

Financial Statements For the year ended 31 December 2023

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Report Of The Directors For The Financial Year Ended 31 December 2023

The Directors have pleasure in submitting for your consideration the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

Principal Activities

The Company carries on the business of oil palm and coconut cultivation and processing on its plantations in Peninsular Malaysia.

The Company also has an active research centre providing improved planting material for the Group's estates as well as for the Malaysian agricultural sector in general.

The subsidiary companies are primarily engaged in the following activities:

- (a) Business of oil palm cultivation and processing in Indonesia;
- (b) Refining of palm oil, manufacturing edible oils, fats, cocoa butter substitute and trading in crude palm oil and palm kernel products; and
- (c) Trading, marketing and investment holding.

Other information relating to the subsidiary companies, associated company and joint ventures are disclosed in Note 3 to the financial statements.

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

Financial Results

	Group RM'000	Company RM'000
Profit after taxation	711,021	613,066
Attributable to:		
Equity owners of the parent	707,771	613,066
Non-controlling interests	3,250	-
Total	711,021	613,066

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

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature, other than as disclosed in the financial statements.

Report Of The Directors For The Year Ended 31 December 2023

Dividends

Dividends paid by the Company since the end of the previous financial year were as follows:

- (a) A final single-tier dividend of 70 sen per share amounting to RM290,349,489 in respect of the previous financial year was declared and paid on 27 February 2023 and 17 May 2023 respectively.
- (b) A special single-tier dividend of 30 sen per share amounting to RM124,435,495 in respect of the previous financial year was declared and paid on 27 February 2023 and 17 May 2023 respectively.
- (c) An interim single-tier dividend of 40 sen per share amounting to RM165,913,994 in respect of the current financial year was declared and paid on 16 November 2023 and 14 December 2023 respectively.
- (d) An interim single-tier extraordinary dividend of 40 sen per share amounting to RM165,913,994 in respect of the current financial year was declared and paid on 16 November 2023 and 14 December 2023 respectively.

At the forthcoming Annual General Meeting, a final single-tier dividend of 70 sen per share amounting to RM290,349,489 and a special single-tier dividend of 40 sen per share amounting to RM165,913,994 in respect of the financial year ended 31 December 2023 on the ordinary shares in issue at book closure date will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect these proposed dividends. Such dividends, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained profits in the next financial year ending 31 December 2024.

Treasury Shares

The shareholders of the Company, by a resolution passed at the Annual General Meeting held on 18 June 2005, approved the Company's plan to purchase up to 10% of the issued and paid-up share capital of the Company. The authority granted by the shareholders was subsequently renewed during subsequent Annual General Meetings, including the last meeting held on 27 April 2023. Notwithstanding the above, the Company in exercising this mandate shall ensure that the public spread shall not fall below 25% as required under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

As at 31 December 2023, the number of treasury shares held remained at 1,483,548 shares as there were no purchase, resale and/or cancellation of the treasury shares by the Company in the preceding 12 months. These treasury shares were held in accordance with the requirement of Section 127 of the Companies Act 2016.

The Company has the right to cancel, resell these shares and/or distribute these shares as dividends at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution are suspended.

As at the end of the financial year, the number of ordinary shares in issue after deducting treasury shares is 414,784,984 ordinary shares.

Report Of The Directors For The Year Ended 31 December 2023

Directors

The names of the Directors of the Company in office since the date of the last report and at the date of this report are:

YBhg. Dato' Mohamad Nasir bin Ab. Latif
 YBhg. Dato' Carl Bek-Nielsen*
 Mr. Martin Bek-Nielsen*
 Mr. Loh Hang Pai
 Mr. R Nadarajan
 Mr. Jorgen Balle
 Ms. Belvinder Kaur d/o C Nasib Singh
 Mr. Yap Seng Chong
 Tunku Alizakri bin Raja Muhammad Alias (appointed on 1 June 2023, resigned on 19 February 2024)
 Mr. Ho Dua Tiam (retired on 27 April 2023)
 Y. Hormat Dato' Jeremy Derek Campbell Diamond (retired on 27 April 2023)
 Madam Rohaya binti Mohammad Yusof (resigned on 1 June 2023)

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

The name of the director of a subsidiary of the Company since the beginning of the financial year to the date of this report, not including those directors listed above is:

Mr. Geoffrey Ian George Cooper

The following Directors who held office at the end of the financial year had according to the register required to be kept under Section 59 of the Companies Act 2016 an interest in shares of the Company and its subsidiary companies, as stated below:

	Number of ordinary shares			31 December 2023	% of issued share capital*
	1 January 2023	Bought	Sold		
The Company:					
YBhg Dato' Mohamad Nasir bin Ab. Latif					
- held directly	50,000	80,000	-	130,000	0.03
YBhg. Dato' Carl Bek-Nielsen					
- held directly	5,106,000	55,000	-	5,161,000	1.24
- deemed interested	200,742,858 ^{*1}	-	-	200,742,858 ^{*1}	48.40
Mr. Martin Bek-Nielsen					
- held directly	1,420,778	35,000	-	1,455,778	0.35
- deemed interested	200,672,742 ^{*2}	10,000	-	200,682,742 ^{*2}	48.38
Mr. Loh Hang Pai					
- held directly	180,000	-	65,000	115,000	0.03
Mr. R. Nadarajan					
- held directly	81,000	-	-	81,000	0.02
- deemed interested	68,000	18,000	-	86,000	0.02
Mr. Jorgen Balle					
- held directly	-	4,000	-	4,000	-

Report Of The Directors For The Year Ended 31 December 2023

Notes:

*¹ YBhg Dato' Carl Bek-Nielsen

- 19,437,142 shares - Deemed interested in the shares registered in the name of United International Enterprises Limited
- 181,215,600 shares - Deemed interested in the shares registered in the name of Maximum Vista Sdn. Bhd.
- 90,116 shares - Deemed interested through immediate family members

200,742,858 shares

*² Mr. Martin Bek-Nielsen

- 19,437,142 shares - Deemed interested in the shares registered in the name of United International Enterprises Limited
- 181,215,600 shares - Deemed interested in the shares registered in the name of Maximum Vista Sdn. Bhd.
- 30,000 shares - Deemed interested through immediate family members

200,682,742 shares

* calculated based on 414,784,984 shares which do not include 1,483,548 treasury shares.

By virtue of their interest in the shares of United International Enterprises Limited and Maximum Vista Sdn. Bhd., Dato' Carl Bek-Nielsen and Mr. Martin Bek-Nielsen are also deemed to have interest in the shares of all the subsidiary companies of the Company to the extent the Company has an interest in them.

The remaining Directors in office at the end of the financial year did not have any interest in shares in the Company or its related corporations during the financial year.

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

Since the end of the previous financial year, no Director has received or become entitled to receive any benefits (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors or the fixed salary of a full-time employee of the Company as shown below) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member or with a company in which the Director has a substantial financial interest.

The Directors' benefits are as follows:

	Group RM'000	Company RM'000
Salaries and other emoluments	5,282	5,282
Defined contribution plan	847	847
Directors' fees	1,463	1,408
Others	93	93
	<u>7,685</u>	<u>7,630</u>

Directors' indemnity and insurance cost

During the financial year, the Directors of the Company are covered under the Directors' and Officers' liability insurance in respect of liabilities arising from acts committed in their respective capacity as inter alia, the Directors of the Company subject to the terms of the insurance policy. The total amount of coverage effected for the Directors was RM20,000,000 at the premium of RM29,690 which was shared between the Company and all the Directors at the ratio of 95:5.

Other statutory information

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and that no allowance for doubtful debts was necessary; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
 - (i) it necessary to write off any bad debts or to make any allowance for doubtful debts in the financial statements of the Group and of the Company; and

Report Of The Directors For The Year Ended 31 December 2023

- (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability in respect of the Group and of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the Directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet its obligations when they fall due; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

Indemnity to external auditors

To the extent permitted by law, the Company has agreed to indemnify its external auditors, Ernst & Young PLT, as part of the terms of the audit engagement against claims by third parties arising from the audit (for an unspecified amount). There has not been any third party claims and no payment has been paid to indemnify Ernst & Young PLT for the financial year ended 31 December 2023.

External auditors and their remuneration

The external auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

The external auditors' remuneration of the Group and Company are RM674,000 and RM376,000 respectively.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 24 February 2024.

DATO' MOHAMAD NASIR	}	
BIN AB. LATIF	}	
	}	
	}	
	}	Directors
	}	
DATO' CARL BEK-NIELSEN	}	

Statement By Directors

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

We, DATO' MOHAMAD NASIR BIN AB. LATIF and DATO' CARL BEK-NIELSEN, being two of the Directors of United Plantations Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 150 to 207 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and of the results and the cash flows of the Group and of the Company for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 24 February 2024.

DATO' MOHAMAD NASIR BIN AB. LATIF

DATO' CARL BEK-NIELSEN

Jendarata Estate
36009 Teluk Intan,
Perak Darul Ridzuan,
Malaysia.

Statutory declaration

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

I, NG ENG HO, the Officer primarily responsible for the financial management of United Plantations Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 150 to 207 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed NG ENG HO at
Teluk Intan in the State of Perak Darul Ridzuan
on 26 February 2024.

NG ENG HO

Before me,

Siti Suhadah Bt Shoeb
Commissioner For Oaths,
Teluk Intan,
Perak Darul Ridzuan,
Malaysia.

Independent auditors' report to the members of United Plantations Berhad (Incorporated in Malaysia)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of United Plantations Berhad, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and 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 financial year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 150 to 207.

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 2023 and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

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

Independence and other ethical responsibilities

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

Key audit matters

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

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements of the Group and of the Company. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Revenue recognition

Revenue from sale of produce stocks and finished goods recognised by the Group during the financial year amounted to RM2,014 million. We identified revenue recognition in respect of sale of produce stocks and finished goods to be an area of audit focus as we consider the high volume of transactions for numerous types of produce stocks and finished goods produced and sold by the Group to be a possible cause of higher risk of material misstatements in relation to the timing and amount of revenue recognised. We have specifically focused our audit efforts to determine the possibility of overstatement of revenue.

Our audit procedures for revenue recognition included testing the Group's internal controls over timing and amount of revenue recognised. We have on a sampling basis, inspected the terms of significant sales contracts to determine the point at which control is transferred to the customer. We have independently obtained confirmation of sales transactions by the Group to a key customer for the current financial year. We have also on a sampling basis, inspected documents which evidenced the delivery of goods to customers. We have also focused on testing the recording of sales transactions close to the financial year end and credit notes issued after financial year end, to establish whether sales transactions were recorded in the correct accounting period. We have also used data analytics on the audit of revenue recognised by establishing the correlation between revenue, trade receivables and cash.

Refer to Notes 2.4(k) and 4 to the financial statements.

Impairment review of goodwill

The Group is required to perform annual impairment test of cash generating unit ("CGU") to which the goodwill acquired in a business combination has been allocated. The Group estimated the recoverable amount of its CGU based on the estimated value-in-use ("VIU") of the CGU. The aforementioned impairment review did not give rise to any impairment loss.

The areas that involved significant audit effort and judgement were the possible variations in the basis and assumptions used by the management in deriving at the VIU of the CGU. In reviewing the VIU of the CGU, we have obtained an understanding of the relevant internal controls over the process of estimating the VIU of the CGU.

Our procedures included, amongst others, reviewing the appropriateness of the methodology and approach applied, including historical accuracy of management's estimates of profits (and the resulting cash flows). We have assessed the key assumptions applied in determining the VIU which comprise Fresh Fruit Bunches ("FFB") yield per hectare, selling prices of Crude Palm Oil ("CPO") and Palm Kernel ("PK"), costs of producing CPO and PK, oil extraction rate ("OER"), kernel extraction rate ("KER") and replanting cost by making comparisons to historical trends, taking into consideration the current and expected outlook of economic growth. We have also assessed the appropriateness of the discount rate used to determine the present value of the cash flows and whether the rate used reflects the current market assessments of the time value of money and the risks specific to the asset.

Refer to Note 15 to the financial statements.

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the directors for the financial statements

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

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or has 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 judgment and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control;
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- (d) Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern;
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation; and
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 3 to the financial statements.

Other matters

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

ERNST & YOUNG PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

EDWIN JOSEPH FRANCIS
No. 03370/05/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
24 February 2024

Statements Of Comprehensive Income
For The Financial Year Ended 31 December 2023

		Group			Company		
	Note	2023 RM'000	2022 RM'000	Changes (%)	2023 RM'000	2022 RM'000	Changes (%)
Revenue	4	2,014,248	2,514,808	(19.9)	1,075,641	1,001,527	7.4
Other income		91,927	16,280	464.7	23,222	10,419	122.9
		2,106,175	2,531,088	(16.8)	1,098,863	1,011,946	8.6
Changes in finished goods		41,958	51,038	(17.8)	20,887	23,042	(9.4)
Raw materials and consumables used		(622,547)	(960,258)	(35.2)	-	-	-
Depreciation of property, plant and equipment		(100,995)	(96,762)	4.4	(73,399)	(70,281)	4.4
Depreciation of right-of-use assets		(5,979)	(5,965)	0.2	(4,839)	(4,839)	0.0
Staff costs	5	(243,458)	(227,774)	6.9	(187,591)	(173,507)	8.1
Other expenses		(277,952)	(467,464)	(40.5)	(189,717)	(252,735)	(24.9)
Profit from operations	5	897,202	823,903	8.9	664,204	533,626	24.5
Finance costs	6	(747)	(2,312)	(67.7)	(741)	(2,307)	(67.9)
Investment and interest income	7	26,537	11,596	128.8	109,824	117,654	(6.7)
Share of results of joint ventures	14	10,502	13,298	(21.0)	-	-	-
Profit before taxation		933,494	846,485	10.3	773,287	648,973	19.2
Taxation	8	(222,473)	(240,921)	(7.7)	(160,221)	(168,093)	(4.7)
Net profit for the financial year		711,021	605,564	17.4	613,066	480,880	27.5
Attributable to:							
Equity owners of the parent		707,771	601,684	17.6	613,066	480,880	27.5
Non-controlling interests		3,250	3,880	(16.2)	-	-	-
		711,021	605,564	17.4	613,066	480,880	27.5
Earnings per share (sen)	9	171	145	17.9			

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

Statements Of Comprehensive Income
For The Financial Year Ended 31 December 2023

	Group			Company		
	2023 RM'000	2022 RM'000	Changes (%)	2023 RM'000	2022 RM'000	Changes (%)
Net profit for the financial year	711,021	605,564	17.4	613,066	480,880	27.5
Other comprehensive income:						
Items that will be reclassified subsequently to profit or loss:						
Currency translation differences						
- subsidiaries	17,780	(10,415)	270.7	-	-	-
Cash flow hedge						
- changes in fair value	26,782	(57,219)	146.8	-	-	-
- transfers to profit or loss	(42,971)	198,204	(121.7)	-	-	-
	1,591	130,570	(98.8)	-	-	-
Items that will not be reclassified subsequently to profit or loss:						
Actuarial changes on defined retirement benefit obligations	119	1,635	(92.7)	-	-	-
Withholding tax effect on dividend	(2,266)	-	-	-	-	-
	(2,147)	1,635	(231.3)	-	-	-
Total other comprehensive (loss)/income for the financial year	(556)	132,205	(100.4)	-	-	-
Total comprehensive income for the financial year	710,465	737,769	(3.7)	613,066	480,880	27.5
Total comprehensive income attributable to:						
Equity owners of the parent	706,320	734,410	(3.8)	613,066	480,880	27.5
Non-controlling interests	4,145	3,359	23.4	-	-	-
	710,465	737,769	(3.7)	613,066	480,880	27.5

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

Statements Of Financial Position
As At 31 December 2023

Group

	Note	2023 RM'000	2022 RM'000
Assets			
Non-Current Assets			
Property, plant and equipment	10 (a)	1,250,828	1,241,751
Right-of-use assets	10 (b)	403,306	406,068
Associated company	13	50	50
Joint ventures	14	64,001	53,499
Goodwill	15	356,856	356,856
Other receivables	17	413	692
Derivatives	31(g)	-	11,342
Deferred tax assets	21	2,201	2,134
		2,077,655	2,072,392
Current Assets			
Biological assets	11	51,473	45,643
Inventories	16	245,938	219,549
Trade and other receivables	17	213,008	160,664
Prepayments		5,421	6,515
Tax recoverable		16,809	37
Derivatives	31 (g)	19,700	34,486
Cash and bank balances	18 (a)	579,872	537,232
Short term funds	18 (b)	53,729	242,282
		1,185,950	1,246,408
Total Assets		3,263,605	3,318,800
Equity and Liabilities			
Equity attributable to owners of the parent			
Share capital	19 (a)	390,054	390,054
Treasury shares	19 (b)	(18,668)	(18,668)
Reserves	20	2,479,054	2,519,347
		2,850,440	2,890,733
Non-controlling interests		16,980	14,028
Total Equity		2,867,420	2,904,761
Non-Current Liabilities			
Deferred tax liabilities	21	182,604	180,148
Retirement benefit obligations	22	14,098	12,805
Lease liabilities	25	12,687	11,969
		209,389	204,922
Current Liabilities			
Trade and other payables	23	129,601	153,521
Tax payable		48,045	52,674
Retirement benefit obligations	22	2,627	2,674
Derivatives	31 (g)	6,502	-
Bank borrowings	24	21	248
		186,796	209,117
Total Liabilities		396,185	414,039
Total Equity and Liabilities		3,263,605	3,318,800

