islamic University of Malaysia. She began her career at the Securities Commission of Malaysia in 1994 before moving on to gain more experience in PEREMBA (Malaysia) Sdn Bhd, Messrs Hafidz & Azra (Advocates & Solicitors) and the Malaysian Resources Corporation Berhad. She joined THP on 1 October 2002 and has been with the Group for 22 years. In her current capacity, she manages all legal and secretarial matters for the companies owned as well as those managed by the Group.

**MAIZURA MOHAMED***Head, Strategy & Corporate Services*

54

**Date of Appointment:**
1 January 2014

Maizura Mohamed, 54, female, Malaysian, is the Head of Strategy & Corporate Services in THP, appointed on 1 January 2014.

Maizura holds a Bachelor's Degree (Honours) in Chemistry from the University of Malaya, Malaysia. She began her career with Boustead Holdings Maju Holdings Sdn Bhd as Manager of Business Development. She joined THP on 1 October 1999 as Manager in Corporate Planning and has been with the Group for more than 20 years.

She is currently the Head of Strategy and Corporate Services and is responsible for overseeing strategic and corporate matters, business planning as well as managing special projects.

**ROSLI YACOP***Head, Human Capital & Administration*

57

**Date of Appointment:**
1 April 2024

Rosli Yacop, 57, male, Malaysian, is the Head, Human Capital and Administration in THP, appointed on 1 April 2024.

Rosli Yacop holds a Bachelor's Degree in Management (majoring in Economics) from Clarkson University New York, USA and obtained his Master's Degree in Science (Information Management) from UiTM. He has over 30 years of experience across all spectrums of the human resources disciplines in various companies and industries including SD Guthrie Berhad (previously known as Sime Darby Plantations Berhad), Rangkaian Pengangkutan Integrasi Deras Sdn Bhd ("RAPIDKL") and Proton Holdings Berhad.

He is currently the Head of Human Capital and Administration and is responsible for overseeing all aspects of human capital, foreign worker management and administration functions for THP.

Our Management Team



AK KAMARUL ZAMAN BIN PG ZAINAL ABIDIN
Head, Mills & Engineering

 **46**  **Date of Appointment:**
3 February 2025

AK Kamarul Zaman bin PG Zainal Abidin, 46, male, Malaysian, is the Head of Mills & Engineering Department in THP, appointed on 3 February 2025.

AK Kamarul Zaman holds a Bachelor's Degree in Engineering (Chemical) from University of Technology Malaysia (UTM). He has over 20 years of experience in palm oil mill operations management. Prior to joining THP, he was the General Manager of Mill Operations for Olam International Limited.

In his current capacity, he is responsible for the administration and coordination of overall mill operations, ensuring alignment with the policies and objectives of the Group.



MOHD AZAHAR YASIN
Advisor, Mills & Engineering

 **59**  **Date of Appointment:**
4 February 2025

Mohd Azahar Yasin, 59, male, Malaysian, is the Advisor, Mills & Engineering, effective 4 February 2024, until his retirement in April 2025. In this role, he provides guidance and support to the existing Head of Mills & Engineering to ensure smooth transition. Previously, he served as the Head of Mills & Engineering.

Mohd Azahar holds a Bachelor of Science Degree in Mechanical Engineering from University of the Pacific, California, and a Steam Engineer Certification of Competency from the Department of Occupational Safety & Health. He began his career with TDM Plantation Sdn Bhd in 1989 and joined THP in February 2004 as the Manager at Ramin and Nyatoh Mill, Pulau. He returned to THP Headquarters in November 2021 as Assistant General Manager, Mills & Engineering, before assuming the role of Head of Mills & Engineering in 2023.



MEGAT RIZAL EZZUDIN ABD MAULUD
Head, Procurement & Acting Head, Risk & Compliance

 **49**  **Date of Appointment:**
23 January 2025

Megat Rizal Ezzudin, 49, male, Malaysian, is the Head of Procurement in THP, appointed on 23 January 2025. He is also assuming the role of Acting Head of Risk & Compliance.

Megat Rizal holds a Bachelor's Degree (Honours) in Accountancy & Finance from the University of Warwick. He is currently a member of the MIA and the ACCA, United Kingdom. His experience includes stints in accounting firms in Dublin, Ireland and Birmingham, United Kingdom before returning to Malaysia to work with PricewaterhouseCoopers in 2004. He joined THP's Internal Audit Department in December 2006.

He is currently the Head of Procurement and is responsible for devising effective procurement strategies, while continuing to oversee the development of risk management strategies for the Group.



AHMAD ANUAR SAIRI
Head, Agronomy

 **59**  **Date of Appointment:**
7 February 2020

Ahmad Anuar Sairi, 59, male, Malaysian, is the Head of Agronomy in THP, appointed on 7 February 2020.

Ahmad Anuar holds a Bachelor's Degree in Agricultural Science and a Diploma in Agriculture, both from Universiti Pertanian Malaysia. He started his career as an Agronomist with FELDA Research in 1990 and subsequently joined Austral Enterprises in 1993. He joined THP in June 1999 as an Assistant Agronomist. He was seconded to Trurich Resources Sdn Bhd in 2014 and was appointed as Head of Operation & Agronomy based in Indonesia. He returned to THP in March 2019 as a General Manager in the CEO's Office. Ahmad Anuar holds key positions in notable committees in MPOB such as the Task Force Committee on Fruit Set and Pollinating Weevil and Working Committee on Code of Good Nursery Practice for Oil Palm Nurseries (CoPN), and also in Standards Malaysia as a Technical Committee of Oil Palm Planting Material. Ahmad Anuar was conferred the 2014 Best Agronomist Award for his contribution to the industry.

In his current capacity as the Head of Agronomy, he is responsible for providing agronomic advice, fertiliser recommendations, plantation research, as well as innovation and development support for the Group.

Our Management Team



ROZALI MD DESA
Plantation Controller (Sarawak Region 1)



58



Date of Appointment:
16 June 2022

Rozali Md Desa, 58, male, Malaysian, is the Plantation Controller (Sarawak Region 1) in THP, appointed on 16 June 2022.

Rozali holds a Diploma in Planting Industry and Management from MARA University of Technology Malaysia and has been with THP since 2007. Prior to joining THP, Rozali had gain vast experience working in Kuala Lumpur Kepong Berhad, United Plantation Berhad, IOI Plantation, Pontian United, and Berjaya City Plantation. In 2022, he was appointed as Plantation Controller (Sarawak Region 1). In his current capacity, he is responsible for the overall operations and activities of the 10 estates in region 1 Sarawak in terms of production, maintenance, and administration ensuring that they are in line with the company's goals, vision, and mission.



ABDULLAH ASYA'ARI JUNOH
Plantation Controller (Sabah)



49



Date of Appointment:
1 November 2023

Abdullah Asya'ari Junoh, 49, male, Malaysian, is the Plantation Controller (Sabah) in THP, appointed on 1 November 2023.

Abdullah Asya'ari holds a Bachelor's Degree in Agribusiness from Universiti Putra Malaysia and an Advance Professional Diploma of Associate ("AISP") from The Incorporated Society of Planters. He began his career as an Assistant Manager with Golden Hope Plantation Berhad in 2000 before joining Felda Technoplant in 2005. He joined THP in 2009 as a Senior Assistant Manager at Ladang Pasir Besar, Negeri Sembilan and went on to hold managerial position in several estates within the Group. He returned to HQ in January 2023 as the Head of Estate Department. Abdullah Asya'ari was appointed as the Plantation Controller (Sabah) in November 2023 and currently oversees the plantation operations in Sabah, ensures estates adhere to the company's policies and procedures accordingly as well as motivates subordinates and the workforce.



TUAH BIN NAWI
Plantation Controller (Peninsular Region)



56



Date of Appointment:
1 March 2024

Tuah bin Nawawi, 56, male, Malaysian, is the Plantation Controller (Peninsular Region) in TH Plantations Berhad, appointed on 1 March 2024.

Tuah holds a Master of Islamic Studies from Open University Malaysia and a Bachelor's Degree in Agricultural Science (Hons) from Universiti Putra Malaysia. He also attended the LEEP programme (Jurisprudence) at the Faculty of Law, in Universiti Malaya. He began his career in 1999 as a Cadet Assistant with Austral Enterprises Berhad. He joined THP in 2000 as an Assistant Manager in Ladang Sungai Merchong.

Having served the Group for more than 24 years with extensive operational experience, he was promoted as Plantation Controller (Peninsular Region) in 2024. In his current capacity, he is responsible for the overall operations and activities in all eight estates in the Peninsular Region.

Our Management Team



SAMSHUL BAHRI MUHAMMAD
Head, Sustainability

Date of Appointment: 15 November 2020

Samshul Bahri, 52, male, Malaysian, is the Head of Sustainability in THP, appointed on 15 November 2020.

Samshul holds a Bachelor's Degree (Honours) in Agribusiness from Universiti Pertanian Malaysia and a Diploma in Planting Industry Management from the MARA University of Technology. He began his career in THP on 1 July 1999 as an Executive in the Estate Department. In 2010, he was posted to the Sarawak Regional Office as an Operations Manager and rose the ranks within the 8 years to Assistant General Manager before returning to the HQ in 2018. He was appointed as the Head of Sustainability Department in November 2020 and is primarily responsible for sustainability initiatives and innovation within the Group.



HAMIDON HASSAN
Head, Information Technology

Date of Appointment: 1 January 2010

Hamidon Hassan, 59, male, Malaysian, is the Head of Information Technology in TH Plantations Berhad, appointed on 1 January 2010.

Hamidon holds a Bachelor's Degree in Computer Science from Universiti Kebangsaan Malaysia and a Diploma in Computer Science from Universiti Pertanian Malaysia. He has vast experience in the plantation sector, having spent 20 years in Island & Peninsular Berhad. He joined THP on 1 January 2010 as the Head of Information Technology. In this current capacity, he is responsible in overseeing the entire IT planning and operations for the Group.



MAZRUL MUHAMMAD
Assistant General Manager, Marketing

Date of Appointment: 1 January 2023

Mazrul Muhammad, 47, male, Malaysian, is the Assistant General Manager of Marketing in THP, appointed on 1 January 2023.

Mazrul holds a Bachelor's Degree in Business Administration (Marketing) from UiTM. He began his career as a Business Development Executive with MM Vitals Sdn Bhd in 2001 rising through the ranks to Head of Marketing and subsequently moved to IOI Plantations as the Marketing Manager in 2011. He joined THP in 2013 as the Senior Manager, Marketing.

He has been with the Group for 11 years and was appointed as Assistant General Manager of Marketing in 2023. In his current capacity, he is responsible for the trading and marketing of the Group's products.

Our Management
Team


ASMAD PUTRA ABDUL SAMAD
Head, Investor Relations & Corporate Communications

 **54**  **Date of Appointment:**
21 February 2024

Asmad Putra Abdul Samad, 54, male, Malaysian, is the Head of Investor Relations and Corporate Communications in THP, appointed on 21 February 2024.

Asmad Putra holds a Bachelor of Science Degree in Business Administration from Washington University, St Louis, United States of America. He started his career in 1993 as a Branch Executive with the Federation of Malaysian Manufacturers, Melaka. He has held several corporate communications positions in organisations such as Golden Hope Plantations Berhad, Negara Properties Berhad, MISC Berhad and Pantai Holdings Berhad from 1997-2009. He joined the Sime Darby Group in 2010 as the Senior Manager, Corporate Communications and was promoted as the Head of Corporate Branding in Sime Darby Plantations Berhad in 2018.

Asmad joined THP on 21 February 2024 and was appointed as the Head of Investor Relations and Corporate Communications responsible for overseeing the Group's Investor Relations and Corporate Communications functions.



MOHD RIZUAN RAZMAN
Head, Estate Department

 **39**  **Date of Appointment:**
1 November 2023

Mohd Rizuan Razman, 39, male, Malaysian, is the Head of Estate Department in THP, appointed on 1 November 2023.

Mohd Rizuan holds a Diploma In Planting Industry Management from the MARA University of Technology, Sabah. He began his career in THP in July 2007 as a Cadet Planter in Ladang Sungai Mengah Pahang. He went on to assume various operational position in several estates within the Group and rose through the ranks to Acting Manager in Ladang Bijat, Sarawak. He has been with the Group for more than 16 years and returned to the HQ in December 2020 to spearhead the Mechanisation Unit and subsequently promoted as the Manager in the Head of Operations office in April 2022. He is currently the Head of Estate Department where he oversees the administration of estate operations, quality assurance, the GPS / GIS and mechanisation units as well as supporting the Head of Operations and Plantation Controllers of the Group.



MOHD IZRAY IBRAHIM
Head, Internal Audit

 **45**  **Date of Appointment:**
1 January 2024

Mohd Izray Ibrahim, 45, male, Malaysian, is the Head of Internal Audit Department in THP, appointed on 1 January 2024.

Mohd Izray holds a Bachelor's Degree of Science (Honours) in Plantation Technology Management and a Diploma in Planting Industry Management both from MARA University of Technology Malaysia. He is an Associate Member of the Institute of Internal Auditors ("IIA") and the Associate Member of the Association of Certified Fraud Examiner ("ACFE"). He began his career with the Golden Hope Plantation Berhad as an Internal Audit Executive in 2002 and thereafter joined Felda Technoplant in 2005. He joined Boustead Holdings Bhd in 2010 as Assistant Manager in Group Internal Audit.

He is currently the Head of Internal Audit Department. He is responsible to prepare and implement a risk-based audit plan including assessing, reporting and suggesting improvement for the Group's key operational and financial activities and internal controls.

Notes:

1. Save as disclosed in the Management Team, none of the members has
 - i. any family relationship with any director and/or major shareholder of THP; and
 - ii. any conflict of interest or potential conflict of interest with THP, including interest in any competing business, that the person has with THP or its subsidiaries.
2. None of the members has:
 - i. been convicted for any offence (other than traffic offences) within the past five (5) years; and
 - ii. been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2024.

Corporate Governance Overview Statement

The Board remains committed to fostering effective corporate governance across THP Group, recognising that robust governance practices are essential to safeguarding shareholder value and enhancing investor confidence.

These principles underpin the Board’s oversight of operational performance and strategic initiatives, ensuring that ethical conduct and sustainable development remain central to the Group’s objectives.

To discharge its responsibilities effectively, the Board operates within a comprehensive Governance and Integrity Framework, meticulously designed to address the evolving needs of THP Group whilst aligning with leading industry standards. This framework ensures full compliance with the MCCG 2021, the MMLR of Bursa Malaysia, the Corporate Governance Guide issued by Bursa Malaysia, and the Companies Act, 2016.

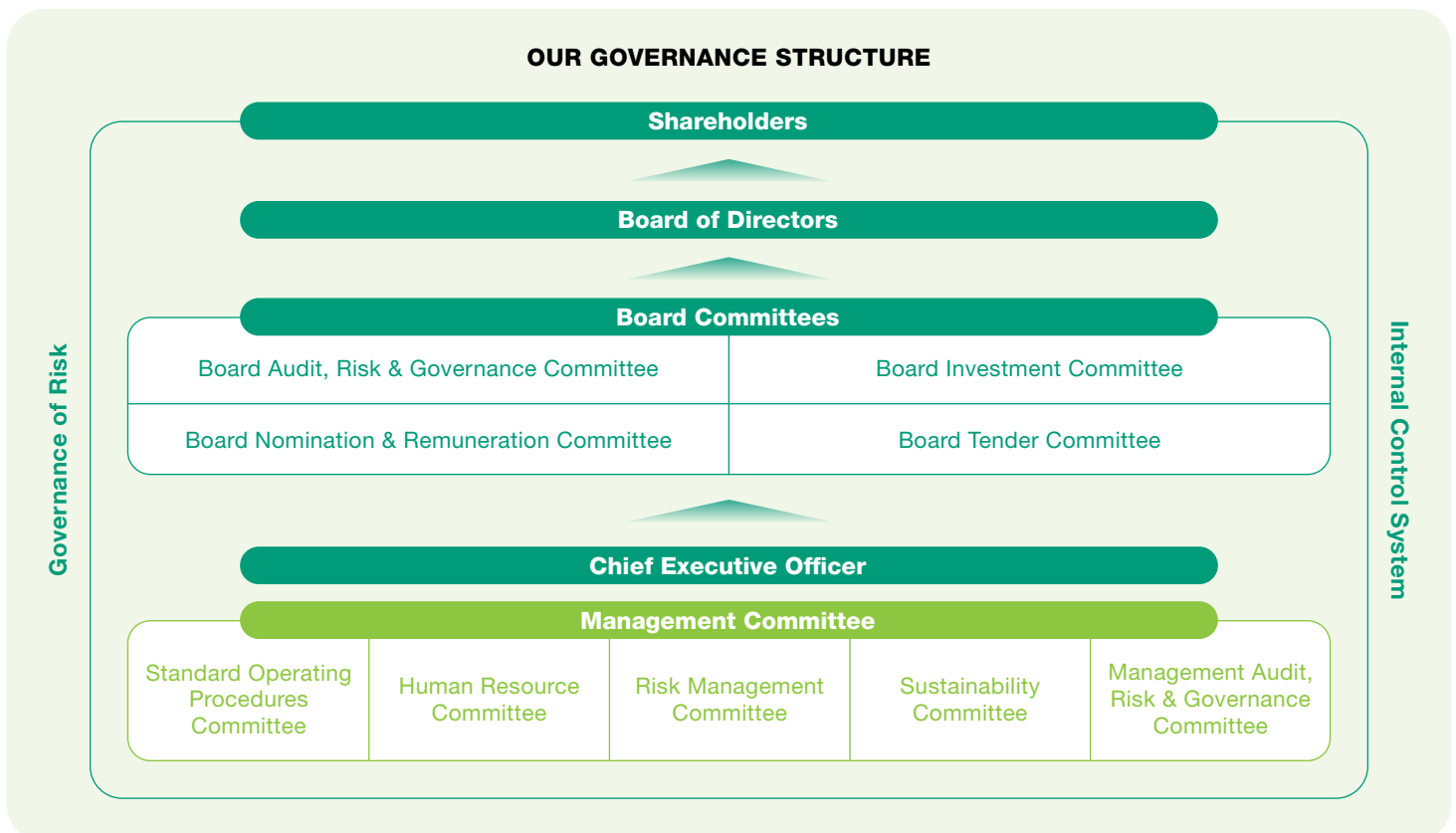
In adherence to the Guidelines on Adequate Procedures for Corporate Liability, THP’s governance practices emphasise

transparency, ethical decision-making, and accountability at every level of the organisation. These practices are regularly reviewed and refined to ensure they remain aligned with market expectations and responsive to stakeholder needs, underscoring the Group’s dedication to operational excellence and sustainable growth.

This statement provides an overview of THP’s corporate governance practices and highlights the key initiatives undertaken during FY2024.



This Corporate Governance Overview Statement is to be read together with the Corporate Governance Report which is available online at <https://thplantations.my>



Corporate Governance Overview Statement

Sustainability Governance

Sustainability remains a central priority for THP, underpinned by the strong commitment of the Board of Directors as custodians of the Group's long-term vision. Supporting the Board in the execution, oversight, evaluation, and continuous refinement of THP Group's sustainability policies and initiatives are the CEO and the Sustainability Committee.

The CEO regularly updates the Board on the Group's sustainability performance, ensuring that progress aligns with the Group's strategic objectives. These updates include detailed reports from the Sustainability Committee, which outline sustainability management efforts and contribute to the preparation of the annual Sustainability Statement.

The Sustainability Committee, comprising departmental heads, is charged with driving the implementation of the Board's strategic sustainability direction. This includes overseeing key initiatives and ensuring the effective formulation and delivery of the Sustainability Statement.



The Sustainability Statement is outlined on pages 32 to 85 of this report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Charter

The organisation's governance framework is guided by its Board Charter, which incorporates key principles and recommendations from the MCCG 2021. It defines the Board's responsibilities, powers, and duties, establishing a structured approach to effective oversight and decision-making.

Serving as a practical reference, the Charter outlines the roles and procedures for the Board and its Committees, ensuring they perform their functions with efficiency and accountability. The most recent revision of the Charter, completed in June 2023, reflects updates aligned with the latest regulatory requirements and governance standards.

To maintain its relevance and compliance with best practices, the Charter is regularly reviewed and updated to reflect changes in laws, regulations, and governance developments.



The Board Charter is available online at <https://thplantations.my>

Board Leadership, Roles and Responsibilities

The Board is composed of highly experienced professionals, each bringing a wealth of expertise and diverse perspectives from their respective fields. Their collective knowledge, professional backgrounds and sound judgment play a critical role in guiding THP Group towards achieving exemplary standards of performance, accountability, and ethical conduct, in line with the expectations of its stakeholders.

The Board holds ultimate responsibility for overseeing the Group's business operations, with its powers and duties defined within the Board Charter. These responsibilities include, but are not limited to, the following:

- 1 Reviewing and adopting strategic plans for the Company, primarily the five (5) year rolling strategic plan for THP Group.
- 2 Overseeing the conduct of the Company's business to ensure that it is being properly managed. Key operational matters are discussed during Board meetings, and expert advice or independent advice is sought where necessary.
- 3 Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks.
- 4 Implementing succession planning, including the appointment and recruitment of Senior Management team members.
- 5 Developing and implementing an investor relations policy or shareholders' communications policy for the Company.
- 6 Reviewing the adequacy and integrity of the Company's internal controls and management information systems, including compliance with applicable laws, regulations, rules, directives and guidelines.
- 7 Developing and implementing a Sustainability Framework for the THP Group.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS


To discharge its responsibilities effectively, the Board is supported by a range of committees established at both the Board and management levels. These committees are further reinforced by the Internal Audit Department (“IAD”), which serves as an essential mechanism for checks and balances. Through regular meetings and comprehensive discussions, the IAD provides reasonable assurance on the adequacy and effectiveness of the Company’s internal control systems.

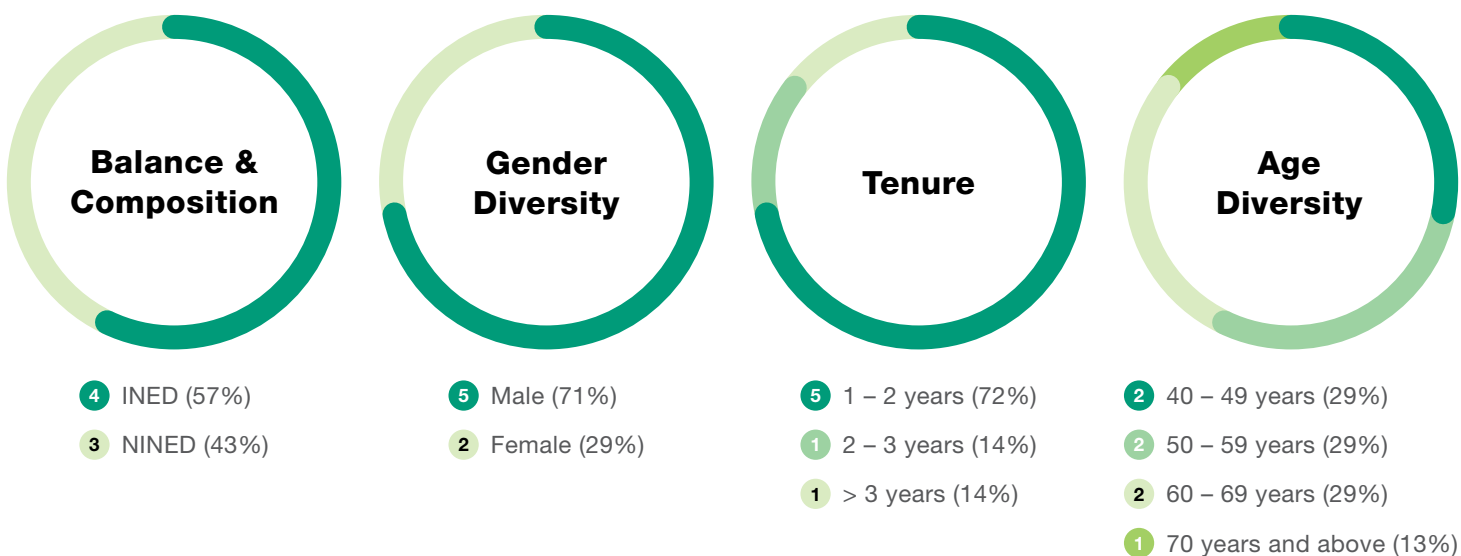
The Board remains committed to fostering a dynamic and robust corporate culture underpinned by strong ethical values. This commitment is evident in the encouragement of active participation and structured dialogue across all levels of the organisation, ensuring open communication and collaboration. Transparency in decision-making and accessibility to information are consistently upheld to maintain trust and accountability.

The corporate environment is continually strengthened through value-driven programmes that promote team cohesion and reinforce adherence to the Company’s core values. These initiatives reflect the Board’s dedication to embedding a culture of integrity, accountability, and excellence throughout the Group.

Board Composition, Independence and Diversity

As at 31 December 2024, the Board consisted of seven (7) members, comprising four (4) Independent Non-Executive Directors (“INED”) and three (3) Non-Independent Non-Executive Directors (“NINED”).

 The profiles of each member of the Board are outlined in pages 102 to 108 of this Annual Report.



With the Company’s current scope of operations in mind, the Board believes that its structure and composition strike an appropriate balance to facilitate effective governance and decision-making. In its deliberations, the Board prioritises the protection of the interests of THP Group’s customers, investors, and all other stakeholders.

Corporate Governance Overview Statement

Separation of Positions of Chairman and Chief Executive Officer

Leadership at the Board level is characterised by a clear division of responsibilities between the Chairman and the CEO. The Chairman guides the Board's activities, sets its agenda, encourages transparent discussions, and ensures the Board's overall effectiveness. On the other hand, the CEO, with support from senior management, focuses on proposing strategic initiatives, managing daily operations in line with the agreed strategy, and executing decisions made by the Board.

This well-defined separation of roles between the Chairman and the CEO ensures a balanced distribution of power and authority, mitigating the risk of concentrated decision-making. The distinction in their responsibilities reflects a governance structure designed to foster accountability and operational efficiency.

Board Meetings

For the upcoming financial year, the scheduling of Board meetings is finalised before the end of the current financial year, ensuring Directors can plan their participation effectively. Additional meetings may be convened when urgent matters or proposals require prompt deliberation and decisions. Directors receive all necessary information to facilitate effective decision-making, with Board papers distributed at least five (5) days before each meeting. These papers include comprehensive updates on the Group's financial performance, operations, and significant corporate matters.

Decisions reached during Board meetings are carefully recorded in the minutes of meetings, which are circulated to all Directors for review before being confirmed at the following meeting. This process ensures accuracy and provides an opportunity for Directors to seek clarification or propose amendments. The confirmed minutes are properly kept and maintained by the Company Secretary.

Senior Management is frequently invited to attend Board meetings, providing additional insights or explanations on specific agenda items. Where appropriate, external advisors engaged by the Company are also invited to offer their perspectives or advice on specialised corporate matters. Additionally, the Chairman of the Board, Audit, Risk & Governance Committee updates the Board on significant findings or recommendations arising from audit reviews that may warrant attention or action.

Beyond its defined duties, the Board addresses a range of strategic and operational topics, including financial performance, corporate plans, budget approvals, investments, acquisitions or disposals, and governance-related changes such as updates to policies and procedures.

In 2024, the Board convened a total of twelve (12) meetings. Each Director fulfilled the attendance requirement stipulated under Paragraph 15.05(3) of the MMLR. Attendance records for each Director for the year ended 31 December 2024 are detailed below:

Datuk Dr. Ahmad Kushairi bin Din
Chairman, Independent Non-Executive Director

12/12

Datuk Syed Hamadah bin Syed Othman
Non-Independent Non-Executive Director

12/12

YM Tengku Dato' Seri Hasmuddin bin Tengku Othman
Non-Independent Non-Executive Director

12/12

Dr. Shahril bin Simon
Non-Independent Non-Executive Director

12/12

Dr. Nurmazilah binti Dato' Mahzan
Independent Non-Executive Director

12/12

Fahda Nur binti Ahmad Kamar
Independent Non-Executive Director

12/12

Kasmuri bin Sukardi
Independent Non-Executive Director

12/12

Haji Bakri bin Jamaluddin¹
Independent Non-Executive Director

3/4

Muhammad Ramizu bin Mustaffa²
Independent Non-Executive Director

4/5

Notes:

¹ Retired as Director on 6 May 2024

² Resigned as Director on 15 June 2024

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Key Board Discussion and Activities

The Board's activities are designed to shape the strategic direction of the THP Group while ensuring robust support for management in executing the Group's objectives within a framework of transparent governance.

In October 2024, the Board convened its annual Board Retreat, a dedicated forum for providing input and recommendations on the Group's Annual Budget and Five-Year Strategic Business Plan, AL-Falah 22/22. This two-day session offered an in-depth engagement with management, focusing on the Group's financial plans, long-term aspirations, and strategic priorities for the forthcoming five years.

Key matters considered by the Board in 2024 were as follows:

Financial

- THP's Statutory Financial Statements for the financial year ended 31 December 2023
- Final Dividend for the financial year ended 31 December 2023
- Quarterly Report on Consolidated Results for 2024
- Re-appointment of External Auditors for the financial year 2024
- Audit fee for THP and Group for the financial year 2024
- Updates on changes in accounting standards and/or policies
- THP Group's Annual Budget, cashflow projections

Governance, Integrity and Policies

- Corporate Governance Report 2023
- Schedule of THP Board meetings for the year 2024
- 50th Annual General Meeting
- Updates on Material litigation cases within the THP Group
- Revision of THP's Whistleblowing Policy
- Compulsory Land Acquisition
- Revision of THP Group Management Agreement
- Implementation of e-Invoicing

Operation, Risk, Strategy, Sustainability

- 5 years Business Plan of the THP Group 2024 to 2028 i.e. AL-Falah 22/22
- Updates on the THP Group's estates performance
- Business growth and improving yields
- Improving operational efficiency
- Purchase of FFB from smallholders
- 5 years Replanting Programme of the THP Group
- Land issues in Sarawak
- Updates on Risk Register and THP Group Top 20 Risks
- Updates on THP's Strategy Recovery Plan to stabilize and strengthen THP Group's operations and finances
- Updates on sustainability matters
- Updates on the Recovery Plan Project in Mersing, Johor
- Improving staff and workers' quarters
- Issues on shortage of labours
- Updates on the mechanization programme
- Master Housing Plan
- 5-Years Human Capital Strategy Blueprint

Corporate Governance Overview Statement

Appointment and Resignation

- Review Board and Board Committees composition
- Change of directorship in THP Board subsidiaries
- Change of composition of the Board committees
- Board Evaluation Assessment (assessment of the effectiveness of the Board, Board Committees, Individual Directors and Independent Directors of THP Board)
- Re-election of Directors
- Change in Key Senior Management
- Top Management Movements
- Succession Planning of Key Senior Management

Remuneration

- Annual fees for the Board and Board Committees
- Salary Package for newly appointed Senior Management
- Performance bonus for employees of THP Group

Investment and Divestment

- Updates on THP's assets rationalization plan
- Assessment of the effectiveness of joint venture performance
- Proposed disposal of assets
- Valuation Exercises
- Updates on new business ventures on Renewable Energy

Others

- Reports for inclusion in the Annual Report 2023
- Circular to Shareholders in relation to the Renewal of Shareholders' Mandate and New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

Board Committees

The Board retains oversight of key matters through a formal schedule of decisions reserved for its approval but also delegates specific responsibilities to its Board Committees to enhance efficiency and focus.

Each Board Committee operates within well-defined Terms of Reference ("TOR"), designed to assist the Board in fulfilling its duties effectively. While the Board Committees provide detailed scrutiny and deeper insight into critical areas, ultimate accountability for final decisions remains with the Board.

Currently, the Board is supported by four (4) main Board Committees:

BNRC Board Nomination & Remuneration Committee

BARGC Board Audit, Risk & Governance Committee

BIC Board Investment Committee

BTC Board Tender Committee



The BNRC Report, BARGC Report and BIC Report are outlined on pages 130 to 138 of this report.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

The deliberations and decisions of the Board Committees are formally documented and subsequently submitted as recommendations in Board papers for consideration at Board meetings.

Each Board Committee is supported by the Company Secretary, who ensures that proceedings align with the highest standards of corporate governance and adhere to the principles and provisions of the MCCG 2021.

Only Board Committee members are entitled to attend the Board Committee meeting, other Board members may attend meetings at their discretion. External advisers and senior management are also invited to attend when their expertise or input is required.

Access to Management and Company Secretary

Each Director is granted unrestricted access to the Company's information and may directly engage with Senior Management for further clarification or insight in fulfilling their responsibilities. Additionally, Directors may seek guidance from the Company Secretary or obtain independent professional advice at the expense of THP Group when deemed necessary.

The Board receives a comprehensive mix of quantitative and qualitative information to facilitate informed decision-making on matters presented during meetings. This includes updates on the Group's performance as well as analyses of external factors that could impact its operations. Such detailed briefings enable the Board to deal with matters that are tabled at the meetings effectively.

The Company Secretary plays a pivotal role in ensuring robust corporate governance practices. Beyond advisory responsibilities, the Company Secretary coordinates and attends all Board meetings, ensuring Directors are furnished with clear, timely, and concise materials well in advance of each meeting.

Directors' Remuneration

The Board believes that the remuneration framework established by the THP Group is appropriately structured to attract and retain Directors of high calibre, possessing the requisite experience and expertise to drive the Company's performance. To ensure fairness and competitiveness, remuneration levels are benchmarked against comparable roles within the industry and other leading publicly listed companies.

The aim of the remuneration policy and philosophy is to:

- 1 Align with THP's strategic thrust and value drivers;
- 2 Attract and retain Directors of such calibre who are able to provide the necessary skills and experience, commensurating with the responsibilities for the effective management of THP Group; and
- 3 Support the philosophy of value-based management.

The overall policy and framework for Directors' remuneration are periodically reviewed by the BNRC ensuring alignment with prevailing market practices. Recommendations from the BNRC are subsequently presented to the Board for approval.

The remuneration structure for Non-Executive Directors is designed to reflect the scope of their responsibilities and the contributions they make to the Company. Currently, Non-Executive Directors receive Directors' fees and meeting allowances for each Board or Board Committee meeting attended. Additionally, they are entitled to certain benefits-in-kind, including medical and insurance coverage within Malaysia.

Corporate Governance Overview Statement



The remuneration structure for Non-Executive Directors, which has remained unchanged since 2022, is detailed as follows:

At the Company Level



Director's Fees

Board/Board Committee	Monthly Fees (RM)	
	Chairman	Member
Board	12,000	5,000
Board Audit, Risk & Governance Committee	2,000	1,000
Board Nomination & Remuneration Committee	Nil	Nil
Board Tender Committee	Nil	Nil
Board Investment Committee	Nil	Nil

Director's Benefits

 <p>Meeting Allowance</p>	▶	Board and Board Committee meetings of RM1,000.00 per meeting	 <p>Other Benefits</p>	▶	Medical and insurance coverage in Malaysia as well as monthly car allowance and telephone bill for Chairman
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At the Group Level

 <p>Director's Fees</p>	▶	The monthly fee of THP's subsidiaries ranges between RM300 to RM5,000 per month	 <p>Meeting Allowance</p>	▶	The meeting allowance of THP's subsidiaries ranges between RM250 to RM500 per seating
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The remuneration of the Chief Executive includes salary and emoluments, bonus and benefits-in-kind.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Details of remuneration (including benefits-in-kind) of each Director and Chief Executive Officer for the year ended 31 December 2024 are as follows:

	RM								
	Annual Director's Fee			Salary	Bonus	Others Emoluments	Meeting Allowances (including subsidiaries) ³	Benefits- in-kind ⁴	Total
	Board ¹	Committees ¹	Subsidiaries ²						
Independent Non-Executive Directors									
Datuk Dr. Ahmad Kushairi bin Din	144,000	-	108,000	-	-	-	14,000	60,186	326,186
Dr. Nurmazilah binti Dato' Mahzan	60,000	18,367	115,250	-	-	-	46,000	6,186	245,803
Kasmuri bin Sukardi	60,000	6,367	142,601	-	-	-	42,250	55,587	306,805
Fahda Nur binti Ahmad Kamar	60,000	-	97,790	-	-	-	30,500	6,186	194,476
Haji Bakri bin Jamaluddin ⁶	20,968	4,194	71,290	-	-	-	16,500	5,548	118,500
Muhammad Ramizu bin Mustaffa ⁷	27,500	11,000	76,069	-	-	-	19,500	3,344	137,413
Non-Independent Non-Executive Directors									
Datuk Syed Hamadah bin Syed Othman ⁵	-	-	-	-	-	-	12,000	1,066	13,066
YM Tengku Dato' Seri Hasmuddin bin Tengku Othman	60,000	12,000	189,419	-	-	-	49,750	9,899	321,068
Dr. Shahril bin Simon ⁵	-	-	-	-	-	-	16,000	1,066	17,066
TOTAL	432,468	51,928	800,419	-	-	-	246,500	149,068	1,680,383

Notes:

¹ Paid by THP

² Paid by the respective subsidiaries of THP

³ Paid by THP and the subsidiaries of THP respectively

⁴ Benefits in-kind for the Directors includes medical and insurance coverages while Chairman received additional benefits in-kind such as monthly car allowance of RM4,500 & telephone bill.

⁵ Fees of Directors who are representing Lembaga Tabung Haji ("TH") and being the Management of TH are paid directly to TH.

⁶ Retired as Director of the Company and resigned as Director on the Boards of THP subsidiaries on 6 May 2024

⁷ Resigned as Director of the Company and on the Boards of THP subsidiaries on 15 June 2024

	RM								
	Annual Director's Fee			Salary	Bonus	Others Emoluments ²	Meeting Allowances (including subsidiaries) ¹	Benefits- in-kind ³	Total
	Board	Committees	Subsidiaries ¹						
Chief Executive Officer									
Mohamed Zainurin bin Mohamed Zain	-	-	-	780,000	130,000	94,992	-	9,756	1,014,748
TOTAL	-	-	-	780,000	130,000	94,992	-	9,756	1,014,748

Notes:

¹ Being the Management of the Company who sits on the Boards of THP subsidiaries, the CEO is not entitled to any Monthly Director's Fee and Meeting Allowance

² Other emoluments include employer's Employees Provident Fund, SOCSO.