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

Statements Of Financial Position

As At 31 December 2023

Company

	Note	2023 RM'000	2022 RM'000
Assets			
Non-Current Assets			
Property, plant and equipment	10 (a)	996,516	987,406
Right-of-use assets	10 (b)	363,865	368,704
Subsidiary companies	12	44,034	44,032
Associated company	13	50	50
Joint ventures	14	30,000	30,000
Goodwill	15	356,856	356,856
		1,791,321	1,787,048
Current Assets			
Biological assets	11	44,525	39,059
Inventories	16	86,751	66,266
Trade and other receivables	17	101,661	55,396
Prepayments		2,118	1,750
Cash and bank balances	18 (a)	100,283	99,017
Short term funds	18 (b)	31,857	240,781
		367,195	502,269
Total Assets		2,158,516	2,289,317
Equity and Liabilities			
Equity attributable to owners of the parent			
Share capital	19 (a)	390,054	390,054
Treasury shares	19 (b)	(18,668)	(18,668)
Reserves	20	1,477,667	1,611,214
Total Equity		1,849,053	1,982,600
Non-Current Liabilities			
Deferred tax liabilities	21	170,585	167,472
Retirement benefit obligations	22	6,829	6,542
Lease liabilities	25	12,687	11,969
		190,101	185,983
Current Liabilities			
Trade and other payables	23	69,393	77,081
Tax payable		48,036	41,955
Retirement benefit obligations	22	1,933	1,698
		119,362	120,734
Total Liabilities		309,463	306,717
Total Equity and Liabilities		2,158,516	2,289,317

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

Statements Of Changes In Equity
For The Financial Year Ended 31 December 2023

Group	← Attributable to equity owners of the parent →									
	← Non-distributable →				← Distributable →					
	Note	Share capital (Note 19(a))	Cash flow hedge reserve (Note 20)	Capital reserve (Note 20)	Foreign currency translation reserve (Note 20)	Treasury shares (Note 19(b))	Retained profits (Note 20)	Total	Non- controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2023		390,054	31,160	21,798	(25,829)	(18,668)	2,492,218	2,890,733	14,028	2,904,761
Total comprehensive income for the financial year		-	(16,189)	-	16,891	-	705,618	706,320	4,145	710,465
Dividends, representing total transaction with owners of the parent	26	-	-	-	-	-	(746,613)	(746,613)	-	(746,613)
Dividends to non-controlling shareholders of a subsidiary		-	-	-	-	-	-	-	(1,193)	(1,193)
At 31 December 2023		390,054	14,971	21,798	(8,938)	(18,668)	2,451,223	2,850,440	16,980	2,867,420
At 1 January 2022		390,054	(109,825)	21,798	(15,935)	(18,668)	2,407,380	2,674,804	10,669	2,685,473
Total comprehensive income for the financial year		-	140,985	-	(9,894)	-	603,319	734,410	3,359	737,769
Dividends, representing total transaction with owners of the parent	26	-	-	-	-	-	(518,481)	(518,481)	-	(518,481)
At 31 December 2022		390,054	31,160	21,798	(25,829)	(18,668)	2,492,218	2,890,733	14,028	2,904,761

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

Statements Of Changes In Equity
For The Financial Year Ended 31 December 2023

Company	Note	← Distributable →			Total
		Share capital (Note 19(a))	Treasury shares (Note 19(b))	Retained profits (Note 20)	
		RM'000	RM'000	RM'000	RM'000
At 1 January 2023		390,054	(18,668)	1,611,214	1,982,600
Total comprehensive income for the financial year		-	-	613,066	613,066
Dividends, representing total transaction with owners	26	-	-	(746,613)	(746,613)
At 31 December 2023		390,054	(18,668)	1,477,667	1,849,053
At 1 January 2022		390,054	(18,668)	1,648,815	2,020,201
Total comprehensive income for the financial year		-	-	480,880	480,880
Dividends, representing total transaction with owners	26	-	-	(518,481)	(518,481)
At 31 December 2022		390,054	(18,668)	1,611,214	1,982,600

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

Statements Of Cash Flows

For The Financial Year Ended 31 December 2023

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash Flows From Operating Activities					
Receipts from customers		1,984,013	2,584,541	1,074,935	1,001,606
Payments to suppliers		(628,943)	(958,913)	-	-
Payments of operating expenses		(491,786)	(702,395)	(388,854)	(417,914)
(Payments)/receipts of deposits in derivatives operations		(24,529)	206,313	-	-
Payments of taxes		(238,520)	(215,823)	(151,027)	(160,376)
Other receipts		90,560	15,406	17,756	10,335
Net cash generated from operating activities		690,795	929,129	552,810	433,651
Cash Flows From Investing Activities					
Proceeds from disposal of property, plant and equipment		1,367	874	1,127	591
Interest income		26,507	11,577	10,170	12,471
Net change in deposits with licensed banks with tenure more than 3 months		5,839	-	-	-
Net change in short term funds		188,553	(64,112)	208,924	(109,050)
Dividend received from a subsidiary company		-	-	100,000	105,500
Purchase of property, plant and equipment	(a)	(106,857)	(132,549)	(85,720)	(100,358)
Payment for right-of-use assets	(b)	(2,544)	(6,192)	-	(3,429)
Net cash generated from/(used in) investing activities		112,865	(190,402)	234,501	(94,275)
Cash Flows From Financing Activities					
Interest paid		(29)	(1,635)	(23)	(1,630)
Dividends paid		(746,613)	(518,481)	(746,613)	(518,481)
Dividends paid to non-controlling shareholders of a subsidiary		(1,193)	-	-	-
Inter-company balances		-	-	(35,318)	183,527
Associated company balances		1	(8)	1	(8)
Joint ventures balances		(14,755)	23,533	(4,101)	17,076
Net cash used in financing activities		(762,589)	(496,591)	(786,054)	(319,516)
Net increase in cash and cash equivalents		41,071	242,136	1,257	19,860
Cash and cash equivalents at the beginning of financial year		500,145	262,822	68,017	48,150
Effect of exchange rate changes on cash and cash equivalents		7,635	(4,813)	9	7
Cash and cash equivalents at the end of financial year	(c)	548,851	500,145	69,283	68,017

Statements Of Cash Flows

For The Financial Year Ended 31 December 2023

- (a) Total purchases of property, plant and equipment during the financial year for the Group and the Company were made up of purchases which were fully paid in cash, and payments amounting to RM529,000 in relation to the amounts included in sundry payable in 2022 (total purchases of property, plant and equipment in 2022 for the Group and the Company amounted to RM135,710,000 and RM103,519,000 respectively, out of which RM132,549,000 for the Group and RM100,358,000 for the Company were fully paid in cash, and the remaining amounts included in sundry payables).
- (b) Total additions of right-of-use assets during the financial year for the Group were fully paid in cash (total additions of right-of-use assets in 2022 for the Group and the Company amounted to RM17,484,000 and RM14,721,000 respectively, out of which RM6,192,000 for the Group and RM3,429,000 for the Company were fully paid in cash, and the remaining amounts represent the initial recognition of right-of-use assets in accordance with MFRS 16 Leases.)
- (c) Analysis of cash and cash equivalents:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Deposits with licensed banks	442,137	405,328	94,814	93,341
Cash at banks and in hand	137,735	131,904	5,469	5,676
Bank overdrafts	(21)	(248)	-	-
	579,851	536,984	100,283	99,017
Less: Deposits with licensed banks with tenure more than 3 months	(31,000)	(36,839)	(31,000)	(31,000)
Cash and cash equivalents at the end of financial year	548,851	500,145	69,283	68,017

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

Notes To The Financial Statements

1. Corporate Information

The Company carries on the business of oil palm and coconut cultivation and processing on its plantations in Peninsular Malaysia. The Company also has an active research centre providing improved planting material for the Group's estates as well as for the Malaysian agricultural sector in general. The principal activities of the subsidiary companies, joint ventures and associated company are as disclosed in Note 3.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business is located at Jendarata Estate, 36009 Teluk Intan, Perak Darul Ridzuan.

The number of employees at 31 December 2023 for the Group was 6,624 (2022: 6,381) and for the Company was 4,832 (2022: 4,513).

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 24 February 2024.

2. Accounting Policies

2.1 Basis Of Preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

2.2 Changes In Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 January 2023, the Group and the Company adopted the following new and amended MFRSs and IC Interpretation mandatory for annual financial periods beginning on or after 1 January 2023.

Description	Effective for annual periods beginning on or after
• MFRS 17 Insurance Contracts	1 January 2023
• Amendments to MFRS 17: Insurance Contracts Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
• Amendments to MFRS 101: Presentation of Financial Statements (Disclosure of Accounting Policies)	1 January 2023
• Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Accounting Estimates)	1 January 2023
• Amendments to MFRS 112: Income Taxes (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)	1 January 2023
• Amendments to MFRS 112: Income Taxes (International Tax Reform—Pillar Two Model Rules)	1 January 2023

The adoption of the above standards and interpretation did not have any material effect on the financial statements of the Group and of the Company.

Notes To The Financial Statements

2.3 Standards Issued But Not Yet Effective

The standards that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards and amendments if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
• Amendments to MFRS 101: Presentation of Financial Statements (Classification of Liabilities as Current or Non-current)	1 January 2024
• Amendments to MFRS 16: Leases (Lease Liability in a Sale and Leaseback)	1 January 2024
• Amendments to MFRS 101: Presentation of Financial Statements (Non-current Liabilities with Covenants)	1 January 2024
• Amendments to MFRS 107 and MFRS 7: Disclosure of Supplier Finance Arrangements	1 January 2024
• Amendments to MFRS 121: Lack of exchangeability	1 January 2025
• Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The directors expect that the adoption of the above standards will not have material impact on the financial statements in the period of initial application.

2.4 Summary Of Accounting Policies

(a) Subsidiary companies and basis of consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

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

(ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(b) Associated companies

The Group holds an interest in an associate, Bernam Bakery Sdn. Bhd.

The most recent available audited financial statements of the associated companies are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not coterminous with those of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

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

Notes To The Financial Statements

(c) Joint ventures

The Group holds an interest in two joint ventures, Unifuji Sdn. Bhd. and UP Elite Palm Sdn. Bhd..

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves an unincorporated entity or the establishment of a separate entity in which each venturer has an interest.

Investment in joint venture is accounted for in the consolidated financial statements using the equity method of accounting as described in Note 2.4(b).

The financial statements of the joint ventures are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies into line with those of the Group.

In the Company's separate financial statements, investment in joint ventures are stated at cost less impairment loss. On disposal of such investment, the difference between net disposal proceeds and their carrying amount is included in profit or loss.

(d) Goodwill

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

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

Where goodwill has been allocated to a cash-generating unit ("CGU") and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

(e) Current versus non-current classification

The Group and the Company present assets and liabilities in statements of financial position based on current/non-current classification. An asset is current when it is:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realized within twelve months after the reporting period; or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle;
- ii. It is held primarily for the purpose of trading;
- iii. It is due to be settled within twelve months after the reporting period; or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group and the Company classify all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Notes To The Financial Statements

(f) Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment except for freehold land and capital work-in-progress are stated at cost less accumulated depreciation and any accumulated impairment losses. Freehold land and capital work-in-progress are stated at cost less any accumulated impairment losses.

The cost of freehold land initially acquired is allocated between the land, buildings and biological assets elements in proportion to the relative fair values for the interests in the land element, buildings element and biological assets element. Freehold land has an unlimited useful life and therefore is not depreciated. Capital work-in-progress are also not depreciated as these assets are not available for use. Other property, plant and equipment are depreciated by equal annual instalments over their estimated economic lives based upon the original cost or deemed cost on a straight line basis to write off the cost of each asset to its residual value over the estimated useful life.

The principal annual depreciation rates used are:

Buildings	2% - 5%
Bulking installations	5%
Railways	over 25 years or 4%
Rolling stock	over 14 years or approximately 7.14%
Plant and machinery	5% - 20%
Furniture and office equipment	10% - 20%
Motor vehicles, tractors and implements	7.14% - 25%
Aircrafts	5%

Spare parts which are held for use in the production or supply of goods or services and are expected to be used for more than one period, and thus are classified under property, plant and equipment. The cost will be charged out to income statement when the spare parts are utilised.

The residual value, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in the profit or loss.

Bearer plants comprise pre-cropping expenditure incurred from land clearing to the point of maturity. Such expenditure is capitalised and is amortised at maturity of the crop at the following rates which are deemed as the useful economic lives of the crop:

Pre-cropping expenditure - oil palm	over 20 years or 5%
Pre-cropping expenditure - coconut palm	over 30 years or approximately 3.33%

Notes To The Financial Statements

(g) Biological assets

Biological assets comprised produce growing on bearer plants. Biological assets are classified as current assets for bearer plants that are expected to be harvested and sold or used for production on a date not more than 4 weeks after the reporting date.

Biological assets are measured at fair value less costs to sell. Any gains or losses arising from changes in the fair value less costs to sell are recognised in profit or loss.

(h) Inventories

Agricultural produce stocks are stated at net realisable value at the reporting date.

All other inventories are valued at the lower of cost and estimated net realisable value. Cost includes the actual cost of materials, labour and appropriate production overheads and is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Taxes

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is not recognised on goodwill and those arising from initial recognition of an asset or liability which at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Notes To The Financial Statements

(j) Foreign currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated to the functional currency at exchange rates ruling on the transaction dates.

Exchange differences arising on the settlement of monetary items or on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in the profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency ("RM") of the consolidated financial statements are translated into RM as follows:

- (a) Assets and liabilities for each statements of financial position presented are translated at the closing rate prevailing at the reporting date;
- (b) Income and expenses for each profit or loss are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- (c) All resulting exchange differences are taken to the foreign currency translation reserve within equity.

The principal exchange rates used for currency ruling at the reporting dates are as follows:

	2023	2022
	RM	RM
1 United States Dollar (USD)	4.5900	4.3900
100 Indonesian Rupiah (IDR)	0.0298	0.0282

Notes To The Financial Statements

(k) Revenue recognition

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

The Group and the Company have generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. The Group and the Company recognise revenue from contracts with customers for the sales of goods based on the five-step model as set out below:

(a) Identify contract with a customer

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

(b) Identify performance obligations in the contract

A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

The Group and the Company's contracts with customers are distinctly for sales of produce stocks and finished goods, and include no other performance obligation.

(c) Determine the transaction price

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

(d) Allocate the transaction price to the performance obligation in the contract

The Group and the Company allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group and the Company expect to be entitled in exchange for satisfying each performance obligation.

(e) Recognise revenue when (or as) the Group and the Company satisfies a performance obligation

The Group and the Company satisfies a performance obligation and recognise revenue over time if the Group's and the Company's performance:

- (i) does not create an asset with an alternative use to the Group and the Company and has an enforceable right to payment for performance obligation completed to-date; or
- (ii) creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (iii) provides benefits that the customer simultaneously receives and consumes as the Group and the Company performs.

For performance obligations where any one of the above conditions are met, revenue is recognised over time at which the performance obligation is satisfied.

The following describes the performance obligation in contracts with customers:

(i) Sale of goods

Revenue from sale of produce stocks and finished goods is recognised at the point in time when control of the goods is transferred to the customer, measured at fair value of the consideration received or receivable, net of trade discounts.

Notes To The Financial Statements

Revenue from other sources are recognised as follows:

(a) *Interest income*

Interest is recognised on a time proportion basis that reflects the effective yield on the asset.

(b) *Dividend income*

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

(c) *Rental income*

Rental income is recognised on a time proportion basis.

(l) *Employee benefits*

(i) *Short term benefits*

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group and the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group and the Company pay fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the income statement as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF"). In addition, the Group and the Company also contribute to a defined contribution fund set up for certain eligible employees of the Group and the Company.

(iii) *Defined benefit plans*

The Company and certain subsidiary companies provide for retirement benefit for their eligible employees on unfunded defined benefit plans in accordance with the terms of employment and practices. The Group's and the Company's obligations under these plans are determined internally using the Projected Unit Credit Method based on certain actuarial assumptions where the amount of benefits that employees have earned in return for their services rendered is estimated.

Full provision is recognised for retirement benefit payable to all eligible employees. Should an employee leave before attaining the retirement age, the provision made for the employee is written back. Actuarial gains or losses are recognised as income or expense immediately through OCI. Past service costs are recognised immediately.

(m) *Impairment of non-financial assets*

At each reporting date, the Group and the Company review the carrying amounts of its assets, other than inventories, assets arising from employee benefits and financial assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. Recoverable amount is the higher of an asset's fair value less cost to sell and value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs and prorated to the asset by reference to the cost of the asset to the cost of the cash-generating unit.