³ Benefits in-kind includes medical and insurance coverages as well as telephone bill.

Number of Directors whose remuneration falls within the following bands:

Ranges of Remuneration	Number of Directors
Less than RM50,000	2
RM50,001 to RM100,000	-
RM100,001 to RM150,000	2
RM150,001 to RM200,000	1
More than RM200,001	4

Corporate Governance Overview Statement

Board Performance

THP undertakes an annual Board Effectiveness Evaluation (“BEE”) to appraise the performance of the Board, its Committees, and individual Directors. This evaluation ensures that their duties and responsibilities are fulfilled in alignment with their respective roles under the governance framework. The BEE process is typically conducted internally and follows a structured approach, as outlined below:

Stage 01

Completion of questionnaire

A comprehensive questionnaire was sent to each Board member and the duly completed questionnaires were returned to the Company Secretary.

Stage 02

Evaluation of responses/reporting

The Company Secretary compiled a report to the Chairman of BNRC based on the feedback provided by Board members, addressing the performance of the Board Committees and individual Directors.

Stage 03

Outcome

The Chairman of BNRC concluded the assessments and/or feedback and shared the pertinent findings and/or outcome with Chairman of the Board.

The findings of the BEE were reviewed and discussed by the Board, confirming a well-functioning governance structure while highlighting opportunities for further enhancement. These discussions considered the skills, characteristics, and diversity required to align with and support the Group’s strategic objectives.

Following the evaluation for the financial year ended 2024, the Board expressed satisfaction with the effectiveness of the

Directors in fulfilling their respective roles and responsibilities. The Board and the Board Committees were assessed to have operated efficiently, adhering to the provisions of the Board Charter and the respective TOR governing each Board Committee.

Additionally, the Board concluded that the external directorships held by its members did not result in any conflicts of interest or compromise their ability to perform their duties effectively. Each Director demonstrated sufficient commitment and dedicated the necessary time to fulfil their responsibilities during FY2024.

Independent Directors

The Company benefits from the presence of four (4) INEDs, who are not involved in the day-to-day management of the business, do not engage in any commercial dealings with the Company, and maintain no other relationships that could compromise their independence. This ensures they remain free from conflicts of interest and enables them to effectively discharge their duties as Independent Directors. Their independence is confirmed in accordance with the criteria outlined in the MMLR.

While all Directors share collective responsibility for overseeing THP Group’s operations, the role of the INEDs is particularly significant. Their independent perspective ensures that all business strategies proposed by Management are critically examined and debated, always with the Group’s long-term interests in mind. This approach safeguards the interests of not only shareholders but also employees, customers, suppliers, and other stakeholders associated with THP Group.

Both the Board and the BNRC conduct regular assessments of the independence of these four (4) INEDs, applying the standards set out in the MMLR. This ensures that each INED remains free from any business or other relationships that could impair their independent judgment or their ability to act in the best interests of the Company.

Tenure of Independent Directors

The tenure of INED is limited to a maximum of (9) years.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board Induction and Training

Upon appointment to the Board, new Directors participate in tailored briefings designed to provide a comprehensive understanding of the THP Group. These sessions cover the Company's vision, mission, business operations, current challenges, and long-term objectives, ensuring that new Directors are well-informed and aligned with the Group's strategic direction.

In accordance with the MMLR, the Company conducts regular evaluations of Directors' training needs. This ensures they possess the necessary knowledge and skills to contribute

effectively to the Board's responsibilities and decision-making processes.

Additionally, Directors are actively encouraged to attend relevant training programmes to further enhance their expertise and remain abreast of industry developments, regulatory changes, and governance best practices. This commitment to continuous professional development supports the Board's ability to discharge its duties efficiently and effectively.

For FY2024, the Directors attended conferences, seminars and training programmes, including those listed below:

Training Program Title	Organiser	Event Date
Datuk Dr. Ahmad Kushairi bin Din		
6 th International Plant Breeding Conference 2024	Genetics Society of Malaysia	5 - 7 Mar 2024
Knowledge Sharing Session on GHG Emission Project	Islamic Banking and Finance Institute Malaysia	13 Mar 2024
TH Group Summit 2024: Business Transformation Towards Sustainability	TH	7 - 8 May 2024
Directors Liabilities Within Their Respective Institution's AML Frameworks	FIDE FORUM	3 July 2024
Transfer of Technology Seminar 2024	MPOB	4 Jul 2024
Directors Masterclass Series on "Latest Developments in Climate-Aligned Executive Compensation"	FIDE FORUM	17 Jul 2024
Crisis Management Overview Workshop For Board and Shariah Committee Members	Agrobank	17 Jul 2024
Corporate Liability: Integrity Awareness Program with MACC	THP	24 Jul 2024
Distinguished Board Leadership Series 2024: Digital Transformation of the World's Best Bank	FIDE FORUM	3 Sep 2024
Knowledge Sharing Session on Climate Strategy and Risk	Islamic Banking & Finance Institute Malaysia	11 Oct 2024
Knowledge Sharing Session on Steering Capital for a Sustainable Change	Islamic Banking & Finance Institute Malaysia	6 Nov 2024
MAP Part II: Leading For Impact	ICDM	18 - 19 Nov 2024

Corporate Governance Overview Statement

Training Program Title	Organiser	Event Date
Datuk Syed Hamadah bin Syed Othman		
Conference and Exhibition for Hajj and Umrah	Ministry of Hajj and Umrah (Saudi Arabia)	8 - 11 Jan 2024
TH Group Summit 2024: Business Transformation Towards Sustainability	TH	7 - 8 May 2024
TH Directors' Training on Risk Management & Compliance Requirement	TH	27 May 2024
Global Forum on Islamic Economics & Finance	Bank Negara Malaysia/Ministry of Finance	28 May 2024
MAP Part II: Leading For Impact	ICDM	5 - 6 Jun 2024
FIDE Core Module A (Bank Group)	FIDE Forum	1 - 4 Jul 2024
Corporate Liability: Integrity Awareness Program with MACC	THP	24 Jul 2024
TH Mid-Year Management Retreat 2024	TH	25 - 26 Jul 2024
FIDE Core Module B (Bank Group)	FIDE Forum	5 - 8 Aug 2024
Persidangan Meja Bulat Wakaf dan Pasaran Modal Islam Tahun 2024	SC	15 Aug 2024
Konvensyen MADANI: Ke Arah Penghayatan dan Pembudayaan Nilai Dalam Era Digital Tahun 2024	JAKIM	29 Aug 2024
TH Nominee Directors Training Programme 2024: Demystifying The Dynamic Forces That Shape Board Relationship	TH & ICDM	21 - 22 Oct 2024
Directors' Training: Islamic Finance for Board of Directors	INCEIF	6 - 7 Nov 2024
Seminar Belanjawan Negara 2025	Deloitte Tax Services Sdn. Bhd.	19 Nov 2024
YM Tengku Dato' Seri Hasmuddin bin Tengku Othman		
Seminar on Shares and Capital Maintenance	SSM	16 Jan 2024
Seminar on Loan to Directors and Other Parties	SSM	30 Jan 2024
TH Group Summit 2024: Business Transformation Towards Sustainability	TH	7 - 8 May 2024
Corporate Liability: Integrity Awareness Program with MACC	THP	24 Jul 2024
SSM National Conference 2024 on Enhancing Corporate Transparency, Building Resilience	SSM	27 - 28 Aug 2024
19 th Kuala Lumpur Islamic Finance Forum 2024: Revitalizing the Economy via Islamic Finance	Centre For Research and Training	5 - 7 Nov 2024
MAP Part II: Leading For Impact	ICDM	27 - 28 Nov 2024

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Training Program Title	Organiser	Event Date
Dr. Nurmazilah binti Dato' Mahzan		
Sustainability Reporting Forum - The Next Wave in Corporate Disclosure	MIA	23 Jan 2024
Corporate Innovation through Venture Building: A Capital Efficient & Risk Mitigated Approach	ICDM	23 Feb 2024
Petronas 7 th Audit Committee Forum	Petronas	22 Apr 2024
TH Group Summit 2024: Business Transformation Towards Sustainability	TH	7 - 8 May 2024
Being Sued as an INED - A Personal Journey	ICDM	10 May 2024
Risk landscape and Strategic Management	MARIM	17 May 2024
MIA International Accountants Conference 2024	MIA	11 Jun 2024
Corporate Board Leadership Symposium 2024	MIA	27 Jun 2024
Plantation Sector Internal Audit Seminar 2024	IIAM	4 Jul 2024
Corporate Liability: Integrity Awareness Program with MACC	THP	24 Jul 2024
MAP Part II: Leading For Impact	ICDM	12 -13 Aug 2024
Impact Investing: What are Investors Looking For?	ASB - FIDE	19 Aug 2024
International Sustainable Energy Summit (ISES)	SEDA	20 - 21 Aug 2024
ESG Certificate for Internal Auditors	IIAM	3 - 4 Sep 2024
Audit Committee Conference	MIA/IIAM	5 Sep 2024
Sustainability and Climate Risk (SCR) Certificate Program 2024	GARP - ASB	Jul - Oct 2024
Islamic Finance for BOD	INCIEF	6 - 7 Nov 2024
Empowering Businesses through Integrated Reporting: Incorporating IFRS S1 & S2	MIA	11 Dec 2024
Audit & Assurance Conference 2024	MIA	19 Dec 2024

Corporate Governance Overview Statement

Training Program Title	Organiser	Event Date
Dr. Shahril bin Simon		
MAP Part I	ICDM	30 - 31 Jan 2024
TH Group Summit 2024: Business Transformation Towards Sustainability	TH	7 - 8 May 2024
Corporate Liability: Integrity Awareness Program with MACC	THP	24 Jul 2024
ARiMM Risk Management Conference & C-Suite Forum 2024 - "Strategic Risk Intelligence: Anticipating and Addressing Future Challenges"	The Academy Risk Management, Malaysia	4 Sep 2024
TH Nominee Directors Training Program 2024: Demystifying The Dynamic Forces that Shape Board Relationship	TH	21 - 22 Oct 2024
MAP Part II: Leading For Impact	ICDM	18 - 19 Nov 2024
Kasmuri bin Sukardi		
TH Group Summit 2024: Business Transformation Towards Sustainability	TH	7 - 8 May 2024
Plantation Sector Internal Audit Seminar 2024	IIAM	4 Jul 2024
16 th NATSEM 2024	ISP Management (M) Sdn. Bhd.	15 - 17 Jul 2024
Corporate Liability: Integrity Awareness Program with MACC	THP	24 Jul 2024
MAP Part II: Leading For Impact	ICDM	21 - 22 Oct 2024
Fahda Nur binti Ahmad Kamar		
MAP Part I	ICDM	25 - 26 Mar 2024
Corporate Liability: Integrity Awareness Program with MACC	THP	24 Jul 2024
Corporate Finance for Non-Finance Directors	ICDM	3 - 4 Sep 2024
Inaugural Malaysian Bar ESG Conference	Malaysian Bar	27 Nov 2024

All Directors have successfully completed the MAP Part I and majority Directors have successfully completed MAP Part II as prescribed by Bursa Malaysia Securities Berhad.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

BNRC Board Nomination & Remuneration Committee Report

The BNRC supports the Board in evaluating its size and composition to achieve an effective balance of skills, experience, and expertise among its members. Additionally, the BNRC oversees succession planning, human capital development, and the design of the remuneration framework for Directors, Senior Management, and employees across the THP Group.

The structure and procedures of the BNRC are as follows:

- 1 The final decision as to who shall be appointed to the Board, the Board Committees and the Boards of THP subsidiaries shall be the responsibility of the Board after considering the recommendations of the BNRC.
- 2 The CEO does not participate in discussions pertaining to his own remuneration.
- 3 The remuneration of the Non-Executive Directors' is determined by the Board with individual Directors abstaining from discussions about their own remuneration.
- 4 Any increase in Directors' fees, allowances, and any benefits payable to the Non-Executive Directors, including the Non-Executive Chairman, shall be subject to a resolution to be passed at a general meeting.



The TOR of the BNRC is available online at <https://thplantations.my>

Composition

The BNRC is composed of Non-Executive Directors, the majority of whom are Independent Directors, ensuring compliance with the MMLR and the MCGG 2021. In FY2024, the BNRC convened eight (8) meetings. The composition of the BNRC and the attendance records of its members are detailed below:

Fahda Nur binti Ahmad Kamar

Chairman, Independent Non-Executive Director
(Appointed as Chairman on 20 June 2024)

5/5

Kasmuri bin Sukardi

Member, Independent Non-Executive Director

8/8

Dr. Nurmazilah binti Dato' Mahzan

Member, Independent Non-Executive Director
(Appointed as Member on 5 June 2024)

6/6

Haji Bakri bin Jamaluddin

Chairman, Independent Non-Executive Director
(Resigned as Chairman on 6 May 2024)

2/2

YM Tengku Dato' Seri Hasmuddin bin Tengku Othman

Member, Non-Independent Non-Executive Director

8/8

Muhammad Ramizu bin Mustaffa

Member, Independent Non-Executive Director
(Resigned as Member on 15 June 2024)

2/3

BNRC meetings are attended by the CEO, with other members of Senior Management invited as required to facilitate in-depth discussions on agenda-specific matters.

Corporate Governance Overview Statement

Summary of activities of the BNRC amongst others are as follows:

Nomination Matters

- a. Assessing and recommending to the Board the continuation of service of the Directors seeking re-election at the AGM.
- b. Reviewing and assessing the annual performance and effectiveness of the Board.
- c. Assessing and recommending to the Board the appointment of new members on the Board Committees.
- d. Reviewing and recommending to the Board on the composition of the Board of Directors of THP Group's subsidiaries.
- e. Assessing and recommending to the Board on the appointment of new key Senior Management.
- f. Reviewing and recommending to the Board the changes, movements, promotions and extension of the contract of Senior Management in the Head Office.
- g. Reviewing and recommending to the Board on the changes to the organisation structure.

Remuneration Matters

- a. Reviewing and recommending to the Board the annual directors' remuneration.
- b. Reviewing and recommending to the Board the employees' salary increments, bonuses, allowances, appointments and promotions.

Other Matters

- a. Proposed 5-Year Human Capital Strategy Blueprint.
- b. Reviewing the disclosure in the Annual Report on the Board Nomination & Remuneration Committee Report.
- c. Reviewing the succession planning framework for the Senior Management.
- d. Reviewing and recommending to the Board for approval on the changes to the THP Group's organizational structure.
- e. Assessing the shortlisted candidates for the key Senior Management position.

Appointment and Resignation

An integral responsibility of the BNRC is to oversee the process for Board appointments, ensuring alignment with a robust succession plan. Specific criteria for potential new Directors have been established, focusing on skills, expertise, experience, and industry knowledge. Additionally, the BNRC assesses qualities such as character, integrity, competence, time availability, and commitment, as outlined in the Board Fit and Proper Policy.

Directors are expected to uphold the highest standards of integrity, credibility, and professionalism in carrying out their responsibilities. Independent Non-Executive Directors are also required to demonstrate independence of judgement, reinforcing the principles of good governance.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

BNRC Board Nomination & Remuneration Committee Report

In its succession planning role, the BNRC periodically reviews the Board's structure, size, and diversity, considering necessary adjustments to its composition. During FY2024, the Board underwent changes with the retirement of Haji Bakri bin Jamaluddin on 6 May 2024 and the resignation of Muhammad Ramizu bin Mustafa on 15 June 2024. No new Directors were appointed during the year.

As of 31 December 2024, the Board comprises 29% female representation, with a commitment to achieving a minimum of 30% women on the Board. The FY2024 Board Effectiveness Evaluation results highlighted the effective discharge of duties by individual Directors, the Board collectively, and its Board Committees. The evaluation affirmed that the Board possesses an appropriate mix of skills, knowledge, and experience to steer the Group's strategic direction effectively.

The Company Secretary ensures that all appointments are conducted in compliance with governance and regulatory requirements, securing the necessary information for statutory and MMLR obligations while maintaining the Company's internal records.

Re-Election of Director

The re-election process allows shareholders to periodically evaluate the effectiveness and composition of the Board. In accordance with the Company's Constitution, at least one-third (1/3) of the Directors are required to retire annually, ensuring that all Directors face re-election at least once every three years. Retiring Directors remain eligible to offer themselves for re-election at the AGM.

At the upcoming 51st AGM of the Company, Datuk Dr. Ahmad Kushairi bin Din and YM Tengku Dato' Seri Hasmuddin bin Tengku Othman are subject to retirement by rotation as stipulated under Clause 89 of the Company's Constitution.

Datuk Dr. Ahmad Kushairi bin Din has offered himself to be re-elected as a Director at the 51st AGM. Whilst YM Tengku Dato' Seri Hasmuddin bin Tengku Othman has expressed his intention not to seek re-election as a Director at the 51st AGM. Hence, YM Tengku Dato' Seri Hasmuddin bin Tengku Othman will retire as the NINED of THP at the conclusion of the 51st AGM of the Company.

The Company's Constitution also provides that newly appointed Directors shall hold office until the next AGM, at which point they are eligible for re-election. As there is no new Director appointed during FY2024, no Director will be retired under Clause 94 of the Constitution at the upcoming 51st AGM.

Corporate Governance Overview Statement

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Board Audit, Risk & Governance Committee

As of the date of this statement, the BARGC is comprised of (2) INEDs and (1) NINED.

During the financial year ended 2024, the BARGC held (12) meetings. These sessions provided a platform for in-depth discussions on key matters, including financial reporting, internal and external audits, and risk management, among other critical topics.



The activities of the BARGC as well as its roles are outlined in the BARGC Report on pages 134 to 137 of this Annual Report.

Financial Reporting

The Board is committed to delivering a clear, balanced, and comprehensive evaluation of THP Group's financial performance and outlook to shareholders, investors, and regulatory authorities. This commitment is fulfilled through the publication of quarterly financial reports, audited financial statements, annual reports, and material disclosures, all in compliance with the MMLR.

To support this objective, the BARGC plays a vital role in reviewing and scrutinising the content of these disclosures. The BARGC ensures that all information presented is accurate, transparent, and aligned with relevant accounting standards, providing a true and fair view of THP Group's financial position.

Relationship with the External Auditors

The Company maintains a professional and transparent relationship with its External Auditors, consistently seeking their expert advice to ensure full compliance with Malaysia's accounting standards.

The BARGC conducts regular reviews of the External Auditors, assessing their independence, performance, quality of work, and the timeliness of service delivery. This evaluation also includes a review of any non-audit services provided to ensure they do not compromise the auditors' objectivity or independence, either in fact or appearance.

Internal Controls

The Board has entrusted the BARGC with the responsibility of overseeing the effectiveness of the Group's risk management and internal control systems. In fulfilling this mandate, the BARGC provides the Board with informed advice regarding the principal risks that could impact THP Group's business operations.



Details of the Company's risk management framework and internal control system are set out in the Statement on Risk Management and Internal Control on pages 140 to 146 of this Annual Report.

Internal Audit Function

The IAD, under the leadership of the Head of Internal Audit for THP Group, is responsible for executing the internal audit function. The IAD's primary role is to deliver independent assurance to the Board, via the BARGC, on the effectiveness of the Group's risk management, internal control, and governance processes.



Details of the IAD activities are set out in the BARGC Report on page 137 of this Annual Report.

Whistleblowing Policy

The Company's Whistleblowing Policy provides a structured channel for employees, agents, vendors, contractors, suppliers, consultants, customers, and the public to report any improper conduct within the THP Group. The policy ensures the anonymity and confidentiality of whistleblowers' identities and outlines protections against retaliation or reprisal, including immunity from disciplinary action.

Under the policy, employees of the THP Group are encouraged to raise concerns regarding issues such as financial irregularities, regulatory non-compliance, breaches of internal policies, or any other form of misconduct. This framework formalises the process for addressing and investigating reported issues in a transparent and secure manner.

Corporate Governance Overview Statement

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

BARGC Board Audit, Risk & Governance Committee

The BARGC is tasked with monitoring the Group's financial reporting and performance, reviewing the effectiveness of external and internal audit functions, and ensuring the robustness of the internal control system. Additionally, the BARGC evaluates and oversees the Group's approach to risk management, integrity, and governance practices.



The TOR of the BARGC is available online at <https://thplantations.my>

Composition

The BARGC is composed entirely of Non-Executive Directors, with a majority of Independent Directors. In FY2024, the BARGC held twelve (12) meetings. The composition of the BARGC and the attendance record of its members are detailed below:

Dr. Nurmazilah binti Dato' Mahzan¹

Chairman, Independent Non-Executive Director
(Resigned as Chairman on 20 June 2024)

12/12

Muhammad Ramizu bin Mustaffa

Chairman, Independent Non-Executive Director
(Resigned as Chairman on 15 June 2024)

6/6

YM Tengku Dato' Seri Hasmuddin bin Tengku Othman

Member, Non-Independent Non-Executive Director

11/12

Haji Bakri bin Jamaluddin

Member, Independent Non-Executive Director
(Resigned as Member on 6 May 2024)

5/5

Kasmuri bin Sukardi

Member, Independent Non-Executive Director
(Appointed as Member on 20 June 2024)

6/6

Notes:

¹ The Chairman of the BARGC is a member of the Malaysian Institute of Accountants (MIA) and her profile is outlined on page 106 of this Annual Report.

The composition of the BARGC is in line with Paragraphs 15.09 and 15.10 of the MMLR and Practice 9.1 and 9.2 of the MCCG 2021, as follows:

MMLR

- i. All three (3) members are Non-Executive Directors and the majority of them are Independent Directors
- ii. The Chairman is a member of the Malaysian Institute of Accountants (MIA)
- iii. No alternate director is appointed as a member of the BARGC
- iv. The Chairman of the BARGC is an Independent Director

MCCG 2021

- i. The Chairman of the BARGC is not the Chairman of the Board
- ii. None of the BARGC members is a former audit partner of the Group's external auditor

Corporate Governance Overview Statement

Summary of Activities of the BARGC

The main activities undertaken by the BARGC during FY2024 were as follows:

Financial Reporting

- a) Reviewed the quarterly financial results and yearly financial statements, including their corresponding announcement, to ensure compliance with Listing Requirements, applicable and approved accounting standards of the Malaysian Financial Reporting Standards (“MFRS”) and other statutory laws and regulations prior to the Board for approval. The details of the activities are as follows;

Quarterly Result/Financial Statement Reviewed:

27 February 2024	Unaudited fourth quarter results for the year ended 31 December 2023 and Audited Financial Statement for the financial year ended 31 December 2023
28 May 2024	Unaudited first quarter results for the period ended 31 March 2024
27 August 2024	Unaudited second quarter results for the period ended 30 June 2024
20 November 2024	Unaudited third quarter results for the period ended 30 September 2024

- b) Reviewed and assessed the impact on changes of accounting policies, adoption of new accounting standards and treatments, tax review, financial and legal disclosures and significant judgements and estimates applied in the Group’s financial statements; and
- c) Reviewed and evaluated the quarterly and yearly operational and financial performances of the Group, as presented by Management.

Internal Audit

- a) Reviewed and approved the scope of the internal audit, along with the annual audit plan, budget, and resource requirements to ensure sufficient coverage of the Group’s activities;
- b) Reviewed and analysed significant internal audit findings from the internal audit reports, as well as the follow-up outcomes and the status of audit work executed by internal auditors;
- c) Evaluated the sufficiency of measures taken by the Management in resolving and addressing issues, ensuring that all significant concerns were adequately tackled in a timely manner; and
- d) Reviewed the adequacy of internal auditors’ experiences, competencies and resources to ensure internal audit works are carried out effectively.

The BARGC was satisfied with the overall performance of the Group’s internal audit function and its resources to perform their function effectively and independently.

Risk Management & Internal Control

- a) Conducted a review of the existing risk management and internal control system, and discussed the risks and corresponding controls that should be put in place to minimize the identified risks;
- b) Evaluated and analysed the adequacy and efficiency of Management’s internal control measures in recognising, evaluating, mitigating, and overseeing both financial and non-financial risks;
- c) Reviewed the revised and expanded TOR of the BARGC prior to recommending to the Board for approval;
- d) Reviewed and approved the Company’s revised risk management framework, policy and procedures;
- e) Assessed the organization’s corporate risk profile and provided updated reports on the current risk status, along with recommended action plans to reduce the potential risks; and
- f) Promoted awareness and sound risk management culture within the Company.

Corporate Governance Overview Statement

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

BARGC Board Audit, Risk & Governance Committee

External Auditors

- a) Reviewed the external auditor's scope of works and audit plan for the Group;
- b) Evaluated the sufficiency, proficiency, and background of the external auditors appointed for the audit engagement, as well as their effectiveness in conducting the audit. Additionally, reviewed the audit fees and potential re-appointment of the auditors to the Board for recommendation;
- c) Evaluated the performance of the external auditors, as well as their suitability, impartiality, and autonomy in performing the audit;
- d) Conducted a review with the external auditors regarding the conformity of the Group's yearly financial statements to the MMLR, as well as the relevant accounting standards of the MFRS and other legal and regulatory mandates;
- e) Examined and discussed the external auditor's management letter(s) and the corresponding management response(s); and
- f) Examined and discussed any noteworthy audit discoveries and concerns that surfaced during the interim and final audits, significant financial and accounting problems, as well as any other topics that the external auditors wished to address in the presence of senior management.

The external auditors provided assurance to the BARGC that they had maintained independence throughout the audit engagement for 2024, in full compliance with all relevant professional and regulatory requirements.

The BARGC expressed its satisfaction with the external auditors' performance, citing the quality of their work, adequacy of resources, adherence to agreed timelines set by Management, and their demonstration of independence, professionalism, and expertise.

Integrity & Governance

- a) Reviewed and endorsed the revisions to THP's Whistleblowing Policy to strengthen the framework for reporting misconduct, ensuring greater protection for whistleblowers, and reinforcing the Group's commitment to integrity and transparency.
- b) Reviewed and endorsed the appointment of an independent external service provider to manage the THP's whistleblowing channel.
- c) Reviewed the progress of THP's compliance with the Adequate Procedures as mandated under Section 17A of the MACC (Amendment) Act 2018.
- d) Reviewed and endorsed the SOPs for the Integrity and Governance Unit, as well as THP's anti-bribery policies, to ensure they align with regulatory requirements and best practices.
- e) Reviewed and endorsed the development of a CRA framework to systematically identify, evaluate, and mitigate corruption risks within THP's business operations.
- f) Reviewed internal investigations reports and provided guidance on addressing concerns or wrongdoing within the organization.

Other Duties

The BARGC conducted a review of the Group's related party transactions and conflict of interest situations to ensure compliance with the MMLR, MFRS, the Companies Act 2016, and the Group's internal guidelines. These assessments confirmed that all transactions were conducted on commercial terms, safeguarding the interests of minority shareholders, while also ensuring that the internal control procedures governing these transactions were both robust and effective.

The BARGC plays a key role in overseeing the Company's sustainability efforts, ensuring compliance with ESG standards set by stakeholders. It reviews ESG-related issues within THP's operations, provides strategic direction on compliance with evolving market requirements, and assesses sustainability disclosures in line with Bursa Malaysia's reporting obligations.

Corporate Governance Overview Statement

Internal Audit Function and Activities

The Group's IAD operates independently of the Group's business and operational units, ensuring its autonomy in fulfilling its responsibilities. Reporting directly to the BARGC, the IAD plays a critical role in supporting the Committee by providing regular, impartial, and objective evaluations of the effectiveness and adequacy of the Group's risk management and internal control systems. These evaluations encompass an assessment of the Group's compliance with applicable policies, procedures, and statutory laws and regulations.

Beyond its audit activities, the IAD serves as an independent observer in key processes such as tender opening, price negotiations, and tender committee meetings, thereby reinforcing transparency and integrity. Its operations are governed by the Group's Internal Audit Charter, which was revised and approved by the BARGC in December 2023, and aligns with the standards set by the Institute of Internal Auditors.

The IAD's scope of work extends across a diverse range of operational areas, including estate and mill management, procurement and contract oversight, accounting and financial controls, and resource and administrative management, ensuring a comprehensive approach to strengthening the Group's governance and operational frameworks.

During FY2024, the IAD had:

- 1 Prepared the internal audit scope and annual internal audit plan for approval by BARGC;
- 2 Conducted 40 audits on various operating units based on the annually approved internal audit plan and Management request;
- 3 Reviewed and evaluated the adequacy and effectiveness of the Group's risk management and internal control system;
- 4 Reviewed and evaluated the state of compliance of the Group's operating and business units with its established policies and procedures, and its applicable statutory laws and regulations;
- 5 Produced internal audit reports for Management's responses and actions;
- 6 Performed follow-up audit review on internal audit findings based on previous internal audit reports;
- 7 Reported to the BARGC on a periodic basis, the key internal audit findings, status of follow-up audit reviews, the status of internal audit works and the adequacy of resources within IAD;
- 8 Undertook ad-hoc reviews and special assignments on matters arising from the audits and/or as and when requested by the BARGC and/or Management and reported the results to the BARGC and/or Management.

During the financial year, the Group's internal audit activities were conducted entirely in-house, with no elements of the internal audit programmes or plans outsourced. All internal auditors within the Group are associate members of the Institute of Internal Auditors Malaysia, ensuring adherence to professional standards and practices.

To enhance competencies, the IAD personnel participated in several training sessions and conferences, aimed at developing their skills and capabilities. Furthermore, two (2) training sessions on the implementation of effective internal controls were conducted by IAD for all operating and supporting units within THP Group.

The total cost incurred by the IAD for the financial year ended 31 December 2024 amounted to approximately RM1.3 million.

This BARGC Report was reviewed and approved by the THP Board on 21 January 2025.

Corporate Governance Overview Statement

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

BIC Board Investment Committee

The BIC is charged with reviewing and recommending the THP Group's Investment Policy, strategic direction, and plans concerning investment and divestment activities. It also oversees critical matters related to both existing and potential investments across the Group.

Key responsibilities of the BIC include assessing proposals for new investments and significant disposals to confirm their alignment with the Group's Strategic Plan and their ability to deliver returns above a risk-adjusted hurdle rate and performance premium. Additionally, the BIC advises on investments exceeding a prescribed threshold set by the Board, which includes investments, divestments, substantial capital expenditures, and associated project financing.



The TOR of the BIC is available online at <https://thplantations.my>

Composition

Under its TOR, the BIC shall comprise of at least three (3) members, comprising exclusively Non-Executive Directors.

During FY2024, a total of four (4) meetings were held. Details of the BIC composition and their attendance were as follows:

Dr. Nurmazilah binti Dato' Mahzan

Chairman, Independent Non-Executive Director

4/4

Fahda Nur binti Ahmad Kamar

Member, Independent Non-Executive Director

4/4

Dr. Shahril bin Simon

Member, Non-Independent Non-Executive Director

4/4

Muhammad Ramizu bin Mustaffa

Member, Independent Non-Executive Director
(Resigned as Member on 15 June 2024)

2/3

Meetings of the BIC are attended by the CEO. Other members of Senior Management are invited to meetings of the BIC when necessary to support detailed discussion on matters relevant to the agenda of the meeting.

Summary activities of the BIC summarised amongst others as below:

- 1 Reviewing the Valuation Reports prepared by external valuers on THP's assets proposed for disposal.
- 2 Reviewing the strategic direction of the THP Group
- 3 Reviewing the existing investment portfolios i.e. the joint venture subsidiaries
- 4 Reviewing the proposed investments in new business ventures in Renewable Energy, including their funding requirements
- 5 Reviewing and recommending the five-year Business Plan of the THP Group 2024 to 2028 i.e. AL-Falah 22/22
- 6 Reviewing and recommending the five-year revised replanting programme of the THP Group

Corporate Governance Overview Statement

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

Communication with Stakeholders

The Company adheres to the Corporate Disclosure Guide issued by Bursa Securities and complies fully with the disclosure requirements of the MMLR. Recognising the importance of prompt and equitable dissemination of material information, the Company ensures that shareholders, investors, and the public are kept well-informed.

Periodic meetings and briefings are conducted with stakeholders, research analysts, and bankers, to discuss the Group's latest performance, ongoing developments, and strategic direction. While engaging in these communications, the Company remains fully aware of its obligation to safeguard price-sensitive information and ensures that no such details are disclosed.

Leveraging on Information Technology for Effective Dissemination of Information

The Company hosts a dedicated corporate website at <https://thplantations.my>, serving as a central repository for public corporate and financial information. The website features THP Group's quarterly financial results, regulatory announcements, disclosures required under the MMLR, and other relevant corporate details. Shareholders and members of the public are also encouraged to direct their queries via the email contacts available on the website.

Conduct of General Meetings

The Company's AGM serves as an essential platform for shareholders to engage directly with the Board. To streamline the voting process, the Board evaluates and employs the most practical, efficient, and reliable polling methods available.

Shareholders receive notification in writing, either via hard copy or electronic means, regarding the publication of the AGM Notice and the Annual Report on the Company's website. This notification is dispatched at least 28 days before the AGM and includes a designated website link for downloading the Notice and Annual Report. Shareholders also retain the option to request a hardcopy of the Annual Report through a designated channel.

The 50th AGM, held on 6 May 2024, was conducted entirely on a virtual platform through live streaming and Remote Participation and Voting ("RPV") facilities. Shareholders participating via RPV were able to submit their questions in real time, ensuring interactive engagement during the meeting.

The Chairman presided over the 50th AGM, with majority of Directors and Senior Management in attendance to address shareholder queries. During the meeting, the CEO delivered a comprehensive presentation on the Company's operational and financial performance for the year under review, alongside a detailed overview of the Company's strategic recovery plan. The presentation featured visual and graphical representations of key financial and operational highlights, enhancing shareholders' understanding and analysis of the Company's performance.

Minutes of the 50th AGM proceedings were recorded and subsequently made accessible on the Company's corporate website.

Directors' Responsibility Statement in the Preparation of Audited Financial Statements

Under the MMLR, the Board of Directors is obligated to issue a statement outlining its responsibilities in preparing the audited financial statements. Pursuant to the Companies Act 2016, the Directors are also required to ensure that audited financial statements are prepared annually, providing a true and fair view of the financial position of THP Group as at the financial year-end, as well as the financial performance of the Company and the Group for the year under review.

In preparing these audited financial statements, the Directors have:

- 1 Used appropriate accounting policies and consistently applied them;
- 2 Made judgments and estimates that are reasonable and prudent; and
- 3 Stated whether applicable approved accounting standards have been followed, subject to any material departures disclosed and explained in the audited financial statements.

The Directors are responsible for maintaining accurate and proper accounting records that provide a clear and timely representation of THP Group's financial position. These records are essential to ensure compliance with the Companies Act 2016 and the approved accounting standards applicable in Malaysia. Furthermore, the Directors are tasked with implementing necessary measures to protect the Group's assets and to mitigate the risk of fraud or other irregularities.

This statement was approved by the THP Board on 21 January 2025.

Statement of Risk Management and Internal Control

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad, the Board is pleased to present here with the Statement on Risk Management and Internal Control of the Group for the financial year under review. This statement has been prepared in accordance with the Malaysian Code on Corporate Governance (“MCCG”) and guided by the Statement on Risk Management & Internal Control – Guidelines for Directors of Listed Issuers.

Board Responsibility

The Board affirms its overall responsibility in maintaining a sound system of risk management and internal control to safeguard shareholders’ interests and the Group’s assets. The Board’s focus on effective risk oversight by setting the tone and culture towards effective risk management and internal control system.

The Board’s primary responsibilities in risk governance and controls include:

- 1 Embedding risk management process and capabilities across all aspects of the Group’s activities;
- 2 Identifying and managing risks within the acceptable level of risk appetite;
- 3 Reviewing the effectiveness and adequacy of the risk management and internal control system; and
- 4 Establishing a structured reporting and monitoring mechanism.

The Board Audit, Risk & Governance Committee (“BARGC”) is responsible for evaluating the effectiveness of the Group’s risk management and internal control system. The broader roles of the BARGC is clearly guided by its Terms of Reference (“ToR”) and supported by the Risk Management Committee (“RMC”).

The Risk & Compliance Department (“RCD”) assists the Management and the Board in reviewing, monitoring, and reporting on the Group’s risk management and compliance efforts. The RCD is also to oversee the process of risk management efforts and activities within the Group. Additionally, the RCD is responsible for revising, updating, and implementing an improved THP’s Enterprise Risk Management Policy (“ERMP”), Risk Management Framework (“RMF”), and Risk Management Report (“RMR”) for the Group to enhance their adequacy and effectiveness.

In view of the inherent limitations in risk management and internal control system, the Board acknowledges that such system is designed to manage, rather than eliminate, the risks identified to an acceptable level of risk appetite set and approved by the Board. As a result, the system by its nature, can only provide reasonable but not an absolute assurance against material misstatements, financial losses, operational failures, fraud, and regulatory breaches.

Management Responsibility

Risk Management Committee

- The Board delegates to the RMC the responsibility for reviewing and monitoring the vital enterprise risks. The RMC plays a main role in ensuring the effective implementation of the objectives outlined in ERMP and compliance throughout the Group.
- Chaired by the Chief Executive Officer and supported by key Senior Management from various divisions/departments, the RMC is responsible for periodic reporting of higher risk exposures to the Board and will closely monitor the vital enterprise-level risks that are identified and ensures that appropriate mitigation strategies are in place.

Statement of Risk Management and Internal Control

Its primary roles and responsibilities as outlined in the ERMP, amongst others, are as follows:-

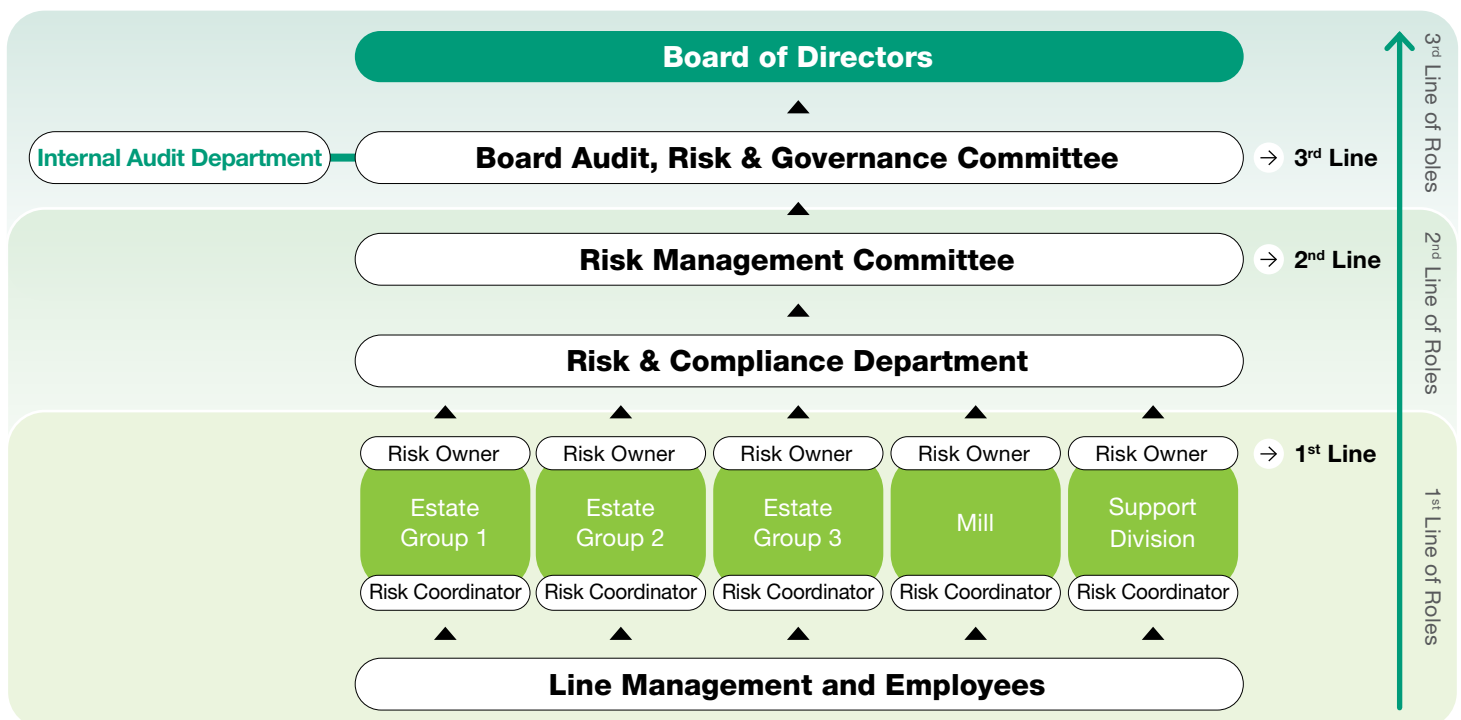
- 1 Allocating the required risk management resources;
- 2 Actively monitoring of risk management initiatives;
- 3 Hold quarterly meetings with the Risk & Compliance Department to discuss key risks;
- 4 Identify and evaluate new strategic risks including corporate matters (e.g., Regulatory, Business Development) and key operational risks;
- 5 Assist the Board in implementing the objectives outlined in the risk management policy;
- 6 Assist the Board in reviewing and updating the existing risk profile;
- 7 Assist the Board in reviewing and reporting on the status of completion of action plans;
- 8 Provide information to the Board through quarterly risk management report;
- 9 Prepare quarterly risk management reports for submission to the Board;
- 10 Ensure finalised risk profile incorporates comments from the Board;
- 11 Champion risk awareness and training efforts across the Group;
- 12 Ensure the management is available to update the BARGC on risk profile and action plans; and
- 13 Report to the BARGC on any major changes to the risk profile requiring immediate attention/notification.

Risk & Compliance Department (“RCD”)

The RCD reports directly to the RMC which in turn reports to BARGC on the risk management framework, guidelines and submission timelines for risk report.

The RCD, in collaboration with the RMC would identify new risks or revise existing risks based on approved risk appetite in terms of the magnitude of the financial or non-financial impact against the likelihood of the risk occurrence and report the risk to the BARGC.

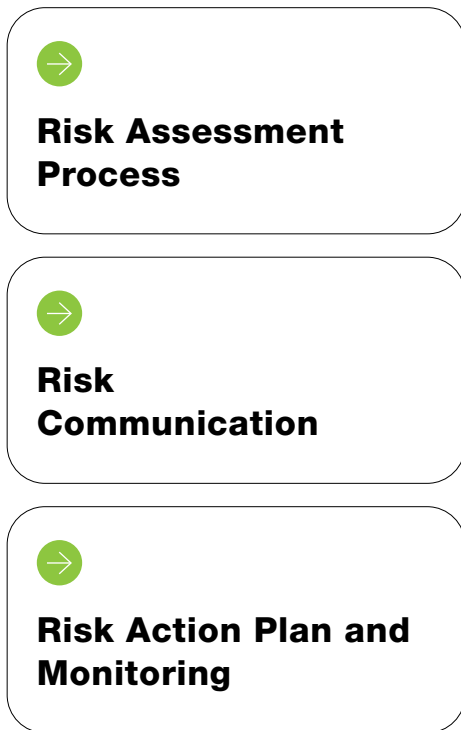
The following is the Risk Management oversight structure for the Group:-



Statement of Risk Management and Internal Control

Risk Management Framework

The review, monitoring and reporting process in the Group’s Risk Management Framework (“RMF”) involves the following key processes:

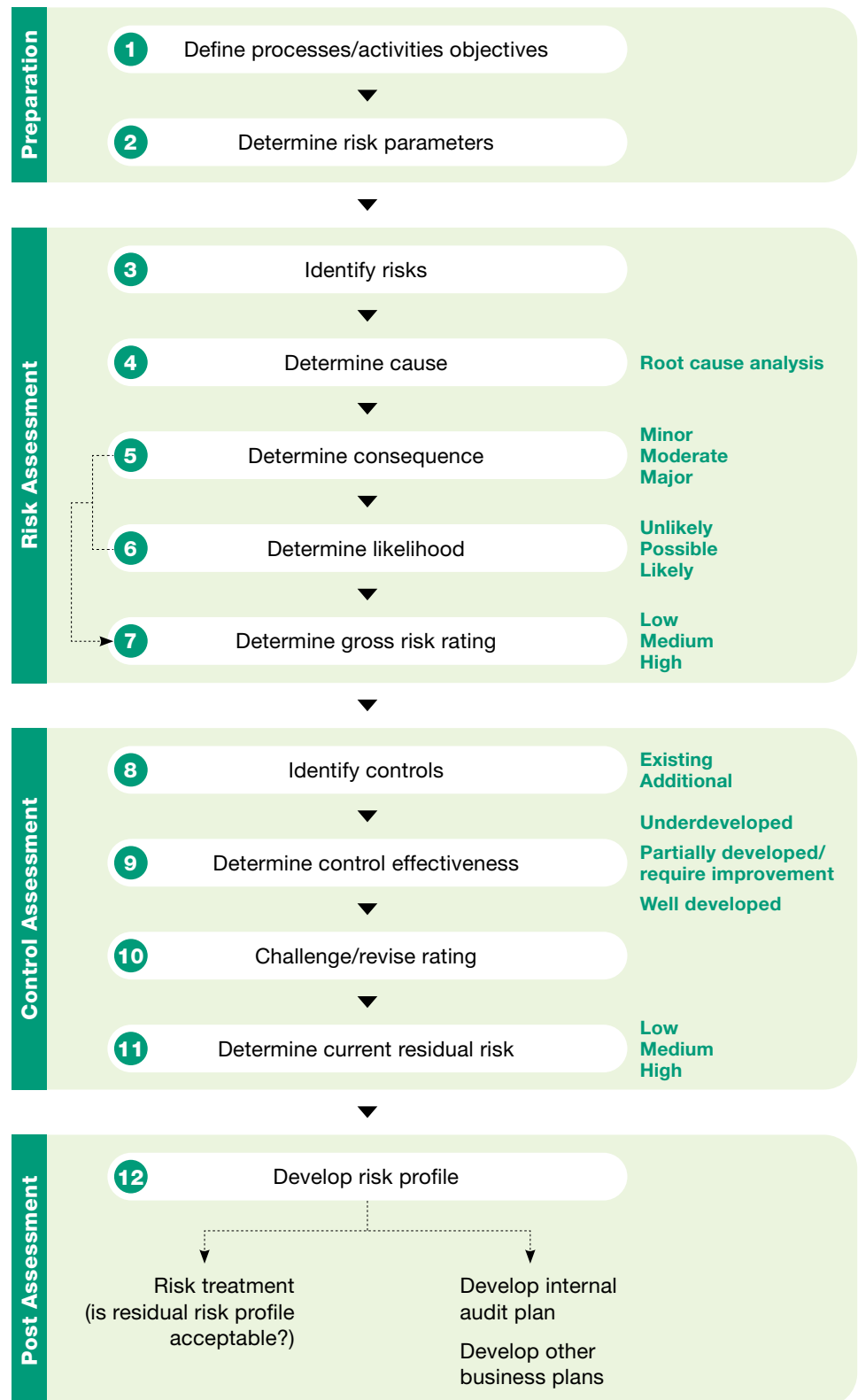


These processes allow the Group to identify, evaluate and track the status of the risk profile and changes in the risk context and ensure that the risk treatment and control measures are adequate in design and operations and effective in its implementation.

Risk Assessment Process

Risk assessment is a structured approach that involves risk identification, risk analysis and risk evaluation. Risk assessment should be conducted systematically, iteratively, and collaboratively, drawing on the knowledge and views of stakeholders. It should use the best available information, supplemented by further enquiry as necessary.

Our risk assessment process is illustrated in the following diagram:



Statement of Risk Management and Internal Control

Risk Owners are required to identify key business risks, both actual risks that have materialized and potential risks, associated with the processes within their business area under one of the following categories:

Risk Categories



Risk Communication

Communication and consultation are essential at each step of the risk management process. It is crucial to develop a communication plan for both internal and external stakeholders at the earliest stage of the process.

Any urgent and material issues regarding risk management must be reported and discussed at either the Management level, Board level or both, varying depending on the significance of the risk and the relevant business area.

Risk Action Plan and Monitoring

Monitoring and review step takes place in all stages of risk management process. Ongoing risk monitoring and periodic reviews provide reasonable assurance that risks are being managed effectively.

The monitoring of the implementation on risk treatment, as well as control measures and the review of the risk management strategies and action plans are monitored and reported as and when necessary or required by the Board.

Internal Control System

The internal control system is designed to protect integrity of assets, promote accountability, and increase the efficiency of operations within the Group's risk management framework. The system has been developed and maintained based on industry's best practices and guidelines and relevant laws, rules, and regulations to control and mitigate risks according to risks appetite set and approved by the Board. The RMC and RCD would continuously review, monitor and update the existing risks, including identifying new emerging risks faced by the Group and report them to the BARGC accordingly.

As a result, the Group has designed and implemented a sound system of internal control that enables the business to be operated effectively and efficiently to achieve the Group's business objectives and to safeguard its interests.

The key elements of the Group's internal control system are as follows:

- 1 Board Oversight Function
- 2 Policies & Procedures
- 3 Structure & Authority
- 4 Human Capital Management
- 5 Performance Review & Monitoring
- 6 Tender & Procurement

Board's Oversight Function

The Board has an oversight function in evaluating the business performance of the Group and the effectiveness and compliance of its internal control system. This is achieved through periodic reviewing the operational and financial reports such as Progress Reports and Quarterly Financial Report prepared by Management and audit reports from the external and internal auditors. Any significant or material issues are brought to the attention of the BARGC for deliberation, which, in turn, will report these matters to the Board.

Statement of Risk Management and Internal Control

Policies and Procedures

The Board and Management acknowledge the importance of documented policies and Standard Operating Procedures (“SOP”) in managing the business operations of the Group. This is to ensure that an effective and adequate internal control system is designed, implemented and adhered or complied accordingly to manage the operational and financial risks and the risk of fraud and material misstatements.

The established policies and SOPs are reviewed and updated, as and when necessary, to reflect changes in business environment and needs to ensure its relevancies and effectiveness. Any changes, update or enhancement of policies and SOPs would be presented to the Board for their approval.

Structure and Authority

The Group maintains a formal organisational structure that divides the business operations into functional operations and support units. The structure provides clear reporting lines with well-defined roles and responsibilities, accountability and ownership with proper segregation of duties. The structure is

designed to ensure effective internal control and good corporate governance practices across the Group.

Additionally, formal authorisation policy and procedures are also in place to define lines of accountabilities and delegation of authority in approving, planning, executing, controlling, and monitoring business operations and risks. The organisational structure and authorisation policy and procedures are reviewed, as and when necessary, to incorporate any emerging business and operational needs.

Human Capital Management

The Human Capital and Administration Department (“HCAD”) has developed the HCAD 5-Year Strategic Blueprint (2024–2028); in accordance with AL-Falah Strategic Business Plan. This structured approach ensures that functions as a strategic business partner by aligning human capital strategies with the Group’s goals, identifying future capabilities and skills, and refining success factors to achieve organisational objectives. It focuses on driving employee engagement towards a high-performance culture and operational excellence in the Group.

The main objective is to ensure the following areas are met:

- 1 HCAD Priorities for 2024 and Beyond:
 - i. Talent & Succession Planning (including organizational restructuring).
 - ii. Performance Management.
 - iii. Rewards and Compensation.
 - iv. Competency Framework Development.
 - v. Learning and Development.
 - vi. Organisational Structuring.

- 2 Strategic Focus Areas:
 - i. Succession Planning: Establish a strong leadership pipeline with a 2:1 successor ratio for mission-critical roles.
 - ii. Competency Development: Build leadership, technical, and personal effectiveness skills via structured training programmes.
 - iii. Rewards Philosophy: Align the Group’s compensation framework with market benchmarks and performance-based rewards.

Statement of Risk Management and Internal Control

Performance Review and Monitoring

The Group's business performances are reviewed and discussed in Management meetings on a monthly basis or as and when required by the Chief Executive Officer ("CEO"). These meetings would focus on the operational and financial, and any significant and urgent issues are addressed promptly with appropriate corrective actions.

Estates and mills performances are directly monitored by the Head of Operation and supported by Plantation Controllers (for estates) and Head - Mill & Engineering (for mills). A Monthly Progress Report will be prepared and submitted by the Managers of estates and mill to report their current operational status and performance on productivity, efficiency, quality and cost control.

Tender and Procurement

The Group's Board Tender Committee is responsible for reviewing, deliberating and approving the award of tenders, contracts and procurement of goods and services. Its membership and approval limits are clearly outlined in the policy "Peraturan Pembelian, Tender dan Kontrak Tahun 2019", which was approved by the Board and serves as the guiding framework for the tender and procurement process.

The Management is also authorised to approve tenders, contracts and procurement within limits specified in the same policy, provided they fall below the threshold set for the Board Tender Committee.

By adhering to these established policies and procedures, the Management ensures that tender and procurement processes are conducted in the Group's best interest, maintaining strong corporate governance practices throughout the organisation.

Anti-Bribery and Corruption

The Group maintains its unwavering commitment to a zero-tolerance approach against all forms of bribery and corruption. In 2024, the Group launched the THP Anti-Corruption Policy Statement, formalising its stance against corruption. Guided by the Malaysian Anti-Corruption Commission ("MACC") Act 2009 and its 'Adequate Procedures' Guidelines, the Group continues to strengthen its governance frameworks, policies, and practices to promote integrity and transparency.

The Integrity and Governance Unit is the dedicated unit responsible for implementing anti-bribery and corruption initiatives across the Group. As part of these efforts, the Group collaborated with the MACC to sign the Corruption-Free Pledge ("Ikrar Bebas Rasuah") on 12 November 2024. Following this,

all members of the Board of Directors, top management, and employees individually signed the pledge, emphasising a unified and resolute stance against corruption.

The Group also introduced a Corruption Risk Assessment ("CRA") Plan, designed to systematically identify and mitigate corruption risks within the organisation. This initiative complements the ongoing efforts to enhance governance and integrity.

Key enhancements were made to the whistleblowing framework, including a comprehensive revision of the Whistleblowing Policy to strengthen reporting mechanisms and provide enhanced protections for whistleblowers. To ensure impartiality and confidentiality in handling complaints, the Group introduced a new independent Whistleblowing Channel managed by BDO Governance Advisory Sdn Bhd, an external service provider.

Awareness campaigns and training programmes were integral to fostering a culture of transparency and ethical conduct across the organisation. Integrity awareness sessions and anti-corruption talks, facilitated by MACC and Institut Integriti Malaysia ("IIM") officers, were conducted for employees, focusing on corporate liability and ethical behaviour. Additionally, posters and buntings highlighting key integrity policies were displayed at headquarters, estates, and mills, while integrity-related articles were shared through internal communication platforms to further enhance awareness.

Through these initiatives, the Group reaffirms its commitment to combating bribery and corruption, fostering a strong culture of integrity and good governance.

Internal Audit Function

The Internal Audit Department's ("IAD") function provides the BARGC, and the Board, with independent assurance in regard to the effectiveness of risk management, internal control and governance processes of the Group.

The IAD assists in fulfilling the BARGC's duties and responsibilities by implementing a systematic and disciplined approach to review the business processes using a risk-based methodology in planning and performing audit assignments. A comprehensive audit report is prepared to highlight audit findings and provide recommendations for Management to comments and take actions. A follow-up audit would be carried out periodically to monitor the status of completion and compliance with the agreed action plans. Any significant audit findings that require the Board's attention are presented to and deliberated by the BARGC periodically as appropriate.

Statement of Risk Management and Internal Control

Review of Effectiveness

The processes adopted to review and monitor the effectiveness of the Group's risk management and internal control system are:

- 1 Reporting of higher risk exposures to the Board, via Management, when necessary;
- 2 Reviewing the financial and operational information regularly received from various reports with respect to risk management and internal control issues; and
- 3 Reviewing the financial and operational activities, risk management and internal control system by the IAD based on the annual audit plan as approved by the BARGC during the financial year under review.

Review of The Statement by External Auditors

The external auditors have reviewed the Group's Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 December 2024, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

- (a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or
- (b) is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board and Management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

Conclusion

For the financial year under review and up to the date of approval of this statement, the Board is satisfied with the adequacy and effectiveness of the Group's risk management and internal control system in safeguarding the shareholders' investments and the Group's assets.

The Board has received reasonable assurance from the CEO that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the established system of risk management and internal control system of the Group. This statement is made in compliance with Paragraph 15.26(b) of the MMLR of Bursa Malaysia Securities Berhad and Principle B of the MCCG 2021 issued by Securities Commission Malaysia and guided by the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers.

This statement is made in accordance with a resolution of the Board dated 21 January 2025.

Additional Compliance Information

a. Utilisation of Proceeds from Corporate Proposals

There is no proceed from Corporate Proposals during the financial year ended 31 December 2024.

b. Audit and Non-Audit Fees

The amount of audit fees and non-audit fees incurred for services rendered to the Company and its subsidiaries for the financial year by the Company's auditors, or a firm or corporation affiliated to the Auditor's firm amounted to RM730,000.00 and RM191,000.00 respectively.

c. Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving the interests of the directors, chief executive officer and major shareholder, either still subsisting at the end of the financial year ended 31 December 2024 or entered into since the end of the previous financial year save as disclosed below:

On 13 June 2024, THP via its wholly-owned subsidiary, THP Applications & Services Sdn. Bhd. ("THPAS") had entered into a Shareholders' Agreement with Cenergi RE Sdn. Bhd. ("Cenergi RE") to regulate the relationship inter se of shareholders in Cenergi Lawiang Sdn. Bhd. ("Cenergi Lawiang"), a joint venture company wherein THPAS and Cenergi RE hold 40% and 60% equity interests respectively.

Cenergi Lawiang as a Special Purpose Vehicle shall undertake the following acts:

- (a) constructing and operating the biogas plant which utilizes the palm oil mill effluent ("POME") from Bukit Lawiang Palm Oil Mill owned by THP; and
- (b) processing the POME to generate electricity which shall be sold to the Tenaga Nasional Berhad under the Sustainable Energy Development Authority Malaysia ("SEDA") program and under the Renewable Energy Act, 2011, the rate of which shall be in accordance with the Feed-In-Tariff set by SEDA.

d. Recurrent Related Party Transactions

The aggregate value of the Recurrent Related Party Transactions of a revenue or trading nature conducted pursuant to the shareholders' mandate during the financial year ended 31 December 2024 between the THP and/or its subsidiary companies with related parties are set out below:-

THP and/or Subsidiaries Transacting with Related Parties	Related Parties	Relationship with THP and/or Subsidiaries	Type of Transaction	Aggregate Value of Transaction RM'000
THP	TH	Holding Company	Lease of land	3,221
	Syarikat Takaful Malaysia Am Berhad	Related Company	Purchase of insurance	1,500
THPAM	TH Travel Services Sdn. Bhd.			Purchase of flight tickets
	TH	Holding Company	Lease of office space	1,015

Performance Statistics

FFB Produced (Mt)



CPO Production (Mt)



FFB Processed (Mt)



PK Production (Mt)



Performance
Statistics

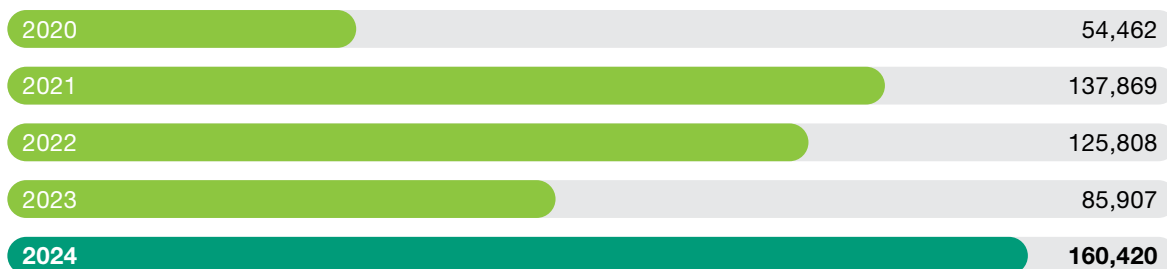
Group 5-Year

Plantation Statistics

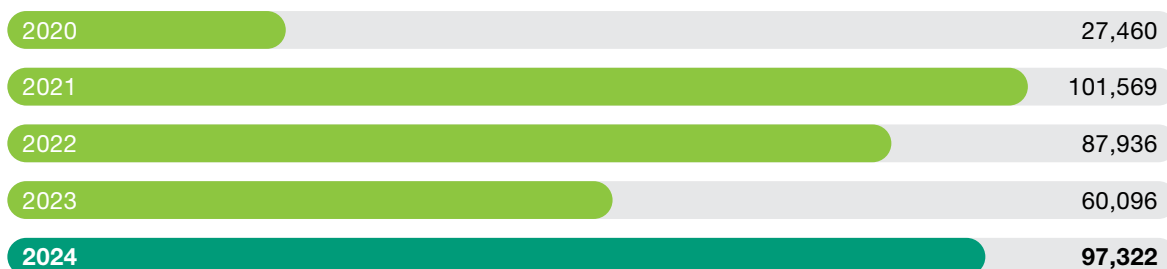
	2024	2023	2022	2021	2020
Production (metric tonnes)					
FFB produced - total	809,519	787,741	695,824	701,251	836,739
FFB processed - total	917,898	801,085	804,902	779,436	868,696
FFB Purchased	197,581	177,377	186,864	171,823	155,135
Yield and Extraction Rates					
FFB yield (tonnes per mature hectare)	15.76	15.18	13.21	13.36	16.11
OER (%)	18.99	19.17	19.19	19.71	19.54
KER (%)	4.47	4.92	4.79	4.72	4.53
Average Selling Prices (RM per tonne)					
Crude palm oil	3,996	3,669	4,476	3,762	2,538
Palm kernel	2,575	1,948	2,884	2,768	1,536
FFB	822	678	1,023	842	516
Area Statement (Hectares)					
Oil Palm					
- mature	51,376	51,875	52,656	52,470	50,843
- immature	2,900	2,261	3,491	4,411	4,964
Planted Area	54,276	54,136	56,147	56,881	55,807
Other crops					
- mature	-	-	-	-	-
- immature	10,380	10,380	10,380	10,380	10,380
Planted Area	10,380	10,380	10,380	10,380	10,380
Total Planted Area	64,656	64,516	66,527	67,261	66,187
In Course of Planting	1,448	1,579	805	500	956
Reserve land, building sites etc	31,669	31,686	30,477	30,460	30,146
Titled Area	97,773	97,781	97,809	98,221	97,289

Performance Statistics

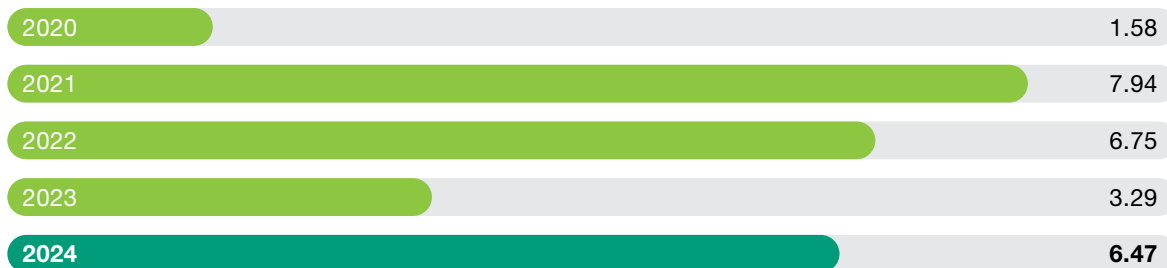
Profit Before Tax (RM'000)



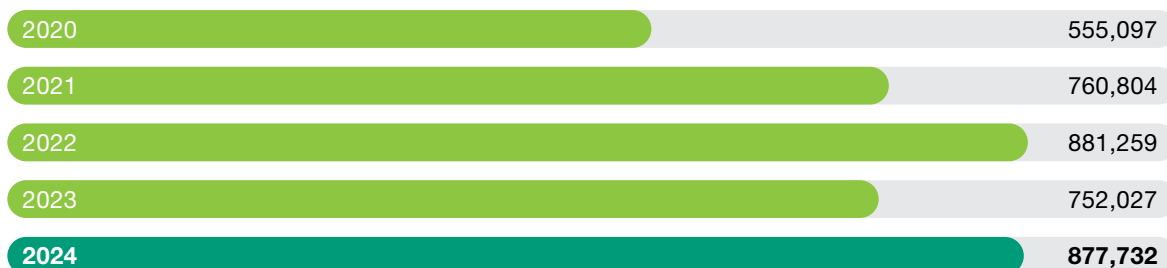
Profit After Tax (RM'000)



Basic Earning Per Share (sen)

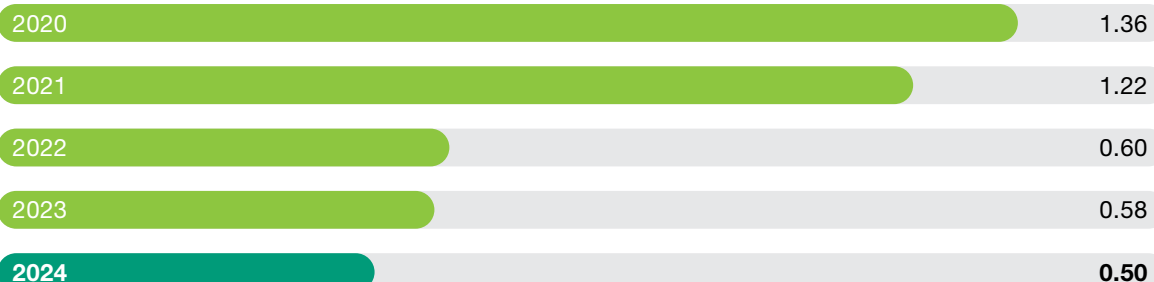


Revenue (RM'000)



Net Assets Per Share (RM)



Performance
StatisticsNet Debt to
Equity Ratio
(times)Group 5-Year
Key Financial Indicators

	2024	2023	2022	2021	2020
Profitability and Returns					
Gross profit margin (%)	30.79	21.47	28.56	33.23	31.92
Profit/(loss) before tax (%)	18.28	11.42	14.28	18.12	9.81
Profit/(loss) after tax and minority interest margin (%)	8.57	6.20	7.80	9.22	2.52
Return on average shareholders' equity (%)	10.20	6.60	10.20	11.42	2.44
Return on capital employed (%)	14.12	8.73	12.36	11.13	6.43
Net assets per share (RM)	0.86	0.81	0.79	0.73	0.66
Solvency and Liquidity					
Debt to equity ratio (times)	0.50	0.58	0.60	1.22	1.36
Interest cover (times)	4.04	2.56	2.69	2.67	1.76
Current ratio (times)	3.91	4.21	3.86	1.66	1.97
Financial Market					
EPS (sen)					
- basic	6.47	3.29	6.75	7.94	1.58
- diluted	6.47	3.29	6.75	7.94	1.58
Gross dividend payout per share (sen)	3.00	2.00	3.00	-	-
Gross dividend rate (%)	3.07	2.05	3.07	0.00	0.00
Gross dividend yield (%)	4.41	4.12	5.71	0.00	0.00
Net dividend payout rate (%)	3.07	2.05	3.07	0.00	0.00
Price-to-earnings ratio (times)	10.51	14.75	7.78	7.56	36.01
Price-to-book ratio (times)	0.79	0.60	0.66	0.82	0.87

Performance Statistics

Group 5-Year Key Financial Indicators

Statement of Income Statement Highlights (RM'000)

	2024	2023	2022	2021	2020
Revenue	877,732	752,027	881,259	760,804	555,097
Results from operating activities	206,968	135,054	194,618	215,421	124,412
Profit margin income from short term investments and receivables	4,693	3,647	3,432	3,120	939
Finance cost	(51,241)	(52,794)	(72,242)	(80,672)	(70,889)
Profit before tax	160,420	85,907	125,808	137,869	54,462
Tax expense	(63,098)	(25,811)	(37,872)	(36,300)	(27,002)
Profit for the year	97,322	60,096	87,936	101,569	27,460
Attributable to:					
Owners of the Company	75,178	46,618	68,771	70,166	13,991
Non-controlling interests	22,144	13,478	19,165	31,403	13,469
Net profit for the year	97,322	60,096	87,936	101,569	27,460

Group 5-Year Profit vs Average CPO Price



Performance
Statistics

Group 5-Year Key Financial Indicators

Statement of Financial Position
Highlights (RM'000)

	2024	2023	2022	2021	2020
ASSETS					
Other non-current assets	1,598,016	1,622,581	1,654,818	1,691,145	1,720,265
Total non-current assets	1,598,016	1,622,581	1,654,818	1,691,145	1,720,265
Other current assets	1,022,866	921,272	909,429	910,542	860,471
Cash and cash equivalents	71,912	82,465	116,200	260,219	84,481
Total current assets	1,094,828	1,003,737	1,025,629	1,170,761	944,952
Total assets	2,692,844	2,626,318	2,680,447	2,861,906	2,665,217
EQUITY					
Share capital	862,752	862,752	862,752	862,752	862,752
Other reserves	(80,663)	(80,663)	(80,663)	(80,658)	(80,658)
Translation reserve	(3,270)	(10,105)	(9,664)	(13,054)	(11,662)
Accumulated losses	(18,241)	(57,753)	(73,566)	(119,986)	(190,152)
Total equity attributable to owners of the Company	760,578	714,231	698,859	649,054	580,280
Perpetual sukuk	300,000	300,000	300,000	-	-
Non-controlling interests	308,322	298,932	308,249	295,832	269,813
Total equity	1,368,900	1,313,163	1,307,108	944,886	850,093
LIABILITIES					
Long term borrowings	755,644	791,323	824,358	925,131	1,054,467
Other long term liabilities	288,027	283,414	283,402	285,975	281,627
Total non-current liabilities	1,043,671	1,074,737	1,107,760	1,211,106	1,336,094
Other current liabilities	241,523	202,418	233,579	259,350	374,030
Loans and borrowings	38,750	36,000	32,000	446,564	105,000
Total current liabilities	280,273	238,418	265,579	705,914	479,030
Total liabilities	1,323,944	1,313,155	1,373,339	1,917,020	1,815,124
Total equity and liabilities	2,692,844	2,626,318	2,680,447	2,861,906	2,665,217

Performance Statistics

Group 5-Year Key Financial Indicators

Statement of Cash Flow Highlights

(RM'000)	2024	2023	2022	2021	2020
Profit before tax	160,420	85,907	125,809	137,869	54,462
Adjustment for non-cash items	112,838	108,989	159,968	160,266	131,124
Changes in working capital	10,228	5,756	(17,267)	(117,824)	25,824
Cash generated from operations	283,486	200,652	268,510	180,311	211,410
Profit margin income from short term investments and receivables	4,693	3,647	3,432	3,120	939
Profit margin expenses on payables, borrowing cost, tax and zakat paid	(105,264)	(86,264)	(129,471)	(119,906)	(87,775)
Net cash generated from operating activities	182,915	118,035	142,471	63,525	124,574
Acquisition of property, plant and equipment	(32,939)	(26,779)	(21,115)	(18,824)	(5,133)
Acquisition of right-of-use assets	(7)	(536)	(3,787)	-	-
Plantation development expenditure	(26,687)	(19,725)	(20,279)	(25,568)	(36,576)
Proceeds from disposal of property, plant and equipment	-	896	-	6	1,579
Proceeds from disposal of right-of-use-assets	-	3,563	-	306	75
(Increase)/Decrease in other investment	(59,466)	(31,972)	10,412	(35,634)	(1,462)
Subscription of shares in an associate	(200)	-	-	-	-
Dividend received	91	109	456	182	-
Net cash (used in)/generated from investing activities	(119,208)	(74,444)	(34,313)	(79,532)	27,630
Proceeds from drawdown of loans and borrowings	-	-	708,345	317,476	66,909
Proceeds from drawdown of perpetual sukuk	-	-	300,000	-	-
Repayments of loans and borrowings	(35,500)	(31,500)	(1,226,067)	(111,750)	(188,180)
Dividends paid to owners of the Company	(17,740)	(13,204)	(13,144)	-	-
Dividends paid to non-controlling interests	(13,269)	(22,434)	(9,683)	(5,279)	(10,300)
(Decrease)/Increase in amount due to holding corporation	-	-	(11,948)	(6,293)	6,149
(Decrease)/Increase in amount due to related companies	-	-	(1,728)	122	(7,113)
Payment of lease liabilities	(9,083)	(8,586)	1,491	(2,305)	(4,071)
Net cash (used in)/generated from financing activities	(75,592)	(75,724)	(252,734)	191,971	(136,606)
Net (decrease)/increase in cash and cash equivalents	(11,885)	(32,133)	(144,576)	175,964	15,598

Performance
Statistics

Group Quarterly Performance

Financial Performance (RM'000)

	Q4	Q3	Q2	Q1
2024				
Revenue	270,415	251,985	198,025	157,307
Results from operating activities	76,206	54,034	36,875	39,853
Profit margin income from short term investments and receivables	1,461	1,178	1,004	1,050
Finance cost	(12,363)	(12,707)	(12,927)	(13,244)
Profit before tax	65,304	42,505	24,952	27,659
Taxation	(26,000)	(14,313)	(13,201)	(9,584)
Net profit for the quarter	39,304	28,192	11,751	18,075
Attributable to:				
Owners of the Company	30,183	21,546	10,409	13,040
Non-controlling interests	9,121	6,646	1,342	5,035
Net profit for the quarter	39,304	28,192	11,751	18,075
Earnings per share (sen)				
- basic	2.90	1.93	0.67	0.97
- diluted	2.90	1.93	0.67	0.97
2023				
Revenue	216,503	216,639	172,514	146,371
Results from operating activities	36,609	40,921	25,517	32,007
Profit margin income from short term investments and receivables	1,099	820	846	882
Finance cost	(12,748)	(13,193)	(13,373)	(13,480)
Profit before tax	24,960	28,548	12,990	19,409
Taxation	(4,685)	(7,493)	(7,928)	(5,705)
Net profit for the quarter	20,275	21,055	5,062	13,704
Attributable to:				
Owners of the Company	12,279	17,553	5,310	11,476
Non-controlling interests	7,996	3,502	(248)	2,228
Net profit for the quarter	20,275	21,055	5,062	13,704
Earnings per share (sen)				
- basic	0.92	1.48	0.09	0.80
- diluted	0.92	1.48	0.09	0.80



Financial Statements

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Directors' Report

For The Year Ended 31 December 2024

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

Principal Activities

The Company is principally engaged in investment holding, cultivation of oil palm, processing of fresh fruit bunches ("FFB"), marketing of crude palm oil ("CPO"), palm kernel ("PK") and FFB, whilst the principal activities of the subsidiaries are as stated in Note 7 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

Ultimate Holding Company

The Company is a subsidiary of Lembaga Tabung Haji, a statutory body established under the Tabung Haji Act 1995 (Act 535) of which is incorporated in Malaysia and regarded by the Directors as the Company's ultimate holding corporation, during the financial year and until the date of this report.

Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 7 to the financial statements.

Results

	Group RM'000	Company RM'000
Profit for the year attributable to:		
Owners of the Company	75,178	43,628
Non-controlling interests	22,144	-
	97,322	43,628

Reserves and Provisions

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

Dividends

Since the end of the previous financial year, the amount of dividend paid by the Company in respect of the financial year ended 31 December 2023 as reported in the Directors report of that year was the final ordinary dividend of 2.00 sen per ordinary share totaling RM17,677,000 declared on 28 February 2024 and paid on 2 May 2024.

The final ordinary dividend recommended by the Directors in respect of the financial year ended 31 December 2024 is 3.00 sen per ordinary share, tax exempt under the single-tier tax system, totaling RM26,516,000.