An impairment loss is charged to the income statement immediately.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at revalued amount.

Notes To The Financial Statements

(n) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value plus or minus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs. However, receivables without a significant financing component is initially measured at the transaction price.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at amortised cost, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income ("OCI").

(i) *Financial assets at amortised cost*

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Company's financial assets at amortised cost include trade and other receivables and cash and bank balances.

(ii) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes short term funds and derivative instruments which the Group and the Company had not irrevocably elected to classify at fair value through OCI.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group and the Company have transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either the Group and the Company have transferred substantially all the risks and rewards of the asset, or the Group and the Company neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Notes To The Financial Statements

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

(o) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

The Group and the Company recognise an allowance for expected credit losses ("ECL"s) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(p) Cash and cash equivalent

Cash and cash equivalents represent cash on hand and at banks and short term deposits with a maturity of three months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statements of cash flows, cash and cash equivalents consist of unrestricted cash and bank balances, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Group's and of the Company's cash management.

(q) Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables, bank borrowings, lease liabilities and derivatives financial instruments.

Subsequent measurement

(i) *Financial liabilities at fair value through profit or loss*

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationship.

(ii) *Financial liabilities at amortised cost*

This is the category most relevant to the Group and the Company. After initial recognition, interest-bearing loans and borrowings (including bank overdrafts) are subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well through the EIR amortisation process.

This category includes trade and other payables, lease liabilities and bank overdrafts.

Notes To The Financial Statements

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(r) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(s) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(t) Research and development costs

All general research and development costs are expensed as incurred.

(u) Provision

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group and the Company expect some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(v) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as commodity futures contracts, to hedge its commodity price risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined).

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Notes To The Financial Statements

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Cash flow hedge

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses commodity futures contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to commodity contracts is recognised in other operating income or expenses. Refer to Note 31(g) for more details.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

(w) Leases

The Group and the Company assess at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Company recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group and the Company recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at costs, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Group and Company

Leasehold land - Up to 99 years

The right-of-use assets are also subject to impairment. The accounting policies for impairment of non-financial assets is as disclosed in Note 2.4 (m).

(ii) Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Company and payments of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising the option to terminate.

Notes To The Financial Statements

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Company use their incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's and the Company's lease liabilities are as disclosed in Note 25.

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

The Group and the Company apply the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Group and the Company also apply the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(x) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.5 Significant Accounting Estimate

The key assumptions concerning the future and other key source of estimation uncertainty at the reporting date, that have significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

(a) Impairment of goodwill

The Group tests for impairment of goodwill annually and at any other time when such indicators exist. This requires an estimation of value in use of the assets or CGU to which the goodwill is allocated.

Estimating the value in use requires management to estimate the expected future cash flows from the asset or CGU and also to choose a suitable discount rate in order to determine the present value of those cash flows. The preparation of the estimated future cash flows involves significant judgement and estimations. While the Group believes that the assumptions are appropriate and reasonable, changes in the assumptions may materially affect the assessment of recoverable amounts.

Further details of the carrying value and the key assumptions applied in the impairment assessment of goodwill are disclosed in Note 15.

Notes To The Financial Statements

3. Group Structure

The subsidiary companies are as follows:

Companies	Country of incorporation and principal place of business	Percentage of equity held by the Group*		Percentage of equity held by non-controlling interest*		Principal Activities (see below)
		2023 %	2022 %	2023 %	2022 %	
Unitata Berhad	Malaysia	100	100	-	-	(a)
Bernam Advisory Services Sdn. Bhd.	Malaysia	100	100	-	-	(b)
Berta Services Sdn. Bhd.	Malaysia	100	100	-	-	(d)
PT. Surya Sawit Sejati ("PT SSS1")	Indonesia	95	95	5	5	(c)
Bernam Agencies Sdn. Bhd.	Malaysia	100	100	-	-	(d)
United International Enterprises (M) Sdn. Bhd.	Malaysia	100	100	-	-	(d)

* equals to the proportion of voting rights held

The subsidiary companies are primarily engaged in the following activities:

- Refining of palm oil, manufacturing edible oils, fats, cocoa butter substitute and trading in crude palm oil and palm kernel products.
- Trading, marketing and investment holding.
- Business of oil palm cultivation and processing in Indonesia.
- Investment holding.

The joint ventures are as follows:

Company	Country of incorporation and principal place of business	Percentage of equity held by the Group*		Principal Activities
		2023 %	2022 %	
Unifuji Sdn. Bhd.	Malaysia	50	50	Refining of palm oil and trading of palm oil products
UP Elite Palm Sdn. Bhd.	Malaysia	50	50	Research and development in oil palm seeds

* equals to the proportion of voting rights held

The joint ventures are accounted for using the equity method.

These joint ventures have the same reporting period as the Group. No quoted market prices are available for the shares of Unifuji Sdn. Bhd. and UP Elite Palm Sdn. Bhd. as the companies are private companies.

Unifuji Sdn. Bhd. is a private limited company incorporated and domiciled in Malaysia. The registered office is located at Jendarata Estate, 36009 Teluk Intan, Perak and principal place of business is located at Ulu Bernam Estate, 36500 Mukim Hutan Melintang, Teluk Intan, Perak.

UP Elite Palm Sdn. Bhd. is a private limited company incorporated and domiciled in Malaysia. The registered office and principal place of business is located at Jendarata Estate, 36009 Teluk Intan, Perak. The company has yet to commence operations pending approval of permits from the relevant authorities.

Notes To The Financial Statements

The associated company is as follows:

Company	Country of incorporation and principal place of business	Percentage of equity held by the Group*		Principal Activity
		2023 %	2022 %	
Bernam Bakery Sdn. Bhd.	Malaysia	30	30	Investment holding

* equals to the proportion of voting rights held

The associated company is accounted for using the equity method.

The financial statements of the joint ventures and the associated company are coterminous with those of the Group.

All subsidiary companies, the joint ventures and the associated company are audited by Ernst & Young PLT, Malaysia other than PT SSS1, which is audited by a member firm of Ernst & Young Global in Indonesia.

4. Revenue

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue from contracts with customers consists of the following:				
Sales proceeds of produce stocks	701,623	705,315	1,075,641	1,001,527
Sales proceeds of finished goods	1,312,625	1,809,493	-	-
	2,014,248	2,514,808	1,075,641	1,001,527
Disaggregation of revenue from contracts with customers				
Upstream (Plantations)				
- Malaysia	487,936	476,843	1,075,641	1,001,527
- Indonesia	213,687	228,472	-	-
Downstream (Refinery)				
- Malaysia	1,312,625	1,809,493	-	-
	2,014,248	2,514,808	1,075,641	1,001,527

The timing of revenue recognition is at a point in time.

Notes To The Financial Statements

5. Profit From Operations

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit from operations is arrived at, after charging:				
Directors' remuneration				
- fees	1,463	1,630	1,408	1,585
- emoluments	6,129	5,987	6,129	5,987
- others	93	99	93	99
Auditors' remuneration				
- statutory audit: current year	500	494	367	363
- non-audit service	9	9	9	9
- statutory audit fee received by a member firm of EY Global	165	157	-	-
Inventories written-down	-	7,500	-	-
Inventories written-off	22	596	22	596
Fair value loss in biological assets, net	-	2,092	-	-
Loss on disposal of property, plant and equipment, net	700	726	886	584
Property, plant and equipment written-off	1,199	1,939	637	-
Unrealised foreign exchange loss	1,918	1,263	-	-
Realised foreign exchange loss	14,938	3,619	-	-
Expenses relating to leases of low-value assets	272	219	68	65
Expenses relating to short-term leases	2,589	2,079	-	-
Profit from operations is arrived at, after crediting:				
Rental income	408	447	332	411
Fair value gain in biological assets, net	5,456	-	5,466	84
Reversal on impairment on investment in a subsidiary	-	-	2	30
Unrealised foreign exchange gain	-	2	-	-

Notes To The Financial Statements

Staff costs of the Group and of the Company incurred during the financial year consist of the following:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Wages and salaries	202,694	190,843	157,887	147,065
Social security cost	4,301	3,518	1,475	1,248
Retirement benefit costs				
- defined contribution plans	8,918	8,437	7,661	7,365
- defined benefit plans (Note 22)	2,501	2,386	815	566
Other staff related expenses	25,044	22,590	19,753	17,263
	243,458	227,774	187,591	173,507

Included in staff costs of the Group and of the Company are executive directors' emoluments both amounting to RM6,111,000 respectively (2022: RM5,974,000 respectively).

In addition to contribution to the Employees Provident Fund, the Group also contributes to a defined contribution fund set up for certain eligible employees of the Group.

6. Finance Costs

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Finance costs consist of interest expenses on:				
- Bank overdraft, bankers acceptances and revolving credit facilities	29	1,635	23	1,630
- Interest on lease liabilities (Note 25)	718	677	718	677
	747	2,312	741	2,307

7. Investment And Interest Income

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Dividend income from a subsidiary company	-	-	100,000	105,500
Interest income from deposits with licensed banks	26,100	10,847	9,632	5,537
Interest income from advances to a subsidiary	-	-	38	6,268
Interest income from advances to a joint venture	437	749	154	349
	26,537	11,596	109,824	117,654

Notes To The Financial Statements

8. Taxation

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current income tax:				
Income tax	215,595	238,471	158,432	162,630
(Over)/under provision in prior financial years	(742)	3,502	(1,324)	424
	214,853	241,973	157,108	163,054
Deferred tax (Note 21):				
Relating to origination and reversal of temporary difference	8,203	1,389	3,018	5,120
(Over)/under provision in prior financial years	(583)	(2,441)	95	(81)
	7,620	(1,052)	3,113	5,039
Tax expense for the financial year	222,473	240,921	160,221	168,093

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2022: 24% and 33%) of the estimated assessable profit for the financial year. In the prior financial year, the Government had introduced Cukai Makmur (Prosperity Tax) which is a special one-off tax on companies which have chargeable income above RM100 million in the Year of Assessment 2022. The first RM100 million chargeable income was to be taxed at the current rate of 24% and amounts in excess of RM100 million taxed at 33%.

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Profit before taxation	933,494	846,485	773,287	648,973
Taxation at Malaysian statutory tax rate of 24% (2022: 24%)	224,039	203,156	185,589	155,754
Effect of Cukai Makmur at the tax rate of 33%	-	45,013	-	37,804
Effect of different tax rates in other country	(1,658)	(1,650)	-	-
Income not subject to tax	(1,897)	(92)	(25,830)	(25,320)
Expenses not deductible for tax purposes	1,468	5,720	1,691	3,073
Effect of reinvestment allowance	(633)	(8,974)	-	(3,441)
Effect of double deduction	-	(120)	-	(120)
(Over)/under provision of deferred tax expense in prior financial years	(583)	(2,441)	95	(81)
(Over)/under provision of income tax in prior financial years	(742)	3,502	(1,324)	424
Tax effects on share of results of joint ventures	(2,521)	(3,193)	-	-
Deferred tax on undistributed profits of a foreign subsidiary	5,000	-	-	-
Tax expense for the financial year	222,473	240,921	160,221	168,093

Notes To The Financial Statements

9. Earnings Per Share

a) Basic

	Group	
	2023	2022
Net profit attributable to owners of the parent (RM'000)	707,771	601,684
Number of shares in issue as of 1 January ('000)	414,784	414,784
Effect of treasury shares held ('000)	-	-
Adjusted weighted average number of ordinary shares in issue ('000)	414,784	414,784
Basic earnings per share (sen)	171	145

The basic earnings per ordinary share is calculated by dividing the consolidated net profit attributable to the equity owners of the Company by the weighted average number of ordinary shares (adjusted for treasury shares) during the financial year.

b) Diluted

The diluted earnings per ordinary share of the Group for the financial year ended 31 December 2023 and 31 December 2022 are the same as the basic earnings per ordinary share of the Group as the Group has no dilutive potential ordinary shares.

Notes To The Financial Statements

10. (a) Property, Plant And Equipment

Group

	Freehold land	Bearer plants	Buildings	Plant and machinery	Capital work-in- progress*	Spare parts	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost							
At 1 January 2023	204,413	1,040,159	388,663	1,023,792	1,791	1,690	2,660,508
Additions	-	34,429	18,526	48,108	5,265	-	106,328
Disposals	-	-	(224)	(7,603)	-	-	(7,827)
Written off	-	(2,157)	-	-	-	-	(2,157)
Reclassifications	-	-	84	375	(459)	-	-
Exchange differences	-	7,947	3,797	5,424	-	10	17,178
Net transfer from inventories during the financial year	-	-	-	-	-	266	266
At 31 December 2023	204,413	1,080,378	410,846	1,070,096	6,597	1,966	2,774,296
Accumulated depreciation and impairment losses							
At 1 January 2023							
Accumulated depreciation	-	608,798	216,634	593,325	-	-	1,418,757
Depreciation for the financial year	-	35,648	13,742	51,605	-	-	100,995
Disposals	-	-	(112)	(5,648)	-	-	(5,760)
Written off	-	(958)	-	-	-	-	(958)
Exchange differences	-	4,655	1,692	4,087	-	-	10,434
At 31 December 2023	-	648,143	231,956	643,369	-	-	1,523,468
Net book value							
At 31 December 2023	204,413	432,235	178,890	426,727	6,597	1,966	1,250,828

Notes To The Financial Statements

Group	Freehold land	Bearer plants	Buildings	Plant and machinery	Capital work-in-progress*	Spare parts	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost							
At 1 January 2022	204,413	1,023,037	367,799	919,126	34,255	1,532	2,550,162
Additions	-	25,573	16,850	77,505	15,782	-	135,710
Disposals	-	-	(118)	(11,196)	-	-	(11,314)
Written off	-	(3,406)	(210)	-	-	-	(3,616)
Reclassifications	-	-	6,663	41,583	(48,246)	-	-
Exchange differences	-	(5,045)	(2,321)	(3,226)	-	(8)	(10,600)
Net transfer from inventories during the financial year	-	-	-	-	-	166	166
At 31 December 2022	204,413	1,040,159	388,663	1,023,792	1,791	1,690	2,660,508
Accumulated depreciation and impairment losses							
At 1 January 2022							
Accumulated depreciation	-	578,825	204,953	556,440	-	-	1,340,218
Depreciation for the financial year	-	34,707	12,831	49,224	-	-	96,762
Disposals	-	-	(18)	(9,696)	-	-	(9,714)
Written off	-	(1,656)	(21)	-	-	-	(1,677)
Exchange differences	-	(3,078)	(1,111)	(2,643)	-	-	(6,832)
At 31 December 2022	-	608,798	216,634	593,325	-	-	1,418,757
Net book value							
At 31 December 2022	204,413	431,361	172,029	430,467	1,791	1,690	1,241,751

Under Indonesian laws, the plantation owners are obliged to assist the local communities by assisting them to develop plasma smallholdings. The area of plasma required is 20% of the planted area and this is one of the conditions which must be fulfilled by all plantation owners before the issuance of HGU (lease certificates) of the estate lands by the authorities. The Group is in the process of complying with this condition. The transfer cost is recoverable from the sales of the crops to the mill belonging to the Group.