Directors' Report

For The Year Ended 31 December 2024
(Continued)

Directors of the Company

Directors who served during the financial year until the date of this report are:

Director

Datuk Dr. Ahmad Kushairi bin Din

YM Tengku Dato' Seri Hasmuddin bin Tengku Othman

Tuan Syed Hamadah bin Syed Othman

Dr. Nurmazilah binti Dato' Mahzan

Dr. Shahril bin Simon

Kasmuri bin Sukardi

Fahda Nur binti Ahmad Kamar

Muhammad Ramizu bin Mustaffa

Haji Bakri bin Jamaluddin

(Resigned on 15 June 2024)

(Retired on 6 May 2024)

Directors of The Subsidiaries

The following is a list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) in office during the financial year until the date of this report:

Shafaruddin bin Hanafiah

Irwan bin Ayub

Abang Dato' Dr Haji Ariffin bin Abang Haji Bohan

Datuk Bolhassan bin Di @ Ahmad bin Di

Aliatun binti Mahmud

George Lentton Anak Indang

Yeo Kian Kok

Dato' Posa bin Haji Majais

Alam Shah bin Abdul Rahman

Mohamed Zainurin bin Mohamed Zain

Hazem Mubarak bin Musa

Mohd Azahar bin Yasin

Bibi Umizah binti Osman

Angeline Chia Poh Lin

Datu Sr. Zaidi bin Haji Mahdi

Datuk Sapawi bin Amat Wasali @ Ahmad

Sainuri bin Yahmin

Marliyana binti Omar

Sayed Ismail Nasiruddin bin Wan Hashim

Datu Monaliza binti Zaidel

Benjamin Anak Kudang

(Appointed on 1 May 2024)

(Appointed on 30 May 2024)

(Appointed on 30 May 2024)

(Appointed on 15 June 2024)

(Appointed on 9 October 2024)

(Resigned on 14 March 2024)

(Resigned on 30 September 2024)

Directors' Report

For The Year Ended 31 December 2024
(Continued)

Directors' Interests in Shares

None of the Directors holding office at 31 December 2024 had any interest in the shares of the Company and of its related corporations during the financial year.

The interests and deemed interests in the shares of the Company and of its related corporations of those who were Directors of the subsidiaries of the Company at financial year end as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2024	Bought	Sold	At 31.12.2024
Interest in the Company:				
Aliatun binti Mahmud – own	53,000	-	-	53,000
Mohd Azahar bin Yasin – own	5,200	-	-	5,200

None of the other Directors of the subsidiaries holding office at 31 December 2024 had any interest in the shares of the Company and of its related corporations during the financial year.

Directors' Benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than shown below) by reason of a contract made by the Company or a related corporation with the Director, or with a company in which the Director has a substantial financial interest.

The directors' benefits paid to or receivable by directors in respect of the financial year ended 31 December 2024 are as follows:

	From the Company RM'000	From subsidiary companies RM'000
Directors of the Company:		
Remuneration	902	1,378

There were no arrangements during and at the end of the financial year which had the object of enabling 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.

Issue of Shares and Debentures

There were no changes in the issued and paid-up capital of the Company during the financial year. There were no debentures issued during the financial year.

Options Granted Over Unissued Shares

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

Indemnity and Insurance Costs

There were no indemnity given to or insurance costs effected by any Director, officer or auditor of the Company during the year.

Directors' Report

For The Year Ended 31 December 2024
(Continued)

Other Statutory Information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

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

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

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 and which secures the liabilities of any other person, or
- 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 liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve 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 and of the Company to meet their obligations as and when they fall due.


In the opinion of the Directors, the financial performance of the Group and the Company for the financial year ended 31 December 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

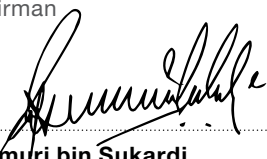
The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration of the Group and Company during the year are RM730,000 and RM150,000 respectively.

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



Datuk Dr. Ahmad Kushairi bin Din
Chairman



Kasimuri bin Sukardi
Director

Kuala Lumpur,
Date: 6 March 2025

Statements of Financial Position

As At 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Assets					
Property, plant and equipment	3	822,434	863,608	106,473	104,473
Right-of-use assets	4	629,804	640,677	48,748	49,693
Plantation development expenditure	5	57,680	35,100	3,247	8,501
Forestry	6	63,899	42,487	-	-
Investments in subsidiaries	7	-	-	1,307,804	1,026,003
Investments in an associate	8	200	-	-	-
Other investments	9	1,825	1,825	1,825	1,825
Deferred tax assets	10	22,174	38,884	-	-
Finance lease receivable	11	-	-	46,596	46,614
Total non-current assets		1,598,016	1,622,581	1,514,693	1,237,109
Inventories	12	11,598	11,584	1,208	1,640
Biological asset	13	27,519	21,940	5,164	4,117
Current tax assets		12,730	8,891	8,210	4,089
Other investments	9	119,361	59,895	118,010	58,560
Finance lease receivable	11	-	-	18	16
Trade and other receivables	14	38,601	31,545	284,826	369,157
Prepayments and other assets		4,453	4,226	117	120
Cash and cash equivalents	15	71,962	82,465	55,947	65,969
		286,224	220,546	473,500	503,668
Assets classified as held for sale	16	808,604	783,191	-	-
Total current assets		1,094,828	1,003,737	473,500	503,668
Total assets		2,692,844	2,626,318	1,988,193	1,740,777

Statements of Financial Position

As At 31 December 2024
(Continued)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Equity					
Capital and reserve	17	778,819	771,984	762,623	762,623
(Accumulated losses)/ retained earnings		(18,241)	(57,753)	300,975	275,024
Equity attributable to owners of the Company		760,578	714,231	1,063,598	1,037,647
Perpetual sukuk	18	300,000	300,000	-	-
Non-controlling interests		308,322	298,932	-	-
Total equity		1,368,900	1,313,163	1,063,598	1,037,647
Liabilities					
Loans and borrowings	19	755,644	791,323	-	-
Lease liabilities		74,209	74,312	59,042	57,421
Employee benefits	20	60	25	-	-
Deferred tax liabilities	10	193,282	191,196	32,902	33,782
Trade and other payables	21	20,476	17,881	378,822	186,635
Total non-current liabilities		1,043,671	1,074,737	470,766	277,838
Loans and borrowings	19	38,750	36,000	-	-
Lease liabilities		3,195	3,178	1,621	1,621
Current tax liabilities		7	2,064	-	-
Trade and other payables	21	89,594	60,553	452,208	423,671
		131,546	101,795	453,829	425,292
Liabilities classified as held for sale	16	148,727	136,623	-	-
Total current liabilities		280,273	238,418	453,829	425,292
Total liabilities		1,323,944	1,313,155	924,595	703,130
Total equity and liabilities		2,692,844	2,626,318	1,988,193	1,740,777

Statements of Profit or Loss and Other Comprehensive Income

For The Year Ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	22	877,732	752,027	292,156	227,637
Fair value changes on forestry	6	23,399	3,529	-	-
Fair value changes on biological asset	13	7,251	1,767	1,047	1,276
Cost of sales	23	(638,086)	(595,885)	(178,663)	(147,084)
Gross profit		270,296	161,438	114,540	81,829
Other income		4,288	21,258	1,850	1,583
Administrative expenses		(45,798)	(38,747)	(9,782)	(8,053)
Other expenses		(21,818)	(8,921)	(2,651)	(2,474)
Impairment loss on amount due from subsidiaries		-	-	(37,284)	(7,773)
Reversal of impairment loss on financial instruments		-	26	-	-
Results from operating activities		206,968	135,054	66,673	65,112
Finance income	24	4,693	3,647	35,293	37,628
Finance costs	25	(51,241)	(52,794)	(46,869)	(37,697)
Net finance costs		(46,548)	(49,147)	(11,576)	(69)
Profit before tax		160,420	85,907	55,097	65,043
Tax expense	26	(63,098)	(25,811)	(11,469)	(8,275)
Profit for the year	27	97,322	60,096	43,628	56,768
Other comprehensive income, net of tax					
Items that are or may be reclassified subsequently to profit or loss, net of tax					
Foreign currency translation differences for foreign operations	28	7,350	(802)	-	-
		7,350	(802)	-	-
Other comprehensive income/ (expense) for the year, net of tax		7,350	(802)	-	-
Total comprehensive income for the year		104,672	59,294	43,628	56,768
Profit attributable to:					
Owners of the Company		75,178	46,618	43,628	56,768
Non-controlling interests		22,144	13,478	-	-
Profit for the year		97,322	60,096	43,628	56,768
Total comprehensive income attributable to:					
Owners of the Company		82,013	46,177	43,628	56,768
Non-controlling interests		22,659	13,117	-	-
Total comprehensive income for the year		104,672	59,294	43,628	56,768
Basic/ Diluted earnings per ordinary share (sen)	29	6.47	3.29	-	-

The notes on pages 170 to 245 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For The Year Ended 31 December 2024

Group	Note	← Attributable to owners of the Company →								
		← Non-distributable →								
		Share capital	Other reserves	Foreign currency translation reserves	Total capital reserve	Accumulated losses	Total	Perpetual sukuk	Non-controlling interest	Total equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2023		862,752	(80,663)	(9,664)	772,425	(73,566)	698,859	300,000	308,249	1,307,108
Foreign currency translation differences for foreign operations		-	-	(441)	(441)	-	(441)	-	(361)	(802)
Total other comprehensive expense for the year		-	-	(441)	(441)	-	(441)	-	(361)	(802)
Profit for the year		-	-	-	-	46,618	46,618	-	13,478	60,096
Total comprehensive (expense)/ income for the year		-	-	(441)	(441)	46,618	46,177	-	13,117	59,294
Profit distribution of perpetual sukuk		-	-	-	-	(17,547)	(17,547)	-	-	(17,547)
<i>Contribution by and distribution to owners of the Company</i>										
Dividend to owner of the Company	30	-	-	-	-	(13,258)	(13,258)	-	(22,434)	(35,692)
Total transactions with owners of the Company		-	-	-	-	(13,258)	(13,258)	-	(22,434)	(35,692)
At 31 December 2023		862,752	(80,663)	(10,105)	771,984	(57,753)	714,231	300,000	298,932	1,313,163
At 1 January 2024		862,752	(80,663)	(10,105)	771,984	(57,753)	714,231	300,000	298,932	1,313,163
Foreign currency translation differences for foreign operations		-	-	6,835	6,835	-	6,835	-	515	7,350
Total other comprehensive expense for the year		-	-	6,835	6,835	-	6,835	-	515	7,350
Profit for the year		-	-	-	-	75,178	75,178	-	22,144	97,322
Total comprehensive income for the year		-	-	6,835	6,835	75,178	82,013	-	22,659	104,672
Profit distribution of perpetual sukuk		-	-	-	-	(17,989)	(17,989)	-	-	(17,989)
<i>Contribution by and distribution to owners of the Company</i>										
Dividend to owner of the Company	30	-	-	-	-	(17,677)	(17,677)	-	(13,269)	(30,946)
Total transactions with owners of the Company		-	-	-	-	(17,677)	(17,677)	-	(13,269)	(30,946)
At 31 December 2024		862,752	(80,663)	(3,270)	778,819	(18,241)	760,578	300,000	308,322	1,368,900

Statement of Changes in Equity

For The Year Ended 31 December 2024

Company	Note	← Attributable to owners of the Company →				
		Share capital RM'000	Other reserves RM'000	Total capital reserve RM'000	Retained earnings RM'000	Total equity RM'000
At 1 January 2023		862,752	(100,129)	762,623	231,514	994,137
Profit for the year		-	-	-	56,768	56,768
Total comprehensive income for the year		-	-	-	56,768	56,768
<i>Contribution by and distribution to owners of the Company</i>						
Dividends to owners of the Company	30	-	-	-	(13,258)	(13,258)
Total transactions with owners of the Company		-	-	-	(13,258)	(13,258)
At 31 December 2023/ 1 January 2024		862,752	(100,129)	762,623	275,024	1,037,647
Profit for the year		-	-	-	43,628	43,628
Total comprehensive income for the year		-	-	-	43,628	43,628
<i>Contribution by and distribution to owners of the Company</i>						
Dividends to owners of the Company	30	-	-	-	(17,677)	(17,677)
Total transactions with owners of the Company		-	-	-	(17,677)	(17,677)
At 31 December 2024		862,752	(100,129)	762,623	300,975	1,063,598

Statements of Cash Flows

For The Year Ended 31 December 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from operating activities					
Profit before tax		160,420	85,907	55,097	65,043
<i>Adjustments for:</i>					
Depreciation of property, plant and equipment	3.1	67,596	65,476	6,954	6,512
Property, plant and equipment written off		113	1,198	-	25
Property, plant and equipment written off in relation to assets held for sale	16	311	23	-	-
Gain on disposal of right-of-use assets	27	-	(2,851)	-	-
Gain on disposal of right-of-use assets in relation to assets held for sale	27	-	(692)	-	-
Depreciation of right-of-use assets	4	10,738	10,755	945	943
Impairment loss on property, plant and equipment in relation to assets held for sale	16	-	1,038	-	-
Impairment loss on forestry	6	1,987	-	-	-
Change in fair value of forestry	6	(23,399)	(3,529)	-	-
Reversal of impairment loss on other receivables	27	-	(26)	-	-
Impairment loss on amount due from subsidiaries	27	-	-	37,284	7,773
Change in fair value of biological asset	13	(7,251)	(1,767)	(1,047)	(1,276)
(Income)/expenses related to retirement benefit plan	27	35	(403)	-	-
Dividend income	22	(91)	(109)	(62,646)	(45,481)
Profit margin income from short-term investments and other receivables	24	(4,693)	(3,647)	(31,469)	(33,803)
Finance income on finance lease receivable	24	-	-	(3,824)	(3,825)
Unrealised foreign exchange	27	13,920	(11,712)	-	-
Finance costs	25	42,334	43,896	42,027	32,979
Finance costs on lease liabilities	25	8,907	8,898	4,842	4,718
Zakat expense		2,331	2,441	1,227	941

Statements of Cash Flows

For The Year Ended 31 December 2024
(Continued)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Operating profit before changes in working capital		273,258	194,896	49,390	34,549
Change in inventories		(14)	21,404	432	975
Change in trade and other payables		57,115	16,222	9,308	4,208
Change in trade and other receivables, prepayments and other assets		(33,599)	(31,250)	43,228	(29,901)
Change in employee benefits		35	(403)	-	-
Change in assets held for sale		(25,413)	(2,151)	-	-
Change in liabilities held for sale		12,104	1,934	-	-
Cash generated from operations		283,486	200,652	102,358	9,831
Profit margin income from short-term investments and other receivables	24	4,693	3,647	31,469	33,803
Finance income on finance lease receivable	24	-	-	3,824	3,825
Finance costs	25	(42,334)	(43,896)	(42,027)	(32,979)
Finance costs on lease liabilities	25	(8,907)	(8,898)	(4,842)	(4,718)
Zakat paid		(2,045)	(1,500)	(941)	-
Tax paid		(52,075)	(33,870)	(16,470)	(8,814)
Tax refund		97	1,900	-	-
Net cash generated from operating activities		182,915	118,035	73,371	948
Cash flows from investing activities					
Acquisition of property, plant and equipment	3	(27,205)	(18,438)	(2,569)	(3,312)
Acquisition of property, plant and equipment in relation to assets held for sale	16	(5,734)	(8,341)	-	-
Acquisition of right-of-use assets	4	(7)	-	-	-
Acquisition of right-of-use assets in relation to assets held for sale	16	-	(536)	-	-
Plantation development expenditure	(i)	(26,687)	(19,725)	(1,131)	(2,657)
Proceeds from disposal of property, plant and equipment		-	789	-	-
Proceeds from disposal property, plant and equipment in relation to assets held for sale		-	107	-	-
Proceeds from disposal of right-of-use assets		-	2,865	-	-
Proceeds from disposal of right-of-use assets in relation to assets held for sale		-	698	-	-
Increase in other investments		(59,466)	(31,972)	(59,450)	(33,860)
Capital contribution to a subsidiary	7	-	-	(281,801)	-
Subscription of shares in an associate	8	(200)	-	-	-
Dividends received		91	109	62,646	45,481
Net cash (used in)/generated from investing activities		(119,208)	(74,444)	(282,305)	5,652

Statements of Cash Flows

For The Year Ended 31 December 2024
(Continued)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash flows from financing activities					
Dividends paid to non-controlling interests	21.4	(13,269)	(22,434)	-	-
Dividend paid to owners of the Company	21.4	(17,740)	(13,204)	(17,740)	(13,204)
Loan repayment	19	(35,500)	(31,500)	-	-
Increase in amounts due to subsidiaries	21.5	-	-	216,033	(25,760)
Payment of lease liabilities		(9,083)	(8,586)	(3,221)	(3,221)
Proceed from lease receivable	11	-	-	3,840	3,840
Net cash (used in)/generated from financing activities		(75,592)	(75,724)	198,912	(38,345)
Net decrease in cash and cash equivalents		(11,885)	(32,133)	(10,022)	(31,745)
Cash and cash equivalents at 1 January	(ii)	84,236	116,369	65,969	97,714
Cash and cash equivalents at 31 December	(ii)	72,351	84,236	55,947	65,969

Cash outflows for leases as a lessee

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Included in net cash from operating activities					
Finance costs on lease liabilities	25	8,907	8,898	4,842	4,718
Included in net cash from financing activities					
Payment of lease liabilities		(9,083)	(8,586)	(3,221)	(3,221)
Total cash outflows for leases		(176)	312	1,621	1,497

Statements of Cash Flows

For The Year Ended 31 December 2024
(Continued)

Reconciliation of movements of lease liabilities to cash flows arising from financing activities

	At 1 January 2024 RM'000	Net changes from financing cash flows RM'000	Acquisition of new lease RM'000	Remeasurement of lease liabilities RM'000	Other changes RM'000	At 31 December 2024 RM'000
Group						
Lease liabilities	77,490	(176)	7	-	83	77,404
Company						
Lease liabilities	59,042	1,621	-	-	-	60,663
	At 1 January 2023 RM'000	Net changes from financing cash flows RM'000	Acquisition of new lease RM'000	Remeasurement of lease liabilities RM'000	Other changes RM'000	At 31 December 2023 RM'000
Group						
Lease liabilities	77,600	312	-	-	(422)	77,490
Company						
Lease liabilities	57,545	1,497	-	-	-	59,042

(i) Plantation development expenditure

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Additions of plantation development expenditure	5	(26,121)	(18,622)	(1,142)	(2,696)
Additions of nurseries	5	(1,247)	(1,657)	-	-
Depreciation of property, plant and equipment	5	642	532	11	37
Depreciation of right-of-use asset	5	39	22	-	2
		(26,687)	(19,725)	(1,131)	(2,657)

(ii) Cash and cash equivalents

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deposits		146,611	91,475	145,260	90,140
Less: Other investments	9	(119,361)	(59,895)	(118,010)	(58,560)
	15	27,250	31,580	27,250	31,580
Cash and bank balances		45,101	52,656	28,697	34,389
		72,351	84,236	55,947	65,969
Assets classified as held for sale	16.1	(389)	(1,771)	-	-
	15	71,962	82,465	55,947	65,969

The notes on pages 170 to 245 form an integral part of these financial statements.

Notes to The Financial Statements

TH Plantations Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The address of the principal place of business and registered office of the Company is as follows:

Principal place of business/Registered office

Tingkat 23
Menara TH Selborn
153, Jalan Tun Razak
50400 Kuala Lumpur

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”) and the Group’s interests in associates.

The Company is principally engaged in investment holding, cultivation of oil palm, processing of fresh fruit bunches (“FFB”), marketing of crude palm oil (“CPO”), palm kernel (“PK”) and FFB.

The holding corporation during the financial year is Lembaga Tabung Haji, a statutory body established under the Tabung Haji Act 1995 (Act 535) of which is incorporated in Malaysia.

These financial statements were authorised for issue by the Board of Directors on 6 March 2025.

1. Basis of Preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board (“MFRS Accounting Standards”), IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
 - > Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
 - > Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - > Amendments to MFRS 9, *Financial Instruments*
 - > Amendments to MFRS 10, *Consolidated Financial Statements*
 - > Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

Notes to The
Financial Statements**1. Basis of Preparation (Continued)****(a) Statement of compliance (continued)*****MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027***

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the above mentioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.
- from the annual period beginning on 1 January 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026, except for Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity* which are not applicable to the Group and the Company.
- from the annual period beginning on 1 January 2027 for the amendments that are effective for annual periods beginning on or after 1 January 2027.

The initial application of the accounting standards, interpretations or amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Group and the Company.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured based on the measurement bases stated below:

Items	Measurement bases
Biological asset	Fair value
Forestry	Fair value
Other investment	Fair value

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM has been rounded to the nearest thousand, unless otherwise stated.

Notes to The Financial Statements

1. Basis of Preparation (Continued)

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than as disclosed in the following notes:

(i) Recoverable amount of bearer plant and plantation development expenditure and right-of-use assets ("plantation assets")

Management reviews its plantation assets for objective evidence of impairment annually. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the performance of the plantation assets or whether there have been significant changes with adverse effect in the market environment in which the plantation assets operates in.

When there is an indication of impairment, management measured the recoverable amounts based on fair value less cost to sell of the plantation assets. Significant assumptions used to derive to the fair value less cost to sell are as shown in Note 3, 4 and 5.

(ii) Assets held for sale

The fair value less costs to sell of assets held for sale is determined based on valuation conducted by independent external valuer.

(iii) Forestry

The fair value of forestry is determined using valuation prepared by an independent valuer and on an offer from market participant. The valuation on independent valuer involved making assumptions about discount rate, future price of latex and log, yield of latex, volume of log, future upkeep and cultivation cost, harvesting cost, casualties and estimated land rental. As such, this estimated fair value is subject to significant uncertainty. Significant assumptions used to derive fair value are as shown in Note 6.

(iv) Recoverability of amount due from related companies and subsidiaries

The Group and the Company provide loans and advances to related companies and subsidiaries. The Group and the Company monitor the results of the related companies and subsidiaries regularly, as well as their ability to repay the loans and advances on an individual basis as disclosed in Note 32.4.

It is assumed that there is a significant increase in credit risk when related companies and subsidiaries financial position deteriorate significantly. As the Group and the Company are able to determine the timing of payments of the related companies and subsidiaries loans and advances when they are payable, loans and advances are considered to be in default when the related companies and subsidiaries are not able to pay when demanded. A related company's and subsidiary's loans and advances are considered to be credit impaired when:

- a) the related companies and subsidiaries are unlikely to repay their loans or advances to the Group and Company in full;
- b) the related companies and subsidiaries loans and advances are overdue for more than 365 days; or
- c) the related companies and subsidiaries are continuously loss making and has a deficit in shareholders' fund.

Notes to The
Financial Statements**1. Basis of Preparation (Continued)****(d) Use of estimates and judgements (continued)****(v) Deferred Tax**

Estimating the deferred tax assets to be recognised requires a process that involves determining appropriate tax provisions, forecasting future years taxable income and assessing the ability to utilise tax benefits through future earnings. The actual utilisation of tax benefits may be different from expected.

2. Material Accounting Policies**2.1 Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants**

The Group has adopted the amendments to MFRS 101, *Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants* from 1 January 2024. The amendments clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current loan liabilities that are subject to covenants within 12 months after the reporting period (see note 19).

The amendments have been applied retrospectively. The Group has analysed all existing borrowings and determined that the new amendments did not result in a change in the classification of the Group's borrowings. There is also no retrospective impact on the comparative statement of financial position.

Material accounting policy information

The accounting policies set out below have been applied consistently to the periods presented in these financial statements and have been applied consistently by Group entities, unless otherwise stated.

(a) Basis of consolidation**(i) Subsidiaries**

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Notes to The Financial Statements

2. Material Accounting Policies (Continued)

(a) Basis of consolidation (continued)

(ii) Business combinations (continued)

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Acquisitions of non-controlling interests

The Group accounts for all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(iv) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(v) Associates

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not control, over the financial and operating policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method less any impairment losses, unless it is classified as held for sale or distribution. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investment is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in the profit or loss.

Notes to The
Financial Statements**2. Material Accounting Policies (Continued)****(a) Basis of consolidation (continued)****(v) Associates (continued)**

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not remeasured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

Investment in associates are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(vi) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(vii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Foreign currency**(i) Foreign currency transactions**

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or a financial instrument designated as a hedge of currency risk, which are recognised in other comprehensive income.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve ("FCTR") in equity.

Notes to The Financial Statements

2. Material Accounting Policies (Continued)

(b) Foreign currency (continued)

(ii) Operations denominated in functional currencies other than Ringgit Malaysia

The assets and liabilities of operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period. The income and expenses of foreign operations are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the FCTR in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence is lost, the cumulative amount in the FCTR related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

(c) Financial instruments

(i) Recognition and initial measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financial component is initially measured at the transaction price.

An embedded derivative is recognised separately from the host contract where the host contract is not a financial asset, and accounted for separately if, and only if, the derivative is not closely related to the economic characteristics and risks of the host contract and the host contract is not measured at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(ii) Financial instrument categories and subsequent measurement

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

Notes to The
Financial Statements**2. Material Accounting Policies (Continued)****(c) Financial instruments (continued)****(ii) Financial instrument categories and subsequent measurement (continued)*****Financial assets (continued)*****(a) Amortised cost**

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely for payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Profit margin income from short-term investments and receivables, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Profit margin income from short-term investments and receivables are recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2(j)(i)) where the effective interest rate is applied to the amortised cost.

(b) Fair value through profit or loss

All financial assets not measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. On initial recognition, the Group or the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at fair value through profit or loss are subject to impairment assessment (see Note 2(j)(i)).

Financial liabilities

The categories of financial liabilities at initial recognition are as follows:

(a) Amortised cost

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Finance costs and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

Notes to The Financial Statements

2. Material Accounting Policies (Continued)

(c) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement (continued)

Financial liabilities (continued)

(b) Fair value through profit or loss

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination and financial liabilities that are specifically designated into this category upon initial recognition.

On initial recognition, the Group or the Company may irrevocably designate a financial liability that otherwise meets the requirements to be measured at amortised cost as at fair value through profit or loss:

- (a) if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise;
- (b) a group of financial liabilities or assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the Group's key management personnel; or
- (c) if a contract contains one or more embedded derivatives and the host is not a financial asset in the scope of MFRS 9, where the embedded derivative significantly modifies the cash flows and separation is not prohibited.

Financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair value with gains or losses, including any interest expense are recognised in the profit or loss.

For financial liabilities where it is designated as fair value through profit or loss upon initial recognition, the Group and the Company recognise the amount of change in fair value of the financial liability that is attributable to change in credit risk in the other comprehensive income and remaining amount of the change in fair value in the profit or loss, unless the treatment of the effects of changes in the liability's credit risk would create or enlarge an accounting mismatch.

(iii) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

- (a) the recognition of an asset to be received and the liability to pay for it on the trade date; and
- (b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Notes to The
Financial Statements**2. Material Accounting Policies (Continued)****(c) Financial instruments (continued)****(iv) Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value.

Liabilities arising from financial guarantees are presented together with other provisions.

(v) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group or the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(d) Property, plant and equipment**(i) Recognition and measurement**

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Bearer plant is living plant that is used in the production of agriculture produce for more than one period. The bearer plant that is available for use are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes plantation expenditure, which represents the total cost incurred from land clearing to the point of harvesting.

Notes to The Financial Statements

2. Material Accounting Policies (Continued)

(d) Property, plant and equipment (continued)

(ii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date they are ready for its intended use, except for bearer plant which is depreciated over twenty seven (27) years from the date it is ready for commercial harvesting, based on estimated individual estate output of the bearer plant during the financial year. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

• bearer plant	27 years
• building	5-30 years
• plant, machinery and equipment	10-15 years
• motor vehicles	5-10 years
• computer equipment	3-5 years

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period, and adjusted as appropriate.

(e) Leases

(i) Lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(ii) Recognition exemption

(a) As a lessee

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(f) Plantation development expenditure

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to the point of commercial harvesting. The cost also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

All expenditure relating to development of oil palm estate (immature estate) will be capitalised under plantation development expenditure. An estate is declared mature when they are ready for commercial harvesting. This cost will be depreciated over useful life when the expenditure is transferred to property, plant and equipment when the estate matures.

Estate overhead expenditure is apportioned to revenue and plantation development expenditure on the basis of the proportion of mature to immature areas.

Nurseries are stated at cost. This cost relates to nursery maintenance costs.

Notes to The
Financial Statements**2. Material Accounting Policies (Continued)****(g) Forestry**

Forestry are measured on initial recognition and at subsequent reporting dates at fair value, with any changes in fair value of forestry during a year recognised in profit and loss.

The fair value of forestry is derived based on valuation performed by an independent valuer.

Nurseries fair value are deemed at cost. This cost relates to nursery maintenance costs.

(h) Inventories

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

The cost of finished goods is calculated using the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. The cost includes an appropriate share of production overheads based on normal operating capacity.

Cost of stores consists of the invoiced value from suppliers and is calculated using the weighted average method.

(i) Deposits with licensed banks

The group classifies deposits with licensed banks not held for working capital purposes that have maturity of more than three months as other investments.

(j) Impairment**(i) Financial assets**

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, cash and bank balance for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

Notes to The Financial Statements

2. Material Accounting Policies (Continued)

(j) Impairment (continued)

(i) Financial assets (continued)

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's or the Company's procedures for recovery amounts due.

(ii) Other assets

The carrying amounts of other assets (except for inventories, assets held for sale, finance lease receivables, deferred tax asset and forestry) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill which has indefinite useful lives, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

Notes to The Financial Statements

2. Material Accounting Policies (Continued)

(k) Equity instruments

Perpetual sukuk

Perpetual sukuk is classified as equity as there is no contractual obligation to redeem the instrument. The perpetual sukuk is redeemable only at the option of the Company's subsidiary.

Profit distribution on perpetual sukuk is recognised in the consolidated statement of changes in equity in the period in which it is declared.

(l) Revenue and other income

Goods sold

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group and the Company recognise revenue when or as it transfers control over a product or service to customer. An asset is transferred when or as the customer obtains control of the asset.

The Group and the Company transfer control of a good or service at a point in time unless one of the following criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided as the Group and the Company performs;
- (b) the Group's and the Company's performance create or enhance an asset that the customer controls as the asset is created or enhanced; or
- (c) the Group's and the Company's performance do not create an asset with an alternative use and the Group and the Company have an enforceable right to payment for performance completed to date.

(m) Biological asset

Biological asset comprise agricultural produce that grows on oil palm plantations.

A gain or loss arising on initial recognition of a biological asset at fair value less costs to sell and from a change in fair value less costs to sell of a biological asset shall be included in profit or loss for the period in which it arises.

(n) Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

As perpetual sukuk may be repurchased under the Group's tender offer to the holders, the excess of the fair value of the consideration paid to the perpetual sukuk holders over the carrying amount of the perpetual sukuk represents a return to the holders of the perpetual sukuk and a charge to retained earnings for the entity. This amount is deducted in calculating profit or loss attributable to ordinary equity holders of the Company.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

Notes to The Financial Statements

2. Material Accounting Policies (Continued)

(o) Non-current assets held for sale or distribution to owners

Non-current assets, or disposal group comprising assets and liabilities that are expected to be recovered primarily through sale or distribution to owners rather than through continuing use, are classified as held for sale or distribution.

Immediately before classification as held for sale or distribution, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policy. Thereafter, generally the assets, or disposal group are measured at the lower of their carrying amount and fair value less costs of disposal.

Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets and deferred tax assets, which continue to be measured in accordance with the Group's. Impairment losses on initial classification as held for sale or distribution and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Intangible assets, property, plant and equipment and right-of-use assets once classified as held for sale or distribution are not amortised or depreciated.

3. Property, Plant and Equipment

Group	Note	Bearer plant RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Computer equipment RM'000	Motor Vehicles RM'000	Work-in- progress RM'000	Total RM'000
Cost								
At 1 January 2023		1,041,143	196,740	153,850	15,453	52,854	7,744	1,467,784
Additions		-	1,985	1,694	155	6,021	8,583	18,438
Transfer from plantation development expenditure	5	90,101	-	-	-	-	-	90,101
Written off		(8,745)	(444)	(154)	(45)	(1,291)	-	(10,679)
Disposals	3.2	(858)	-	-	-	-	-	(858)
Transfers from work-in-progress		-	6,013	6,085	8	13	(12,119)	-
Effect of movement in exchange rate		2,036	29	19	9	28	2	2,123
At 31 December 2023/ 1 January 2024		1,123,677	204,323	161,494	15,580	57,625	4,210	1,566,909
Additions		-	3,546	2,464	278	4,304	16,613	27,205
Transfer from plantation development expenditure	5	59,934	-	-	-	-	-	59,934
Written off		(6,136)	(851)	(4,313)	(134)	(3,967)	-	(15,401)
Transfers from work-in-progress		-	8,448	3,502	651	-	(12,601)	-
Effect of movement in exchange rate		(6,025)	(2,107)	(25)	(12)	(36)	(53)	(8,258)
At 31 December 2024		1,171,450	213,359	163,122	16,363	57,926	8,169	1,630,389

Notes to The
Financial Statements**3. Property, Plant and Equipment (Continued)**

Group	Note	Bearer plant RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Computer equipment RM'000	Motor Vehicles RM'000	Work-in- progress RM'000	Total RM'000
Accumulated depreciation and impairment loss								
At 1 January 2023								
Accumulated depreciation		345,159	78,866	91,968	14,272	37,804	-	568,069
Accumulated impairment loss		67,029	-	-	-	-	-	67,029
		412,188	78,866	91,968	14,272	37,804	-	635,098
Depreciation for the year	3.1	49,513	6,194	7,360	383	2,558	-	66,008
Impairment loss transfer from plantation development expenditure	5	11,401	-	-	-	-	-	11,401
Written off		(7,739)	(316)	(111)	(41)	(1,274)	-	(9,481)
Disposals	3.2	(69)	-	-	-	-	-	(69)
Effect of movement in exchange rate		288	12	13	9	22	-	344
At 31 December 2023								
Accumulated depreciation		387,152	84,756	99,230	14,623	39,110	-	624,871
Accumulated impairment loss		78,430	-	-	-	-	-	78,430
		465,582	84,756	99,230	14,623	39,110	-	703,301
At 1 January 2024								
Accumulated depreciation		387,152	84,756	99,230	14,623	39,110	-	624,871
Accumulated impairment loss		78,430	-	-	-	-	-	78,430
		465,582	84,756	99,230	14,623	39,110	-	703,301
Depreciation for the year	3.1	49,193	8,603	7,219	331	2,892	-	68,238
Impairment loss transfer from plantation development expenditure	5	55,146	-	-	-	-	-	55,146
Written off		(6,130)	(803)	(4,288)	(133)	(3,934)	-	(15,288)
Effect of movement in exchange rate		(3,277)	(103)	(21)	(11)	(30)	-	(3,442)
At 31 December 2024								
Accumulated depreciation		426,938	92,453	102,140	14,810	38,038	-	674,379
Accumulated impairment loss		133,576	-	-	-	-	-	133,576
		560,514	92,453	102,140	14,810	38,038	-	807,955
Carrying amounts								
At 1 January 2023		628,955	117,874	61,882	1,181	15,050	7,744	832,686
At 31 December 2023/ 1 January 2024		658,095	119,567	62,264	957	18,515	4,210	863,608
At 31 December 2024		610,936	120,906	60,982	1,553	19,888	8,169	822,434

Notes to The Financial Statements

3. Property, Plant and Equipment (Continued)

Company	Note	Bearer plant RM'000	Buildings RM'000	Plant, machinery and equipment RM'000	Computer equipment RM'000	Motor Vehicles RM'000	Work-in- progress RM'000	Total RM'000
Cost								
At 1 January 2023		107,228	19,746	22,358	347	6,939	256	156,874
Additions		-	29	175	-	918	2,190	3,312
Transfer from plantation development expenditure	5	5,795	-	-	-	-	-	5,795
Transfer from work-in-progress		-	926	380	-	13	(1,319)	-
Written off		-	-	(59)	-	(547)	-	(606)
At 31 December 2023/ 1 January 2024		113,023	20,701	22,854	347	7,323	1,127	165,375
Additions		-	71	330	66	787	1,315	2,569
Transfer from plantation development expenditure	5	6,396	-	-	-	-	-	6,396
Transfer from work-in-progress		-	1,541	529	-	-	(2,070)	-
Written off		-	-	(148)	(6)	(87)	-	(241)
At 31 December 2024		119,419	22,313	23,565	407	8,023	372	174,099
Accumulated depreciation								
At 1 January 2023		20,242	13,450	16,335	290	4,617	-	54,934
Depreciation for the year	3.1	5,147	326	658	27	391	-	6,549
Written off		-	-	(51)	-	(530)	-	(581)
At 31 December 2023/ 1 January 2024		25,389	13,776	16,942	317	4,478	-	60,902
Depreciation for the year	3.1	5,424	372	697	15	457	-	6,965
Written off		-	-	(148)	(6)	(87)	-	(241)
At 31 December 2024		30,813	14,148	17,491	326	4,848	-	67,626
Carrying amounts								
At 1 January 2023		86,986	6,296	6,023	57	2,322	256	101,940
At 31 December 2023/ 1 January 2024		87,634	6,925	5,912	30	2,845	1,127	104,473
At 31 December 2024		88,606	8,165	6,074	81	3,175	372	106,473

3.1 Breakdown of depreciation charge for the year, are as follows:

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Recognised in profit or loss		67,596	65,476	6,954	6,512
Capitalised in plantation development expenditure	5	642	532	11	37
		68,238	66,008	6,965	6,549

Notes to The
Financial Statements**3. Property, Plant and Equipment (Continued)****3.2 Disposal of property, plant and equipment**

In prior year, Sarawak State Government has taken possession a portion of land consisting bearer plant belonging to a subsidiary, with a total compensation of RM3,654,000 (See Note 4.3).

3.3 Impairment testing on property, plant and equipment

The Group has engaged a registered valuer in prior year to value the plantation assets comprising of bearer plant, other assets and right-of-use assets ("ROU") of a subsidiary that has not been performing up to Group's expectation. As at 31 December 2023, the total carrying amounts of the plantation assets amounted to RM77,841,000. The Group is of the view that the fair value less costs to sell is consistent with prior year's valuation report, as there is no significant change in the market condition. The cash-generating unit comprises both the planted area related to palm oil and the plantable area.

The following table summarises the valuation method and assumptions used in the determination of fair value less cost to sell as well as the significant unobservable inputs used in the valuation models in prior year.

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Plantations assets		
Discounted cash flows: The valuation method considers the present value of net cash flows to be generated from bearer plant, considering expected projected FFB yield, FFB sales price, upkeep and maintenance cost. The expected net cash flows are discounted using risk-adjusted discount rates.	<ul style="list-style-type: none"> Expected projected FFB yield (3.55 mt/ha – 19.30 mt/ha) FFB sales price (RM657/mt – RM673/mt) Upkeep and maintenance cost (RM2,035/ha – RM2,622/ha) Pre-tax discount rate (10%) 	<p>The estimated fair value would increase/ (decrease) if:</p> <ul style="list-style-type: none"> Expected projected FFB yield were higher/(lower); FFB sales price higher/(lower); Upkeep and maintenance cost were lower/(higher); Discount rates were lower/(higher).
Land		
Direct comparison method: Market value of comparable land in close proximity are adjusted for differences in key attributes such as land size. The most significant input into this valuation approach is market price per hectare.	<ul style="list-style-type: none"> Land value per hectare (RM6,186/ha) 	<p>The estimated fair value would increase/ (decrease) if:</p> <ul style="list-style-type: none"> The price per hectare is higher/ (lower).

The values assigned to the key assumptions represent the valuer's assessment of future trends in the oil palm industry and are based on external sources and internal sources (historical data).

Notes to The Financial Statements

3. Property, Plant and Equipment (Continued)

3.3 Impairment testing on property, plant and equipment (continued)

The estimated recoverable amount of the cash-generating unit is based on its fair value less cost to sell. No impairment loss is being recognised as the recoverable amount of the cash-generating unit is higher than the carrying amount of the cash-generating unit.

The above estimates are particularly sensitive in the following cases:

- A reduction in price of FFB by 10% would have resulted in an impairment loss of RM5,138,000.
- A reduction in yield per hectare by 15% would have resulted in an impairment loss of RM4,641,000.
- An increase in discount rate by 3% would have resulted in an impairment loss of RM1,353,000.

3.4 Certain property, plant and equipment of Group and Company amounting to RM100,226,000 (2023: RM100,317,000) are pledged as securities for borrowing as disclosed in Note 18 and Note 19.

4. Right-Of-Use Assets

	Note	Group RM'000
At 1 January 2023		651,387
Depreciation for the year	4.2	(10,777)
Write off during the year		(1)
Disposal during the year	4.3	(14)
Effect of movement in exchange rate		82
At 31 December 2023/1 January 2024		640,677
Addition		7
Depreciation for the year	4.2	(10,777)
Effect of movement in exchange rate		(103)
At 31 December 2024		629,804

	Note	Company RM'000
At 1 January 2023		50,638
Depreciation for the year	4.2	(945)
At 31 December 2023/1 January 2024		49,693
Depreciation for the year	4.2	(945)
At 31 December 2024		48,748

Notes to The
Financial Statements**4. Right-Of-Use Assets (Continued)**

4.1 Included in right-of-use assets is in relation to the leasehold land with unexpired lease period of more than 30 to 999 years and 60 to 99 years for the Group and the Company respectively. Certain leasehold land of the Group and Company amounting to RM11,568,000 (2023: RM11,827,000) are pledged as securities for borrowings as disclosed in Note 18 and Note 19.

4.2 Breakdown of depreciation charge for the year, are as follows:

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Recognised in profit or loss		10,738	10,755	945	943
Capitalised in plantation development expenditure	5	39	22	-	2
		10,777	10,777	945	945

4.3 In prior year, Sarawak State Government has taken possession a portion of land belonging to a subsidiary with a total compensation of RM3,654,000 (See Note 3.2).

4.4 Extension options

The Native Communal Reserve (“NCR”) land lease and building lease agreements contain extension options exercisable by the Group up to three (3) years before the end of the non-cancellable contract period. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control. The Group has not included the potential future lease payment in the lease liabilities.

Group	Lease liabilities recognised (discounted)	Potential future lease payments not included in lease liabilities (discounted)
	RM'000	RM'000
2024		
Lands	11,316	8,304
Buildings	722	2,879
2023		
Lands	12,096	7,688
Buildings	1,648	2,731

Notes to The Financial Statements

4. Right-Of-Use Assets (Continued)

4.5 Impairment testing on right-of-use assets

The Group has engaged a registered valuer in prior year to value the plantation assets comprising of bearer plant, other assets and right-of-use assets ("ROU") of a subsidiary that has not been performing up to Group's expectation. As at 31 December 2023, the total carrying amounts of the subsidiary's plantation assets amounted to RM77,841,000. The Group is of the view that the fair value less costs to sell is consistent with prior year's valuation report, as there is no significant change in the market condition. The cash-generating unit comprises both the planted area related to palm oil and the plantable area.

The estimated recoverable amount of the cash-generating unit is based on its fair value less cost to sell. No impairment loss is being recognised as the recoverable amount of the cash-generating unit is higher than the carrying amount of the cash-generating unit.

The fair value less cost to sell is determined based on management estimates considering the estimated resale value. This determination is carried out by an external, independent professional valuer, having appropriate recognised professional qualifications and recent experience in the location and category of assets being valued. Fair value less cost to sell is categories as a Level 3 fair value measurement. See Note 3.3 for further details of the key assumptions used to derive to the fair value less cost to sell.

5. Plantation Development Expenditure

Group	Note	Oil palm	
		2024 RM'000	2023 RM'000
At 1 January		90,246	157,530
Additions during the year	5.1	26,121	18,622
Addition of nurseries		1,247	1,657
Transfer to property, plant and equipment	3	(59,934)	(90,101)
Effect of movement in exchange rate		-	2,538
At 31 December		57,680	90,246
Accumulated impairment loss			
At 1 January		55,146	66,547
Transfer of impairment loss to property, plant and equipment	3	(55,146)	(11,401)
At 31 December		-	55,146
Carrying amount			
At 31 December		57,680	35,100

Notes to The Financial Statements

5. Plantation Development Expenditure (Continued)

Company	Note	Oil palm	
		2024 RM'000	2023 RM'000
At 1 January		8,501	11,600
Additions during the year	5.1	1,142	2,696
Transfer to property, plant and equipment	3	(6,396)	(5,795)
At 31 December		3,247	8,501

5.1 Additions

Included in additions during the year are as follows:

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Depreciation of property, plant and equipment	3	642	532	11	37
Depreciation of right-of-use assets	4	39	22	-	2
Personnel expenses:					
- Wages, salaries and others		8,720	8,836	257	855
- Contribution to EPF		389	395	8	33
Finance cost*	25	2,905	2,717	421	453
Management fees capitalised		-	-	25	92

* The finance cost is capitalised based on profit margin 4.87% - 5.40% (2023: 4.87% - 5.40%) per annum.

5.2 During the financial year, plantation development expenditure of the Company amounting to RM3,247,000 (2023: RM8,501,000) are pledged as securities for borrowings as disclosed in Note 18.

6. Forestry

	Note	Group	
		2024 RM'000	2023 RM'000
At 1 January		42,487	38,958
Additions during the year		16,441	15,156
Additions charged to profit or loss		(16,441)	(15,156)
Change in fair values recognised to profit or loss		23,399	3,529
Impairment loss	6.1	(1,987)	-
At 31 December		63,899	42,487

Notes to The Financial Statements

6. Forestry (Continued)

6.1 Impairment loss on forestry

During the year, the Group recognised an impairment loss of RM1,987,000 (2023: Nil) in the profit or loss on a forestry asset previously measured at fair value less costs to sell, based on Director's valuation, based on an offer letter received in prior year. The offer is no longer valid and based on management assessment, no future income is expected to be generated from the forestry. Subsequent to this, the recoverable amount is reassessed as RM Nil and the carrying amount is fully impaired.

6.2 Fair value information

Fair values of forestry is capitalised as follows:

	Group	
	2024 RM'000	2023 RM'000
Forestry	63,899	42,487

As at 31 December 2024, the fair values of forestry are determined by external independent professional valuer on an annual basis.

Highest and best use

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models in current year and prior year.

Description of valuation technique and inputs used	Significant unobservable inputs in current year	Significant unobservable inputs in prior year	Inter-relationship between significant unobservable inputs and fair value measurement
Discounted cash flows: The valuation method considers the present value of net cash flows to be generated from forestry, taking into account expected timber volume, timber sales price, upkeep and maintenance cost and land rental. The expected net cash flows are discounted using risk-adjusted discount rates.	<ul style="list-style-type: none"> • Expected clear bole volume (142 tonne/ha – 379 tonne/ha) • Casualties (nil) • General charges (RM90/ha – RM110/ha) • Upkeep and maintenance (RM120/ha – RM160/ha) • Clear bole price (RM198/tonne) • Log extraction cost (RM90/tonne) • Pre-tax discount rate (10%) • Land rental rate (3%) 	<ul style="list-style-type: none"> • Expected clear bole volume (142 tonne/ha – 335 tonne/ha) • Casualties (1.3%) • General charges (RM80/ha) • Upkeep and maintenance (RM20/ha – RM30/ha) • Clear bole price (RM190/tonne) • Log extraction cost (RM90/tonne) • Pre-tax discount rate (10%) • Land rental rate (3%) 	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> • Expected clear bole volume were higher/(lower); • Casualties lower/(higher); • General charges lower/(higher); • Upkeep and maintenance lower/(higher); • Clear bole price higher/(lower); • Log extraction cost were lower/(higher); • Discount rates were lower/(higher); or • Land rental rates were lower/(higher).

Notes to The
Financial Statements**6. Forestry (Continued)****6.2 Fair value information (continued)****Valuation processes applied by the Group for Level 3 fair value**

The fair value of forestry is determined by an external, independent professional valuer, having appropriate recognised professional qualifications and recent experience in the location and category of forestry being valued. The independent professional valuer provides the fair value of the Group's forestry annually. Changes in Level 3 fair values are analysed by management annually.

The values assigned to the key assumptions represent management's assessment of current trends in forestry in Malaysia and are based on both external and internal sources (historical data). During the year, the assumption on casualties of the rubber trees was no longer considered in the valuation of forestry assets. Management determined that the mortality rate for mature rubber trees used for logging purposes is negligible and does not have material impact on the valuation. Changes in the key assumptions as compared to prior year are as the result from the changes in the market condition and the revised assessment of the assets' characteristics.

The above estimates are particularly sensitive in the following cases:

- A reduction of timber volume by 10% would have resulted in a decrease in the change of fair value by RM8,947,000.
- A reduction of timber price by 10% would have resulted in a decrease in the change of fair value by RM8,947,000.
- An increase of 1% in the discount rate would have resulted in a decrease of fair value gain by RM3,637,000.
- An increase of 1.3% in casualties rate would have resulted in a decrease of fair value gain by RM7,291,000.

7. Investments in Subsidiaries

	Note	Company	
		2024 RM'000	2023 RM'000
At cost			
Unquoted shares		1,026,003	1,026,003
Capital contribution to a subsidiary	7.1	281,801	-
		1,307,804	1,026,003

- 7.1** During the year, the Company reclassified an advance to its subsidiary as an investment in the subsidiary. The reclassification reflects the substance of the transaction, as the repayment of the amount is solely at the discretion of the subsidiary, effectively representing a long-term source of capital. The advance is unsecured, non-interest bearing and does not have a fixed repayment term. The contribution is accounted for as part of the Company's shareholders' investments in subsidiary and is stated at cost.

Notes to The Financial Statements

7. Investments in Subsidiaries (Continued)

7.2 Details of the subsidiaries are as follows:

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest		Principal activities
		2024 %	2023 %	
Direct subsidiaries				
THP Ibok Sdn. Bhd.	Malaysia	100	100	Cultivation of oil palm and marketing of FFB.
THP Sabaco Sdn. Bhd.	Malaysia	51	51	Cultivation of oil palm, processing of FFB and marketing of CPO, PK and FFB.
THP Bukit Belian Sdn. Bhd.	Malaysia	100	100	Cultivation of oil palm and marketing of FFB.
THP Saribas Sdn. Bhd.	Malaysia	80	80	Cultivation of oil palm, processing of FFB and marketing of CPO, PK and FFB.
THP Kota Bahagia Sdn. Bhd.	Malaysia	100	100	Cultivation of oil palm, processing of FFB and marketing of CPO, PK and FFB.
THP Agro Management Sdn. Bhd.	Malaysia	100	100	Management services.
Hydroflow Sdn. Bhd.	Malaysia	70	70	Cultivation of oil palm and marketing of FFB.
TH Ladang (Sabah & Sarawak) Sdn. Bhd.	Malaysia	100	100	Investment holding.
Bumi Suria Ventures Sdn. Bhd.	Malaysia	100	100	Cultivation of oil palm and marketing of FFB.
Maju Warisanmas Sdn. Bhd.	Malaysia	100	100	Letting of investment property.
THP Suria Mekar Sdn. Bhd.	Malaysia	100	100	Special purpose vehicle.
Manisraya Sdn. Bhd.	Malaysia	100	100	Tradeline services in dealing and trading of FFB.
PT Persada Kencana Prima [#]	Indonesia	93	93	Cultivation of oil palm and marketing of FFB.
THP Applications & Services Sdn. Bhd.	Malaysia	100	100	Investment and collaboration with companies involved in potential biogas plant project.

Not audited by KPMG PLT

Notes to The
Financial Statements**7. Investments in Subsidiaries (Continued)**

7.2 Details of the subsidiaries are as follows (continued):

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest		Principal activities
		2024 %	2023 %	
Direct subsidiaries held through TH Ladang (Sabah & Sarawak) Sdn. Bhd.				
Ladang Jati Keningau Sdn. Bhd.	Malaysia	82.53	82.53	Teak.
TH-Bonggaya Sdn. Bhd.	Malaysia	100	100	Forestry.
TH-USIA Jatimas Sdn. Bhd.	Malaysia	70	70	Forestry.
Halus Riang Sdn. Bhd.	Malaysia	100	100	Dormant.
Kuni Riang Sdn. Bhd.	Malaysia	100	100	Dormant.
TH PELITA Meludam Sdn. Bhd.	Malaysia	60	60	Cultivation of oil palm and marketing of FFB.
Cempaka Teratai Sdn. Bhd.	Malaysia	100	100	Investment holding.
Kee Wee Plantation Sdn. Bhd.	Malaysia	100	100	Investment holding.
TH PELITA Gedong Sdn. Bhd.	Malaysia	70	70	Cultivation of oil palm, processing of FFB and marketing of CPO, PK and FFB.
TH PELITA Sadong Sdn. Bhd.	Malaysia	70	70	Cultivation of oil palm and marketing of FFB.
TH PELITA Simunjan Sdn. Bhd.	Malaysia	60	60	Cultivation of oil palm, processing of FFB and marketing of CPO, PK and FFB.
TH PELITA Beladin Sdn. Bhd.	Malaysia	55	55	Cultivation of oil palm and marketing of FFB.

Notes to The Financial Statements

7. Investments in Subsidiaries (Continued)

Non-controlling interests in subsidiaries

The Group's subsidiaries that have a material non-controlling interests ("NCI") are as follows:

Subsidiary name	Subsidiary name NCI percentage of ownership interest and voting interest (%)	Carrying amount of NCI RM'000	Profit/(Loss) allocated to NCI RM'000
2024			
THP Sabaco Sdn. Bhd.	49	219,990	13,574
THP Saribas Sdn. Bhd.	20	(22,623)	2,763
Hydroflow Sdn. Bhd.	30	21,457	230
TH PELITA Gedong Sdn. Bhd.	30	86,863	5,853
TH PELITA Sadong Sdn. Bhd.	30	68,398	5,738
TH PELITA Meludam Sdn. Bhd.	40	(6,764)	1,384
TH PELITA Simunjan Sdn. Bhd.	40	(49,043)	(4,249)
TH PELITA Beladin Sdn. Bhd.	45	(15,338)	(685)
Other individually immaterial subsidiaries	-	5,382	(2,464)
Total		308,322	22,144
2023			
THP Sabaco Sdn. Bhd.	49	218,902	11,694
THP Saribas Sdn. Bhd.	20	(25,385)	(613)
Hydroflow Sdn. Bhd.	30	21,228	945
TH PELITA Gedong Sdn. Bhd.	30	81,011	2,968
TH PELITA Sadong Sdn. Bhd.	30	63,444	4,221
TH PELITA Meludam Sdn. Bhd.	40	(8,148)	233
TH PELITA Simunjan Sdn. Bhd.	40	(44,793)	(3,226)
TH PELITA Beladin Sdn. Bhd.	45	(14,652)	(1,808)
Other individually immaterial subsidiaries	-	7,325	(936)
Total		298,932	13,478

Notes to The Financial Statements

7. Investments in Subsidiaries (Continued)

Non-controlling interests in subsidiaries (continued)

Subsidiary name	Summarised financial information before intra-group elimination												Dividends paid to NCI
	As at 31 December 2024						Year ended 31 December 2024						
	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Net assets/(liabilities)	Revenue	Profit/(loss) for the year	Total comprehensive income/(expense)	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Net increase/(decrease) in cash and cash equivalents	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
THP Sabaco Sdn. Bhd.	350,533	141,696	(27,370)	(15,899)	448,960	135,265	27,701	27,701	42,538	(17,015)	(25,480)	43	12,485
THP Saribas Sdn. Bhd.	256,834	32,280	(346,562)	(55,666)	(113,114)	178,694	13,814	13,814	49,263	(5,312)	(43,722)	229	-
Hydroflow Sdn. Bhd.	91,568	2,505	(20,367)	(2,181)	71,525	18,652	765	765	1,846	(1,840)	-	6	-
TH PELITA Gedong Sdn. Bhd.	188,102	126,375	(12,089)	(12,843)	289,545	143,925	19,509	19,509	956	(2,269)	-	(1,313)	-
TH PELITA Sadong Sdn. Bhd.	104,631	133,550	(4,672)	(5,517)	227,992	44,396	19,127	19,127	13,345	(1,185)	(12,204)	(44)	784
TH PELITA Meludam Sdn. Bhd.	148,198	2,058	(95,737)	(71,429)	(16,910)	36,169	3,461	3,461	9,895	(1,583)	(8,335)	(23)	-
TH PELITA Simunjan Sdn. Bhd.	89,695	2,584	(117,974)	(96,912)	(122,607)	15,539	(10,624)	(10,624)	11,917	(559)	(11,342)	16	-
TH PELITA Beladin Sdn. Bhd.	21,471	408	(29,581)	(26,381)	(34,083)	5,978	(1,523)	(1,523)	2,968	-	(2,987)	(19)	-

Subsidiary name	Summarised financial information before intra-group elimination												Dividends paid to NCI
	As at 31 December 2023						Year ended 31 December 2023						
	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Net assets/(liabilities)	Revenue	Profit/(loss) for the year	Total comprehensive income/(expense)	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Net increase/(decrease) in cash and cash equivalents	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
THP Sabaco Sdn. Bhd.	346,810	135,409	(25,229)	(10,251)	446,739	127,657	23,866	23,866	50,174	(11,340)	(39,032)	(198)	19,125
THP Saribas Sdn. Bhd.	283,940	22,741	(258,380)	(175,226)	(126,925)	173,535	(3,065)	(3,065)	59,617	(4,937)	(54,320)	360	-
Hydroflow Sdn. Bhd.	93,335	919	(19,713)	(3,781)	70,760	17,535	3,150	3,150	(376)	2,775	(1,235)	1,164	371
TH PELITA Gedong Sdn. Bhd.	185,837	102,295	(12,347)	(5,748)	270,037	118,535	9,893	9,893	8,591	(2,896)	(4,160)	1,535	1,248
TH PELITA Sadong Sdn. Bhd.	103,447	116,067	(4,911)	(3,123)	211,480	35,822	14,071	14,071	6,580	(915)	(5,633)	32	1,690
TH PELITA Meludam Sdn. Bhd.	145,779	1,405	(95,737)	(71,817)	(20,370)	31,981	583	583	11,115	(2,781)	(8,329)	5	-
TH PELITA Simunjan Sdn. Bhd.	88,248	994	(118,053)	(83,173)	(111,984)	18,201	(8,065)	(8,065)	11,818	(946)	(10,868)	4	-
TH PELITA Beladin Sdn. Bhd.	21,140	301	(29,602)	(24,400)	(32,561)	4,300	(4,019)	(4,019)	2,907	-	(2,881)	26	1

Notes to The Financial Statements

7. Investments in Subsidiaries (Continued)

Significant restrictions

Other than those disclosed elsewhere in the financial statements, the carrying amounts of assets to which significant restrictions apply are as follows:

	Group	
	2024 RM'000	2023 RM'000
Cash and cash equivalents	5,662	5,432
Right-of-use assets	6,821	6,989
At 31 December	12,483	12,421

The above restrictions arise from the following:

Restriction imposed by bank covenants

The covenants of bank loan taken by THP Saribas Sdn. Bhd., a subsidiary of the Company, restrict the ability of the subsidiary to create or permit to subsist any security interest over any of its assets, business or undertaking except liens arising by operation of law and in the normal course of business which in the financiers reasonable opinion is not material. It also restricts the ability of the subsidiary to dispose or lease all or a substantial part of its assets or undertaking except in the ordinary course of their businesses and on ordinary commercial terms and on an arm's length basis. The covenants of bank loan taken by the subsidiary is as disclosed in Note 19.

8. Investments in An Associate

	Group	
	2024 RM'000	2023 RM'000
At cost		
Unquoted shares	200	-
	200	-

On 13 June 2024, THP Applications & Services Sdn. Bhd. ("THPAS"), a wholly-owned subsidiary of the Company, entered into a Shareholders' Agreement with Cenergi RE Sdn. Bhd. to regulate the relationship between shareholders in Cenergi Lawiang Sdn. Bhd. The purpose of the associate is to undertake the designing, engineering, financing, constructing, commissioning, ownership, operation and maintenance of a biogas power plant at Bukit Lawiang Palm Oil Mill. Subsequently, during the financial year, THPAS subscribed to 200,000 shares in the issued share capital of Cenergi Lawiang Sdn. Bhd., representing a 40% ownership interest.

Cenergi Lawiang Sdn. Bhd. has not commenced operation during the financial year. The investment has been accounted for using equity method.

Notes to The
Financial Statements**8. Investments in An Associate (Continued)**

Details of the associate are as follows:

Name of associate	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest		Principal activities
		2024 %	2023 %	
Direct subsidiaries				
Cenergi Lawiang Sdn. Bhd.	Malaysia	40	-	Construction of a biogas power plant.

9. Other Investments

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current					
Fair value through profit or loss	9.1	1,825	1,825	1,825	1,825
Current					
Amortised cost	9.2	119,361	59,895	118,010	58,560

9.1 This is in relation to an investments in unquoted shares in Malaysia.

9.2 Included in other investments of the Group and of the Company is deposits placed with licensed banks with a profit margin ranging from 2.70% to 3.90% (2023: 2.50% to 4.00%). Included in the deposit placed with licensed banks are RM98,040,000 (2023: RM36,707,000) which are maintained by the Group and the Company with a related corporation.

Notes to The Financial Statements

10. Deferred Tax (Assets)/Liabilities

Recognised deferred tax (assets)/liabilities

Deferred tax assets and liabilities are attributable to the following:

Group	Assets		Liabilities		Net	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Property, plant and equipment	(12,566)	(42,319)	161,282	172,082	148,716	129,763
Fair value adjustment on initial recognition of financial liabilities	-	-	9,236	9,665	9,236	9,665
Unabsorbed capital allowances	(33,323)	(33,906)	-	-	(33,323)	(33,906)
Unutilised tax losses	(1,561)	(808)	-	-	(1,561)	(808)
Biological assets	-	-	6,555	5,252	6,555	5,252
Right-of-use assets	(64)	-	13,705	11,660	13,641	11,660
Lease liabilities	(18,759)	(16,613)	-	-	(18,759)	(16,613)
Others	(3,521)	(6,130)	50,124	53,429	46,603	47,299
Tax (assets)/liabilities	(69,794)	(99,776)	240,902	252,088	171,108	152,312
Set off tax	47,620	60,892	(47,620)	(60,892)	-	-
Net tax (assets)/liabilities	(22,174)	(38,884)	193,282	191,196	171,108	152,312

Company	Assets		Liabilities		Net	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Property, plant and equipment	-	-	12,401	12,730	12,401	12,730
Biological assets	-	-	1,239	988	1,239	988
Right-of-use assets	-	-	11,151	11,369	11,151	11,369
Lease liabilities	(14,559)	(14,170)	-	-	(14,559)	(14,170)
Finance lease receivable	-	-	11,187	11,191	11,187	11,191
Others	(149)	(133)	11,632	11,807	11,483	11,674
Tax (assets)/liabilities	(14,708)	(14,303)	47,610	48,085	32,902	33,782
Set off tax	14,708	14,303	(14,708)	(14,303)	-	-
Net tax liabilities	-	-	32,902	33,782	32,902	33,782

Notes to The
Financial Statements**10. Deferred Tax (Assets)/Liabilities (Continued)****Unrecognised deferred tax assets**

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group	
	2024 RM'000	2023 RM'000
Unutilised tax loss carry-forwards	(491,690)	(456,051)
Unabsorbed capital allowances	(186,058)	(185,514)
At 31 December	(677,748)	(641,565)
Tax at 24% (2023: 24%)	(162,660)	(153,976)

In accordance with the provision of Finance Act 2022 requirement, the unutilised tax losses are available for utilisation in the next ten (10) years, for which, any excess at the end of the tenth (10th) year will be disregarded. The unutilised tax losses which will expire in the year 2029 to year 2032, after which they will be disregarded respectively. Tax losses can only be utilised once capital allowance has been fully exhausted. Accordingly, deferred tax assets have not been recognised in respect for tax loss carry-forwards amounting to RM491,690,000 (2023: RM456,051,000) and unabsorbed capital allowances amounting to RM186,058,000 (2023: RM185,514,000) as it is not probable that future taxable profit will be available against which the Group can utilise the benefits there from.

Movement in temporary differences during the year

Group	At 1.1.2023 RM'000	Recognised in profit or loss (Note 26.1) RM'000	At 31.12.2023/ 1.1.2024 RM'000	Recognised in profit or loss (Note 26.1) RM'000	At 31.12.2024 RM'000
	Unabsorbed capital allowances	(34,175)	269	(33,906)	583
Property, plant and equipment	136,482	(6,719)	129,763	18,953	148,716
Fair value adjustment on initial recognition of financial liabilities	9,665	-	9,665	(429)	9,236
Unutilised tax losses	-	(808)	(808)	(753)	(1,561)
Biological assets	4,788	464	5,252	1,303	6,555
Right-of-use assets	12,023	(363)	11,660	1,981	13,641
Lease liabilities	(16,079)	(534)	(16,613)	(2,146)	(18,759)
Others	41,127	6,172	47,299	(696)	46,603
	153,831	(1,519)	152,312	18,796	171,108

Notes to The Financial Statements

10. Deferred Tax (Assets)/Liabilities (Continued)

Movement in temporary differences during the year (continued)

Company	At 1.1.2023 RM'000	Recognised in profit or loss (Note 26.1) RM'000	At 31.12.2023/ 1.1.2024 RM'000	Recognised in profit or loss (Note 26.1) RM'000	At 31.12.2024 RM'000
Property, plant and equipment	13,063	(333)	12,730	(329)	12,401
Biological assets	682	306	988	251	1,239
Right-of-use assets	11,586	(217)	11,369	(218)	11,151
Lease liabilities	(13,811)	(359)	(14,170)	(389)	(14,559)
Finance lease receivable	11,195	(4)	11,191	(4)	11,187
Others	11,426	248	11,674	(191)	11,483
	34,141	(359)	33,782	(880)	32,902

11. Finance Lease Receivable

Net investment in lease

Company	2024 RM'000	2023 RM'000
At 1 January	46,630	46,645
Finance income	3,824	3,825
Lease payments received	(3,840)	(3,840)
At 31 December	46,614	46,630

The lease payments to be received are as follows:

	2024 RM'000	2023 RM'000
Minimum lease payments		
Within one year	3,840	3,840
1 – 2 years	7,680	7,680
2 – 5 years	11,520	11,520
Over 5 years	239,041	242,881
Total undiscounted lease payments	262,081	265,921
Less: Unearned finance income	(215,467)	(219,291)
At 31 December	46,614	46,630

Notes to The
Financial Statements**11. Finance Lease Receivable (Continued)**

Net investment in lease (continued)

	2024 RM'000	2023 RM'000
Comprising:		
Current	18	16
Non-current	46,596	46,614
Total finance lease receivable	46,614	46,630

For the financial year ended 31 December 2024, the Company recognised finance lease income of RM3,824,000 (2023: RM3,825,000) in the profit or loss.

12. Inventories

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At cost				
Finished goods	4,151	6,022	1,027	1,456
Stores	7,447	5,562	181	184
	11,598	11,584	1,208	1,640
Recognised in profit or loss:				
Inventories recognised as cost of sales	87,695	101,924	9,713	11,847

Notes to The Financial Statements

13. Biological Asset

	2024 RM'000	2023 RM'000
Group		
At 1 January	21,940	20,113
Change in fair value recognised in profit or loss	5,594	1,819
Effect of movement in exchange rate	(15)	8
	27,519	21,940
	2024 RM'000	2023 RM'000
Company		
At 1 January	4,117	2,841
Change in fair value recognised in profit or loss	1,047	1,276
At 31 December	5,164	4,117

13.1 Breakdown of changes in fair value of biological assets recognised in profit or loss for the year, are as follows:

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Biological asset		5,594	1,819	1,047	1,276
Biological asset classified as assets held for sale	16	1,657	(52)	-	-
		7,251	1,767	1,047	1,276

13.2 During the financial year, the Group and the Company have harvested approximately 809,519 tonnes (2023: 787,741 tonnes) and 106,366 tonnes (2023: 89,417 tonnes) of FFB respectively.

13.3 The Group and the Company have considered the oil content of all unripe FFB from the week after pollination to the week prior to harvest. As the biological transformation of the FFB occurs exponentially in the one (1) month prior to harvest, FFB more than one (1) month before harvesting are excluded from the valuation as their fair values are considered negligible. The fair value of FFB is calculated based on income approach which considers the net present value of all directly attributable net cash flows including imputed contributory asset charges. Biological asset is classified as current asset for bearer plants that are expected to be harvested.

The significant unobservable inputs used in the valuation models include FFB price (2024: RM704/mt – RM931/mt) (2023: RM583/mt – RM717/mt).

The fair value measurement of the Group and the Company biological assets are capitalised within Level 3 of the fair value hierarchy. If the selling price of the FFB increase or decrease by 10%, profit or loss of the Group and Company would have increased or decreased by approximately RM4,896,000 and RM705,000 respectively.

Notes to The
Financial Statements**14. Trade and Other Receivables**

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current					
Non-trade					
Amounts due from subsidiaries	14.1	-	-	388,897	354,336
Impairment loss on amounts due from subsidiaries		-	-	(388,897)	(354,336)
		-	-	-	-
Current					
Trade					
Trade receivables		32,488	30,832	9,900	8,306
Impairment loss on trade receivables		(6)	(6)	-	-
		32,482	30,826	9,900	8,306
Current					
Non-trade					
Amounts due from subsidiaries	14.2	-	-	294,927	378,396
Amounts due from related companies	14.3	4,774	4,774	4,268	4,268
Other receivables		18,811	13,411	7,202	6,935
		23,585	18,185	306,397	389,599
Impairment loss on amounts due from subsidiaries		-	-	(20,721)	(17,998)
Impairment loss on amounts due from related companies		(4,774)	(4,774)	(4,268)	(4,268)
Impairment loss on other receivables		(12,692)	(12,692)	(6,482)	(6,482)
		6,119	719	274,926	360,851
		38,601	31,545	284,826	369,157

14.1 The amounts due from subsidiaries are unsecured, subjected to profit margin of 5.44% (2023: 5.44%). The amount is to be repaid after eleven (11) years (2023: eleven (11) years).

14.2 The amounts due from subsidiaries are unsecured, subjected to profit margin of 5.44% (2023: 5.44%) and repayable on demand.

14.3 The amounts due from related companies are unsecured, no profit margin applied and repayable on demand.

Notes to The Financial Statements

15. Cash and Cash Equivalents

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deposits placed with licensed banks	15.1	27,250	31,580	27,250	31,580
Cash and bank balances	15.2	44,712	50,885	28,697	34,389
		71,962	82,465	55,947	65,969

15.1 Deposits which are placed with licensed banks for the Group and the Company have profit margins ranging between 2.70% to 3.90% (2023: 2.50% to 4.00%) are maintained by the Group and the Company with a related corporation.

15.2 Included in the bank balances are RM29,900,000 (2023: RM36,707,000) and RM28,549,000 (2023: RM33,833,000) which are maintained by the Group and the Company respectively with a related corporation.

16. Assets Classified As Held For Sale

Investments in TH PELITA Meludam Sdn. Bhd. ("THPMEL"), TH PELITA Beladin Sdn. Bhd ("THPBEL"), TH PELITA Simunjan Sdn. Bhd. ("THPSIM"), TH PELITA Gedong Sdn. Bhd. ("THPGED") and TH PELITA Sadong Sdn. Bhd. ("THPSAD") are classified as assets held for sale as part of a single disposal group ("the disposal group held for sale"). Efforts to sell the disposal group commenced in prior year and the sale is now expected to be completed in the financial year 2025. The carrying amounts of assets held for sale are stated at cost.

Assets classified as held for sale are as below:

	Note	Group	
		2024 RM'000	2023 RM'000
Assets classified as held for sale			
Property, plant and equipment		545,289	539,866
Right-of-use assets		204,163	204,163
Deferred tax assets		32,406	30,180
Biological assets		7,538	5,880
Inventories		4,883	1,254
Trade and other receivables		13,900	63
Prepayments and other assets		36	14
Cash and cash equivalents		389	1,771
At 31 December	16.1	808,604	783,191

Notes to The
Financial Statements**16. Assets Classified As Held For Sale (Continued)**

Liabilities classified as held for sale are as below:

	Note	Group	
		2024 RM'000	2023 RM'000
Liabilities classified as held for sale			
Deferred tax liabilities		78,943	79,439
Payables and accruals		32,561	20,581
Current tax payable		1,880	1,177
Lease liabilities		35,343	35,426
At 31 December	16.1	148,727	136,623

16.1 Movement of assets and liabilities classified as held for sale during the year

	Note	At 1 January 2023 RM'000	Movement during the year RM'000	At 31 December 2023/1 January 2024 RM'000	Movement during the year RM'000	At 31 December 2024 RM'000
Assets classified as held for sale						
Property, plant and equipment	16.1.1	525,509	14,357	539,866	5,423	545,289
Right-of-use assets	16.1.2	203,633	530	204,163	-	204,163
Plantation development expenditure	16.1.3	7,184	(7,184)	-	-	-
Deferred tax assets	16.1.4	23,808	6,372	30,180	2,226	32,406
Biological assets		5,932	(52)	5,880	1,657	7,537
Inventories		6,715	(5,461)	1,254	3,629	4,883
Current tax assets		1,719	(1,719)	-	-	-
Trade and other receivables		6,355	(6,292)	63	13,837	13,900
Prepayments and other assets		16	(2)	14	23	37
Cash and cash equivalents		169	1,602	1,771	(1,382)	389
Total		781,040	2,151	783,191	25,413	808,604
Liabilities classified as held for sale						
Deferred tax liabilities	16.1.4	79,111	328	79,439	(496)	78,943
Payables and accruals		23,082	(2,501)	20,581	11,980	32,561
Current tax payable		1,401	(224)	1,177	703	1,880
Lease liabilities		34,963	463	35,426	(83)	35,343
Total		138,557	(1,934)	136,623	12,104	148,727

Notes to The Financial Statements

16. Assets Classified As Held For Sale (Continued)

16.1 Movement of assets and liabilities classified as held for sale during the year (continued)

The disposal group held for sale is measured at the lower of its carrying amount and fair value less cost to sell. At 31 December 2024, the carrying amounts of the cash-generating unit of the disposal group amounting to RM749,452,000 (2023: RM744,029,000).

The Group has engaged a registered valuer in both the current and prior year to conduct a valuation for the subsidiaries classified as held for sale. The estimated recoverable amount of the cash-generating unit of disposal group is determined based on its fair value less cost to sell. The disposal group held for sale is stated at cost as the fair value less cost to sell is higher than the carrying amounts of the disposal group held for sale.

16.1.1 Property, plant and equipment

The movement of property, plant and equipment comprise the following:

	Note	Group	
		2024 RM'000	2023 RM'000
At 1 January		539,866	525,509
Transfer from plantation development expenditure	16.1.3	-	7,184
Additions during the year		5,734	8,341
Impairment during the year	(i)	-	(1,038)
Disposal during the year	(ii)	-	(107)
Written off during the year		(311)	(23)
At 31 December		545,289	539,866

(i) Impairment testing on property, plant and equipment

Current year

The Group has engaged a registered valuer to value the plantation assets which consists of bearer plant, other assets and right-of-use assets ("ROU") of a subsidiary. The valuation was necessary due to the subsidiary being impacted by encroachment by Sarawak natives. The carrying amount of the cash-generating unit in relation to the plantation assets as at 31 December 2024 is RM104,766,000. The cash-generating unit consists of planted area in relation to palm oil and plantable area which the recoverable amount based on valuation report are RM15,717 per hectare and RM17,300 per hectare, respectively.

Fair value less cost to sell is based on management estimates having regard to estimated resale value, which is determined by an external, independent professional valuer, having appropriate recognised professional qualifications and recent experience in the location and category of assets being valued. Fair value less cost to sell is a Level 3 fair value measurement.

Notes to The
Financial Statements**16. Assets Classified As Held For Sale (Continued)****16.1 Movement of assets and liabilities classified as held for sale during the year (continued)****16.1.1 Property, plant and equipment (continued)****(i) Impairment testing on property, plant and equipment (continued)****Current year (continued)**

The following table summarises the valuation method and assumptions used in the determination of fair value less cost to sell as well as the significant unobservable inputs used in the valuation models in current year.

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Plantations assets		
Discounted cash flows: The valuation method considers the present value of net cash flows to be generated from bearer plant, considering expected projected FFB yield, FFB sales price, upkeep and maintenance cost. The expected net cash flows are discounted using risk-adjusted discount rates.	<ul style="list-style-type: none"> Expected projected FFB yield (0.00 mt/ha – 22.00 mt/ha) FFB sales price (RM700/mt) Upkeep and maintenance cost (RM1,830/ha – RM2,040/ha) General charges (RM1,200/ha – RM1,420/ha) Pre-tax discount rate (12% - 15%) 	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> Expected projected FFB yield were higher/(lower); FFB sales price higher/(lower); Upkeep and maintenance cost were lower/(higher); General charges were lower/(higher); Discount rates were lower/(higher).
Land		
Direct comparison method: Market value of comparable land in close proximity are adjusted for differences in key attributes such as land size. The most significant input into this valuation approach is market price per hectare.	<ul style="list-style-type: none"> Land value per hectare (RM17,300/ha) 	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> The price per hectare is higher/(lower).