* Capital work-in-progress of the Group mainly consists of construction of plants and buildings at the following locations:

	2023 RM'000	2022 RM'000
In the estates of the Company in Peninsular Malaysia	3,067	459
In Unitata Berhad	3,530	1,332
	6,597	1,791

Notes To The Financial Statements

Company	Freehold land RM'000	Bearer plants RM'000	Buildings RM'000	Plant and machinery RM'000	Capital work-in-progress RM'000	Spare parts RM'000	Total RM'000
Cost							
At 1 January 2023	203,848	910,099	271,162	672,848	459	362	2,058,778
Additions	-	33,918	14,694	33,512	3,067	-	85,191
Disposals	-	-	(224)	(5,665)	-	-	(5,889)
Written off	-	(710)	-	-	-	-	(710)
Reclassification	-	-	4	455	(459)	-	-
Net transfer from inventories during the financial year	-	-	-	-	-	(32)	(32)
At 31 December 2023	203,848	943,307	285,636	701,150	3,067	330	2,137,338
Accumulated depreciation							
At 1 January 2023	-	527,297	174,534	369,541	-	-	1,071,372
Depreciation for the financial year	-	28,248	8,910	36,241	-	-	73,399
Disposals	-	-	(112)	(3,764)	-	-	(3,876)
Written off	-	(73)	-	-	-	-	(73)
At 31 December 2023	-	555,472	183,332	402,018	-	-	1,140,822
Net book value At 31 December 2023	203,848	387,835	102,304	299,132	3,067	330	996,516
Cost							
At 1 January 2022	203,848	885,328	256,035	604,856	9,250	311	1,959,628
Additions	-	24,771	15,234	63,055	459	-	103,519
Disposals	-	-	(118)	(4,302)	-	-	(4,420)
Reclassification	-	-	11	9,239	(9,250)	-	-
Net transfer from inventories during the financial year	-	-	-	-	-	51	51
At 31 December 2022	203,848	910,099	271,162	672,848	459	362	2,058,778
Accumulated depreciation							
At 1 January 2022	-	499,931	166,236	338,169	-	-	1,004,336
Depreciation for the financial year	-	27,366	8,316	34,599	-	-	70,281
Disposals	-	-	(18)	(3,227)	-	-	(3,245)
At 31 December 2022	-	527,297	174,534	369,541	-	-	1,071,372
Net book value At 31 December 2022	203,848	382,802	96,628	303,307	459	362	987,406

Notes To The Financial Statements

10. (b) Right-Of-Use Assets

Group

	Leasehold land RM'000	Land use rights RM'000	Total RM'000
Cost			
At 1 January 2023	465,197	41,823	507,020
Additions	-	2,544	2,544
Written-off	-	(893)	(893)
Exchange differences	-	1,566	1,566
At 31 December 2023	465,197	45,040	510,237
Accumulated depreciation			
At 1 January 2023	96,493	4,459	100,952
Depreciation for the financial year	4,839	1,140	5,979
At 31 December 2023	101,332	5,599	106,931
Net book value At 31 December 2023	363,865	39,441	403,306
Cost			
At 1 January 2022	450,476	39,926	490,402
Additions	14,721	2,763	17,484
Exchange differences	-	(866)	(866)
At 31 December 2022	465,197	41,823	507,020
Accumulated depreciation			
At 1 January 2022	91,654	3,333	94,987
Depreciation for the financial year	4,839	1,126	5,965
At 31 December 2022	96,493	4,459	100,952
Net book value At 31 December 2022	368,704	37,364	406,068

Notes To The Financial Statements

Company	Leasehold land	Total
	RM'000	RM'000
Cost		
At 1 January 2023 / 31 December 2023	465,197	465,197
Accumulated depreciation		
At 1 January 2023	96,493	96,493
Depreciation for the financial year	4,839	4,839
At 31 December 2023	101,332	101,332
Net book value At 31 December 2023	363,865	363,865
Cost		
At 1 January 2022	450,476	450,476
Additions	14,721	14,721
At 31 December 2022	465,197	465,197
Accumulated depreciation		
At 1 January 2022	91,654	91,654
Depreciation for the financial year	4,839	4,839
At 31 December 2022	96,493	96,493
Net book value At 31 December 2022	368,704	368,704

The new titles for the extension of lease of the leasehold lands at Tanarata Estate for 99 years were issued in 2022.

Notes To The Financial Statements

11. Biological Assets

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At 1 January	45,643	48,044	39,059	38,975
Exchange differences	374	(309)	-	-
Transfers to produce stocks	(46,017)	(47,735)	(39,059)	(38,975)
Fair value changes	51,473	45,643	44,525	39,059
At 31 December	51,473	45,643	44,525	39,059
The biological assets of the Group and the Company comprise:				
Oil palm fresh fruit bunches	43,306	38,225	36,358	31,641
Coconuts	8,167	7,418	8,167	7,418
	51,473	45,643	44,525	39,059

The biological assets of the Group and the Company comprise oil palm FFB and coconuts prior to harvest. The valuation model to be adopted by the Group and the Company considers the present value of the net cash flows expected to be generated from the sale of FFB and coconuts less cost to sell.

To arrive at the fair value of FFB, the management considered the oil content of the unripe FFB and derived the assumption that the net cash flow to be generated from FFB prior to more than 4 weeks to harvest to be negligible, therefore quantity of unripe FFB on bearer plants of up to 4 weeks prior to harvest was used for valuation purpose. The value of the unripe FFB was estimated to be approximately 49% for FFB that are 3 to 4 weeks prior to harvest and 83% for FFB that are 1 to 2 weeks prior to harvest, based on actual oil extraction rate and kernel extraction rate of the unripe FFB from tests. Costs to sell, which include harvesting and transport cost, are deducted in arriving at the net cash flow to be generated.

To arrive at the fair value of coconuts, the management derived the assumption that the net cash flow to be generated from coconuts prior to more than 4 weeks to harvest to be negligible, therefore quantity of unripe coconuts on bearer plants of up to 4 weeks prior to harvest was used for valuation purpose.

The change in fair value of the biological assets in each accounting period is recognised in profit or loss.

The Group's and the Company's biological assets were fair valued within Level 3 of the fair value hierarchy. Fair value assessments have been completed consistently using the same valuation techniques.

The key assumptions used to determine the fair value are as follows:

	Group	
	2023	2022
Oil palms		
FFB production (MT)	82,996	84,454
Average FFB selling price (RM/MT)	844	768
Coconut palms		
Coconut production (nuts '000)	6,800	6,013

Sensitivity Analysis

A 10% increase/decrease in the FFB and coconuts production would result in the following to the fair value of the biological assets:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
10% increase	5,147	4,564	4,452	3,906
10% decrease	(5,147)	(4,564)	(4,452)	(3,906)

Notes To The Financial Statements

A 10% increase/decrease in the average oil palm fresh fruit bunches ("FFB") selling price (RM/MT) would result in the following to the fair value of the biological assets:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
10% increase	5,274	4,709	4,423	3,978
10% decrease	(5,274)	(4,709)	(4,423)	(3,978)

12. Subsidiary Companies

Investment in subsidiary companies

	Company	
	2023 RM'000	2022 RM'000
Unquoted shares at cost	44,451	44,451
Less: Accumulated impairment losses	(12,717)	(12,719)
	31,734	31,732
Unquoted Redeemable Cumulative Convertible Preference Shares: As at 1 January / 31 December	12,300	12,300
Total	44,034	44,032

The Company had in the previous years subscribed to a total of 324,800,000 RCCPS issued by the following subsidiary companies. In the prior financial years, 312,500,000 RCCPS were redeemed by Bernam Advisory Services Sdn. Bhd. and Berta Services Sdn. Bhd., leaving a balance of 12,300,000 RCCPS as at the end of the financial year.

- (i) 278,813,000 issued by Bernam Advisory Services Sdn. Bhd.. These funds, in turn, were used to provide a loan to PT SSS1. All RCCPS issued by Bernam Advisory Services Sdn. Bhd. have been redeemed as at the end of the prior financial years.
- (ii) 45,987,000 issued by Berta Services Sdn. Bhd.. These funds, in turn, were used to provide a loan to PT SSS2. Arising from redemption in the prior financial years, 12,300,000 RCCPS issued by Berta Services Sdn. Bhd. remains yet to be redeemed as at the end of the financial year.

The salient features of the RCCPS issued by the companies are as follows:

- (a) Each RCCPS entitles the holder the right to be paid, out of such profits available for distribution, a cumulative dividend at a rate as the issuer of the RCCPS shall decide from time to time.
- (b) Each RCCPS entitles the holder the right to vote if there is any resolution for the winding up of the company, reduction of the capital, declaration of dividend on any RCCPS or if a resolution affects the special rights and privileges attached to the RCCPS.
- (c) The RCCPS are redeemable at the option of the issuer for RM1.00 for every RCCPS held.
- (d) The RCCPS are convertible at the option of the issuer into ordinary shares on the basis of one ordinary share for every RCCPS held.
- (e) Each RCCPS entitles the holder the right on winding up or other return of capital (other than the redemption of the RCCPS) to receive, in priority of the ordinary shareholders of the company.

The non-controlling interest in respect of PT SSS1 is not material to the Group. Hence, summarised financial information of PT SSS1 are not presented.

Notes To The Financial Statements

13. Associated Company

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Investment in an associated company				
Unquoted shares, at cost	101	101	101	101
Share of post-acquisition losses and reserves (see Note (i) below)	(51)	(51)	-	-
Accumulated impairment losses	-	-	(51)	(51)
	50	50	50	50
			Group	
			2023 RM'000	2022 RM'000
Represented by:				
Share of net assets			50	50
Note (i):				
Share of post-acquisition losses and reserves is arrived at as follows:				
Profit for the financial year			-	-
Share of accumulated losses			(51)	(51)
			(51)	(51)

14. Joint Ventures

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Unquoted shares, at cost	30,000	30,000	30,000	30,000
Share of post-acquisition reserves	34,001	23,499	-	-
	64,001	53,499	30,000	30,000
Analysed as:				
Unquoted shares, at cost				
At 1 January / 31 December	30,000	30,000	30,000	30,000
Share of post-acquisition reserve:				
At 1 January	23,499	10,201	-	-
Share of results	10,502	13,298	-	-
At 31 December	34,001	23,499	-	-

The Group has joint control on its joint arrangements as unanimous consent is required for relevant activities from the parties sharing control under the contractual arrangements.

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

Notes To The Financial Statements

Summarised financial information of Unifuji Sdn. Bhd., a material joint venture is set out below. The summarised information represents the amounts in the financial statements of the joint venture and not the Group's share of those amounts.

(i) Summarised statements of financial position

	2023 RM'000	2022 RM'000
Assets and Liabilities		
Current assets, including cash and cash equivalents RM8,989,000 (2022 : RM996,000) and prepayments RM1,007,000 (2022 : RM58,000)	97,507	90,139
Non-current assets	150,315	162,215
Current liabilities	(74,528)	(88,405)
Non-current liabilities, including deferred tax liabilities RM17,933,000 (2022 : RM15,159,000) and long-term borrowing RM26,544,000 (2022 : RM40,958,000)	(45,268)	(56,939)
Equity	128,026	107,010
Group's share in equity - 50% (2022 : 50%)	64,013	53,505
Group's carrying amount of the investment	64,013	53,505

(ii) Summarised statements of comprehensive income

	2023 RM'000	2022 RM'000
Revenue from contracts with customers	559,133	661,607
Cost of sales	(492,254)	(590,452)
Administrative expenses, including amortisation and depreciation RM15,027,000 (2022 : RM13,888,000)	(35,519)	(29,778)
Finance costs, including interest expense	(4,423)	(6,167)
Interest income	232	111
Profit before tax	27,169	35,321
Income tax expense	(6,153)	(8,713)
Profit for the financial year	21,016	26,608
Total comprehensive income for the financial year	21,016	26,608
Group's share of profit for the financial year	10,508	13,304

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

	2023 RM'000	2022 RM'000
Net assets at 1 January	107,010	80,402
Total comprehensive income for the financial year	21,016	26,608
Net assets at 31 December	128,026	107,010
Interest in joint venture (%)	50	50
Carrying value of Group's interest in joint venture	64,013	53,505

Notes To The Financial Statements

Summarised financial information of UP Elite Palm Sdn. Bhd., a non-material joint venture is set out below. The summarised information represents the amounts in the financial statements of the joint venture and not the Group's share of those amounts.

	2023 RM'000	2022 RM'000
Total comprehensive loss for the financial year	(12)	(12)
Carrying value of Group's interest in joint venture	(12)	(6)

15. Goodwill

	Group/Company 2023/2022 RM'000
At net carrying amount	356,856

The goodwill in the Group's and the Company's statements of financial position represents the excess of the purchase consideration over the fair value of the identifiable assets recognised upon the Group's and the Company's acquisition of the plantation business and assets of Pinehill Pacific Berhad's group of companies.

Goodwill of RM356,856,000 has been allocated to the Group's/Company's cash generating unit ("CGU") identified according to the estate, namely Jendarata-Tanarata estates which are principally involved in plantation activities as the Group and the Company believes that Jendarata-Tanarata estate's operation will benefit from both the enlarged planted/plantable area and other synergies arising from the acquisition.

The Group and the Company carries out its annual impairment assessment on the goodwill arising from the acquisition. The recoverable amount of the CGU is based on the value-in-use calculation which is derived at using cash flow projection in which the following key assumptions are used:

Jendarata-Tanarata CGU	2023	2022
Projection period	A 98-year cash flow projection, based on the maximum lease period of the leasehold lands	A 99-year cash flow projection, based on the maximum lease period of the leasehold lands
FFB yields per hectare ("Ha")	15 - 28 MT	15 - 28 MT
Selling prices per MT (RM):		
- Crude Palm Oil ("CPO")	3,614	3,298
- Palm Kernel ("PK")	2,131	2,093
Costs of production per MT (RM)		
- Crude Palm Oil ("CPO")	1,268	1,256
- Palm Kernel ("PK")	288	284
Oil extraction rate (%)	21.8%	21.4%
Kernel extraction rate (%)	4.5%	4.3%
Discount rate (Pre-tax)	13.2%	13.2%

The Group's and the Company's impairment assessment of the CGU as outlined above included a sensitivity analysis on the key assumptions used. Based on the results of the sensitivity analysis, no reasonable change in the key assumptions used would result in an impairment charge for current financial year.

Notes To The Financial Statements

16. Inventories

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Produce stocks	53,328	34,393	50,755	29,868
Estate stores	45,129	49,471	35,996	36,398
Raw materials	26,788	35,515	-	-
Finished goods	114,388	93,532	-	-
Consumables	6,305	6,638	-	-
	245,938	219,549	86,751	66,266

17. Trade And Other Receivables

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Non-Current					
Other receivables					
Sundry receivables	(e)	413	692	-	-
Current					
Trade receivables					
Third parties		177,712	147,477	6,833	6,127
Due from subsidiary companies	(b)	-	-	73,806	37,164
Due from a joint venture	(d)	14,208	-	3,539	-
Trade receivables, net	(a)	191,920	147,477	84,178	43,291
Other receivables					
Due from subsidiary companies	(b)	-	-	2,579	3,966
Due from an associated company	(c)	23	24	23	24
Due from joint ventures	(d)	1,685	1,138	1,536	974
Deposits		8,139	475	8,083	290
Sundry receivables	(e)	11,241	11,550	5,262	6,851
		21,088	13,187	17,483	12,105
		213,008	160,664	101,661	55,396
Total trade and other receivables		213,421	161,356	101,661	55,396
Add: Cash and bank balances (Note 18(a))		579,872	537,232	100,283	99,017
Total financial assets carried at amortised cost		793,293	698,588	201,944	154,413

Details of how the credit risk is determined and managed are disclosed in Note 31(d).

Notes To The Financial Statements

(a) Trade receivables

The average credit terms granted to the Group's customers are 5 to 75 days (2022: 5 to 75 days).

(b) Due from subsidiary companies (trade and non-trade)

The amounts due from subsidiary companies are unsecured. The trade debt due from a subsidiary company has a repayment term of 7 to 30 days (2022: 7 to 30 days) and the overdue trade and non-trade debts bear an average interest of approximately 3.64% (2022: 2.74%) per annum. The non-trade debts are repayable on demand.

(c) Due from an associated company

The amount due from an associated company is interest free, unsecured and repayable on demand.

(d) Due from joint ventures (trade and non-trade)

The amounts due from joint ventures are unsecured. The trade debt due from a joint venture has a repayment term of 7 to 30 days (2022: 7 to 30 days) and the overdue trade and non-trade debts bear an average interest of approximately 3.64% (2022: 2.74%) per annum. The non-trade debts are repayable on demand.

(e) Sundry receivables

Included in sundry receivables of the Group is RM1,695,000 (2022: RM4,208,000) being plasma receivables.

18. (a) Cash And Bank Balances

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash at banks and on hand	137,735	131,904	5,469	5,676
Deposits with licensed banks	442,137	405,328	94,814	93,341
Cash and bank balances (Note 17)	579,872	537,232	100,283	99,017

The effective annual interest rates applicable during the financial years were as follows:

	Group		Company	
	Weighted average interest rates		Weighted average interest rates	
	2023 %	2022 %	2023 %	2022 %
Deposits with licensed banks	3.48	2.50	3.35	3.01

The maturity period for deposits with licensed banks of the Group and the Company range from 1 day to 12 months (2022: range from 1 day to 12 months) respectively.

Notes To The Financial Statements

(b) Short Term Funds

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Short term funds	53,729	242,282	31,857	240,781

Short term funds are investments in income trust funds in Malaysia. The trust funds invest in highly liquid assets which are readily convertible to known amount of cash with insignificant changes in value. The short term funds are classified as financial assets valued through profit or loss.

The effective annual interest rates applicable during the financial years were as follows:

	Group		Company	
	Weighted average interest rates		Weighted average interest rates	
	2023 %	2022 %	2023 %	2022 %
Short term funds	3.69	2.72	3.76	2.72

19. (a) Share Capital

	Group and Company			
	Number of ordinary shares		Monetary value	
	2023 Unit'000	2022 Unit'000	2023 RM'000	2022 RM'000
Issued and fully paid:				
At 1 January / 31 December	416,268	416,268	390,054	390,054

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. All ordinary shares rank equally with regard to the Company's residual assets.

(b) Treasury Shares

The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe the purchase of treasury shares is in the best interests of the Company and its shareholders. The Company has the right to cancel, resell and/or distribute these shares as dividends at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution are suspended.

There has been no purchase, resale and/or cancellation of the treasury shares by the Company in the preceding 12 months.

	Group / Company	
	No of shares	Cost RM'000
2023		
At 1 January / 31 December	1,483,548	18,668
2022		
At 1 January / 31 December	1,483,548	18,668

The share buy-back was financed by internally generated funds.