The values assigned to the key assumptions represent the valuer's assessment of future trends in the oil palm industry and are based on external sources and internal sources (historical data).

The estimated recoverable amount of the cash-generating unit is based on its fair value less cost to sell. No impairment loss is being recognised as the recoverable amount of the cash-generating unit is higher than the carrying amount of the cash-generating unit.

The above estimates are particularly sensitive in the following cases:

- A reduction in price of FFB by 10% would have resulted in an impairment loss of RM4,466,000.
- A reduction in yield per hectare by 15% would have resulted in an impairment loss of RM6,566,000.
- An increase in discount rate by 3% would have resulted in an impairment loss of RM1,666,000.

Notes to The Financial Statements

16. Assets Classified As Held For Sale (Continued)

16.1 Movement of assets and liabilities classified as held for sale during the year (continued)

16.1.1 Property, plant and equipment (continued)

(i) Impairment testing on property, plant and equipment (continued)

Prior year

In prior year, the Group has engaged a registered valuer to value the plantation assets comprising of bearer plant and right-of-use assets ("ROU") of a subsidiary classified as held for sale. As at 31 December 2023, the total carrying amounts of a subsidiary's bearer plant and ROU amounted to RM25,000,000. The estimated recoverable amount of the cash-generating unit is based on its fair value less cost to sell. The cash-generating unit comprises both planted area related to palm oil and the plantable area. The Group has recognised an impairment loss of RM1,038,000 in prior year as the recoverable amount of the cash-generating unit is lower than the carrying amount.

The following table summarises the valuation method and assumptions used in the determination of fair value less cost to sell as well as the significant unobservable inputs used in the valuation models in prior year:

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Plantations assets		
Discounted cash flows: The valuation method considers the present value of net cash flows to be generated from bearer plant, considering expected projected FFB yield, FFB sales price, upkeep and maintenance cost. The expected net cash flows are discounted using risk-adjusted discount rates.	<ul style="list-style-type: none"> Expected projected FFB yield (1.00 mt/ha – 19.00 mt/ha) FFB sales price (RM607/mt) Upkeep and maintenance cost (RM1,460/ha – RM2,280/ha) Pre-tax discount rate (12%) 	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> Expected projected FFB yield were higher/(lower); FFB sales price higher/(lower); Upkeep and maintenance cost were lower/(higher); Discount rates were lower/(higher).
Bare land value		
Market comparison method: Sales price of comparable land in close proximity are adjusted for differences in key attributes such as land size. The most significant input into this valuation approach is market price per hectare.	<ul style="list-style-type: none"> Land value per hectare (RM10,297/ha) 	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> The price per hectare is higher/(lower).

The values assigned to the key assumptions represent the valuer's assessment of future trends in the oil palm industry and are based on external sources and internal sources (historical data).

The above estimates are particularly sensitive in the following cases:

- A reduction in price of FFB by 5% would have resulted in an impairment loss of RM3,700,000.
- A reduction in yield per hectare by 5% would have resulted in an impairment loss of RM3,000,000.
- An increase in discount rate by 1% would have resulted in an impairment loss of RM1,400,000.

- (ii) In prior year, Sarawak State Government has taken possession a portion of land consisting bearer plant belonging to a subsidiary with a compensation of RM804,720 (See Note 16.1.2 (i)).

Notes to The
Financial Statements**16. Assets Classified As Held For Sale (Continued)****16.1 Movement of assets and liabilities classified as held for sale during the year (continued)****16.1.2 Right-of-use assets**

The movement of right-of-use assets comprise the following:

	Note	Group	
		2024 RM'000	2023 RM'000
At 1 January		204,163	203,633
Additions during the year		-	536
Disposals	(i)	-	(6)
At 31 December		204,163	204,163

(i) In prior year, Sarawak State Government has taken possession a portion of land belonging to a subsidiary with a compensation of RM804,720 (See Note16.1.1 (ii)).

16.1.3 Plantation development expenditure

The movement of plantation development expenditure comprise the following:

	Note	Group	
		2024 RM'000	2023 RM'000
At 1 January		-	7,184
Transfer to property, plant and equipment	16.1.1	-	(7,184)
At 31 December		-	-

16.1.4 Deferred tax (assets)/liabilities**Movement in temporary differences during the year**

Group	At 1.1.2023 RM'000	Recognised in profit or loss (Note 26.1) RM'000	At 31.12.2023/ 1.1.2024 RM'000	Recognised in profit or loss (Note 26.1) RM'000	At 31.12.2024 RM'000
Unabsorbed capital allowances	(58,443)	(389)	(58,832)	(15)	(58,847)
Property, plant and equipment	115,106	(5,624)	109,482	(2,977)	106,505
Biological assets	1,424	(12)	1,412	398	1,810
Right-of-use assets	1,628	90	1,718	(38)	1,680
Lease liabilities	(8,391)	(109)	(8,500)	20	(8,480)
Other	3,979	-	3,979	(110)	3,869
	55,303	(6,044)	49,259	(2,722)	46,537

Notes to The Financial Statements

16. Assets Classified As Held For Sale (Continued)

16.1 Movement of assets and liabilities classified as held for sale during the year (continued)

16.1.4 Deferred tax (assets)/liabilities (continued)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group	
	2024 RM'000	2023 RM'000
Unutilised tax loss carry-forwards	(171,383)	(145,148)
At 31 December	(171,383)	(145,148)
Tax at 24% (2023: 24%)	(41,132)	(34,836)

In accordance with the provision of Finance Act 2022 requirement, the unutilised tax losses are available for utilisation in the next ten (10) years, for which, any excess at the end of the tenth (10th) year from the respective year of assessment will be disregarded. The unutilised tax losses which will expire in the year 2028 to year 2034, after which they will be disregarded respectively. Tax losses can only be utilised once capital allowance has been fully exhausted. Accordingly, deferred tax assets have not been recognised in respect for tax loss carry-forwards amounting to RM171,383,000 (2023: RM145,148,000) because it is no longer probable that future taxable profit will be available against which the Group can utilise the benefits there from.

17. Capital and Reserves

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Share capital	17.1	862,752	862,752	862,752	862,752
Other reserves	17.2	(80,663)	(80,663)	(100,129)	(100,129)
Foreign currency translation reserves		(3,270)	(10,105)	-	-
		778,819	771,984	762,623	762,623

17.1 Share capital

	Group and Company			
	Number of shares		Number of shares	
	2024	Amount	2023	Amount
	'000	RM'000	'000	RM'000
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares				
At 1 January/31 December	883,851	862,752	883,851	862,752

Notes to The
Financial Statements**17. Capital and Reserves (Continued)****17.1 Share capital (continued)****Ordinary shares**

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

17.2 Other reserves

Other reserves relate to fair value adjustment on initial recognition of financial instruments and adjustment to the premium of share issued for the acquisition of subsidiaries.

18. Perpetual Sukuk

	Group	
	2024 RM'000	2023 RM'000
Nominal value		
At 1 January/31 December	300,000	300,000

In 2022, THP Suria Mekar Sdn. Bhd. a wholly-owned subsidiary of the Company had issued unrated perpetual Islamic notes of RM300,000,000 in nominal value in accordance with Shariah principle Wakalah Bi-Ai Istithmar (“Sukuk Wakalah”) with unconditional and irrevocable corporate guaranteed by TH Plantations Berhad.

Security

The perpetual sukuk, which was obtained by subsidiary of the Company, is secured over:

- (i) The leasehold land with the carrying amount of RM2,116,000 (2023: RM2,151,000) (see Note 4);
- (ii) The plantation development expenditure with the carrying amount of RM3,247,000 (2023: RM8,501,000) (see Note 5); and
- (iii) The property, plant and equipment with the carrying amount of RM73,255,000 (2023: RM71,136,000) (see Note 3).

Details of the perpetual sukuk are as follows:

- (a) The perpetual sukuk has no fixed redemption date and the subsidiary has an option to redeem all part of the perpetual sukuk at the end of the twelve (12) years from the date of issuance;
- (b) The perpetual sukuk is unsecured and carries a periodic distribution rate of 5.98% per annum, payable semi-annually from year 1 until year 12. Thereon, the periodic distribution rate shall be increased by step-up margin of 0.25% per annum until the redemption of the perpetual sukuk. There shall be no further increase to the then prevailing stepped-up periodic distribution rate applicable to the relevant tranche of perpetual sukuk during its tenure;
- (c) The subsidiary has the right to defer the payment of the periodic distribution amount by giving the required deferral notice. Deferred periodic distribution, if any, will be cumulative but will not earn additional profits thus, there will be no compounding effect;

Notes to The Financial Statements

18. Perpetual Sukuk (Continued)

- (d) The holder of perpetual sukuk shall have no voting rights at any general meeting of the shareholders of the subsidiary; and
- (e) The Issuer shall not declare or pay any dividends to its shareholders if:
- i) Dissolution Event or Enforcement Event has occurred, is continuing and has not been waived or remedied, or if following such payment or distribution a Dissolution Event or Enforcement Event would occur; or
 - ii) Any payments under managements pertaining to the SUKUK Wakalah (unless in the case of Perpetual Sukuk Wakalah any payment is deferred in accordance with Clause 6.9 (Optional Deferral of Periodic Distributions)) is overdue and unpaid or if any of the payments under the arrangements pertaining to the Sukuk Wakalah which has become payable has not been paid as a consequence of default by the Issuer; or
 - iii) A dividend and capital stopper event is continuing.

Based on the underlying issuing terms, the perpetual sukuk has been classified as equity in the financial statements of the subsidiary.

19. Loans and Borrowings

	Note	Group	
		2024 RM'000	2023 RM'000
Non-current			
Secured			
Commodity Murabahah Term Financing-i	19.1	54,047	92,134
Sukuk Wakalah Medium Term Notes	19.2	650,000	650,000
Unsecured			
Term Financing	19.3	51,597	49,189
		755,644	791,323
Current			
Secured			
Commodity Murabahah Term Financing-i	19.1	38,750	36,000
		38,750	36,000
		794,394	827,323

Notes to The
Financial Statements**19. Loans and Borrowings (Continued)****19.1 Commodity Murabahah Term Financing-i****THP Saribas Sdn. Bhd.***Security*

The Commodity Murabahah Term Financing-i Facility, which was obtained by a subsidiary of the Group, is secured over the leasehold land with a carrying amount of RM6,821,000 (2023: RM6,989,000) (see Note 4).

Significant covenants

The Commodity Murabahah Term Financing-i loan facility is subject to the fulfilment of the following significant covenants:

- (a) not to grant any financings, loans, advance, provide security or guarantee any person except for normal trade credit or trade guarantee in the ordinary course of business;
- (b) not to incur, assume or permit to exist any indebtedness, loans or financing under Islamic banking principles except those already disclosed in writing and consented to by the bank and unsecured indebtedness incurred in the ordinary course of business of the subsidiary;
- (c) not to create or permit to subsist any security interest over any of its assets, business or undertaking (except liens arising by operation of law and in the normal course of business which in the financier opinion is not material);
- (d) not to dispose or lease all or a substantial part of its assets or undertaking except in the ordinary course of its business, on ordinary commercial terms and on arm's length basis; and
- (e) not to declare any dividends in excess of ten percent (10%) of its paid-up capital or any amount in excess of fifty percent (50%) of its annual net income after tax or such other threshold as may be prescribed by the Financier, provided always any such permissible declaration of dividends may only be made if all payment obligation of the subsidiary is current.
- (f) to maintain Group financing equity ratio of not more than 1.5 times on a consolidated basis.

The Group's bank loan with a carrying amount of RM92,797,000 at 31 December 2024 (2023: RM128,134,000) contains a covenant that requires the Group to maintain financing equity ratio of not more than 1.5 times on a consolidated basis. The covenant is tested annually on 31 December. The loan becomes repayable on demand if the threshold is not met at 31 December 2024.

The subsidiary complied with the threshold when it was tested on 31 December 2024. As at 31 December, the subsidiary has no indication that it will have difficulty complying with these covenants.

Notes to The Financial Statements

19. Loans and Borrowings (Continued)

19.2 Sukuk Wakalah Medium Term Notes (“Senior Sukuk Wakalah”)

THP Suria Mekar Sdn. Bhd.

In 2022, THP Suria Mekar Sdn. Bhd. a wholly-owned subsidiary of the Company had issued of RM650,000,000 in nominal value under the Shariah principle of Wakalah Bi Al-Istithmar with unconditional and irrecoverable corporate guaranteed by TH Plantations Berhad.

Security

The Sukuk Wakalah Medium Term Notes, which was obtained by the subsidiary of the Company, is secured over:

- (i) The leasehold land with the carrying amount of RM2,631,000 (2023: RM2,687,000) (see Note 4);
- (ii) Memorandum of charge over the following shares 1,131,428 units of TH PELITA Beladin Sdn. Bhd., 4,900,000 units of TH PELITA Gedong Sdn. Bhd., 4,900,000 units of TH PELITA Sadong Sdn. Bhd., 13,547,722 units of TH PELITA Meludam Sdn. Bhd., 483,480 units of TH PELITA Simunjan Sdn. Bhd. and 3,500,000 units of Hydroflow Sdn. Bhd.; and
- (iii) The property, plant and equipment with the carrying amount of RM26,971,000 (2023: RM29,181,000) (see Note 3).

Significant covenants

- (a) not to incur or permit to exist any indebtedness for borrowed monies and Islamic financing, nor give any guarantees in respect of any indebtedness for borrowed monies and Islamic financing to any person or entity whatsoever;
- (b) not to create or permit to exist any Security Interest of any kind whatsoever, howsoever created or arising, any of its present and future assets, other than any lien arising in the ordinary course of business operation of law and not by way of contract save and except for Security interest created under the existing Sukuk Murabahah Programme;
- (c) not to sell, transfer or otherwise dispose any of its assets, save for:
 - i) where the sale, transfer or disposal is solely for the purposes of facilitating Shariah-compliant financing;
 - ii) sale, transfer or disposal as contemplated by the terms of the transaction documents; and
 - iii) where such assets to be sold, transferred or disposed of, do not exceed in aggregate of five percent (5%) of the Issuer’s and Guarantor’s net assets (as shown in the latest audited consolidated accounts of the Issuer and Guarantor);
- (d) not to obtain or permit to exist any loans or advances from its shareholder(s), unless these loans and advances are subordinated to the Sukuk Wakalah;
- (e) not to declare or pay any dividends to its shareholders if:
 - i) Dissolution Event or Enforcement Event has occurred, is continuing and has not been waived or remedied, or if following such payment or distribution a Dissolution Event or Enforcement Event would occur; or
 - ii) any payment under the arrangement pertaining to the Sukuk Wakalah is overdue and unpaid or if any of the payments under the arrangement pertaining to the Sukuk Wakalah which has become payable has not been paid as a consequence of default by the Issuer; or
 - iii) a Dividend and Capital Stopper event is continuing.

The subsidiary complied with the threshold when it was tested on 31 December 2024. As at 31 December, the subsidiary has no indication that it will have difficulty complying with these covenants.

Notes to The
Financial Statements**19. Loans and Borrowings (Continued)****19.3 Term Financing****TH-Bonggaya Sdn. Bhd.**

The loans and borrowings were recognised at fair value at the date of the initial drawdown. The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
The fair value of the grant is the difference between the fair value of the government loan and the cash received from the loan. The fair value of the loan is determined using discounted cash flows. The valuation method considers the present value of net cash flows to be paid to lender, taking into account current profit margin rate (base lending rate plus spread), and expected repayment period. The expected net cash flows are discounted using risk-adjusted discount rates.	<ul style="list-style-type: none"> Profit margin rate (7.76%) Repayment period (15 years after drawdown) 	<p>The estimated fair value would increase/ (decrease) if:</p> <ul style="list-style-type: none"> Expected profit margin rate were higher/(lower); Expected repayment period were longer/(shorter).

The total drawdown of Forest Plantations Facility as at 31 December 2024 was RM79,297,000 (2023: RM79,297,000).

Security

The term loan facility is a conventional loan granted by Forest Plantation Development Sdn. Bhd., a government agency.

Significant covenants

The term loan facility is subject to the fulfilment of the following significant covenants:

The subsidiary will not do or cause to be done the following except with the express written consent by Forest Plantation Development Sdn. Bhd. ("FPDSB"):

- (i) Assign, transfer, sell, charge or otherwise howsoever deal with the subsidiary rights, title and interest under the loan agreement or the Security Documents or any part thereof or any interest therein or make the same subject to any change encumbrance liability or lien whatsoever or rescind, remove or amend any condition or restriction affecting this Agreement or the Security Documents without the written consent of FPDSB first had and obtained; and
- (ii) Give sub-concession of the Plantable Area, lease out or grant any license or otherwise howsoever part with the possession or make or accept the surrender of any lease whatsoever of and in respect of this Agreement or the Security Documents or the Plantable Area or the implementation of the Project without the consent in writing of FPDSB first had and obtained, provided however that nothing in this clause prohibits the Borrower from appointing or engaging sub-contractors to carry out various works or activities in relation to the implementation of the Project.

The subsidiary complied with the threshold when it was tested on 31 December 2024. As at 31 December, the subsidiary has no indication that it will have difficulty complying with these covenants.

Notes to The Financial Statements

19. Loans and Borrowings (Continued)

19.4 Reconciliation of movement of liabilities to cash flows arising from financing activities

Group	At 1	Loan repayment	Other changes	At 31
	January 2024			December 2024
	RM'000	RM'000	RM'000	RM'000
Commodity Murabahah Term Financing-i	128,134	(35,500)	163	92,797
Sukuk Wakalah Medium Term Notes	650,000	-	-	650,000
Term Financing	49,189	-	2,408	51,597
	827,323	(35,500)	2,571	794,394

Group	At 1	Loan repayment	Other changes	At 31
	January 2023			December 2023
	RM'000	RM'000	RM'000	RM'000
Commodity Murabahah Term Financing-i	159,471	(31,500)	163	128,134
Sukuk Wakalah Medium Term Notes	650,000	-	-	650,000
Term Financing	46,887	-	2,302	49,189
	856,358	(31,500)	2,465	827,323

20. Employee Benefits

	Group	
	2024 RM'000	2023 RM'000
Defined benefit obligations	60	25

The Staff Retirement Benefits Scheme ("the Scheme") provides pension benefits for eligible employees upon retirement. A subsidiary of the Company participated in making contributions to the Scheme.

Notes to The
Financial Statements**21. Trade and Other Payables**

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Non-current					
Non-trade					
Amounts due to subsidiaries	21.1	-	-	378,822	186,635
Accrued expenses	21.2	20,476	17,881	-	-
		20,476	17,881	378,822	186,635
Current					
Trade					
Trade payables		27,427	14,208	7,451	3,139
Non-trade					
Amounts due to subsidiaries	21.3	-	-	431,364	407,518
Other payables	21.4	37,429	24,546	12,747	12,826
Accrued expenses		24,633	21,631	541	20
Dividend payables		105	168	105	168
		62,167	46,345	444,757	420,532
		89,594	60,553	452,208	423,671
		110,070	78,434	831,030	610,306

21.1 The amounts due to subsidiaries are unsecured, subject to profit margin ranges from 4.87% to 5.40% (2023: 4.87% to 5.98%). The amount is to be repaid after ten (10) years.

21.2 The accrued expenses are in relation to interest accrued for term financing of a subsidiary. The amount is to be repaid fifteen (15) years after drawdown (see Note 19.3).

21.3 The amounts due to subsidiaries are unsecured, subject to profit margin ranges from 2.70% to 3.90% (2023: 2.50% to 4.00%) and are repayable on demand.

21.4 Other payables of the Group and the Company mainly consists of estates and mills payables, provision and security deposits.

Notes to The Financial Statements

21. Trade and Other Payables (Continued)

21.5 Reconciliation of movement of dividend payables included in other payables

	Non- controlling interest RM'000	Owners of the Company RM'000	Total RM'000
2024			
Group			
At 1 January	-	168	168
Dividend declared during the year	13,269	17,677	30,946
Dividend paid	(13,269)	(17,740)	(31,009)
At 31 December	-	105	105
2023			
Group			
At 1 January	-	114	114
Dividend declared during the year	22,434	13,258	35,692
Dividend paid	(22,434)	(13,204)	(35,638)
At 31 December	-	168	168

21.6 Reconciliation of movement of liabilities to cash flows arising from financing activities

	At 1 January 2024 RM'000	Net changes from financing cash flows RM'000	At 31 December 2024 RM'000
Company			
Amounts due to subsidiaries	594,153	(216,033)	810,186
	594,153	(216,033)	810,186
	At 1 January 2023 RM'000	Net changes from financing cash flows RM'000	At 31 December 2023 RM'000
Company			
Amounts due to subsidiaries	619,913	25,760	594,153
	619,913	25,760	594,153

Notes to The
Financial Statements**22. Revenue**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers	877,641	751,918	229,510	182,156
Other revenue:				
Dividend income	91	109	62,646	45,481
Total revenue	877,732	752,027	292,156	227,637

22.1 Disaggregation of revenue

Group	Oil palm plantations		Other segments		Total	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Primary geographical markets						
Malaysia	874,659	750,347	-	-	874,659	750,347
Indonesia	2,982	1,571	-	-	2,982	1,571
	877,641	751,918	-	-	877,641	751,918
Major products						
Crude Palm Oil ("CPO")	699,671	564,044	-	-	699,671	564,044
Palm Kernel ("PK")	104,370	76,932	-	-	104,370	76,932
Fresh Fruits Bunches ("FFB")	73,600	110,942	-	-	73,600	110,942
	877,641	751,918	-	-	877,641	751,918
Timing and recognition						
At a point in time	877,641	751,918	91	109	877,732	752,027
Revenue from contracts with customers	877,641	751,918	-	-	877,641	751,918
Other revenue	-	-	91	109	91	109
Total revenue	877,641	751,918	91	109	877,732	752,027

Notes to The Financial Statements

22. Revenue (Continued)

22.1 Disaggregation of revenue (continued)

Company	Oil palm plantations		Other segments		Total	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Major products						
Crude Palm Oil ("CPO")	183,825	147,921	-	-	183,825	147,921
Palm Kernel ("PK")	27,568	19,285	-	-	27,568	19,285
Fresh Fruits Bunches ("FFB")	18,117	14,950	-	-	18,117	14,950
	229,510	182,156	-	-	229,510	182,156
Timing and recognition						
At a point in time	229,510	182,156	62,646	45,481	292,156	227,637
Revenue from contracts with customers	229,510	182,156	-	-	229,510	182,156
Other revenue	-	-	62,646	45,481	62,646	45,481
Total revenue	229,510	182,156	62,646	45,481	292,156	227,637

22.2 Nature of goods and services

The following information reflects the typical transactions of the Group and the Company:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration
CPO	Revenue is recognised at a point in time when the goods are delivered and accepted by the customers at their premises.	Credit period of 30 days from invoice date.	There would be penalty charges where the quality of CPO is below certain threshold.
PK	Revenue is recognised at a point in time when the goods are delivered and accepted by the customers at their premises.	Credit period of 30 days from invoice date.	There would be penalty charges where the quality of PK is below certain threshold.
FFB	Revenue is recognised at a point in time when the goods are delivered and accepted by the customers at their premises.	Credit period of 30 days from invoice date.	Penalty in relation to ripeness standard of the crop.

The Group applies the practical expedient of exemption on the disclosure of information on remaining performance obligations that have original expected durations of one year or less.

Notes to The
Financial Statements**23. Cost of sales**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Oil palm plantations	635,005	593,027	178,663	147,084
Forestry	3,081	2,858	-	-
	638,086	595,885	178,663	147,084

24. Finance Income

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit margin income on financial assets that are not at fair value through profit or loss:				
- intercompany receivables	-	-	26,791	30,192
- loans and receivables	4,693	3,647	4,678	3,611
Finance income on finance lease receivable	-	-	3,824	3,825
Recognised in profit or loss	4,693	3,647	35,293	37,628

25. Finance Cost

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Finance cost on financial liabilities that are not at fair value through profit or loss:				
- loans and borrowings	45,239	46,613	26,060	17,849
- finance costs on lease liabilities	8,907	8,898	4,842	4,718
- profit margin expense on subsidiaries	-	-	16,388	15,583
	54,146	55,511	47,290	38,150
Recognised in profit or loss	51,241	52,794	46,869	37,697
Capitalised in plantation development expenditure* (Note a)	2,905	2,717	421	453
	54,146	55,511	47,290	38,150

a. Included in capitalised in plantation development expenditure are as follows:

Note	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Finance cost capitalised in plantation development expenditure	5.1	2,905	2,717	421
		2,905	2,717	421

* The finance cost is capitalised at profit margin 4.87% to 5.40% (2023: 4.87% to 5.40%) per annum.

Notes to The Financial Statements

26. Tax Expense

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Income tax expense				
Malaysia				
- current year	47,070	34,425	12,370	9,519
- over provision in prior year	(46)	(1,051)	(21)	(885)
Total income tax recognised in profit or loss	47,024	33,374	12,349	8,634
Deferred tax expense				
Origination and reversal of temporary differences	2,058	(5,764)	(651)	(231)
Over provision in prior year	(964)	(2,344)	(229)	(128)
Current year deferred tax assets not recognised	3,820	545	-	-
Derecognition of deferred tax assets in prior year	11,160	-	-	-
Total deferred tax recognised in profit or loss (Note 26.1)	16,074	(7,563)	(880)	(359)
Total tax expense	63,098	25,811	11,469	8,275
Reconciliation of tax expense				
Profit for the year	97,322	60,096	43,628	56,768
Total tax expense	63,098	25,811	11,469	8,275
Profit excluding tax	160,420	85,907	55,097	65,043
Tax calculated using Malaysian tax rate of 24% (2023: 24%)	38,501	20,618	13,223	15,610
Non-taxable income	-	-	(20,124)	(15,534)
Non-deductible expenses	10,627	8,043	18,620	9,212
Current year deferred tax assets not recognised	3,820	545	-	-
Derecognition of deferred tax assets in prior year	11,160	-	-	-
Over provided in prior years:				
- current tax	(46)	(1,051)	(21)	(885)
- deferred tax	(964)	(2,344)	(229)	(128)
Total tax expense	63,098	25,811	11,469	8,275

26.1. Included in total deferred tax recognised in profit or loss are as follows;

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Deferred tax recognised in profit or loss	18,796	(1,519)	(880)	(359)
Deferred tax in relation to assets held for sale recognised in profit or loss	(2,722)	(6,044)	-	-
	16,074	(7,563)	(880)	(359)

Notes to The
Financial Statements**27. Profit For The Year**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit for the year is arrived at after charging/(crediting)				
Auditors' remuneration				
Audit fees:				
- KPMG PLT	730	730	150	150
Non-audit fees:				
- KPMG Tax Services Sdn Bhd	171	202	20	20
- KPMG PLT	20	20	20	20
Material expenses/(income)				
Personnel expenses (including key management personnel):				
- Wages, salaries and others	155,464	147,202	20,136	16,189
- Contribution to Employees Provident Fund	10,979	11,380	1,087	1,030
Depreciation of property, plant and equipment	67,596	65,476	6,954	6,512
Property, plant and equipment written off	113	1,198	-	25
Property, plant and equipment in relation to assets held for sale written off	311	23	-	-
Gain on disposal of right-of-use assets	-	(2,851)	-	-
Gain on disposal of right-of-use assets in relation to assets held for sale	-	(692)	-	-
Depreciation of right-of-use assets	10,738	10,755	945	943
Impairment loss on forestry	1,987	-	-	-
Impairment loss on property, plant and equipment in relation to assets held for sale	-	1,038	-	-
Change in fair value of forestry	(23,399)	(3,529)	-	-
Finance income on finance lease receivable	-	-	(3,824)	(3,825)
Change in fair value of biological asset	(7,251)	(1,767)	(1,047)	(1,276)
(Income)/Expenses related to retirement benefit plan	35	(403)	-	-
Dividend income	(91)	(109)	(62,646)	(45,481)
Profit margin income from short-term investments and other receivables	(4,693)	(3,647)	(31,469)	(33,803)
Unrealised foreign exchange loss/(gain)	13,920	(11,712)	-	-
Finance costs	42,334	43,896	42,027	32,979
Finance costs on lease liabilities	8,907	8,898	4,842	4,718
Rental income from property	-	-	(9)	(6)
Impairment /(reversal) of financial instruments				
Impairment loss on amount due from subsidiaries	-	-	37,284	7,773
Reversal of impairment loss on other receivables	-	(26)	-	-

Notes to The Financial Statements

28. Other Comprehensive Income

Group	Before tax RM'000	Tax credit RM'000	Net of tax RM'000
2024			
Item that is or may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	7,350	-	7,350
2023			
Item that is or may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	(802)	-	(802)

29. Earnings Per Ordinary Share

The calculation of basic and diluted earnings per share for the year ended 31 December 2024 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding calculated as follows:

	Group	
	2024 RM'000	2023 RM'000
Profit for the year attributable to shareholders	75,178	46,618
Profit margin on perpetual sukuk	(17,989)	(17,547)
	57,189	29,071

Weighted average number of ordinary shares

	Group	
	2024 '000	2023 '000
Weighted average number of ordinary shares at 31 December	883,851	883,851

Weighted average number of ordinary shares (diluted)

	Group	
	2024 '000	2023 '000
Weighted average number of ordinary shares at 31 December	883,851	883,851

	Group	
	2024 sen	2023 sen
Basic earnings per ordinary share	6.47	3.29

There is no dilution in earnings per ordinary share as the Group has no shares or other instruments with potential dilutive effect as at 31 December 2024 and 31 December 2023.

Notes to The
Financial Statements**30. Dividend**

Dividends recognised in the current year by the Company are:

Group	Sen per share	Total amount RM'000	Date of payment
2024			
Final 2023 ordinary (net of tax)	2.00	17,677	2 May 2024
2023			
Final 2022 ordinary (net of tax)	1.50	13,258	9 June 2023

After the end of reporting period the following dividend was recommended by the Directors. The dividend will be recognised in subsequent financial period upon approval by the shareholder of the Company.

Group	Sen per share	Total amount RM'000
2024		
Final 2024 ordinary (net of tax)	3.00	26,516

31. Operating Segments

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different strategies. For each of the strategic business units, the Chief Executive Officer, who is the Chief Operating Decision Maker ("CODM"), reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

- Oil palm plantations Includes cultivation of oil palm, processing of FFB, marketing of CPO, PK and FFB.
- Forestry Harvesting of rubberwood.

These operating segments are disaggregated due to different nature and different economic characteristic of the products.

The cultivation of oil palm, processing of FFB, marketing of CPO, PK and FFB are aggregated to form a reportable segment as oil palm plantations due to similar nature and economic characteristics of the products. The nature and methods of distribution of the products for these divisions are similar. The type of customers are similar, which is industrial customers.

There are varying levels of integration between reportable segments, the oil palm plantations and forestry reportable segments. This integration includes sharing of human resources function.

Performance is measured based on segment profit before tax, interest, and depreciation, as included in the internal management reports that are reviewed by the CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the CODM. Segment total asset is used to measure the return of assets of each segment.

Notes to The Financial Statements

31. Operating Segments (Continued)

Segment liabilities

Segment liabilities information is neither included in the internal management reports nor provided regularly to the CODM. Hence, no disclosure is made on segment liability.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment.

Group	Oil palm plantations		Forestry		Total	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Segment profit	328,527	236,511	20,785	1,158	349,312	237,699
<i>Included in the measure of segment profit are:</i>						
Revenue from external customers	877,641	751,918	-	-	877,641	751,918
Fair value change on biological asset	7,251	1,767	-	-	7,251	1,767
Fair value change on forestry	-	-	23,399	3,529	23,399	3,529
<i>Not included in the measure of segment profit but provided to Group's Chief Executive Officer</i>						
Depreciation	(78,548)	(76,298)	(467)	(487)	(79,015)	(76,785)
Finance costs	(136,888)	(136,746)	(15,747)	(14,984)	(152,635)	(151,730)
Profit margin income from short-term investments and receivables	71,820	65,300	14	19	71,834	65,319
Segment assets	4,856,018	4,422,387	81,646	60,649	4,937,664	4,483,036
Additions to non-current assets other than financial instrument and deferred tax assets	60,175	52,757	-	-	60,175	52,757

Reconciliations of reportable segment revenues, profit or loss, assets and other material items

Group	2024 RM'000	2023 RM'000
Profit or loss		
Total profit or loss for reportable segments	349,312	237,669
Other non-reportable segments	91	109
Depreciation and amortisation	(78,334)	(76,231)
Finance cost	(51,241)	(52,794)
Finance income	4,693	3,647
Unallocated (expenses)/income:		
Impairment loss on other receivables	-	26
Corporate expenses	(45,798)	(38,747)
(Loss)/gain on realisable foreign exchange	(13,920)	11,712
Others	(4,383)	516
Consolidated profit before tax	160,420	85,907

Notes to The
Financial Statements**31. Operating Segments (Continued)****Reconciliations of reportable segment revenues, profit or loss, assets and other material items (continued)**

	Fair value gain on biological asset RM'000	Fair value gain on forestry RM'000	External revenue RM'000	Depreciation RM'000	Finance costs RM'000	Profit margin income RM'000	Segment assets RM'000	Additions to non- current assets RM'000
2024								
Total reportable segments	7,251	23,399	877,641	(79,015)	(152,635)	71,834	4,937,664	60,175
Other non-reportable segments	-	-	91	-	-	-	5,657	-
Elimination of inter-segment transaction or balances	-	-	-	-	98,489	(67,141)	(2,250,477)	-
Consolidated total	7,251	23,399	877,732	(79,015)	(54,146)	4,693	2,692,844	60,175
2023								
Total reportable segments	1,767	3,529	751,918	(76,785)	(151,730)	65,319	4,483,036	52,757
Other non-reportable segments	-	-	109	-	-	-	5,657	-
Elimination of inter-segment transaction or balances	-	-	-	-	96,219	(61,672)	(1,862,375)	-
Consolidated total	1,767	3,529	752,027	(76,785)	(55,511)	3,647	2,626,318	52,757

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. Segment assets are based on the geographical location of the assets. The amounts of non-current assets do not include financial instruments and deferred tax assets.

	Revenue		Non-current assets	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysia	874,659	750,347	1,506,008	1,504,031
Indonesia	2,982	1,571	67,809	77,841
	877,641	751,918	1,573,817	1,581,872

Major customers

The following are major customers with revenue equal of more than 10% of the Group's total revenue:

	2024 RM'000	2023 RM'000	Segment
Customer A	205,037	214,487	Oil palm plantations
Customer B	113,204	68,123	Oil palm plantations
Customer C	86,699	57,110	Oil palm plantations

Notes to The Financial Statements

32. Financial Instruments

32.1 Categories of financial instruments

The table below provides an analysis of financial instruments as at 31 December 2024 categorised as follows:

- (a) Fair value through profit or loss ("FVTPL"); and
(b) Amortised cost ("AC").

	Carrying amount RM'000	AC RM'000	FVTPL RM'000
2024			
Group			
Financial assets			
Other investments	121,186	119,361	1,825
Trade and other receivables	38,601	38,601	-
Cash and cash equivalents	71,962	71,962	-
	231,749	229,924	1,825
Financial liabilities			
Loans and borrowings	(794,394)	(794,394)	-
Trade and other payables	(110,070)	(110,070)	-
	(904,464)	(904,464)	-
Company			
Financial assets			
Other investments	119,835	118,010	1,825
Trade and other receivables	284,826	284,826	-
Cash and cash equivalents	55,947	55,947	-
	460,608	458,783	1,825
Financial liabilities			
Trade and other payables	(831,030)	(831,030)	-
	(831,030)	(831,030)	-
2023			
Group			
Financial assets			
Other investments	61,720	59,895	1,825
Trade and other receivables	31,545	31,545	-
Cash and cash equivalents	82,465	82,465	-
	175,730	173,905	1,825
Financial liabilities			
Loans and borrowings	(827,323)	(827,323)	-
Trade and other payables	(78,434)	(78,434)	-
	(905,757)	(905,757)	-
Company			
Financial assets			
Other investments	60,385	58,560	1,825
Trade and other receivables	369,157	369,157	-
Cash and cash equivalents	65,969	65,969	-
	495,511	493,686	1,825
Financial liabilities			
Trade and other payables	(610,306)	(610,306)	-
	(610,306)	(610,306)	-

Notes to The
Financial Statements**32. Financial Instruments (Continued)****32.2 Net gains and losses arising from financial instruments**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net gains/(losses) on:				
Financial assets at amortised cost				
- Finance income	4,693	3,647	31,469	33,803
- Net impairment loss on financial assets	-	26	(37,284)	(7,773)
	4,693	3,673	(5,815)	26,030
Financial liabilities at amortised cost				
- Finance income	(45,239)	(46,613)	(42,448)	(33,431)
- Net foreign exchange loss	(13,920)	11,712	-	-
	(59,159)	(34,901)	(42,448)	(33,431)
	(54,466)	(31,228)	(48,263)	(7,401)

Included in losses on financial liabilities of the Group and the Company measured at amortised cost are RM2,905,000 (2023: RM2,717,000) and RM421,000 (2023: RM453,000) respectively which are capitalised in plantation development expenditure (see Note 25).

32.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Hedging activities

32.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from their receivables from customers and cash and cash equivalents. The Company's exposure to credit risk arises principally from loans and advances to inter-companies and receivables from customers. There are no significant changes as compared to prior periods.

Trade receivable*Risk management objectives, policies and processes for managing the risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount. The Group and the Company do not require collateral in respect of financial assets.

At each reporting date, the Group and the Company assess whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Notes to The Financial Statements

32. Financial Instruments (Continued)

32.4 Credit risk (continued)

Trade receivable (continued)

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables are represented by the carrying amounts in the statement of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group and the Company. The Group and the Company use ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than sixty (60) days, which are deemed to have higher credit risk, are monitored individually.

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 30 days.

The Company uses an allowance matrix to measure ECLs of trade receivables.

Loss rates are based on actual credit loss experience over the past three years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 31 December 2024 which are grouped together as they are expected to have similar risk nature.

	Gross RM'000	Loss allowances RM'000	Net RM'000
2024			
Group			
Not past due	32,482	-	32,482
Credit impaired			
Individually impaired	6	(6)	-
	32,488	(6)	32,482
Company			
Not past due	9,900	-	9,900
2023			
Group			
Not past due	30,826	-	30,826
Credit impaired			
Individually impaired	6	(6)	-
	30,832	(6)	30,826
Company			
Not past due	8,306	-	8,306

Notes to The
Financial Statements**32. Financial Instruments (Continued)****32.4 Credit risk (continued)****Trade receivable (continued)**

Recognition and measurement of impairment losses (continued)

The movements in the allowance for impairment in respect of trade receivables during the financial year are shown below:

Group	Credit impaired RM'000
At 1 January 2023/1 January 2024	6
Net remeasurement of loss allowance	-
At 31 December 2024	6

The allowance account in respect of trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is probable, the amount considered irrecoverable is written off against the receivable.

No further impairment in respect of trade receivables of the Company is necessary.

Cash and cash equivalents and deposits with licensed banks

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Other receivables

Credit risks on other receivables are mainly arising from other receivables and advances to employees.

Advances to employees have a low credit risks due to the monthly deduction to their wages. Consequently, the Company is of the view that the loss allowance is not material and hence, it is not provided for in the current year. In the prior year, a loss allowance of RM26,000 was recognised.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 January	12,692	12,718	6,482	6,482
Net remeasurement of loss allowance	-	(26)	-	-
At 31 December	12,692	12,692	6,482	6,482

Notes to The Financial Statements

32. Financial Instruments (Continued)

32.4 Credit risk (continued)

Corporate guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured corporate guarantees to banks in respect of banking facility granted to a subsidiary. The Company monitors the ability of the subsidiary to service their loans on a regular basis.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit amounted to RM950,000,000 representing the outstanding banking facilities of the subsidiary as at the end of the reporting period.

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a corporate guarantee to be credit impaired when:

- a) the subsidiary is unlikely to repay its credit obligation to the bank in full; or
- b) the subsidiary is continuously loss making and has a deficit shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available.

There is no history of default on their loan by the subsidiary and there is no indication that the subsidiary may default on their loan.

Investments and other financial assets

Risk management objectives, policies and processes for managing the risk

Short term investments are allowed only in liquid securities and only with counterparties that have a credit rating equal to or better than the Group.

Exposure to credit risk, credit quality and collateral

The Group and the Company have only placed excess cash in shariah compliant short-term deposit with licensed financial institution. The maximum exposure to credit risk is represented by the carrying amount in the statement of financial position.

In view of the sound credit rating of counterparties, management does not expect any counterparty to fail to meet its obligation.

Notes to The
Financial Statements**32. Financial Instruments (Continued)****32.4 Credit risk (continued)****Inter-company and related company loans and advances**

Risk management objectives, policies and processes for managing the risk

The Group and the Company provide loans and advances to related companies and subsidiaries. The Group and the Company monitor the results of the related companies and subsidiaries regularly, as well as their ability to repay the loans and advances on an individual basis.

The Company also manage credit on net investment in a lease together with its leasing arrangement with its subsidiary.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Inter-companies and related company loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

Recognition and measurement of impairment loss

It is assumed that there is a significant increase in credit risk when a related company and subsidiary's financial position deteriorates significantly. As the Group and the Company are able to determine the timing of payments of the related company and subsidiary's loans and advances when they are payable, loans and advances are considered to be in default when the related companies and subsidiaries are not able to pay when demanded. A related company and subsidiary's loans and advances are considered to be credit impaired when:

- a) the related company and subsidiary are unlikely to repay their loans or advances to the Company in full;
- b) the related company and subsidiary's loans and advances are overdue for more than 365 days; or
- c) the related company and subsidiary are continuously loss making and has a deficit in shareholders' fund.

The Group and the Company determine the probability of default for these loans and advances individually using internal information available.

Notes to The Financial Statements

32. Financial Instruments (Continued)

32.4 Credit risk (continued)

Inter-company and related company loans and advances (continued)

Recognition and measurement of impairment losses (continued)

The movements in the allowance for impairment in respect of related companies' balances and advances during the year are as follows:

	Group RM'000	Company RM'000
Lifetime ECL		
At 1 January 2023	4,774	368,829
Net remeasurement of loss allowance	-	7,773
At 31 December 2023/1 January 2024	4,774	376,602
Net remeasurement of loss allowance	-	37,284
At 31 December 2024	4,774	413,886

The significant increase in net measurement of loss allowance is primarily due to change in market condition which the subsidiaries operates in.

Net investment in a lease

Risk management objectives, policies and processes for managing the risk

The Group manages credit risk on net investment in a lease together with its leasing arrangement.

At the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, there is no impairment loss on net investment in a lease during the year.

32.5 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and financing facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Notes to The
Financial Statements**32. Financial Instruments (Continued)****32.5 Liquidity risk (continued)***Maturity analysis*

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

Group	Carrying amount RM'000	Contractual profit margin rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 – 2 years RM'000	2 – 5 years RM'000	More than 5 years RM'000
2024							
<i>Non-derivative financial liabilities</i>							
Sukuk Wakalah Medium Term Notes	650,000	4.87 – 5.40	819,779	33,760	93,048	373,567	319,404
Term Financing	51,597	3.00	124,405	-	-	24,791	99,614
Commodity Murabahah Term Financing-i	92,797	5.34 – 6.15	99,304	43,298	56,006	-	-
Trade and other payables	110,070	-	110,070	110,070	-	-	-
Lease liabilities	77,404	6.00 – 8.20	474,852	5,001	5,323	16,323	448,205
	981,868		1,628,410	192,129	154,377	414,681	867,223
2023							
<i>Non-derivative financial liabilities</i>							
Sukuk Wakalah Medium Term Notes	650,000	4.87 – 5.40	853,538	33,760	33,760	347,213	438,805
Term Financing	49,189	3.00	123,501	-	-	-	123,501
Commodity Murabahah Term Financing-i	128,134	5.34 – 6.15	136,160	42,400	43,241	50,519	-
Trade and other payables	78,434	-	78,434	78,434	-	-	-
Lease liabilities	77,490	6.00 – 8.20	490,510	6,115	5,861	16,265	462,269
	983,247		1,682,143	160,709	82,862	413,997	1,024,575

Notes to The Financial Statements

32. Financial Instruments (Continued)

32.5 Liquidity risk (continued)

Maturity analysis (continued)

Company	Carrying amount RM'000	Contractual profit margin rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 – 2 years RM'000	2 – 5 years RM'000	More than 5 years RM'000
2024							
<i>Non-derivative financial liabilities</i>							
Amount due to subsidiary	378,822	4.87 – 5.40	266,949	10,997	30,302	42,203	183,447
Amount due to subsidiaries	431,364	2.70 – 3.90	445,599	445,599	-	-	-
Trade and other payables	20,844	-	20,844	20,844	-	-	-
Corporate guarantee	-	-	51,661	51,661	-	-	-
Lease liabilities	60,663	8.20	458,107	3,221	3,543	10,983	440,360
	891,693		1,243,160	532,322	33,845	53,186	623,807
2023							
<i>Non-derivative financial liabilities</i>							
Amount due to subsidiary	186,635	4.87 - 5.98	277,976	10,997	10,997	113,082	142,900
Amount due to subsidiaries	407,518	2.50 - 4.00	420,762	420,762	-	-	-
Trade and other payables	16,153	-	16,153	16,153	-	-	-
Corporate guarantee	-	-	51,661	51,661	-	-	-
Lease liabilities	59,042	8.20	461,328	3,221	3,221	10,629	444,257
	669,348		1,227,880	502,794	14,218	123,711	587,157

Notes to The
Financial Statements**32. Financial Instruments (Continued)****32.6 Market risk**

Market risk is the risk that changes in market prices, such as profit margin rate that will affect the Group's financial position or cash flows.

32.6.1 Currency risk

The Group is exposed to foreign currency risk on purchases that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily Indonesia Rupiah ("IDR").

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

	Denominated in IDR	
	2024 RM'000	2023 RM'000
Group		
Balances recognised in the statement of financial position		
Trade payables	1,236	902
Net exposure	1,236	902

The impact of the changes in foreign currency exchange rate is not expected to have any material financial impacts to the current period financial statements of the Group, thus no sensitivity analysis performed.

32.6.2 Profit margin risk

The Group's and the Company's fixed rate borrowings is exposed to a risk of change in its fair value due to changes in profit margin rates.

Risk management objectives, policies and processes for managing the risk

The Group and the Company adopt a policy of ensuring that almost all borrowings are on a fixed profit margin basis.

Notes to The Financial Statements

32. Financial Instruments (Continued)

32.6 Market risk (continued)

32.6.2 Profit margin risk (continued)

Exposure to profit margin risk

The profit margin profile of the Group's and the Company's significant profit margin bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed rate instruments				
Financial assets	146,611	91,475	145,260	90,140
Financial liabilities	(779,001)	(776,679)	(439,485)	(245,677)
	(632,390)	(685,204)	(294,225)	(155,537)
Floating rate instruments				
Financial assets	-	-	274,206	360,398
Financial liabilities	(92,797)	(128,134)	(431,364)	(407,518)
	(92,797)	(128,134)	(157,158)	(47,120)

As at 31 December 2024, the Group's and the Company's exposure to the variable profit margin risk are the amount due to related companies, loans and borrowings, amount due from subsidiaries and lease liabilities which carries profit margin rates as stated in Note 21, Note 19 and Note 14.

Profit margin risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial liabilities at fair value through profit or loss. Therefore, a change in profit margin rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in profit margin rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss			
	100 bp increase 2024 RM'000	100 bp decrease 2023 RM'000	100 bp increase 2024 RM'000	100 bp decrease 2023 RM'000
Group				
Floating rate instruments	(705)	705	(974)	974
Company				
Floating rate instruments	(1,194)	1,194	(358)	358

Notes to The
Financial Statements**32. Financial Instruments (Continued)****32.7 Fair value information**

The carrying amounts of cash and cash equivalents, short-term receivables and payables reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

Group	Fair value of financial instruments carried at fair value				Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	
2024					
Financial assets					
Unquoted shares	-	-	1,825	1,825	1,825
2023					
Financial assets					
Unquoted shares	-	-	1,825	1,825	1,825
Group	Fair value of financial instruments not carried at fair value				Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	
2024					
Financial liabilities					
Sukuk Wakalah Medium Term Notes – secured	-	-	(638,211)	(638,211)	(650,000)
Term Financing	-	-	(52,051)	(52,051)	(51,597)
Commodity Murabahah Term Financing-i	-	-	(50,376)	(50,376)	(54,047)
	-	-	(740,638)	(740,638)	(755,644)
2023					
Financial liabilities					
Sukuk Wakalah Medium Term Notes – secured	-	-	(637,302)	(637,302)	(650,000)
Term Financing	-	-	(49,366)	(49,366)	(49,189)
Commodity Murabahah Term Financing-i	-	-	(81,990)	(81,990)	(92,134)
	-	-	(768,658)	(768,658)	(791,323)

Notes to The Financial Statements

32. Financial Instruments (Continued)

32.7 Fair value information (continued)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position (continued).

Company	Fair value of financial instruments carried at fair value				Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	
2024					
Financial assets					
Unquoted shares	-	-	1,825	1,825	1,825
Financial liabilities					
Amount due to subsidiary	-	-	(197,104)	(197,104)	(378,822)
2023					
Financial assets					
Unquoted shares	-	-	1,825	1,825	1,825
Financial liabilities					
Amount due to subsidiary	-	-	(207,556)	(207,556)	(186,635)

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
• Amount due to subsidiaries and related companies	Discounted cash flows using a rate based on the current market rate of borrowing of the Group and Company at the entities reporting date.
• Loans and borrowings	

Financial instruments carried at fair value

Type	Description of valuation technique and inputs used
• Unquoted shares	Net assets value at the entities reporting date.

Interest rates used to determine financial instrument

The interest rates used to discount estimated cash flows, when applicable, are as follows:

	2024	2023
Loans and borrowings, amount due from subsidiaries and related companies and finance lease receivables	5.44%	5.44%
Lease liabilities	5.44% - 8.20%	5.44% - 8.20%

Notes to The
Financial Statements**33. Capital Management**

The Group's objective when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

The debt-to-equity ratios at 31 December 2024 and at 31 December 2023 were as follows:

	Note	Group	
		2024 RM'000	2023 RM'000
Total borrowings	19	794,394	827,323
Lease liabilities		77,404	77,490
Less: Cash and cash equivalents	15	(71,962)	(82,465)
Less: Other investments	9	(119,361)	(59,895)
Net debt		680,475	762,453
Total equity		1,368,900	1,313,163
Debt-to-equity ratios		0.50	0.58

The Group has to maintain Group financing equity ratio of not more than 1.5 times on a consolidated basis (see note 19.1(f)).

There was no change in the Group's approach to capital management during the financial year.

34. Capital and Other Commitments

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Property, plant and equipment				
<i>Authorised but not contracted for:</i>				
Within one year	88,517	76,050	11,258	12,114
Plantation development expenditure				
<i>Authorised but not contracted for:</i>				
Within one year	32,744	34,877	-	682
	121,261	110,927	11,258	12,796

Notes to The Financial Statements

35. Related Parties

Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and the Company are shown below. The balances related to the below transactions are shown in Note 14 and 21.

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
A. Holding corporation				
Expenses				
Rental of land	(3,221)	(3,221)	(3,221)	(3,221)
Rental of office space	(1,015)	(1,015)	-	-
B. Related companies				
Expenses				
Purchase of insurance	(1,500)	(3,736)	(176)	(439)
Purchase of flight tickets	(857)	(709)	(96)	(21)
C. Subsidiaries companies				
Income				
Profit margin income from subsidiaries receivables	-	-	26,791	30,192
Expenses				
Management fees	-	-	(7,680)	(6,297)
Profit margin expense from subsidiaries payables	-	-	(16,388)	(15,583)
D. Key management personnel				
Non-executive directors				
- Remuneration	(2,280)	(2,111)	(902)	(775)
Other key management personnel				
- Short-term employee benefits	(1,700)	(1,462)	(1,700)	(1,462)
	(3,980)	(3,573)	(2,602)	(2,237)

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the Group entities either directly or indirectly.

For certain salaried key management personnel, the Group also contributes to state plans at the rate which is higher than statutory rate.

Notes to The
Financial Statements**36. Contingencies**

The cases involved are as follows:

Litigation Related to Native Customary Rights (Case Reference: KCH-22NCvC-43-11/2023 (HC3))

TH PELITA Simunjan Sdn. Bhd. (“Affected Entity”), a subsidiary, is currently involved in legal proceedings alongside LCDA Holdings Sdn. Bhd. and Mohd Najib bin Arbi @ Nigel Anak Abi (collectively, “the Defendants”). The case has been brought by nine (9) individuals representing Native Customary Rights (“NCR”) landowners from Kampung Ruan Surik, Simunjan, Sarawak (collectively, “the Plaintiffs”).

The plaintiffs are asserting NCR over a parcel of land in Semalatong, Simunjan, Sarawak, and are seeking declarations of ownership, an injunction to prevent further development, and monetary damages amounting to:

- i. RM184,200,000 in special damages for alleged trespass and loss of profits.
- ii. RM46,050,000 in aggravated damages.

Subsequently, the Group has counterclaimed RM144,100,000, asserting its lawful possession and management rights under a Joint Venture Agreement. An Injunction Order issued by the High Court on 21 March 2024 restrains the plaintiffs from trespassing or interfering with the Group’s operations. The case is ongoing, with trial dates yet to be fixed.

The Directors are of the opinion that the Group has a strong defense based on preliminary rulings favoring the Group and supporting evidence. The possibility of the Group suffering an economic outflow from the above said case is remote.

Statement by Directors

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

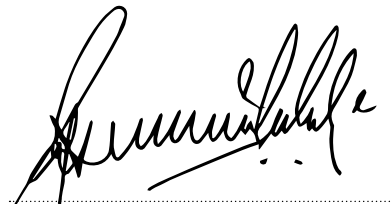
In the opinion of the Directors, the financial statements set out on pages 161 to 245 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

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



Datuk Dr. Ahmad Kushairi bin Din

Chairman



Kasmuri bin Sukardi

Director

Kuala Lumpur,

Date: 6 March 2025

Statutory Declaration

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

I, Marliyana binti Omar, the officer primarily responsible for the financial management of TH Plantations Berhad, do solemnly and sincerely declare that the financial statements set out on pages 161 to 245 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the above named Marliyana binti Omar, NRIC: 810605-06-5400, MIA CA 30527, in Kuala Lumpur in the Federal Territory on 6 March 2025.



Marliyana binti Omar

Before me:



Commissioner for Oaths

Lot 1.08, Tingkat 1,
Bangunan KWSP, Jln Raja Laut,
50350 Kuala Lumpur.
Tel: 019-668 0745

Independent Auditors' Report

To The Members of TH Plantations Berhad
(Registration No. 197201001069 (12696-M))
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TH Plantations Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 161 to 245.

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

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' 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 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.

Group – Impairment of plantation assets

Refer to Note 1 (d)(i) and (ii) – Basis of preparation: Use of estimates and judgements - Recoverable amount of bearer plant, right-of-use assets and plantation development expenditure and assets held for sale, Note 2(j) – Material accounting policy: Impairment, Note 3 – Property, plant and equipment, Note 4 – Right-of-use assets, Note 5 – Plantation development expenditure and Note 16 – Assets classified as held for sale.

The key audit matter

During the year, the Group has performed impairment assessment on plantation assets of the disposal group (refer to Note 16 – Assets classified as held for sale) and certain cash generating units of plantation assets (refer to Note 3 – Property, plant and equipment, Note 4 – Right-of-use assets and Note 5 – Plantation development expenditure) either based on valuations performed by registered valuers, non-binding offer received from prospective buyers or value in use calculations performed by the Group, to determine the estimated recoverable amounts of those plantation assets.

Where the recoverable amount is lower than the carrying amount of the plantation assets, the carrying amounts of the asset is reduced to its estimated recoverable amount and the difference is regarded as an impairment loss.

Independent Auditors' Report

To The Members of TH Plantations Berhad
(Registration No. 197201001069 (12696-M))
(Incorporated in Malaysia)

Key Audit Matters (continued)

Group – Impairment of plantation assets (continued)

The key audit matter (continued)

The key assumptions applied by the Group and registered valuers in determining the recoverable amounts are highly sensitive. They could significantly affect the carrying amount of the assets as well as any impairment charge for the year.

We identified impairment of plantation assets as a key audit matter because:

- the carrying amounts of these plantation assets were significant to the financial statements of the Group;
- there was significant judgement involved in evaluating the key assumptions used in the discounted cash flows by the independent valuer such as cash flows period, expected projected yield, sales price, upkeep and maintenance cost and discount rates;
- there was significant judgement involved in evaluating the key assumptions used in the value in use calculations performed by the Group such as cash flows period, expected projected yield, sales price, upkeep and maintenance cost and discount rates;
- there was no direct comparable prices to the recent market transaction; and
- there was no active market for certain plantation assets

How the matter was addressed in our audit

We performed the following audit procedures, among others:

- i. Assessed the feasibility and progress of the proposed planned disposal group to determine the classification of assets held for sale;
- ii. Non-binding offer from prospective buyers
 - read the non-binding offer between the Group and offer from prospective buyers;
 - read the minutes of discussion between the Group and the prospective buyers in relation to the status or progress of the disposal plan;
 - read the letter correspondences from both parties in relation to progress of the proposed planned disposal group; and
 - assessed the appropriateness of classification of assets based on the offer received from prospective buyers in line with relevant accounting standards;
- iii. Value in use calculations as prepared by the Group
 - evaluated the value in use calculations and the process by which they were developed;
 - compared the value in use calculations to the Group's approved business plans;
 - compared previous value in use calculations to current year results to assess the performance of the business and the reliability of the forecasting process;

Independent Auditors' Report

To The Members of TH Plantations Berhad
(Registration No. 197201001069 (12696-M))
(Incorporated in Malaysia)

Key Audit Matters (continued)

Group – Impairment of plantation assets (continued)

Refer to Note 1 (d)(i) and (ii) – Basis of preparation: Use of estimates and judgements - Recoverable amount of bearer plant, right-of-use assets and plantation development expenditure and assets held for sale, Note 2(j) – Material accounting policy: Impairment, Note 3 – Property, plant and equipment, Note 4 – Right-of-use assets, Note 5 – Plantation development expenditure and Note 16 – Assets classified as held for sale. (continued)

How the matter was addressed in our audit (continued)

We performed the following audit procedures, among others (continued):

iii. Value in use calculations as prepared by the Group (continued)

- evaluated the appropriateness of the following key assumptions used in the value in use calculations as performed by the Group;
 - a) Commodity price – compared the price used in forecast against external source;
 - b) Cashflow period – compared the cash flow period to the historical production cycle of the plantation assets;
 - c) Upkeep and maintenance costs – compared the assumptions to the cost of similar estates and with our expectation based on our knowledge of the industry;
 - d) Production quantity – compared the assumptions to the historical production based on age of the trees and planted areas; and
 - e) Discount rate – compared the discount rate to industry practice and external source;
- considered the sensitivity analysis of the key assumptions;
- checked the accuracy and relevance of the key input data used in the value in use calculations as provided by the Group; and
- assessed whether the Group's disclosures about the sensitivity of the outcome of the impairment assessments to changes in key assumptions reflect the risks inherent in the valuation of plantation asset.

iv. Valuations performed by registered valuers

- evaluated the registered valuer's competency, capabilities and objectivity;
- read the valuation report and interviewed the valuer to understand the methodology used by the valuer in deriving the market value of plantation assets;
- evaluated the appropriateness of the following key assumptions used in the discounted cash flows;
 - a) Commodity price – compared the price used in forecast against external source;
 - b) Cashflow period – compared the cash flow period to the historical production cycle of the plantation assets;
 - c) Upkeep and maintenance costs – compared the assumptions to the cost of similar estates and with our expectation based on our knowledge of the industry;

Independent Auditors' Report

To The Members of TH Plantations Berhad
(Registration No. 197201001069 (12696-M))
(Incorporated in Malaysia)

Key Audit Matters (continued)

Group – Impairment of plantation assets (continued)

Refer to Note 1 (d)(i) and (ii) – Basis of preparation: Use of estimates and judgements - Recoverable amount of bearer plant, right-of-use assets and plantation development expenditure and assets held for sale, Note 2(j) – Material accounting policy: Impairment, Note 3 – Property, plant and equipment, Note 4 – Right-of-use assets, Note 5 – Plantation development expenditure and Note 16 – Assets classified as held for sale. (continued)

How the matter was addressed in our audit (continued)

We performed the following audit procedures, among others (continued):

iv. Valuations performed by registered valuers (continued)

- evaluated the appropriateness of the following key assumptions used in the discounted cash flows (continued);
 - d) Production quantity – compared the assumptions to the historical production based on age of the trees and planted areas;
 - e) Discount rate – compared the discount rate to industry practice and external source; and
 - f) Terminal value – compared the plantation land value per hectare to recent market transactions;
- checked the accuracy and relevance of the key input data provided by the group to the registered valuers;
- evaluated the Group's basis in adopting valuations performed by a registered valuer in prior year for one of the Group's subsidiary is still relevant for the current year to industry practice and external source; and
- assessed whether the Group's disclosures about the sensitivity of the outcome of the impairment assessments to changes in key assumptions reflect the risks inherent in the valuation of plantation asset.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

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 annual report 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 annual report and, in doing so, consider whether the annual report 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 the annual report, we are required to report that fact. We have nothing to report in this regard.

Independent Auditors' Report

To The Members of TH Plantations Berhad
(Registration No. 197201001069 (12696-M))
(Incorporated in Malaysia)

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

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- 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 gives a true and fair view.
- 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.

Independent Auditors' Report

To The Members of TH Plantations Berhad
(Registration No. 197201001069 (12696-M))
(Incorporated in Malaysia)

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

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 auditors' 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 7 to the financial statements.

Other Matter

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.



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KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya

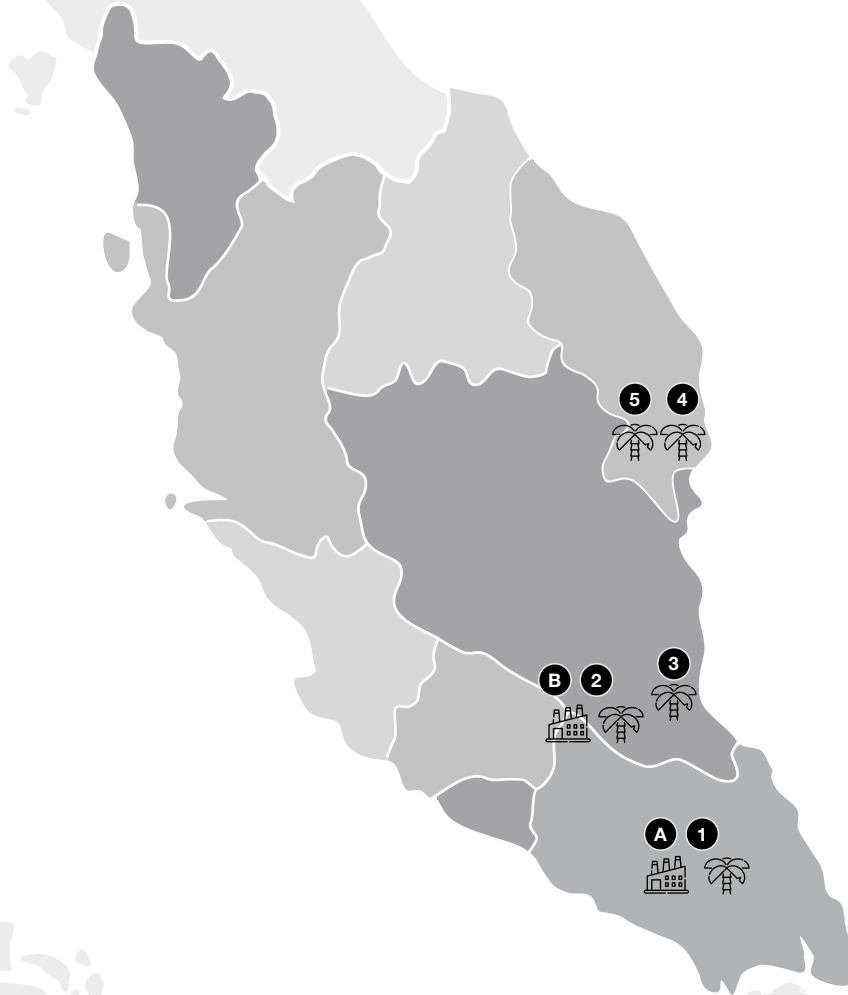
Date: 6 March 2025



.....
Muhammad Azman Bin Che Ani
Approval Number: 02922/04/2026 J
Chartered Accountant

Properties Owned by THP Group

At 31 December 2024



Johor

- 1. Ladang Bukit Lawiang
Kluang, Johor
- Ladang Gunung Sumalayang
Kluang, Johor
- A. Kilang Sawit Bukit Lawiang
Kluang, Johor

Pahang

- 2. Ladang Kota Bahagia
Keraton, Pahang
- Ladang Sungai Mengah
Keraton, Pahang
- Ladang Sungai Buan
Keraton, Pahang
- B. Kilang Sawit Kota Bahagia
Keraton, Pahang
- 3. Ladang Sungai Merchong
Muadzam Shah, Pahang

Terengganu

- 4. Ladang Ulu Chukai
Kemaman, Terengganu
- 5. Ladang Sungai Ibok
Kemaman, Terengganu

Sarawak

- 6. Ladang Kenyalang Pusa, Sarawak
- Ladang Raja Udang Pusa, Sarawak
- Ladang Enggang Pusa, Sarawak
- Ladang Merbok Pusa, Sarawak
- Ladang NCR Saribas Pusa, Sarawak
- C. Kilang Sawit Ladang Raja Udang Pusa, Sarawak
- 7. Ladang Sungai Kerian
Serian, Sarawak
- 8. Ladang Gedong
Serian, Sarawak
- Ladang Sematan
Serian, Sarawak
- Ladang Sadong
Serian, Sarawak
- Ladang Lupar
Serian, Sarawak
- D. Kilang Sawit Gedong
Serian, Sarawak

Properties Owned by THP Group

At 31 December 2024

Indicators:



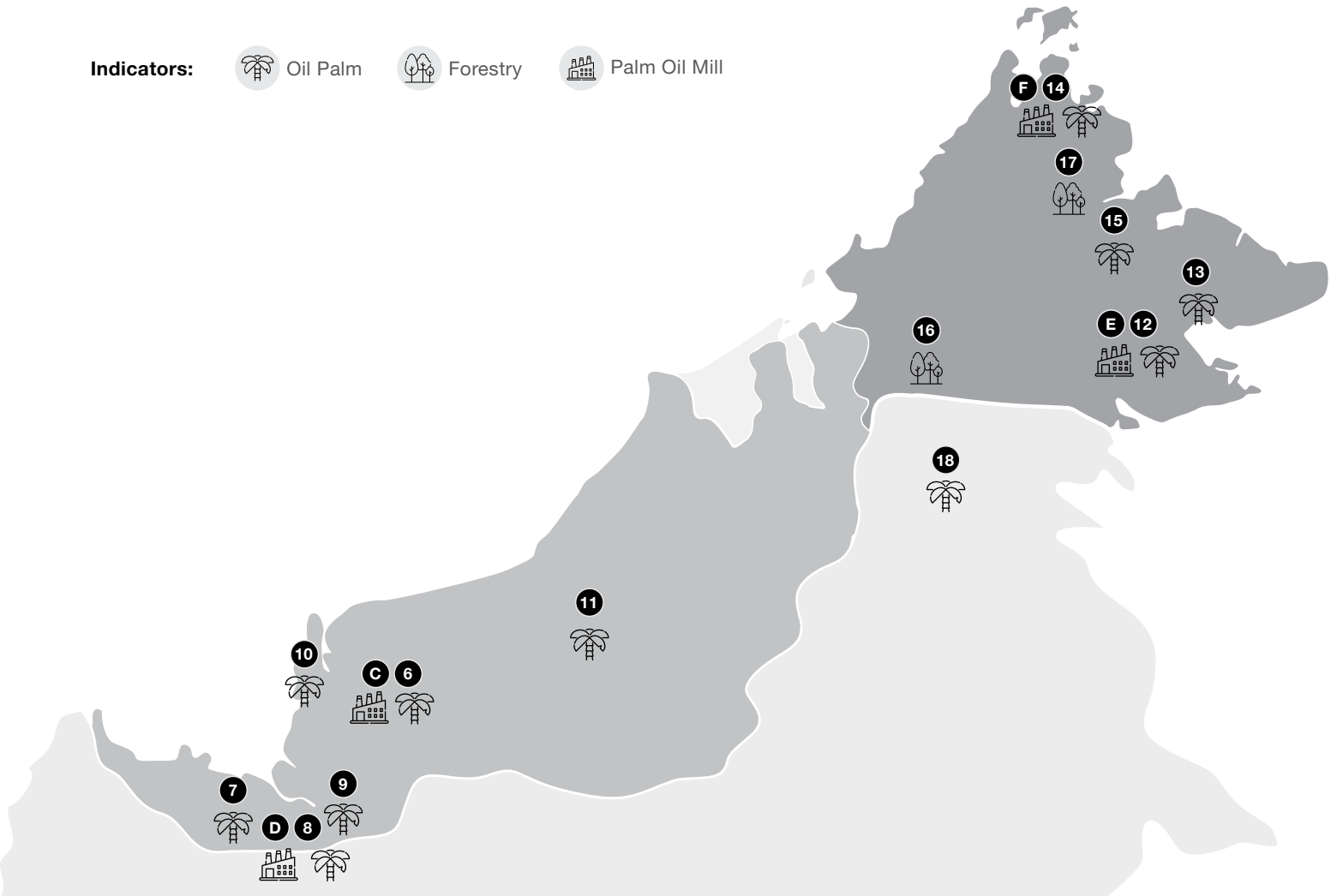
Oil Palm



Forestry



Palm Oil Mill



Sabah

- 9. Ladang Kepayang
Simunjan, Sarawak
Ladang Semalatong
Simunjan, Sarawak
- 10. Ladang NCR
Beladin, Sarawak
Ladang Tanjung Lilin
Meludam, Sarawak
Ladang Semarang
Meludam, Sarawak
- 11. Ladang Sungai Arip
Bintulu, Sarawak
Ladang Sungai
Karangan
Bintulu, Sarawak
- 12. Ladang Sungai
Tenegang
Lahad Datu, Sabah
Ladang Sungai
Koyah
Lahad Datu, Sabah
- E. Kilang Sawit Sungai
Tenegang
Lahad Datu, Sabah
- 13. Ladang Bukit Gold
Lahad Datu, Sabah
- 14. Ladang Mamahat
Kota Marudu, Sabah

Indonesia

- F. Kilang Sawit Ladang
Mamahat
Kota Marudu, Sabah
- 15. Ladang Bukit Belian
Sandakan, Sabah
- 16. Ladang Jati
Keningau
Keningau, Sabah
- 17. Ladang Klagan 1
Sandakan, Sabah
Ladang Klagan 2
Sandakan, Sabah
Ladang Klagan 3
Sandakan, Sabah
Ladang Klagan 4
Sandakan, Sabah
Ladang Klagan 5
Sandakan, Sabah
Ladang Jatimas
Sandakan, Sabah
- 18. PT Persada Kencana
Prima
*Kalimantan,
Indonesia*

Properties Owned by THP Group

At 31 December 2024

PLANTATIONS

Location	Approximate Age of Building	Tenure	Year of Expiry	Titles Area Hectares	Description	Net Book Value RM'000
PENINSULAR MALAYSIA						
TH Plantations Berhad						
Ladang Ulu Chukai Kemaman, Terengganu	-	Leasehold	2051	902	Oil Palm Estate	17,478
Ladang Bukit Lawiang Ladang Gunung Sumalayang Kluang, Johor	-	Leasehold	2091	4,058	Oil Palm Estate	81,922
Kilang Sawit Bukit Lawiang Kluang, Johor	35	Leasehold	2091	10 [^]	Palm Oil Mill	8,727
THP Kota Bahagia Sdn. Bhd.¹						
Ladang Kota Bahagia Keraton, Pahang	-	Leasehold	2071 and 2073	1,858	Oil Palm Estate	29,951
Kilang Sawit Kota Bahagia Keraton, Pahang	48	Leasehold	2071	9.804 [^]	Palm Oil Mill	8,526
Ladang Sungai Mengah Keraton, Pahang	-	Leasehold	2073, 2090 and 2093	2,196	Oil Palm Estate	32,451
Ladang Sungai Buan Keraton, Pahang	-	Leasehold	2093 and 2108	1,795	Oil Palm Estate	34,664
Ladang Sungai Merchong Muadzam Shah, Pahang	-	Leasehold	2085	1,720	Oil Palm Estate	32,265
THP Ibok Sdn. Bhd.²						
Ladang Sungai Ibok Kemaman, Terengganu	-	Leasehold	2042 and 2052	924	Oil Palm Estate	16,803
SABAH						
THP Sabaco Sdn. Bhd.						
Ladang Sungai Tenegang Ladang Sungai Koyah Lahad Datu, Sabah	-	Leasehold	2083	3,886	Oil Palm Estate	150,411
Kilang Sawit Sungai Tenegang Lahad Datu, Sabah	32	Leasehold	2083	50 [^]	Palm Oil Mill	12,548
Ladang Bukit Gold Lahad Datu, Sabah	-	Leasehold	2076	2,020	Oil Palm Estate	88,426
Ladang Mamahat Kota Marudu, Sabah	-	Leasehold	2096, 2098 and 2099	2,936	Oil Palm Estate	89,050
Kilang Sawit Ladang Mamahat Kota Marudu, Sabah	15	Leasehold	2096	25 [^]	Palm Oil Mill	9,072
THP Bukit Belian Sdn. Bhd.						
Ladang Bukit Belian Sandakan, Sabah	-	Leasehold	2887	1,088	Oil Palm Estate	41,072

Properties Owned by THP Group

At 31 December 2024

Location	Approximate Age of Building	Tenure	Year of Expiry	Titles Area Hectares	Description	Net Book Value RM'000
SABAH						
TH-Bonggaya Sdn. Bhd.						
Ladang Klagan 1						
Ladang Klagan 2						
Ladang Klagan 3	-	Licensed for 100 years	2098	10,117	Forestry	129,205
Ladang Klagan 4						
Ladang Klagan 5						
Sandakan, Sabah						
TH-USIA Jatimas Sdn. Bhd.						
Ladang Jatimas	-	Licensed for 100 years	2098	4,046	Forestry	50,019
Sandakan, Sabah						
Ladang Jati Keningau Sdn. Bhd.						
Ladang Jati Keningau	-	Leasehold	2078	1,550	Teak Estate	26,574
Sandakan, Sabah						
SARAWAK						
THP Saribas Sdn. Bhd.						
Ladang Kenyalang						
Ladang Raja Undang						
Ladang Enggang	-	Leasehold	2060	9,955 [∞]	Oil Palm Estate	280,960
Ladang Merbok						
Ladang NCR Saribas Pusa, Sarawak						
Kilang Sawit Ladang Raja Undang Pusa, Sarawak	11	Leasehold	2060	9 [^]	Palm Oil Mill	37,703
Hydroflow Sdn. Bhd.						
Ladang Sungai Kerian Samarahan, Sarawak	-	Leasehold	2064 and 2067	5,553	Oil Palm Estate	116,516
TH PELITA Gedong Sdn. Bhd.						
Ladang Gedong	-	Leasehold	2058	7,967	Oil Palm Estate	233,820
Ladang Sematan Serian, Sarawak						
Kilang Sawit Gedong Serian, Sarawak	19	N/a*	N/a	217*	Palm Oil Mill	32,929
TH PELITA Sadong Sdn. Bhd.						
Ladang Sadong	-	Leasehold	2060	4,543	Oil Palm Estate	163,851
Ladang Lupar Serian, Sarawak						

Properties Owned by THP Group

At 31 December 2024

PLANTATIONS

Location	Approximate Age of Building	Tenure	Year of Expiry	Titles Area Hectares	Description	Net Book Value RM'000
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SARAWAK

TH PELITA Simunjan Sdn. Bhd.

Ladang Kepyayang Ladang Semalotong Samarahan, Sarawak	-	Not available as the estate is located on NCR land. Perimeter survey had been completed. LCDA is finalizing the participant list before Principle Deed and Trust Deed finalized.	-	9,630 ³	Oil Palm Estate	127,487
		The land shall be alienated to TH PELITA Simunjan Sdn. Bhd. for a period of sixty (60) years pursuant to the Simunjan Joint Venture Agreement				

TH PELITA Beladin Sdn. Bhd.