Notes To The Financial Statements

20. Reserves

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Distributable					
Retained profits	(a)	2,451,223	2,492,218	1,477,667	1,611,214
Non-distributable					
Cash flow hedge reserve	(b)	14,971	31,160	-	-
Capital reserve	(c)	21,798	21,798	-	-
Foreign currency translation reserve	(d)	(8,938)	(25,829)	-	-
		27,831	27,129	-	-
Total		2,479,054	2,519,347	1,477,667	1,611,214

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

(a) Retained profits

The entire retained earnings can be distributed as dividend under the single tier system.

(b) Cash flow hedge reserve

The effective portion of the gain or loss on a hedging instrument is recognised in OCI in the cash flow hedge reserve. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on a hedging instrument and the cumulative change in fair value of the hedged item.

(c) Capital reserve

The capital reserve is in respect of bonus shares issued by subsidiary companies out of their retained earnings.

(d) Foreign currency translation reserve

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

Notes To The Financial Statements

21. Deferred Taxation

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
At 1 January	178,014	133,966	167,472	162,433
Recognised in profit or loss (Note 8)	7,620	(1,052)	3,113	5,039
Recognised in other comprehensive income	(5,078)	44,983	-	-
Exchange differences	(153)	117	-	-
At 31 December	180,403	178,014	170,585	167,472
Presented after appropriate offsetting as follows:				
Deferred tax liabilities	182,604	180,148	170,585	167,472
Deferred tax assets	(2,201)	(2,134)	-	-
	180,403	178,014	170,585	167,472

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

Deferred tax liabilities/(assets) of the Group:

	Future Tax on Unrealised Fair Value Adjustments RM'000	Biological Assets RM'000	Property, plant and equipment RM'000	Minimum tax on the undistributed profits of a foreign subsidiary RM'000	Total RM'000
At 1 January 2023	10,775	10,821	174,019	-	195,615
Recognised in profit or loss	(3,379)	1,310	2,810	5,000	5,741
Recognised in other comprehensive income	(5,112)	-	-	-	(5,112)
Exchange differences	-	82	(116)	-	(34)
At 31 December 2023	2,284	12,213	176,713	5,000	196,210
At 1 January 2022	(29,580)	11,348	164,596	-	146,364
Recognised in profit or loss	(4,167)	(549)	9,439	-	4,723
Recognised in other comprehensive income	44,522	-	-	-	44,522
Exchange differences	-	22	(16)	-	6
At 31 December 2022	10,775	10,821	174,019	-	195,615

Notes To The Financial Statements

Deferred tax liabilities/(assets) of the Group:

	Retirement Benefit Obligations RM'000	Others RM'000	Total RM'000
At 1 January 2023	(3,479)	(14,122)	(17,601)
Recognised in profit or loss	(303)	2,182	1,879
Recognised in other comprehensive income	34	-	34
Exchange differences	(49)	(70)	(119)
At 31 December 2023	(3,797)	(12,010)	(15,807)
At 1 January 2022	(3,489)	(8,909)	(12,398)
Recognised in profit or loss	(464)	(5,311)	(5,775)
Recognised in other comprehensive income	461	-	461
Exchange differences	13	98	111
At 31 December 2022	(3,479)	(14,122)	(17,601)

Deferred tax liabilities/(assets) of the Company:

	Biological Assets RM'000	Property, plant and equipment RM'000	Total RM'000
At 1 January 2023	9,373	164,017	173,390
Recognised in profit or loss	1,312	1,470	2,782
At 31 December 2023	10,685	165,487	176,172
At 1 January 2022	9,353	155,172	164,525
Recognised in profit or loss	20	8,845	8,865
At 31 December 2022	9,373	164,017	173,390

	Retirement Benefit Obligations RM'000	Lease liabilities RM'000	Others RM'000	Total RM'000
At 1 January 2023	(1,978)	(2,873)	(1,067)	(5,918)
Recognised in profit or loss	(125)	(172)	628	331
At 31 December 2023	(2,103)	(3,045)	(439)	(5,587)
At 1 January 2022	(1,927)	-	(165)	(2,092)
Recognised in profit or loss	(51)	(2,873)	(902)	(3,826)
At 31 December 2022	(1,978)	(2,873)	(1,067)	(5,918)

Notes To The Financial Statements

22. Retirement Benefit Obligations

The Company and certain subsidiary companies pay retirement benefits to their eligible employees in accordance with the terms of employment and practices. These plans are generally of the defined benefit type under which benefits are based on employees' years of service and at predetermined rates or average final remuneration, and are unfunded. From the financial year 2011 onwards, the subsidiaries in Indonesia provided employee benefits under the Labour Law No.13. No formal independent actuarial valuations have been undertaken to value the Group's obligations under these plans but are estimated by the Group, except for the obligations of PT SSS1 where an independent actuarial valuation is used. The obligations of the Group are based on the following actuarial assumptions:

	2023 %	2022 %
Discount rate in determining the actuarial present value of the obligations	6.0 - 7.5	6.0 - 7.5
The average rate of increase in future earnings	4.0 - 10.0	4.0 - 10.0
Turnover of employees	10.0 - 20.0	10.0 - 20.0

The amounts recognised in the statements of financial position are determined as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Present value of unfunded defined benefit obligations	16,725	15,479	8,762	8,240
At 1 January	15,479	16,249	8,240	8,028
Provision during the financial year (Note 5)	2,501	2,386	815	566
Paid during the financial year	(1,330)	(888)	(293)	(354)
Actuarial changes during the financial year	(153)	(2,096)	-	-
Exchange difference	228	(172)	-	-
At 31 December	16,725	15,479	8,762	8,240
Analysed as:				
Current	2,627	2,674	1,933	1,698
Non-current:				
Later than 1 year but not later than 2 years	971	788	542	493
Later than 2 years but not later than 5 years	2,339	2,194	859	948
Later than 5 years	10,788	9,823	5,428	5,101
	14,098	12,805	6,829	6,542
	16,725	15,479	8,762	8,240

Notes To The Financial Statements

Sensitivity analysis

The impact on changes of each significant actuarial assumption as at the end of the reporting periods are as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Discount rate increase by 1%	(1,297)	(1,195)	(666)	(645)
Discount rate decrease by 1%	1,497	1,384	779	755
The average rate of increase in future earnings increase by 1%	413	337	6	6
The average rate of increase in future earnings decrease by 1%	(379)	(310)	(6)	(6)
Turnover of employees increase by 1%	(153)	(114)	(46)	(20)
Turnover of employees decrease by 1%	156	116	46	20

23. Trade And Other Payables

	Note	Group		Company	
		2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current					
Trade payables					
Third parties	(a)	19,171	25,567	123	392
Other payables					
Due to subsidiary companies	(b)	-	-	390	453
Advances from customers		1,663	2,766	1,663	2,766
Accruals		60,609	57,302	49,599	48,153
Sundry payables		48,158	67,886	17,618	25,317
		110,430	127,954	69,270	76,689
Total trade and other payables		129,601	153,521	69,393	77,081
Add: Bank borrowings (Note 24)		21	248	-	-
Add: Lease liabilities (Note 25)		12,687	11,969	12,687	11,969
Total financial liabilities carried at amortised cost		142,309	165,738	82,080	89,050

(a) Trade payables

Trade payables are non-interest bearing and the average credit terms granted to the Group and the Company range from 30 to 60 days (2022: 30 to 60 days).

(b) Due to subsidiary companies

Amounts due to subsidiary companies are interest free, unsecured and repayable on demand.

Notes To The Financial Statements

24. Bank Borrowings

	Group	
	2023 RM'000	2022 RM'000
Bank overdraft - unsecured	21	248

The interest rate applicable to the bank borrowings for the financial year was 7.15% (2022: 6.90%) per annum.

25. Lease liabilities

	Group/Company	
	2023 RM'000	2022 RM'000
Current	-	-
Non-current	12,687	11,969
	12,687	11,969

The movement of lease liabilities during the financial years are as follows:

	Group/Company	
	2023 RM'000	2022 RM'000
At 1 January	11,969	-
Additions	-	11,292
Accretion of interest (Note 6)	718	677
At 31 December	12,687	11,969

The effective financing cost per annum at the reporting year 2023 was 6% (2022: 6%).

The remaining maturities of the lease liabilities as at 31 December 2023 and 31 December 2022 are as follows:

	Group/Company	
	2023 RM'000	2022 RM'000
Within one year	-	-
After one year but not more than five years	748	1,470
More than five years	11,939	10,499
	12,687	11,969

Notes To The Financial Statements

26. Dividends

	Group / Company			
	Amount		Net dividends per share	
	2023 RM'000	2022 RM'000	2023 sen	2022 sen
Final single-tier dividend paid in respect of previous financial year: - 70 sen per share (2022: 65 sen per share)	290,350	269,610	70.00	65.00
Final special single-tier dividend paid in respect of previous financial year: - 30 sen per share (2022: 20 sen per share)	124,435	82,957	30.00	20.00
Interim single-tier dividend in respect of current financial year: - 40 sen per share (2022: 40 sen per share)	165,914	165,914	40.00	40.00
Interim single-tier extraordinary dividend in respect of current financial year: - 40 sen per share (2022: Nil)	165,914	-	40.00	-
	746,613	518,481	180.00	125.00

At the forthcoming Annual General Meeting, a final single-tier dividend of 70 sen per share amounting to RM290,349,489 and a special single-tier dividend of 40 sen per share amounting to RM165,913,994 in respect of the year ended 31 December 2023 on the ordinary shares in issue at book closure date will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect these proposed dividends. Such dividends, if approved by the shareholders, will be accounted for in shareholders' equity as an appropriation of retained profits in the next financial year ending 31 December 2024.

27. Significant Inter-Company Transactions

	Company	
	2023 RM'000	2022 RM'000
Dividend income from subsidiary companies	100,000	105,500
Sale of raw materials to a subsidiary company	587,705	524,684
Sale of biomass and biogas steam to a subsidiary company	6,312	3,699
Interest charged to a subsidiary company	38	6,268

Notes To The Financial Statements

28. Significant Related Party Transactions

All transactions with the subsidiary companies are undertaken in the ordinary course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

(a) Related party transactions

The Group entered into transactions with UIE Services A/S ("UIES"), a company incorporated in Denmark. This company is deemed to be a related party by virtue of common directorship held by certain directors in UIES and the Group.

In addition to the inter-company balances and transactions detailed in Notes 17, 23 and 27 of the financial statements, the Group and the Company had the following transactions with related parties during the financial years:

Nature Of Transactions	Amount Billed Group		Amount Billed Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Interest income from advances to Unifuji Sdn. Bhd.	437	749	154	349
Service fees paid to UIES	83	83	83	83

The Directors are of the opinion that the above related party transactions are undertaken in the ordinary course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Amount outstanding at 31 December:				
Due from / (to) UIES	49	(38)	49	(38)

The outstanding balances at the reporting dates in relation to related party transactions are included in Notes 17 and 23.

(b) Compensation of key management personnel

The remuneration of key management during the financial years were as follows:

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Short-term employee benefits	5,264	5,145	5,264	5,145
Post employment benefits:				
Defined contribution plan	847	829	847	829
Directors fees	460	450	405	405
Others	18	18	18	18
	6,589	6,442	6,534	6,397

Notes To The Financial Statements

29. Segmental Information

For management purposes, the Group is organised into business units based on their products and services, and has three reportable operating segments as follows:-

- The plantations segment carries on the business of oil palm and coconut cultivation and processing on its plantations in Peninsular Malaysia and Kalimantan, Indonesia. Under this segment, there is also an active research centre providing improved planting material for the Group's estates as well as for the Malaysian agricultural sector in general.
- The palm oil refining segment which carries on the business of palm oil processing, manufacturing of edible oils, fats, cocoa butter substitute and trading in crude palm oil and palm oil products.
- The other segments consist of holding companies for subsidiaries in Indonesia which are also involved in marketing and trading of the Group's products.

The Group's principal activities are the cultivation and processing of oil palm and coconut on plantations in Peninsular Malaysia and Indonesia. The activities of the subsidiary companies (except Unitata Berhad) are all incidental to the main activity and in terms of revenue, profit contribution and assets employed, they are insignificant. Inter-segment sales at fair market values have been eliminated.

The principal activity of Unitata Berhad is palm oil refining and its ancillary activities.

The analysis of Group operations is as follows:

(i) Business segments

	Plantations		Palm oil refining		Other segments		Elimination		Consolidated	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue and expenses										
Revenue:										
External sales	701,623	705,315	1,312,625	1,809,493	-	-	-	-	2,014,248	2,514,808
Inter-segment sales	587,705	524,684	-	-	-	-	(587,705)	(524,684)	-	-
Total revenue	1,289,328	1,229,999	1,312,625	1,809,493	-	-	(587,705)	(524,684)	2,014,248	2,514,808
Results:										
Segment results:										
Operating profit/(loss)	741,133	632,849	156,438	192,387	(369)	(1,333)	-	-	897,202	823,903
Investment and interest income	15,079	14,271	10,955	3,361	541	232	(38)	(6,268)	26,537	11,596
Interest expense	(745)	(2,310)	(40)	(6,270)	-	-	38	6,268	(747)	(2,312)
Share of results of joint ventures	(6)	(6)	10,508	13,304	-	-	-	-	10,502	13,298
Income taxes	(177,706)	(191,737)	(39,768)	(49,117)	(4,999)	(67)	-	-	(222,473)	(240,921)
Net profit for the financial year	577,755	453,067	138,093	153,665	(4,827)	(1,168)	-	-	711,021	605,564

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	Plantations		Palm oil refining		Other segments		Elimination		Consolidated	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Assets and liabilities										
Segment assets	2,374,428	2,487,686	798,119	770,560	27,007	7,005	-	-	3,199,554	3,265,251
Investment in an associated company	-	-	-	-	50	50	-	-	50	50
Investment in joint ventures	(6)	(6)	64,007	53,505	-	-	-	-	64,001	53,499
Consolidated total assets									3,263,605	3,318,800
Segment liabilities	345,327	349,090	50,799	64,877	59	72	-	-	396,185	414,039
Consolidated total liabilities									396,185	414,039
Other information										
Capital expenditure *	100,530	128,105	8,342	25,071	-	18	-	-	108,872	153,194
Depreciation of property, plant and equipment	90,005	85,965	10,939	10,745	51	52	-	-	100,995	96,762
Depreciation of right-of-use assets	5,979	5,965	-	-	-	-	-	-	5,979	5,965
Other significant non-cash expenses:										
Inventories written-down	-	-	-	7,500	-	-	-	-	-	7,500
Inventories written-off	22	596	-	-	-	-	-	-	22	596
Net realised foreign exchange loss	-	-	14,938	3,619	-	-	-	-	14,938	3,619
Net unrealised foreign exchange loss/(gain)	-	-	1,918	1,263	-	(2)	-	-	1,918	1,261

(ii) Geographical segments

In determining the geographical segments of the Group, revenue is based on the geographical location of customers. Total assets and capital expenditure are based on the geographical location of assets:

	Malaysia		Indonesia		Europe		United States		Others		Consolidated	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Revenue	1,017,147	1,273,342	213,687	228,472	26,887	324,463	1,200	406	755,327	688,125	2,014,248	2,514,808
Total assets	2,798,293	2,951,604	368,797	313,390	8,898	1,265	468	-	87,149	52,541	3,263,605	3,318,800
Capital expenditure *	93,532	143,329	15,340	9,865	-	-	-	-	-	-	108,872	153,194

* Capital expenditure presented above consist of the following items as presented in the consolidated statements of financial position:

	Note	Group	
		2023 RM'000	2022 RM'000
Property, plant and equipment	10 (a)	106,328	135,710
Right-of-use assets	10 (b)	2,544	17,484
		108,872	153,194

(iii) Information about a major customer

Revenue from one major customer amounted to RM827,299,000 (2022: RM1,236,773,000), arising from sales by the palm oil refining segment.

Notes To The Financial Statements

30. Capital Commitments

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Capital expenditure approved by the Directors but not contracted	133,592	84,828	114,519	64,640
Capital expenditure contracted but not provided for	24,609	6,904	24,062	5,418
	158,201	91,732	138,581	70,058

31. Financial Instruments

(a) Financial risk management objectives and policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its interest rate, liquidity, foreign exchange, market and credit risks. The Group operates within clearly defined guidelines that are approved by the Board.

During the financial year, the Group entered into commodity futures contracts. Control and monitoring procedures include, amongst others, setting of trading limits and the manner and timing of management reporting. Such derivative trading is also under the close supervision of the executive committee. These control procedures are periodically reviewed and enhanced where necessary in response to changes in market condition.

(b) Interest rate risk

The Group's primary interest rate risk relates to short term fixed rate term deposits with licensed banks and negotiable papers issued by licensed banks. The Group does not hedge this exposure. The maturity periods are mixed such that the Group's cash flow requirements are met while yielding a reasonable return. The effective interest rates are as disclosed in Note 18.

The Group's bank borrowings are insignificant to hedge. The effective interest rate is disclosed in Note 24.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 10 basis points higher/lower, with all other variables held constant, the Group's profit net of tax would have been RM435,000 (2022: RM426,000) higher/lower, arising as a result of higher/lower interest income from deposits with licensed banks, and the Group's retained earnings would have been RM435,000 (2022: RM426,000) higher/lower. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market movements.

(c) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily RM and Indonesian Rupiah ("IDR"). The foreign currencies in which these transactions are denominated are mainly US Dollars ("USD").

Approximately 49% (2022: 55%) of the Group's sales and 32% (2022: 46%) of costs are denominated in foreign currencies. The Group's trade receivable and trade payable balances at the reporting date have similar exposures.

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the reporting date, such foreign currency balances amounted to RM6,669,000 (2022: RM9,602,000) and RM215,000 (2022: RM202,000) for the Group and the Company respectively.

Foreign currency transactions denominated in USD are hedged by forward currency contracts, whenever possible. The forward currency contracts must be in the same currency as the hedged item. It is the Group's policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item to maximise hedge effectiveness.

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At 31 December 2023, the Group hedged 100% (2022: 98%) and 100% (2022: 100%) of its foreign currency denominated sales and purchases respectively, for which firm commitments existed at the reporting date, extending to December 2024 (2022: December 2023).

The Group is also exposed to currency translation risk arising from its net investments in Indonesia.

The Group had entered into forward currency contracts with the following notional amounts and maturities:

	Currency	Maturities		Total notional amount RM'000
		Within 1 year RM'000	1 year up to 5 years RM'000	
At 31 December 2023:				
Forwards used to hedge receivables	USD	460,787	-	460,787
At 31 December 2022:				
Forwards used to hedge receivables	USD	306,338	-	306,338

The net recognised loss as at 31 December 2023 on forward exchange contracts used to hedge receivables and payables as at 31 December 2023 amounted to RM3,440,000 (31 December 2022: net recognised gain RM2,342,000).

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the USD exchange rate against the functional currencies of the Group entities, with all other variables held constant.

	Group	
	2023 RM'000 Profit net of tax	2022 RM'000 Profit net of tax
USD/RM		
- strengthened 3%	(13,839)	(9,087)
- weakened 3%	13,839	9,087

(d) Credit risk

Credit risks, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness. Except for the amount due from a major customer of the palm oil refinery unit, the Group has no other significant concentration risk that may arise from exposures to a single debtor or to a group of debtors. Trade receivables are monitored on an ongoing basis via Company management reporting procedures (with the exception of fixed deposits and short term funds invested in income trust funds). The average credit terms granted to the Group's customers are 5 to 75 days.

The Group and the Company do not have trade receivables that are impaired.

The Group and the Company do not track changes in credit risk, but instead recognise a loss allowance of trade receivables based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The ECLs effect on trade receivables is immaterial to the Group and the Company.

Credit risk of commodity futures contracts arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Group and the Company have a gain position. This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market prices.

Deposits with banks and other financial institutions, investment securities and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

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Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position, including derivatives with positive fair values.

Credit risk concentration profile

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

Group	2023		2022	
	RM'000	% of total	RM'000	% of total
By Segment:				
Plantations	18,491	9.63	11,675	7.92
Palm oil refining	173,429	90.37	135,802	92.08
	191,920	100.00	147,477	100.00

At the reporting date, approximately 74% (2022: 79%) of the Group's trade receivables were due from a major customer of the palm oil refinery unit.

(e) Liquidity risk

The Group actively manages its cash flows by monthly forecasts of funding requirements. As part of its prudent liquidity management, the Group maintains sufficient levels of cash or cash equivalents, banking facilities of a reasonable level to meet its working capital requirements. As far as possible, the Group funds significant long term investments with internal funding to achieve overall cost effectiveness.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting dates based on contractual undiscounted amounts.

Group	On demand or within 1 year RM'000	1 to 5 years RM'000	Over 5 years RM'000	Total RM'000
2023				
Financial liabilities:				
Trade and other payables	129,601	-	-	129,601
Lease liabilities	-	3,240	74,513	77,753
Bank borrowings	21	-	-	21
Total undiscounted financial liabilities	129,622	3,240	74,513	207,375
2022				
Financial liabilities:				
Trade and other payables	153,521	-	-	153,521
Lease liabilities	-	2,430	75,323	77,753
Bank borrowings	248	-	-	248
Total undiscounted financial liabilities	153,769	2,430	75,323	231,522

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Company	On demand or within 1 year RM'000	1 to 5 years RM'000	Over 5 years RM'000	Total RM'000
2023				
Financial liabilities:				
Trade and other payables	69,393	-	-	69,393
Lease liabilities	-	3,240	74,513	77,753
Total undiscounted financial liabilities	69,393	3,240	74,513	147,146
2022				
Financial liabilities:				
Trade and other payables	77,081	-	-	77,081
Lease liabilities	-	2,430	75,323	77,753
Total undiscounted financial liabilities	77,081	2,430	75,323	154,834

(f) Market risk

Market risk is the potential change in value caused by movement in market prices. The contractual amounts stated under Note 31(g) provide only a measure of involvement in these types of transactions.

Sensitivity analysis for market price risk

At the reporting date, if the value of the derivatives as stated under Note 31(g) had been 3% higher/lower, with all other variables held constant, the Group's profit net of tax and OCI would have been RM6,534,000 (2022: RM18,404,000) higher/lower, arising as a result of higher/lower fair value gains on held for trading/hedging commodity futures contracts, and the Group's retained earnings would have been higher/lower by the same amount, arising as a result of an increase/decrease in the fair value of the aforementioned commodity futures contracts. As at the reporting date, the impact of changes in the commodity future market, with all other variables held constant, is immaterial to the Group's profit net of tax and equity.

(g) Derivatives

Group	Contract/Notional Amount RM'000	Assets RM'000	Liabilities RM'000
2023			
Current			
Non-hedging derivatives:			
Forward currency contracts	460,787	-	(3,440)
Commodity futures contracts	18,651	-	(3,062)
Hedging derivatives:			
Commodity futures contracts	321,858	19,700	-
		19,700	(6,502)
Total derivatives		19,700	(6,502)

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Group	Contract/Notional Amount RM'000	Assets RM'000	Liabilities RM'000
2022			
Current			
Non-hedging derivatives:			
Forward currency contracts	306,338	2,342	-
Commodity futures contracts	9,001	2,485	-
Hedging derivatives:			
Commodity futures contracts	658,745	29,659	-
		34,486	-
Non - Current			
Hedging derivatives:			
Commodity futures contracts	163,694	11,342	-
		11,342	-
Total derivatives		45,828	-

During the financial year, the Group recognised a gain of RM13,198,000 (2022: gain of RM45,828,000) arising from fair value changes of derivative contracts. The fair value changes are attributable to changes in commodity prices and forward exchange rates.

Derivatives not designated as hedging instruments

The Group uses forward currency contracts and commodity futures contracts to manage some of the transaction exposure, as well as to take advantage of favourable market conditions. The forward currency contract is not designated as cash flow or fair value hedges and is entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

Forward currency contracts are used to hedge the Group's sales and purchases denominated in USD for which firm commitments existed at the reporting date, extending to October 2024 (2022: October 2023) (Note 31(c)).

Derivatives designated as hedging instruments

Cash flow hedge

Commodity price risk

The Group has designated certain commodity futures contracts as hedging derivatives to reduce the volatility attributable to price fluctuations of crude palm oil ("CPO"). Hedging of the price volatility of forecast CPO is in accordance with the risk management strategy outlined by the Board of Directors.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the commodity price and commodity forward contracts match the terms of the expected highly probable forecast transactions (i.e., notional amount and expected payment date). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the commodity price and commodity forward contracts are identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Notes To The Financial Statements

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments,
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments,
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items, and
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments.

The Group is holding the following commodity forward contracts:

	Maturity			Total RM'000
	Less than 6 months RM'000	6 to 12 months RM'000	More than 12 months RM'000	
As at 31 December 2023:				
Commodity forward contracts				
Notional amount (in MT)	53,625	28,550	-	82,175
Notional amount (in RM'000)	213,402	108,456	-	321,858
Average hedged rate (in RM'000 per MT)	3.98	3.80	-	3.92
As at 31 December 2022:				
Commodity forward contracts				
Notional amount (in MT)	76,075	77,800	38,000	191,875
Notional amount (in RM'000)	308,154	350,591	163,694	822,439
Average hedged rate (in RM'000 per MT)	4.05	4.51	4.31	4.29

There is no amount recognised for the change in fair value used for measuring ineffectiveness in profit or loss in the current financial year.

The impact of hedged items (net of tax) on the statements of financial position is, as follows:

	Cash flow hedge reserve	
	2023 RM'000	2022 RM'000
As at 31 December		
CPO	14,971	31,160

Determination of fair value

Fair value of the commodity futures contracts is determined by reference to the difference between the contracted rate and the forward rate as at the reporting date.

Fair value of the forward currency contracts is determined by reference to the difference between the contracted rate and the market rate as at the reporting date.

Notes To The Financial Statements

(h) Fair value of financial instruments

The Group and the Company use the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The Group and the Company held the following financial instruments carried at fair value in the statements of financial position:

Group	Assets/ (Liabilities) RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
At 31 December 2023				
Fair value through profit or loss:				
Short term funds	53,729	53,729	-	-
Commodity futures contracts	16,638	16,638	-	-
Forward currency contracts	(3,440)	-	(3,440)	-
At 31 December 2022				
Fair value through profit or loss:				
Short term funds	242,282	242,282	-	-
Commodity futures contracts	43,486	43,486	-	-
Forward currency contracts	2,342	-	2,342	-

There were no transfers between Level 1, Level 2 and Level 3 in the current and previous financial years.

Company	Assets/ (Liabilities) RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
At 31 December 2023				
Fair value through profit or loss:				
Short term funds	31,857	31,857	-	-
At 31 December 2022				
Fair value through profit or loss:				
Short term funds	240,781	240,781	-	-

There were no transfers between Level 1, Level 2 and Level 3 in the current and previous financial years.

The carrying amount of trade and other receivables and payables are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

Notes To The Financial Statements

32. Capital Management

The primary objective of the Group's and the Company's capital management is to ensure that it maintains acceptable capital ratios in order to support its business and maximise shareholder value.

The Group and the Company manage its capital structure and makes adjustments to it, in light of changes in economic conditions or expansion plans of the Group and the Company. The Group may adjust the capital structure by issuing new shares, returning capital to shareholders or adjusting dividend payment policies. No changes were made in the objectives, policies or processes during the years ended 31 December 2023 and 31 December 2022.

The Group includes within net debt, bank borrowings (bank overdraft) and trade and other payables, less cash and bank balances and short term funds. Capital includes equity attributable to the owners of the parent.

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Debt				
Bank borrowings	(21)	(248)	-	-
Lease liabilities	(12,687)	(11,969)	(12,687)	(11,969)
Trade and other payables	(129,601)	(153,521)	(69,393)	(77,081)
	(142,309)	(165,738)	(82,080)	(89,050)
Cash and bank balances	579,872	537,232	100,283	99,017
Short term funds	53,729	242,282	31,857	240,781
Net surplus of cash and bank balances and short term funds over debt	491,292	613,776	50,060	250,748
Equity attributable to the owners of the parent, representing total capital	2,850,440	2,890,733	1,849,053	1,982,600
Surplus of capital, cash and bank balances and short term funds over debt	3,341,732	3,504,509	1,899,113	2,233,348
Gearing ratio	-	-	-	-

There are no externally imposed capital requirements.

Shareholders Information As At 31 January 2024

Issued Capital*	:	No. of shares 416,268,532 (including 1,483,548 treasury shares)
Class of Shares	:	Ordinary Shares
Voting Rights	:	One Vote per ordinary share

Categories Of Shareholders As At 31 January 2024				
Size of Holdings	No. of Holders	% of Holders	No. of Shares	% of Issued Capital *
Less than 100 shares	212	2.25	3,720	0.00
100 to 1,000 shares	3,562	37.79	2,069,708	0.50
1,001 to 10,000 shares	4,374	46.40	16,425,066	3.96
10,001 to 100,000 shares	1,049	11.13	32,825,389	7.91
100,001 to less than 5% of issued shares	227	2.41	168,687,901	40.67
5% and above of issued shares	2	0.02	194,773,200	46.96
Total	9,426	100.00	414,784,984	100.00

Substantial Shareholders As At 31 January 2024				
Name of Shareholder	Direct Interest No. of Shares	% of Issued Capital *	Deemed Interest No. of Shares	% of Issued Capital *
1. Maximum Vista Sdn. Bhd. (MVSB)	181,215,600	43.69	-	-
2. Employees Provident Fund Board	24,742,296	5.97	-	-
3. Perbadanan Pembangunan Pertanian Negeri Perak (Perbadanan)	20,991,000	5.06	660,000* ⁵	0.16
4. United International Enterprises Limited (UIEL)	19,437,142	4.69	181,215,600* ¹	43.69
5. C & M Holding Limited (C & M HL)	-	-	200,652,742* ²	48.38
6. Brothers Holding Ltd (BHL)	-	-	200,652,742* ²	48.38
7. YBhg. Dato' Carl Bek-Nielsen	5,161,000	1.24	200,742,858* ³	48.40
8. Mr. Martin Bek-Nielsen	1,455,778	0.35	200,682,742* ⁴	48.38

*Notes

- (1) Deemed interest by virtue of substantial shareholdings in MVSB.
- (2) Deemed interest by virtue of substantial shareholdings in MVSB and UIEL.
- (3) Deemed interest by virtue of substantial shareholdings in MVSB, UIEL and through immediate family members.
- (4) Deemed interest by virtue of substantial shareholdings in MVSB, UIEL and through immediate family members.
- (5) Deemed interest by virtue of shares held by subsidiary company of Perbadanan.

Directors' Shareholdings As At 31 January 2024				
Name of Director	Direct Interest No. of Shares	% of Issued Capital *	Deemed Interest No. of Shares	% of Issued Capital *
YBhg. Dato' Mohamad Nasir Bin Ab. Latif	140,000	0.03	-	-
YBhg. Dato' Carl Bek-Nielsen	5,161,000	1.24	200,742,858	48.40
Mr. Martin Bek-Nielsen	1,455,778	0.35	200,682,742	48.38
Mr. Loh Hang Pai	1,000,000	0.24	-	-
Mr. R. Nadarajan	81,000	0.02	86,000	0.02
Mr. Jorgen Balle	4,000	0.00	-	-
Ms. Belvinder Kaur a/p C Nasib Singh	-	-	-	-
Mr. Yap Seng Chong	-	-	-	-

Shareholders Information

Thirty (30) Largest Shareholders As At 31 January 2024			
Name of Shareholder	No. of Shares	% of Issued Capital*	
1. Maximum Vista Sdn. Bhd.	173,782,200	41.90	
2. CIMB Islamic Nominees (Tempatan) Sdn Bhd MIDF Amanah Asset Management Berhad for Perbadanan Pembangunan Pertanian Negeri Perak (PPPNP-JG507)	20,991,000	5.06	
3. United International Enterprises Limited	19,389,312	4.68	
4. Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board	13,489,707	3.25	
5. Kumpulan Wang Persaraan (Diperbadankan)	9,031,267	2.18	
6. Maximum Vista Sdn. Bhd.	7,433,400	1.79	
7. Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Islamic)	5,568,189	1.34	
8. YBhg. Dato' Carl Bek-Nielsen	4,991,000	1.20	
9. KAF Nominees (Tempatan) Sdn. Bhd. Bernam Nominees (Tempatan) Sdn. Bhd. for Jendarata Bernam Provident Fund	3,569,498	0.86	
10. HSBC Nominees (Asing) Sdn. Bhd. Exempt An for Danske Bank A/S (Client Holdings)	3,506,759	0.85	
11. Cartaban Nominees (Asing) Sdn Bhd Exempt An For The Bank of New York Mellon Sa/Nv (Jyske Clients)	2,641,898	0.64	
12. KAF Nominees (Tempatan) Sdn. Bhd. Bernam Nominees (Tempatan) Sdn. Bhd. for United Plantations Berhad Education And Welfare Fund	2,612,100	0.63	
13. Cartaban Nominees (Asing) Sdn Bhd BNYM SA/NV For Nykredit Bank A/S	2,505,280	0.60	
14. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Rozilawati Binti Haji Basir	2,330,000	0.56	
15. HSBC Nominees (Asing) Sdn. Bhd. JPMCB NA for Vanguard Total International Stock Index Fund	2,251,700	0.54	
16. HSBC Nominees (Asing) Sdn. Bhd. BNPP LDN/2S For Aberdeen Standard Asia Focus PLC	2,205,200	0.53	
17. Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Aberislamic)	2,121,800	0.51	
18. Woo Khai Yoon	2,002,200	0.48	
19. Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Aberdeen)	1,970,600	0.48	
20. HSBC Nominees (Asing) Sdn Bhd J.P. Morgan Securities PLC	1,952,532	0.47	
21. HSBC Nominees (Asing) Sdn Bhd JPMCB NA for Vanguard Emerging Markets Stock Index Fund	1,801,400	0.43	
22. Citigroup Nominees (Tempatan) Sdn Bhd Exempt An For AIA Bhd.	1,746,500	0.42	
23. Citigroup Nominees (Asing) Sdn Bhd Exempt An For UBS Switzerland AG (Clients Assets)	1,707,182	0.41	
24. Citigroup Nominees (Asing) Sdn Bhd GSCO LLC for Truffle Hound Global Value LLC	1,650,000	0.40	
25. Citigroup Nominees (Tempatan) Sdn Bhd Urusharta Jamaah Sdn. Bhd. (Aberdeen 2)	1,532,200	0.37	
26. KAF Nominees (Tempatan) Sdn. Bhd. Bernam Nominees (Tempatan) Sdn. Bhd. for United Plantations Workers Benevolent Retirement Scheme	1,500,500	0.36	
27. United Plantations Berhad Share Buy Back Account	1,483,548	0.36	
28. Mr. Martin Bek-Nielsen	1,455,778	0.35	
29. Mr. Ho Dua Tiam	1,414,800	0.34	
30. Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Private Wealth Management for Rozilawati Binti Haji Basir (PW-M00823) (421210)	1,350,000	0.33	
	299,987,550	72.32	