Ladang NCR Beladin, Sarawak	-	Not available as the estate is located on NCR land. Principle Deed and Trust Deed had been finalized on 28 October 2020. However LCDA reviewed the Principle Deed and Trust Deed for amended.	-	1,577 ⁴	Oil Palm Estate	30,979
		The land shall be alienated to TH PELITA Beladin Sdn. Bhd. for a period of sixty (60) years pursuant to the Beladin Joint Venture Agreement				

TH PELITA Meludam Sdn. Bhd.

Ladang Tanjung Lilin Ladang Semarang Meludam, Sarawak	-	Leasehold	2066	6,009	Oil Palm Estate	160,387
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Bumi Suria Ventures Sdn. Bhd.

Ladang Sungai Arip Ladang Sungai Karangan Sibu-Bintulu, Sarawak	-	Leasehold	2065 and 2066	6,514	Oil Palm Estate	136,316
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PT Persada Kencana Prima

Ladang Menjelutung	-	Leasehold	2052	6,929	Oil Palm Estate	64,268
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Properties Owned by THP Group

At 31 December 2024

HOSPITALITY

Location	Approximate Age of Building	Tenure	Area Sq feet	Description	Net Book Value RM'000
PENINSULAR MALAYSIA					
Tanjung Tuan Resort, Port Dickson, Negeri Sembilan	34	-	1,222	1 Unit 3 Rooms Apartment	7
Awana Kijal Resort, Kijal, Terengganu	21	-	816	1 Unit 3 Rooms Apartment	30

Notes:

1 Registered under the ownership of Lembaga Tabung Haji.

2 Registered under the ownership of Syarikat Peladang LUTH Sdn Bhd. The former name of THP Ibok Sdn Bhd

3 Gross area as stated in the Simunjan Joint Venture Agreement

4 Gross area as stated in the Beladin Joint Venture Agreement

* On 13 September 2012, TH PELITA Gedong Sdn. Bhd. received an offer from the Ministry of Resource Planning and Environment for the alienation of the land alongside Lot 166, Block 6 of Melikin Land District, where the Gedong Palm Oil Mill is located and TH PELITA Gedong Sdn. Bhd. is currently undertaking the procedures for the alienation of said land.

∞ As per MSPO requirement

^ Part of the titled area under Ladang Kota Bahagia (Kilang Sawit Kota Bahagia), Ladang Bukit Lawing (Kilang Sawit Bukit Lawiang), Ladang Sungai Tenegang (Kilang Sawit Sungai Tenegang), Ladang Mamahat (Kilang Sawit Ladang Mamahat) and Ladang Raja Udang (Kilang Sawit Ladang Raja Udang)

Includes the net book value of land owned under Maju Warisanmas Sdn. Bhd. Amounting to RM4.01 million.

N/a Not applicable

Corporate Directory

Owned by THP Group

Company	Office/Estates	Designation	Mailing Address	Location Address
Chief Operating Officer	Chief Operating Officer Tel No. : 03-26034777	Alikamal Abu Hasan Chief Operating Officer	Level 23 Menara TH Selborn 153 Jalan Tun Razak 50400 Kuala Lumpur	Level 23 Menara TH Selborn 153 Jalan Tun Razak 50400 Kuala Lumpur
	Peninsular Region Plantation Controller (Peninsular Office) HP No. : 019-888 5990 Email : tuah@thplantations.com	Tuah b Nawi Plantation Controller Peninsular Region	Karung Berkunci 522 86009 Kluang Johor	Lot PTD 4747, 4748, 4749, 4750, 4751, 4752 KM20, Jalan Kluang - Kota Tinggi 86000 Kluang Johor
TH Plantations Berhad	Ladang Bukit Lawiang Tel No. : 07-7863063/7891658 Email : llawiang@thplantations.com	Mat Faisal b Ismail (Senior Manager)	Karung Berkunci 522 86009 Kluang Johor	Lot PTD 4747, 4748, 4749, 4750, 4751, 4752 KM20, Jalan Kluang - Kota Tinggi 86000 Kluang Johor
	Ladang Gunung Sumalayang Tel No. : 07-7863444 Email : lsumalayang@thplantations.com	Alinan b Kadar (Manager)	Karung Berkunci 535 86009 Kluang Johor	Lot PTD 4743, 4744, 4745, 4746, 4747, 4748 & 4749 KM20, Jalan Kluang - Kota Tinggi 86000 Kluang Johor
	Ladang Ulu Chukai Tel No. : 09-8676336 Email : lchukai@thplantations.com	Hj Mahya b Masrom (Manager)	Peti Surat 2 24107 Kijal, Kemaman Terengganu	Jalan Jerangau - Jabor (Penghantar 2) 24000 Kemaman Terengganu
	Kilang Sawit Bukit Lawiang Tel No. : 07-7864540/7892909 Email : klawiang@thplantations.com	Kamar b Jamian (Senior Manager)	Peti Surat 114 86007 Kluang Johor	KM 20, Jalan Kluang - Kota Tinggi 86007 Kluang Johor
	THP Kota Bahagia Sdn Bhd Ladang Kota Bahagia Tel No. : 09-4524826 Email : lkbahagia@thplantations.com	Azma Syhihan b Ariffin (Manager)	Peti Surat 19 26700 Muadzam Shah Pahang	Lot PT 288, 289, 306 Mukim Keratong, Daerah Rompin 26700 Muadzam Shah Pahang
Ladang Sungai Mengah Tel No. : 09-4524979 Email : lsgmengah@thplantations.com	Mohd Johari b Md Daud (Senior Manager)	Peti Surat 21 26700 Muadzam Shah Pahang	Lot PT 2549, 2333, 305 Mukim Keratong Daerah Rompin 26700 Muadzam Shah Pahang	
Ladang Sungai Buan Tel No. : 09 - 4524996 Email : lsgbuan@thplantations.com	Tengku Jamalluddin b Tuan Abdullah (Manager)	Peti Surat 18 26700 Muadzam Shah Pahang	Lot PT 2297, 11440 & 11451 Mukim Keratong 26700 Muadzam Shah Pahang	
Ladang Sungai Merchong Tel No. : 09 - 4521069 Email : lsgmerchong@thplantations.com	Muhamad Suhaili b Shahrudin (Acting Manager)	Peti Surat 4 26700 Muadzam Shah Pahang	KM10, Jalan Muadzam Shah - Kuala Rompin 26700 Muadzam Shah Pahang	
Kilang Sawit Kota Bahagia Tel No. : 09-4524936 Email : kskb@thplantations.com	Muhamad Murshid b Mukhtar (Manager)	Peti Surat 20 26700 Muadzam Shah Pahang	Lot PT 289 Bandar 14 Kota Bahagia Muadzam Shah 26700 Rompin Pahang	

Corporate Directory Owned by THP Group

Company	Office/Estates	Designation	Mailing Address	Location Address
THP Ibok Sdn Bhd	Ladang Sungai Ibok Tel No. : 09-8676543 Email : libok@thplantations.com	Hj. Mahya b Masrom (Manager)	Peti Surat 2 24107 Kijal, Kemaman Terengganu	Jalan Jerangau - Jabor (Penghantar 2) 24000 Seri Bandi Kemaman Terengganu
Sabah Region (Oil Palm)	Plantation Controller (Sabah Region Office) HP No. : 019-775 3310 Email : asyaari@thplantations.com	Abdullah Asya'ari b Junoh Plantation Controller Sabah Region	Block 1, 1 st Floor Lot 7, Utama Zone 3 Commercial Mile 6, North Road 90000 Sandakan Sabah	Block 1, 1 st Floor Lot 7, Utama Zone 3 Commercial Mile 6, North Road 90000 Sandakan Sabah
THP Sabaco Sdn Bhd	Ladang Sungai Tenegang Tel No. : 089-959124 Email : lstenegang@thplantations.com	Suardi b Abdurrachman (Manager)	Beg Berkunci No.12 91109 Lahad Datu Sabah	KM 41 Jalan Lahad Datu - Sandakan Mukim Tenegang/Koyah 91109 Lahad Datu Sabah
	Ladang Sungai Koyah Tel No : 089-959814 Email : lsgkoyah@thplantations.com	Jalaludin b Sukri (Manager)	Beg Berkunci No 6 91109 Lahad Datu Sabah	KM 41 Jalan Lahad Datu - Sandakan 91109 Lahad Datu Sabah
	Ladang Bukit Gold Tel No. : 089-959818 Email : lbgold@thplantations.com	Juna b Palatuwi (Senior Manager)	Peti Surat 60389 91113 Lahad Datu Sabah	KM 20 Jalan Jeroco Off KM20, Jalan Lahad Datu-Sandakan 91113 Lahad Datu Sabah
	Ladang Mamahat Tel No. : 089-278013 Email : lmamahat@thplantations.com	Abdul Kahar b Sariman (Senior Manager)	PPM 184 Jalan Elopura 90000 Sandakan Sabah	KM 158 Jalan Telupid Paitan Beluran Sabah
	Kilang Sawit Sungai Tenegang Tel No. : 089-959812 Email : kstenegang@thplantations.com	Aizuddin b Abdul Hamid (Manager)	Peti Surat 60626 91115 Lahad Datu Sabah	KM 41 Jalan Lahad Datu - Sandakan 91115 Lahad Datu Sabah
	Kilang Sawit Ladang Mamahat Tel No. : 089-278023 Email : kmamahat@thplantations.com	Abdul Naziz Ashady b Abdul Rahman (Manager)	Beg Berkunci No.29 89109 Kota Marudu Sabah	KM158 Jalan Telupid - Paitan Labuk/Sugut 90000 Beluran Sabah
	THP Bukit Belian Sdn Bhd	Ladang Bukit Belian Tel No. : 089-278030 Email : lbelian@thplantations.com	Martin b Soili (Manager)	WDT 167 Kota Kinabatangan 90200 Sandakan Sabah

Corporate Directory

Owned by THP Group

Company	Office/Estates	Designation	Mailing Address	Location Address
TH-Bonggaya Sdn Bhd	Ladang Klagan 1 Tel No. : 089-278018 Email : lklagan@thplantations.com	Mohd Zaki Bin Zainol (Manager)	1 st Floor Lot 7 Utama Zone 3 Commercial Mile 6 North Road 90000 Sandakan Sabah	FMU 18 Bonggaya Forest Reserve KM 50, Jalan Sapi-Paitan Off KM95 Jalan Sandakan-Telupid Beluran Sabah
	Ladang Klagan 2 Tel No. : 089-278018 Email : lklagan@thplantations.com	Mohd Zaki Bin Zainol (Manager)	1 st Floor Lot 7 Utama Zone 3 Commercial Mile 6 North Road 90000 Sandakan Sabah	FMU 18 Bonggaya Forest Reserve KM 50, Jalan Sapi-Paitan Off KM95 Jalan Sandakan-Telupid Beluran Sabah
	Ladang Klagan 3 Tel No. : 089-278018 Email : lklagan@thplantations.com	Mohd Zaki Bin Zainol (Manager)	1 st Floor Lot 7 Utama Zone 3 Commercial Mile 6 North Road 90000 Sandakan Sabah	FMU 18 Bonggaya Forest Reserve KM 50, Jalan Sapi-Paitan Off KM95 Jalan Sandakan-Telupid Beluran Sabah
	Ladang Klagan 4 Tel No. : 089-278018 Email : lklagan@thplantations.com	Mohd Zaki Bin Zainol (Manager)	1 st Floor Lot 7 Utama Zone 3 Commercial Mile 6 North Road 90000 Sandakan Sabah	FMU 18 Bonggaya Forest Reserve KM 50, Jalan Sapi-Paitan Off KM95 Jalan Sandakan-Telupid Beluran Sabah
	Ladang Klagan 5 Tel No. : 089-278018 Email : lklagan@thplantations.com	Mohd Zaki Bin Zainol (Manager)	1 st Floor Lot 7 Utama Zone 3 Commercial Mile 6 North Road 90000 Sandakan Sabah	FMU 18 Bonggaya Forest Reserve KM 50, Jalan Sapi-Paitan Off KM95 Jalan Sandakan-Telupid Beluran Sabah
TH-Usia Jatimas Sdn Bhd	Ladang Jatimas Tel No. : 089-278036 Email : ljatimas@thplantations.com	Mohd Zaki Bin Zainol (Manager)	1 st Floor Lot 7 Utama Zone 3 Commercial Mile 6 North Road 90000 Sandakan Sabah	FMU 18 Bonggaya Forest Reserve KM 50, Jalan Sapi-Paitan Off KM95 Jalan Sandakan-Telupid Beluran Sabah
Ladang Jati Keningau Sdn Bhd	Ladang Jati Keningau Tel No. : 089-278036 Email : keningau@thplantations.com	Mohd Zaki Bin Zainol (Manager)	1 st Floor Lot 7 Utama Zone 3 Commercial Mile 6 North Road 90000 Sandakan Sabah	FMU 18 Bonggaya Forest Reserve KM 50, Jalan Sapi-Paitan Off KM95 Jalan Sandakan-Telupid Beluran Sabah

Corporate Directory Owned by THP Group

Company	Office/Estates	Designation	Mailing Address	Location Address
Sarawak Region 1	Plantation Controller (Sarawak Region 1 Office) Tel No. : 010-4251101 HP No. : 019-2887147 Email : rozali@thplantations.com	Rozali b Md Desa Plantation Controller (Sarawak Region 1)	1 st , SL 25 Jalan Feeder Taman Muhibah SL 25, Lt 522 Saratok Town District 95400 Saratok Sarawak	1 st , SL 25 Jalan Feeder Taman Muhibah SL 25, Lt 522 Saratok Town District 95400 Saratok Sarawak
THP Saribas Sdn Bhd	Ladang Kenyalang Tel No. : 083-474917 Email : lkenyalang@thplantations.com	Girman @ Perman b Sirah (Senior Manager)	KM 20 Jalan Pusa - Sessang 94950 Pusa Sarawak	KM 20 Jalan Pusa - Sessang 94950 Pusa Sarawak
	Ladang Raja Udang Tel No : 013-8627147 Email : lrudang@thplantations.com	Syamsul Izwan b Asri (Manager)	KM 11 Jalan Pusa - Sessang 94950 Pusa Sarawak	KM 11 Jalan Pusa - Sessang 94950 Pusa Sarawak
	Ladang Enggang Tel No. : 083-474910 Email : lenggang@thplantations.com	Nazim b Abdul Hamid (Manager)	KM 6 Jalan Pusa - Sessang, 94950 Pusa Sarawak	KM 6 Jalan Pusa - Sessang, 94950 Pusa Sarawak
	Ladang Merbok Tel No. : 083-485901 / 013-8033213 Email : lmerbok@thplantations.com	Sazali b Zainol (Manager)	KM 7 Jalan Besar Pusa 94950 Pusa Sarawak	Lot 446, Blok 18 Awik Krian Land District Betong Sarawak
	Ladang NCR Saribas Tel No. : 013-8370535 Email : lkenyalang@thplantations.com	Girman @ Perman b Sirah (Senior Manager)	KM 20 Jalan Pusa - Sessang 94950 Pusa Sarawak	KM 20 Jalan Pusa - Sessang 94950 Pusa Sarawak
	Kilang Sawit Ladang Raja Udang Tel No. : 083-485930 / 016-7631802 Email : kru@thplantations.com	Zamaludin b Sarkawi (Manager)	Blok 3, Lot No. 44 & 45 Sablur Land District 94950 Pusa Sarawak	Blok 3, Lot No. 44 & 45 Sablur Land District 94950 Pusa Sarawak
	TH PELITA Meludam Sdn Bhd	Ladang Tanjung Lilin Tel No. : 083-474914 Email : tglilin@thplantations.com	Md Faizal Bin Yusuf (Manager)	KM 4 Jalan Pusa - Beladin 94950 Pusa Sarawak
Ladang Semarang Tel No. : 019-8546030 Email : semarang@thplantations.com		Baharin b. Salleh (Manager)	KM 18 Jalan Pusa - Meludam 94950 Pusa Sarawak	KM 18 Jalan Pusa - Meludam 94950 Pusa Sarawak
TH PELITA Beladin Sdn Bhd	Ladang NCR Tel No. : 083-474914 Email : tglilin@thplantations.com	Md Faizal Bin Yusuf (Manager)	KM 4 Jalan Pusa - Beladin 94950 Pusa Sarawak	KM 4 Jalan Pusa - Beladin 94950 Pusa Sarawak

Corporate Directory

Owned by THP Group

Company	Office/Estates	Designation	Mailing Address	Location Address
Bumi Suria Ventures Sdn Bhd	Ladang Sungai Karangan Tel No. : 084-375831 Email : lskarangan@thplantations.com	Mohadzari b Johari (Manager)	KM 91 Jalan Bintulu - Sibu P.O. Box 3325 97000 Bintulu Sarawak	Lot 5, Block 16 Sangan Land District & Lot 2, Block 8 Anap Land District 97200 Bintulu Sarawak
	Ladang Sungai Arip Tel No. : 084-375830 Email : lsarip@thplantations.com	Mohamad Safri b Alwi Umar (Manager)	KM 91 Jalan Bintulu - Sibu P.O. Box 3325 97000 Bintulu Sarawak	Lot 1, Block 19 & 20 Lot 2, Block 20 Arip Land District 97000 Bintulu Sarawak
Sarawak Region 2	Plantation Controller (Sarawak Region 1 Office) Tel No. : 010-4251101 HP No. : 019-2887147 Email : rozali@thplantations.com	Rozali b Md Desa Acting Plantation Controller (Sarawak Region 2)	1 st , SL 25 Jalan Feeder Taman Muhibah SL 25, Lt 522 Saratok Town District 95400 Saratok Sarawak	1 st , SL 25 Jalan Feeder Taman Muhibah SL 25, Lt 522 Saratok Town District 95400 Saratok Sarawak
TH Pelita Gedong Sdn Bhd	Ladang Gedong Tel No. : 019-8185513 Email : lgedong@thplantations.com	Abang Ahmad Saifulhadi b Abang Iskandar (Senior Manager)	P.O Box 32 94700 Serian Sarawak	KM 8, Jalan Gedong 94700 Serian Sarawak
	Ladang Sematan Tel No. : 019-8243657 Email : lsematan@thplantations.com	Helmi b Mokhtarrudin (Manager)	KM 8 Jalan Gedong Serian P.O Box 32 94700 Serian Sarawak	Lot No. 2, Blok 6 Mukim Melikin Land Lubuk Meringang & Sungai Tampui Batang Kerang 94700 Serian Sarawak
	Kilang Sawit Gedong Tel No. : 082-882908 Email : ksgedong@plantations.com	Nik Ahmad Hadhrie b Nik Rosdi (Acting Manager)	KM 8 Jalan Gedong Serian P.O Box 32 94700 Serian Sarawak	Lot 3031 & Lot 3032 Melikin Land District 94700 Serian Sarawak
TH PELITA Sadong Sdn Bhd	Ladang Sadong Tel No. : 082-882919 Email : lsadong@thplantations.com	Mohd Rushdi b Munar (Manager)	P.O Box 32 94700 Serian Sarawak	KM 8, Jalan Gedong - Serian P.O. Box 32 94700 Serian Sarawak
	Ladang Lupar Tel No. : 019-8898657 Email : llupar@thplantations.com	Harisfadzillah Bin Lamat (Manager)	P.O Box 32 94700 Serian Sarawak	KM 8, Jalan Gedong - Serian 94700 Serian Sarawak
TH PELITA Simunjan Sdn Bhd	Ladang Keparang Tel No. : 019-8624737 Email : keparang@plantations.com	Singgat Anak Birai (Manager)	KM 21, Kpg Isu 94800 Simunjan Sarawak	KM 21, Kpg Isu 94800 Simunjan Sarawak
	Ladang Semalatong Tel No. : 082-804905 / 013-8165305 Email : semelatong@thplantations.com	Mohd Farizal Hazley Bin Mat Yaacob (Manager)	KM 25 Kampung Semalatong 94800 Simunjan Sarawak	KM 25 Kampung Semalatong 94800 Simunjan Sarawak
Hydroflow Sdn Bhd	Ladang Sungai Kerian Tel No. : 013-8373431 (office) Email : kerian@thplantations.com	Ahmad Mazwan Bin Jamaludin (Manager)	Lot 1227 Jalan Kg Hulu Gedong 94700 Serian Sarawak	Lot 1227 Jalan Kg Hulu Gedong 94700 Serian Sarawak

Analysis of Shareholdings

As of 24 February 2025

Shareholding Structure

Issued Shares : 883,851,470 Ordinary Shares

Voting Rights : One vote per one ordinary shares held

Analysis by Size of Shareholdings

Size of Shareholdings	No. of Holders	%	No. of Issued Shares	%
Less than 99	367	3.54	5,019	0.00
100 to 1,000	1,311	12.63	639,732	0.07
1,001 to 10,000	6,375	61.42	28,292,109	3.20
10,001 to 100,000	2,035	19.61	61,750,657	6.99
100,001 to less than 5% of issued shares	290	2.79	140,569,322	15.90
5% and above of issued shares	1	0.01	652,594,631	73.84
Total	10,379	100.00	883,851,470	100.00

Directors' Shareholdings

No. Directors	No. of Ordinary Shares Held			
	Direct	%	Indirect	%
1. Datuk Dr. Ahmad Kushairi bin Din	Nil	Nil	Nil	Nil
2. Datuk Syed Hamadah bin Syed Othman	Nil	Nil	Nil	Nil
3. YM Tengku Dato' Seri Hasmuddin bin Tengku Othman	Nil	Nil	Nil	Nil
4. Dr. Shahril bin Simon	Nil	Nil	Nil	Nil
5. Dr. Nurmazilah binti Dato' Mahzan	Nil	Nil	Nil	Nil
6. Kasmuri bin Sukardi	Nil	Nil	Nil	Nil
7. Fahda Nur binti Ahmad Kamar	Nil	Nil	Nil	Nil

Substantial Shareholder

No. Substantial Shareholder	No. of Ordinary Shares Held			
	Direct	%	Indirect	%
1. Lembaga Tabung Haji	652,594,631	73.84	Nil	Nil

Analysis of Shareholdings

As of 24 February 2025

Top Thirty Shareholders

No.	Shareholders	No. of Shares Held	%
1.	Lembaga Tabung Haji	652,594,631	73.84
2.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chong Yiew On (6000006)	22,471,400	2.54
3.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Kong Kok Choy (8092812)	7,200,000	0.82
4.	Phillip Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Yayasan Pok dan Kassim	6,115,000	0.70
5.	Pertubuhan Peladang Negeri Terengganu	5,870,294	0.66
6.	Neoh Choo Ee & Company, Sdn. Berhad	3,700,000	0.42
7.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chee Chi Vun (M02)	3,640,500	0.41
8.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for VM Team Engineering Sdn. Bhd.	2,811,100	0.32
9.	Citigroup Nominees (Asing) Sdn. Bhd. UBS AG	2,519,100	0.29
10.	Amin Baitulmal Johor	2,400,000	0.27
11.	Majlis Agama Islam Wilayah Persekutuan	2,400,000	0.27
12.	Moomoo Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ho Chu Chai	2,391,900	0.27
13.	Melvin Lim Chun Woei	1,894,700	0.21
14.	Md. Shah bin Abu Hasan	1,867,000	0.21
15.	Michael V Jubily	1,609,800	0.18
16.	Chua Soh Peng	1,416,000	0.16
17.	Dynaquest Sdn. Bhd.	1,200,000	0.14
18.	AMSEC Nominees (Tempatan) Sdn. Bhd. Ambank (M) Berhad for Lim Huat Bee (6720-1502)	1,156,900	0.13
19.	Tai Yat Choy	1,018,600	0.12

Analysis of Shareholdings

As of 24 February 2025

Top Thirty Shareholders (Continued)

No. Shareholders	No. of Shares Held	%
20. HLB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lee Poh Kwee	1,000,000	0.11
21. Mohd Jamaludin bin Mohamed Shamsudin	1,000,000	0.11
22. Shireen Mardziah Hashim	1,000,000	0.11
23. Kenanga Nominees (Tempatan) Sdn. Bhd. Chin Kiam Hsung	963,000	0.11
24. Affin Hwang Nominees (Asing) Sdn. Bhd DBS Vickers Secs (S) Pte Ltd for Little Rain Assets Limited	917,000	0.10
25. HLB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Toh Hooi Hak	900,000	0.10
26. Tin Yong Zhou	895,800	0.10
27. Cartaban Nominees (Asing) Sdn. Bhd. The Bank of New York Mellon for Acadian Emerging Markets Small Cap Equity Fund, LLC	893,400	0.10
28. RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lew Tek Kong	870,000	0.10
29. Tin Yong Ching	836,000	0.10
30. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Goh Gee Kim	800,000	0.10
Total	734,352,125	83.10

Notice of 51st Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Fifty-First Annual General Meeting (“51st AGM”) of TH Plantations Berhad (“THP” or “the Company”) will be held at the **Pacific Ballroom, Level 2, Seri Pacific Hotel Kuala Lumpur, Jalan Putra, 50350 Kuala Lumpur** on **Tuesday, 6 May 2025 at 10.00 a.m.** to transact the following businesses:

As Ordinary Business

1. To receive the Audited Financial Statements for the year ended 31 December 2024 together with Reports of the Directors and the Auditors thereon.
2. To approve the payment of Directors’ fees and benefits payable of up to RM1.2 million for the period from 7 May 2025 until the next Annual General Meeting of the Company to be held in May 2026. Ordinary Resolution 1
3. To re-elect Datuk Dr. Ahmad Kushairi bin Din as a Director of the Company who shall retire by rotation in accordance with Clause 89 of the Constitution of the Company and being eligible, has offered himself for re-election. Ordinary Resolution 2
4. To re-appoint Messrs. KPMG PLT as Auditors of the Company in respect of the financial year ending 31 December 2025 and to authorise the Board of Directors to determine the Auditors’ remuneration. Ordinary Resolution 3

As Special Business

To consider, and if deemed fit, to pass with or without modification, the following Resolution:

5. **Proposed Renewal of Shareholders’ Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature** Ordinary Resolution 4

“**THAT** subject always to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), approval be and is hereby given for the renewal of the Shareholders’ Mandate for the Company and/or its Subsidiaries to enter into existing recurrent related party transactions of a revenue or trading nature as set out in Section 2.4.1 of the Circular to Shareholders dated 25 March 2025 with the related parties described therein provided that such transactions are necessary for the Group’s day-to-day operations, carried out in the normal course of business, at arm’s length, on normal commercial terms, not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders;

Notice of 51st Annual General Meeting

AND THAT such approval granted shall take effect immediately upon passing of this Resolution and shall continue to be in force until:

- i. the conclusion of the next Annual General Meeting (“AGM”) of the Company following the forthcoming AGM at which such mandate is approved, at which time it will lapse, unless by a resolution passed at the next AGM, the mandate is renewed;
- ii. the expiration of the period within which the next AGM of the Company after the forthcoming AGM is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“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 a resolution passed by the shareholders in a general meeting.

whichever is earlier.

AND THAT the Directors of the Company and/or its Subsidiaries be and are hereby authorised to do all such acts and things as may be necessary in the best interests of the Company and to give full effect to the Recurrent Related Party Transactions as authorised by this Resolution.”

6. To transact any other business of which due notice shall have been received in accordance with the Act and the Constitution of the Company.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend, speak and vote at the 51st AGM, the Company shall request for Bursa Malaysia Depository Sdn. Bhd. (“Bursa Depository”), in accordance with Clause 65(b) of the Constitution of the Company and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 (SICDA), to issue a Record of Depositors (“ROD”) as at 28 April 2025. Only depositors whose names appear on the ROD as at 28 April 2025 shall be entitled to attend, speak and vote at the 51st AGM or appoint proxy/proxies to attend, speak and vote on his/her behalf.

By Order of the Board

ALIATUN BINTI MAHMUD

(LS0008841) (SSM PC No.201908003467)

WAN NURUL HIDAYAH BINTI WAN YUSOFF

(LS0008555) (SSM PC No.201908003468)

Company Secretaries

Kuala Lumpur

Date: 25 March 2025

Notice of 51st Annual General Meeting

NOTES:

1. 51st Annual General Meeting

The 51st AGM of the Company will be conducted **PHYSICALLY** at the **Pacific Ballroom, Level 2, Seri Pacific Hotel Kuala Lumpur.**

2. Members Entitled to Attend

Only Members whose names appear on the ROD as at 28 April 2025 shall be entitled to attend, speak and vote at the 51st AGM or appoint proxy(ies) on his/her behalf.

3. Proxy and Entitlement of Participation

- i. A Member of the Company entitled to attend, speak and vote at the 51st AGM may appoint not more than two (2) proxies to attend, speak and vote on his/her behalf. A proxy may but need not be a member of the Company.
- ii. Where a Member appoints two (2) proxies, the appointment shall not be valid unless he/she specifies his/her shareholdings to be represented by each proxy. Each proxy appointed shall represent a minimum of 100 shares.

Where a Member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

- iii. The instrument in appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or under the hand of its officer or attorney duly authorised by the corporation.
- iv. The instrument in appointing a proxy may be made in a hard copy form or by electronic means as specified below and must be received by the Company not less than 24 hours before the time set for holding the 51st AGM or **no later than Monday, 5 May 2025 at 10.00 a.m.** or any adjourned meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid:

a. Hard Copy

The original proxy form must be deposited at the Company’s Registered Office at **Tingkat 23, Menara TH Selborn, 153 Jalan Tun Razak, 50400 Kuala Lumpur.**

b. Electronic

The proxy form can be electronically lodged/submitted via the Boardroom Smart Investor Portal at **<https://investor.boardroomlimited.com>.**

4. Item 1 of the Agenda

Audited Financial Statements for the year ended 31 December 2024

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval from the shareholders for the Audited Financial Statements. Hence, this Agenda is **not put forward for voting.**

Notice of 51st Annual General Meeting

5. Item 2 of the Agenda

Directors' Fees and Benefits Payable

The fees and benefits to the Directors of the Company are paid based on the following Remuneration Structure which has not been changed since the last AGM:

Director's Fees

Board/Board Committees	Monthly Fees	
	Chairman (RM)	Members (RM)
Board	12,000.00	5,000.00
Board Audit, Risk & Governance Committee	2,000.00	1,000.00
Board Nomination & Remuneration Committee	Nil	Nil
Board Tender Committee	Nil	Nil
Board Investment Committee	Nil	Nil

Director's Benefits

Meeting Allowance	Board and Board Committees meetings: RM1,000.00 per meeting
Other benefits	Medical and insurance coverage in Malaysia as well as monthly car allowance and telephone bill for Chairman

At the last 50th AGM of the Company held on 6 May 2024, the shareholders had approved the directors' fees and benefits payable of up to RM1.2 million for the period from 7 May 2024 until the 51st AGM of the Company to be held in May 2025. The expected total amount to be utilised is approximately RM890,738.00 or 74% of the approved amount.

At the 51st AGM, the Company seeks the shareholders' approval on the directors' fees and benefits payable of up to RM1.2 million for the period from 7 May 2025 until the next AGM in May 2026. Hence, there is no increment in the directors' fees and benefits payable compared to the mandate obtained at the last 50th AGM.

The Board Nomination & Remuneration Committee ("BNRC") had conducted a thorough assessment of the estimated directors' fees and benefits of the THP Board, which takes into account the demands, complexities and performance of the Company as well as appropriately reflecting the future needs of the Company. As a result, the BNRC concluded that the existing directors' fees and benefits payable of RM1.2 million are sufficient.

Accordingly, the Board has endorsed the BNRC's recommendation to seek for the shareholders' approval on **Ordinary Resolution 1** based on the above justifications.

The payment of directors' fees and benefits will be made on a monthly basis or as and when incurred, after the Directors have discharged their responsibilities and rendered their services to the Company. In the event that the proposed directors' fees and benefits are insufficient (e.g. due to an increase in the Board size or holding of additional meetings of the Board and/or Board Committees), approval for additional fees will be sought at the next AGM.

Notice of 51st Annual General Meeting

6. Items 3 of the Agenda

Re-election of Director under the Constitution of the Company

Clause 89 of the Constitution of the Company states that at every AGM, at least one-third (1/3) of the Directors for the time being shall retire from office. Clause 90 of the Constitution of the Company states that all Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election. Clause 91 of the Constitution of the Company states that directors who have been longest in office since their last election shall be retired.

Datuk Dr. Ahmad Kushairi bin Din and YM Tengku Dato' Seri Hasmuddin bin Tengku Othman are due for retirement by rotation at the 51st AGM of the Company in accordance with Clause 89 of the Constitution of the Company.

Being eligible, Datuk Dr. Ahmad Kushairi bin Din has offered himself to be re-elected as a Director of the Company at the 51st AGM whilst YM Tengku Dato' Seri Hasmuddin bin Tengku Othman has expressed his intention not to seek for re-election as a Director of the Company at the 51st AGM. Hence, YM Tengku Dato' Seri Hasmuddin bin Tengku Othman shall retire as a Non-Independent Non-Executive Director of the Company at the conclusion of the 51st AGM of the Company.

The Board has endorsed the BNRC's recommendation to re-elect Datuk Dr. Ahmad Kushairi bin Din based on the satisfactory outcome of his Board Evaluation Assessment, which includes the evaluation of the directors' fit and proper criteria. He has demonstrated dedication, commitment and diligence as a Director and Chairman of the Company.

The profile of the Director standing for re-election is set out on page 102 of the 2024 Annual Report.

7. Item 4 of the Agenda

Re-appointment of Auditors

The Board Audit, Risk & Governance Committee ("BARGC") is responsible to review the adequacy, competency and experience of the external auditors assigned to the audit engagement, audit quality and effectiveness and also the audit fees as well as any re-appointment to be recommended to the Board for approval.

Upon due assessment, the BARGC is satisfied with the work performed by the external auditors based on their quality of service, sufficiency of resources, performance, independence and professionalism as well as their ability to conduct external audit within an agreed timeline fixed by the Management.

In respect of the financial year ending 31 December 2025, the Board has endorsed the BARGC's recommendation to seek for the shareholders' approval on the re-appointment of KPMG PLT.

8. Item 5 of the Agenda

Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPTs") ("Proposed Renewal of Shareholders' Mandate")

The proposed **Ordinary Resolution 4**, if passed, will allow the Company and/or its Subsidiaries to enter into the existing RRPTs with the mandated related parties provided that such transactions are necessary for the Group's day-to-day operations, carried out in the normal course of business, at arm's length, on commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders.

For further information, the shareholders are advised to refer to the Circular to Shareholders on the Proposed Renewal of Shareholders' Mandate dated 25 March 2025.

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TH PLANTATIONS BERHAD

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

PROXY FORM

51ST ANNUAL GENERAL MEETING

I/We, _____ (FULL NAME IN BLOCK LETTERS)

NRIC No./Passport No./Company No. _____ of _____

_____ (RESIDENTIAL ADDRESS) _____ (EMAIL ADDRESS)

being member/members of TH PLANTATIONS BERHAD (“the Company”) hereby appoint _____

_____ (FULL NAME IN BLOCK LETTERS)

NRIC No./Passport No./Company No. _____ of _____

_____ (RESIDENTIAL ADDRESS) _____ (EMAIL ADDRESS)

or failing him/her _____ (FULL NAME IN BLOCK LETTERS)

NRIC No./Passport No./Company No. _____ of _____

_____ (RESIDENTIAL ADDRESS) _____ (EMAIL ADDRESS)

or failing him/her, the CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us and on my/our behalf at the Fifty-First Annual General Meeting (“51st AGM”) of the Company to be held at the **Pacific Ballroom, Level 2, Seri Pacific Hotel Kuala Lumpur, Jalan Putra, 50350 Kuala Lumpur on Tuesday, 6 May 2025 at 10.00 a.m.** or at any adjournment thereof.

My/our proxy is to vote as indicated below:

RESOLUTION NO.	ORDINARY BUSINESS	FOR	AGAINST
Ordinary Resolution 1	To approve the payment of Directors’ fees and benefits payable of up to RM1.2 million for the period from 7 May 2025 until the next Annual General Meeting of the Company to be held in May 2026.		
Ordinary Resolution 2	To re-elect Datuk Dr. Ahmad Kushairi bin Din as a Director of the Company.		
Ordinary Resolution 3	To re-appoint Messrs. KPMG PLT as Auditors of the Company in respect of the financial year ending 31 December 2025 and to authorise the Board of Directors to determine their remuneration.		
RESOLUTION NO.	SPECIAL BUSINESS	FOR	AGAINST
Ordinary Resolution 4	To approve the Proposed Renewal of Shareholders’ Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature.		

(Please indicate with an “X” how you wish your vote to be cast. If no specific direction as to the voting is given, the proxy will vote or abstain at his/her own discretion).

For the appointment of two (2) proxies, the percentage of shareholdings to be represented by the proxies:

	NO. OF SHARES	PERCENTAGE
Proxy 1		
Proxy 2		
TOTAL		100%

CDS Account No.	
Number of Shares Held	
Mobile No.	

Dated this _____ day of _____ 2025

Signature/Common Seal of Shareholder

NOTES:

- i. Only Members whose names appear on the ROD as at 28 April 2025 shall be entitled to attend, speak and vote at the 51st AGM or appoint proxy(ies) on his/her behalf.
- ii. A Member of the Company entitled to attend, speak and vote at the 51st AGM may appoint not more than two (2) proxies to attend, speak and vote on his/her behalf. A proxy may but need not be a member of the Company.
- iii. Where a Member appoints two (2) proxies, the appointment shall not be valid unless he/she specifies his/her shareholdings to be represented by each proxy. Each proxy appointed shall represent a minimum of 100 shares.

Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

- iv. The instrument in appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or under the hand of its officer or attorney duly authorised by the corporation.
- v. The instrument in appointing a proxy may be made in a hard copy form or by electronic means as specified below and must be received by the Company not less than 24 hours before the time set for holding the 51st AGM or **no later than Monday, 5 May 2025 at 10.00 a.m.** or any adjourned meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid:

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b. Electronic

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STAMP

**The Company Secretary
TH Plantations Berhad
Tingkat 23
Menara TH Selborn
153 Jalan Tun Razak
50400 Kuala Lumpur**

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<https://thplantations.my>



TH PLANTATIONS BERHAD

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153, Jalan Tun Razak,
50400 Kuala Lumpur.