* calculated based on 414,784,984 shares which do not include 1,483,548 treasury shares

Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 103rd Annual General Meeting of the Company will be held at the Dewan Sanmarka Orang India, 36400 Hutan Melintang, Perak Darul Ridzuan, Malaysia on Wednesday, 24 April 2024 at 9.30 a.m. for the purpose of considering the following business:-

- | | |
|---|----------------------|
| 1. To receive the financial statements for the year ended 31 December 2023 together with the Reports of the Directors and the Auditors thereon. (Refer to Explanatory Note 1). | Ordinary Resolutions |
| 2. To approve the payment of a Final Single-tier dividend of 70 sen per share and a Special Single-tier dividend of 40 sen per share for the financial year ended 31 December 2023. | 1 |
| 3. To approve the payment of Directors' fees (inclusive of Board Committees' fees) of RM1,463,425 for the financial year ended 31 December 2023. | 2 |
| 4. To approve the payment of Directors' benefits (other than Directors' fees) of RM110,400 for the financial year ended 31 December 2023. | 3 |
| 5. To re-elect as Director, Mr. Martin Bek-Nielsen who retires by rotation pursuant to Article 107 of the Company's Constitution. | 4 |
| 6. To re-elect as Director, Mr. Loh Hang Pai who retires by rotation pursuant to Article 107 of the Company's Constitution. | 5 |
| 7. To re-elect as Director, Ms. Belvinder Kaur a/p C Nasib Singh who retires by rotation pursuant to Article 107 of the Company's Constitution. | 6 |
| 8. To re-appoint Ernst & Young, PLT as auditors of the Company for the year 2024 and to authorise the Directors to fix their remuneration. | 7 |

As Special Business

To consider and if thought fit, to pass the following ordinary resolutions:

- (a) Proposed Continuation in Office as Independent Non-Executive Director

Notice Of Annual General Meeting

9. “That Mr. R. Nadarajan having served as Independent Non-Executive Director for a cumulative term of more than 9 years, continue to act as Independent Non-Executive Director of the Company.” 8
- (b) Proposed Renewal of Authority for Purchase of Own Shares
10. “THAT, subject to the Companies Act 2016 (“the Act”) (as may be amended, modified or re-enacted from time to time), the Company’s Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and approvals of all relevant governmental and/or regulatory authorities, where applicable, the Company be and is hereby authorised to purchase and/or hold such amount of ordinary shares in the Company (“Proposed Share Buy-Back”) as may be determined by the Directors of the Company from time to time and upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of ordinary shares purchased and/or held pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company at any given point in time and an amount of funds not exceeding the total retained profits of the Company based on the audited financial statements for the financial year ended 31 December 2023 be utilised by the Company for the Proposed Share Buy-Back AND THAT at the discretion of the Directors of the Company, the ordinary shares of the Company to be purchased may be cancelled and/or retained as treasury shares and subsequently distributed as dividends, transfer the shares for the purposes of or under an employees’ share scheme that has been approved by the shareholders, transfer the shares as purchase consideration or resold on Bursa Malaysia or be cancelled AND THAT the Directors of the Company be and are hereby empowered generally to do all acts and things to give effect to the Proposed Share Buy-Back AND THAT such authority shall commence immediately upon passing of this ordinary resolution until:
- (i) the conclusion of the next Annual General Meeting of the Company (“AGM”) in 2025 at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (ii) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (iii) revoked or varied by resolution passed by the shareholders in general meeting, whichever is earlier; but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid date and in any event, in accordance with the provisions in the guidelines issued by Bursa Malaysia and/or by any other relevant authorities.” 9

Notice Of Annual General Meeting

- (c) Authority for Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016
11. "THAT, pursuant to Sections 75 and 76 of the Companies Act 2016 and subject always to the approval of the relevant authorities, the Directors be and are hereby authorised to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit without first offer to holders of existing issued shares of the Company provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are also authorised to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." 10

Notice on Entitlement and payment of Final Dividend and Special Dividend

NOTICE IS HEREBY GIVEN THAT the Final Single-tier dividend of 70 sen per share and a Special Single-tier dividend of 40 sen per share, if approved at the 103rd Annual General Meeting will be paid on 14 May 2024 to shareholders whose names appear in the Record of Depositors and the Register of Members at the close of business on 29 April 2024.

A Depositor shall qualify for entitlement only in respect of :-

- (a) Shares transferred into the Depositor's Securities Account before 4.30 p.m. on 29 April 2024 in respect of transfers; and
- (b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

NG ENG HO
Company Secretary
MIA No. 12913
SSM PC No. 201908002863

Jendarata Estate,
36009 Teluk Intan,
Perak Darul Ridzuan,
Malaysia
26 February 2024

Notice Of Annual General Meeting

Notes

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to vote in his stead other than an exempt authorised nominee who may appoint multiple proxies in respect of each Omnibus account held. A proxy need not be a member of the Company. If you wish to appoint as your proxy someone other than the Chairman or Vice Chairman of the meeting, cross out the words "The Chairman" or "Vice Chairman" of the meeting and write on the lines the full name and address of your proxy.
2. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Jendarata Estate, 36009 Teluk Intan, Perak Darul Ridzuan, Malaysia not less than 48 hours before the time set for the meeting. The number of shares to be represented by the proxy should be stated in the proxy form. Alternatively, the instrument appointing a proxy can be deposited electronically (for individual, corporate shareholders and nominees) through Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> or via email to bsr.helpdesk@boardroomlimited.com before the cut-off time for the lodgement of the Proxy Form as mentioned above.
3. Where this Form of Proxy is executed by a corporation, it must be either under seal or under the hand of any officer or attorney duly authorised.
4. A proxy may vote or abstain from voting as he thinks fit on a specified resolution, if no indication is given on the proxy form by the member appointing the proxy. Voting on all resolutions to be proposed at the AGM will be by way of a poll.
5. In the case of joint shareholders, the proxy form signed by the first named registered shareholder on the register shall be accepted to the exclusion of the other registered shareholder(s). If voting is in person(s) the vote of the first shareholder who tenders the vote shall be taken.
6. Only a depositor whose name appears on the Record of Depositors as at 18 April 2024 shall be entitled to attend the said meeting or appoint a proxy to attend and/ or vote on his/her behalf.

Notice Of Annual General Meeting

Explanatory Notes on Ordinary Business

Audited Financial Statements for the Financial Year Ended 31 December 2023. (Note 1)

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only and does not require a formal approval of the shareholders and as such, will not be put forward for voting.

For Ordinary Resolution 4 to 6 - For the purpose of determining the eligibility of the Directors to stand for re-election at the 103rd AGM, the Board through its Nomination Committee has assessed the retiring Directors, namely Mr. Martin Bek-Nielsen, Mr. Loh Hang Pai and Ms. Belvinder Kaur a/p C Nasib Singh. The Board found that the Retiring Directors have a good understanding of the Group's businesses and they have actively participated in the Board meetings. The Board is satisfied with their performance and supports the re-election of these Retiring Directors.

For Ordinary Resolution 8 - In line with the Malaysian Code on Corporate Governance, the Nomination Committee has assessed the independence of Mr. R. Nadarajan who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years and recommended for him to continue to act as Independent Non-Executive Director of the Company. The Board supports the Nomination Committee's recommendation and the justifications for recommending and supporting the resolution for him to continue in office are set out under the Corporate Governance Overview Statement in the Company's 2023 Annual Report.

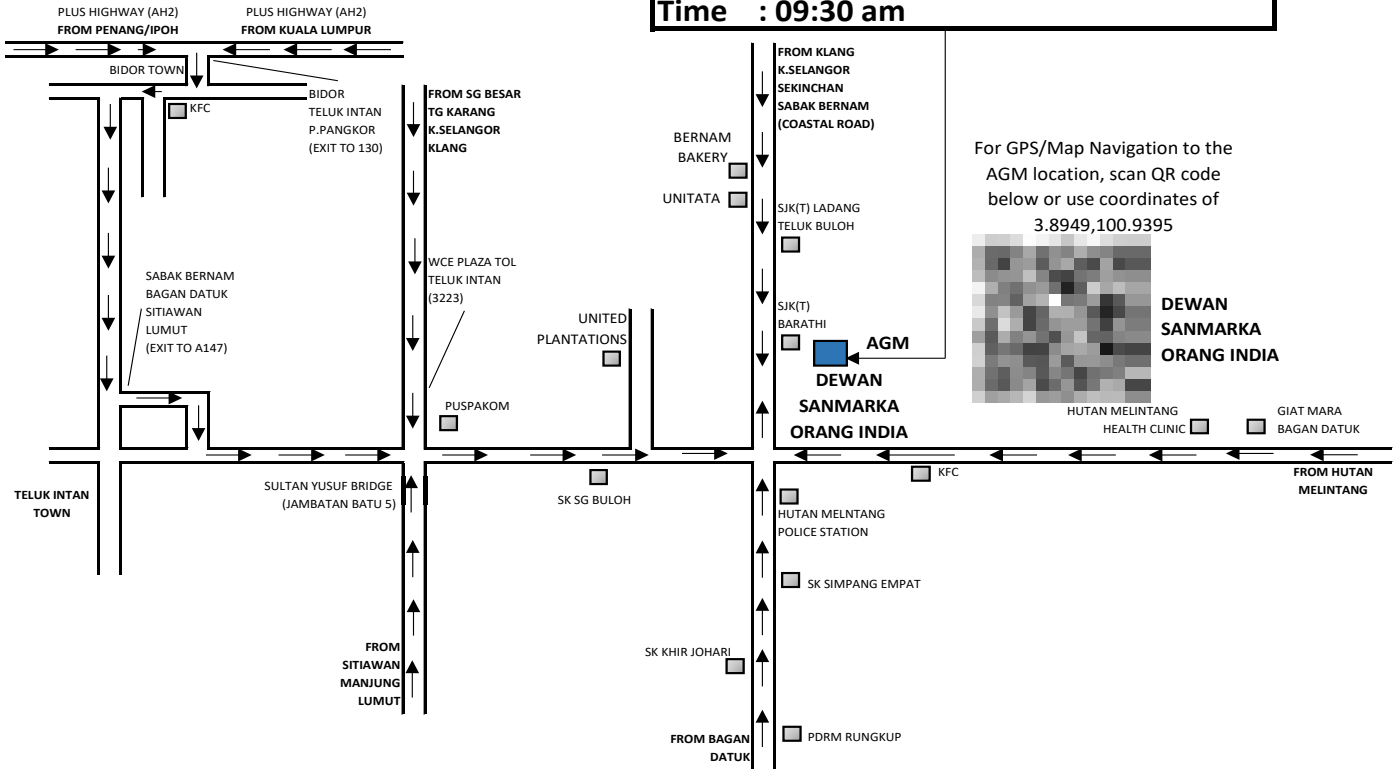
For Ordinary Resolution 9 - Please refer to explanatory information in the Share Buy-Back Statement to Shareholders dated 26 February 2024.

For Ordinary Resolution 10 - The Board continues to consider strategic opportunities to broaden the earnings potential of the Company and this may involve equity deals which may require the Company to issue new shares. If passed, the Shareholders' Mandate to grant authority for Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 will provide flexibility to the Directors to undertake any possible fund raising activities, including but not limited to further placing of shares for the funding of the Company's future investment projects, working capital and/or acquisitions, by issuance of shares at any time up to an aggregate amount not exceeding 10% of the issued shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company, without first offer to holders of existing shares of the Company.

The Company did not utilise the Shareholders' Mandate that was approved at the 102nd Annual General Meeting. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

103RD ANNUAL GENERAL MEETING

**Venue : Dewan Sanmarka Orang India,
36400 Hutan Melintang,
Perak Darul Ridzuan, Malaysia**
Date : 24 April 2024
Time : 09:30 am



Financial Calendar

Date	Announcements & Key Events
26th February 2024	Annual Report 2023 & Notice of AGM
24th April 2024	1st Quarter Results
24th July 2024	2nd Quarter Results
13th November 2024	3rd Quarter Results
2023 Dividends	
Final Dividends	
26th February 2024	Notice of Book Closure
29th April 2024	Entitlement Date
14th May 2024 (Tentative)	Payment Date
Interim Dividend Paid	
16th November 2023	Notice of Book Closure
1st December 2023	Entitlement Date
14th December 2023	Payment Date

Corporate Information

Country of Incorporation	Malaysia
Board of Directors	<p>YBhg. Dato' Mohamad Nasir bin Ab. Latif (Chairman, Independent, Non-Executive) YBhg. Dato' Carl Bek-Nielsen (Chief Executive Director) Mr. Martin Bek-Nielsen (Executive Director) Mr. Loh Hang Pai (Executive Director) Mr. R. Nadarajan (Independent, Non-Executive) Mr. Jorgen Balle (Non-Independent, Non-Executive) Ms. Belvinder Kaur a/p C. Nasib Singh (Independent, Non-Executive) Mr. Yap Seng Chong (Independent, Non-Executive)</p>
Company Secretary	Mr. Ng Eng Ho
Registered Office and Principal Share Register	<p>United Plantations Berhad Jendarata Estate, 36009 Teluk Intan, Perak Darul Ridzuan, Malaysia Phone : +605-6411411 Fax : +605-6411876 E-mail : up@unitedplantations.com Website : www.unitedplantations.com</p>
Auditors	Ernst & Young PLT
Principal Bankers	<p>Malaysia HSBC Bank Malaysia Berhad Maybank Berhad Standard Chartered Bank Malaysia Berhad Public Bank Berhad OCBC Bank (Malaysia) Berhad United Overseas Bank (Malaysia) Berhad RHB Bank Berhad J.P. Morgan Chase Bank Berhad Deutsche Bank (Malaysia) Berhad AmBank (M) Berhad</p> <p>Indonesia PT Bank Mandiri (Persero) Tbk PT Bank CIMB Niaga Tbk PT Bank UOB</p>
Stock Exchange Listing	<p>Malaysia Bursa Malaysia Securities Berhad (Bursa Malaysia) Website : www.bursamalaysia.com</p>

Group Properties As At 31 December 2023

Properties	Tenure	Area In Hectares	Description	Age In Years	*Net Tangible Asset Value RM '000
Jendarata Estate	Leasehold		Registered Office - 1,369 sq.m.	59	6,880
36009 Teluk Intan	Expiring on:		Research Station - 1,070 sq.m.	58	1,611
Perak Darul Ridzuan	15.01.2062	594.50	Oil Palm & Coconut Estate		122,420
	07.06.2104	611.65	Palm Oil Mill	} 10,032 sq.m.	89
	07.06.2104	34.81	Biomass Plant		
	20.11.2067	982.19		} 18	8,611
	22.08.2068	149.67			
	Yr to Yr	33.62			4,550
	Freehold	3,929.46			
Kuala Bernam Estate	Freehold	829.60	Coconut Estate		12,464
Batu 18, Jalan Bagan Datoh					
36300 Sungai Sumun					
Perak Darul Ridzuan					
Sungei Bernam Estate	Leasehold		Coconut Estate	49	40,485
Sungai Ayer Tawar	Expiring on:				
45200 Sabak Bernam	28.03.2056	1.32			
Selangor Darul Ehsan	Freehold	2,274.76			
Ulu Bernam Estate	Freehold	3,102.28	Oil Palm Estate		56,157
36500 Ulu Bernam	Yr to Yr	95.31	Optimill/Biogas/Unifuji - 545,100 sq.m.	6	21,322
Perak Darul Ridzuan					
Changkat Mentri Estate	Leasehold		Oil Palm Estate		25,809
36500 Ulu Bernam	Expiring on:				
Perak Darul Ridzuan	26.11.2067	1,538.61			
	01.10.2081	162.94			
	HMS	1.21			
	HMS	105.50			
	Freehold	742.27			
Ulu Basir Estate	Leasehold		Oil Palm Estate		38,002
36500 Ulu Bernam	Expiring on:		Palm Oil Mill - 6,352 sq.m.	34	1,145
Perak Darul Ridzuan	26.11.2067	11.40			
	20.01.2087	2,468.00			
	08.12.2099	163.30			
	Yr to Yr	129.48			
	Freehold	1,218.62			
Charong Estate	Leasehold		Oil Palm Estate		67,833
36500 Ulu Bernam	Expiring on:				
Perak Darul Ridzuan	02.11.2064	53.89			
	08.04.2033	809.40			
	Freehold	6,038.20			
Seri Pelangi Estate	Leasehold		Oil Palm Estate		19,002
Batu 11 3/4	Expiring on:				
Jalan Bidor	15.06.2068	1,418.90			
36000 Teluk Intan	Freehold	2.82			
Perak Darul Ridzuan	Yr to Yr	6.29			
Lima Blas Estate	Freehold	2,891.89	Oil Palm Estate		134,761
Lot 1899, Mukim Ulu Bernam					
35800, Hulu Selangor, Selangor.					
UIE	Leasehold		Oil Palm Estate		373,972
Pantai Remis	Expiring on:		Palm Oil Mill - 6,148 sq.m.	32	117
Perak Darul Ridzuan	23.12.2103	10,355.26			
	Freehold	9.94			
Unitata Berhad	Freehold	18.45	Palm Oil and Palm Kernel Refinery Complex	} Buildings	49
36009 Teluk Intan					
Perak Darul Ridzuan					56,726
Bernam Bakery	Freehold	0.45	Bakery	39	572
36009 Teluk Intan					
Perak Darul Ridzuan					
Tanarata Estate	Leasehold		Oil Palm Estate		140,715
Mukim Changkat Jong & Mukim Durian Sebatang Hilir Perak.	Expiring on:				
	10.03.2121	3,277.64			
	14.04.2121	364.18			
	Yr to Yr	14.37			
PT Surya Sawit Sejati	Leasehold		Oil Palm Estate		110,072
Pangkalan Bun, Central Kalimantan, Indonesia	Expiring on:		Palm Oil Mill - 90,000 sq.m.	14	4,014
	24.09.2040	2,508.47			
	01.01.2053	6,004.15			
	**	10,063.75			

Notes :

- * Estate Includes Land, Pre-cropping Cost and Buildings
- ** Awaiting issue of lease

Group Landbank Properties & Age Profile As At 31 December 2023

	Jendarata Hect.	Kuala Bernam Hect.	Sungei Bernam Hect.	Ulu Bernam Hect.	Changkat Mentri Hect.	Ulu Basir Hect.	Charong Hect.	Seri Pelangi Hect.	Lima Blas Hect.	UIE Hect.	Tanarata Hect.	PT Surya Sawit Sejati Hect.	Total
OIL PALM :													
Mature	4,553			3,007	2,159	3,738	6,265	867	2,561	8,950	2,589	8,720	43,409
Immature-Planted 2021	35						104				434		573
Immature-Planted 2022	28			43	33			61			358		523
Immature-Planted 2023	586				172		379	401	184				1,722
Sub-Total	5,202	-	-	3,050	2,364	3,738	6,748	1,329	2,745	8,950	3,381	8,720	46,227
COCONUT :													
Mature	757	704	1,889							789			4,139
Immature-Planted 2020													-
Immature-Planted 2021	5		184										189
Immature-Planted 2022	10	57	182										249
Immature-Planted 2023		50											50
Sub-Total	772	811	2,255	-	-	-	-	-	-	789	-	-	4,627
OTHER AREAS:													
Other Crops	22												22
Plasma Areas												1,398	1,398
Conservation (Jungle areas, shrub land, swamps, wetlands & others)					12	129			99	91	58	7,901	8,290
Buildings, roads, drains, air-strip, nurseries, church, toddy tapping areas, railway, mills & others.	340	19	21	148	175	124	153	99	48	535	217	70	1,949
TOTAL	6,336	830	2,276	3,198	2,551	3,991	6,901	1,428	2,892	10,365	3,656	18,089	62,513

Oil Palm		
Age in years	Hectares	% Under crop
4 - 5	4,006	9
6 - 8	5,821	13
9 - 18	28,298	61
19 and above	5,284	11
Mature	43,409	94
Immature	2,818	6
Total	46,227	100

Comparative Statistics - 10 Years

Year ended 31 December	2023 RM'000's	2022 RM'000's	2021 RM'000's	2020 RM'000's	2019 RM'000's	2018 RM'000's	2017 RM'000's	2016 RM'000's	2015 RM'000's	2014 RM'000's
Balance Sheet Analysis										
Issued Capital	390,054	390,054	390,054	390,054	390,054	390,054	390,054	208,134	208,134	208,134
Reserve	2,460,386	2,500,679	2,284,750	2,229,918	2,154,534	2,191,035	2,133,871	2,154,088	2,027,264	1,916,377
Non-Controlling Interests	16,980	14,028	10,669	10,931	9,195	7,828	6,893	5,344	3,158	2,417
Funds Employed	2,867,420	2,904,761	2,685,473	2,630,903	2,553,783	2,588,917	2,530,818	2,367,566	2,238,556	2,126,928
Property, Plant and Equipment	1,250,828	1,241,751	1,209,944	1,209,385	1,191,913	1,493,021	1,474,059	1,419,373	1,361,608	1,320,082
Land Use Rights	-	-	-	-	-	38,105	34,115	36,192	33,890	32,042
Right-of-use assets	403,306	406,068	395,415	382,408	391,093	-	-	-	-	-
Other Non-Current Assets	423,521	424,573	405,008	410,689	401,380	35,412	36,890	1,782	6,496	21,147
Current Assets	1,185,950	1,246,408	1,142,777	972,367	873,825	1,351,851	1,304,697	1,186,289	1,074,585	960,481
Total Assets	3,263,605	3,318,800	3,153,144	2,974,849	2,858,211	2,918,389	2,849,761	2,643,636	2,476,579	2,333,752
Less: Liabilities	396,185	414,039	467,671	343,946	304,428	329,472	318,943	276,070	238,023	206,824
Net Assets Employed	2,867,420	2,904,761	2,685,473	2,630,903	2,553,783	2,588,917	2,530,818	2,367,566	2,238,556	2,126,928
Other Data										
Profit Before Tax	933,494	846,485	683,420	505,642	357,960	490,872	503,970	417,935	375,997	355,604
Tax	222,473	240,921	161,177	104,065	73,634	116,772	109,288	87,128	83,566	76,233
Net Profit	711,021	605,564	522,243	401,577	284,326	374,100	394,682	330,807	292,431	279,371
Non-Controlling Interests	(3,250)	(3,880)	(3,908)	(2,033)	(1,040)	(1,683)	(1,702)	(1,319)	(881)	(1,341)
Profit attributable to equity owners of the Parent	707,771	601,684	518,335	399,544	283,286	372,417	392,980	329,488	291,550	278,030
Earnings Per Share (in sen)	171.00	145.00	125.00	96.00	68.00	89.50	94.50	79.50	70.50	67.00
Dividend Rate (Ordinary Share) - Interim and Final*	190%	140.00%	115.00%	85.00%	67.50%	70.00%	75.00%	57.50%	45.00%	82.50%
Share Prices On The Bursa Malaysia Securities Berhad										
Highest*	18.14	17.16	14.78	15.32	13.90	14.55	14.49	14.22	14.00	14.75
Lowest*	14.84	13.80	13.50	11.50	12.35	12.50	13.41	12.31	11.69	11.48
Production -Malaysia										
Palm Oil - own - Tonnes	219,026	209,020	207,504	195,542	179,045	168,680	158,060	134,999	151,988	144,162
Palm Kernel - own - Tonnes	44,967	41,985	41,535	39,233	36,854	36,789	35,373	29,631	34,256	33,885
Coconuts - Nuts ('000)	83,629	86,137	87,964	81,428	78,104	71,423	75,252	86,052	77,501	68,424
FFBYield per hectare - Tonnes	28.94	28.44	28.90	27.49	26.76	26.67	25.46	21.11	24.24	22.97
CPOYield per hectare - Tonnes	6.30	6.09	6.29	6.13	5.88	5.73	5.34	4.64	5.32	5.09
Palm Oil extraction rate - %	21.78	21.42	21.77	22.29	21.95	21.47	20.97	21.97	21.95	22.17
Palm Kernel extraction rate - %	4.47	4.30	4.36	4.47	4.52	4.68	4.69	4.82	4.95	5.21
Coconuts Yield per hectare - Nuts	21,101	22,172	22,247	22,827	23,557	23,154	25,345	30,305	27,747	25,056
Cost Of Production - Malaysia **										
Palm Oil - RM/MT	1,646	1,657	1,247	1,225	1,286	1,271	1,280	1,319	1,115	1,147
Palm Kernel - RM/MT	581	591	522	503	505	483	479	477	410	404
Average Sales Price - Malaysia										
Palm Oil - RM/MT	4,130	3,792	3,309	2,613	2,356	2,606	2,578	2,424	2,163	2,353
Palm Kernel - RM/MT	2,050	2,751	2,168	1,594	1,312	1,992	2,650	2,138	1,493	1,774
Production -Indonesia										
Palm Oil - own - Tonnes	46,947	45,369	44,097	47,316	46,421	51,049	47,459	44,143	48,159	41,440
Palm Kernel - own - Tonnes	10,265	9,943	8,844	9,678	9,182	9,071	8,387	7,948	8,266	7,044
FFBYield per hectare - Tonnes	24.26	24.24	22.31	23.69	22.93	24.69	22.56	19.53	20.02	16.86
CPOYield per hectare - Tonnes	5.34	5.10	4.87	5.21	5.11	5.66	5.25	4.81	5.03	4.24
Palm Oil extraction rate - %	22.01	21.03	21.84	22.00	22.30	22.92	23.29	24.62	25.15	25.17
Palm Kernel extraction rate - %	4.81	4.61	4.38	4.50	4.41	4.08	4.12	4.43	4.32	4.28
Cost Of Production - Indonesia										
Palm Oil - RM/MT	1,881	1,630	1,509	1,328	1,444	1,290	1,516	1,609	1,415	1,369
Palm Kernel - RM/MT	679	665	494	452	492	482	581	534	525	595
Average Sales Price - Indonesia										
Palm Oil - RM/MT	3,301	3,530	3,079	2,284	1,964	2,003	2,572	2,316	2,002	2,301
Palm Kernel - RM/MT	1,604	2,417	2,144	1,204	1,011	1,356	2,049	1,899	1,198	1,305

Notes:


* Comparative adjusted for Bonus Issue


** Cost of production figures include depreciation and additional remuneration/bonuses.



A Tractor moving along fields of lush oil palms with the light railway tracks stretching through the landscape.

With United Plantations choosing to use Xtelle and Nautilus recycled paper rather than a non-recycled paper, the environmental impact, for the total number of Annual reports produced, was reduced by :

 2,134 kg of landfill

 462 kg CO₂ and green house gases

 17,943 kg of wood

 3,050 Kwh of energy

 48,503 liters of water

Sources :



This Annual Report is printed on Xtelle FSC certified paper

The Financial Statements are printed on Nautilus 100% recycled paper





One of our locomotives bringing cages laden with freshly harvested fruit bunches to our recently upgraded palm oil mill on Jendarata Estate, where the fruits are cooked under pressure before further processing into high quality oil.



UNITED PLANTATIONS BERHAD

[Company Registration No. 191701000045 (240-A)]

(Incorporated in Malaysia under the Companies Act, 2016)

Proxy form: Annual General Meeting

I/We _____ NRIC/Passport No _____
(full name of member appointing proxy in block letters)

of _____

(full address in block letters) hereby

appoint

(full name of proxy in block letters)

or failing him/her THE CHAIRMAN OR VICE CHAIRMAN of the meeting as my/our proxy to attend and vote for me/us and on my/our behalf at the 103rd Annual General Meeting of the Company to be held at 9.30am on Wednesday, 24 April 2024 at Dewan Sanmarka Orang India, 36400 Hutan Melintang, Perak, Darul Ridzuan, Malaysia and at any adjournment thereof.

I/We wish my/our proxy to vote as indicated below in respect of the resolutions to be proposed at the meeting. (Please give instructions to your proxy by ticking the appropriate box alongside each resolution).

Table with 11 rows of resolutions and columns for 'For Information Only' (Ordinary Resolution, For, Against). Includes a final row for 'No of Shares held' and 'CDS Account No. (if applicable)'.

Dated this _____ day of _____ 2024

Signed by the said _____

(Signature of Shareholder/s)

Notes

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to vote in his stead other than an exempt authorized nominee who may appoint multiple proxies in respect of each Omnibus account held. A proxy need not be a member of the Company. If you wish to appoint as your proxy someone other than the Chairman or Vice Chairman of the meeting, cross out the words "The Chairman" or "Vice Chairman" of the meeting and write on the lines the full name and address of your proxy.
2. The instrument appointing a proxy must be deposited at the Registered Office of the Company at Jendarata Estate, 36009 Teluk Intan, Perak Darul Ridzuan, Malaysia not less than 48 hours before the time set for the meeting. The number of shares to be represented by the proxy should be stated in the proxy form. Alternatively, the instrument appointing a proxy can be deposited electronically (for individual, corporate shareholders, and nominees) through Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> or via email to bsr.helpdesk@boardroomlimited.com before the cut-off time for the lodgement of the Proxy Form as mentioned.
3. Where this Form of Proxy is executed by a corporation, it must be either under seal or under the hand of any officer or attorney duly authorised.
4. A proxy may vote or abstain from voting as he thinks fit on a specified resolution, if no indication is given on the proxy form by the member appointing the proxy. Voting on all resolutions to be proposed at the AGM will be by way of a poll.
5. In the case of joint shareholders, the proxy form signed by the first named registered shareholder on the register shall be accepted to the exclusion of the other registered shareholder(s). If voting is in person(s) the vote of the first shareholder who tenders the vote shall be taken.
6. Only a depositor whose name appears on the Record of Depositors as at 18 April 2024 shall be entitled to attend the said meeting or appoint a proxy to attend and/ or vote on his/her behalf.

2nd fold here

STAMP

THE COMPANY SECRETARY
UNITED PLANTATIONS BERHAD
JENDARATA ESTATE
36009 TELUK INTAN
PERAK DARUL RIDZUAN
MALAYSIA

1st fold here



UNITED PLANTATIONS BERHAD

(Company Registration No. 191701000045 [240-A])
(Incorporated in Malaysia under the Companies Act 2016)

Dear Shareholders of United Plantations Berhad ("UP" or the "Company")

Re: 103rd Annual General Meeting of United Plantations Berhad

Issuance of documents by electronic means

In line with our continued commitment to environmental sustainability and pursuant to paragraph 2.19B of the Main Market Listing Requirements and Article 162 of the Company's Constitution, we wish to notify by this letter that we have since 2019 discontinued the delivery of the Company's documents in hard copies.

We encourage you to refer to the digital version of the documents mentioned here below which can be viewed and downloaded from our Company's website at www.unitedplantations.com and Bursa Malaysia Securities Berhad's website at www.bursamalaysia.com.

1. Annual Report 2023
2. Corporate Governance Report 2023
3. Statement to Shareholders dated 26 February 2024
4. Notice of 103rd Annual General Meeting ("AGM")
5. AGM Administrative Guide
6. Form of Proxy
7. Request Form for Annual Report 2023

However, should you require a printed copy of the Annual Report 2023, kindly complete the Request Form, and email it to mgr@unitedplantations.com or fax your request to 05-6411876. A copy of the Annual Report 2023 will be sent to you via ordinary mail upon receipt of your request.

Venue and Mode of Meeting

The 103rd Annual General Meeting ("AGM") of United Plantations Berhad will be conducted by way of a fully physical meeting, held on Wednesday, 24 April 2024 at 9.30 a.m., at the venue set out below:



Dewan Sanmarka Orang India

36400 Hutan Melintang,
Perak Darul Ridzuan, Malaysia.

For GPS/Map location to the AGM venue,
you may scan the QR code above OR
use the coordinates of 3.8949,100.9395 OR
use the location MAP overleaf.

Entitlement to attend and vote at the AGM

For the purpose of determining a member who shall be entitled to attend this 103rd AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd., in accordance with Article 77(2) of the Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 18 April 2024. Only a depositor whose name appears on the Record of Depositors as at 18 April 2024 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

Other information

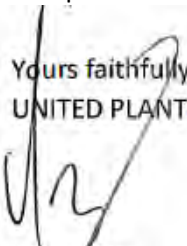
For the safety of all present, we kindly request that all attending shareholders to wear mask while inside the meeting venue.

Breakfast will be served at the refreshment area before the commencement of the meeting.
Please take note that shareholders attending the meeting **will not** receive any door gifts.

Personal Data Notice

Pursuant to the Personal Data Protection Act 2010 ("PDPA"), UP will not disclose any personal information to any third party without prior consent of the shareholder. We are committed to ensuring that your personal information is stored securely but we reserve our rights to rely on any statutory exemptions and/or exceptions to collect, use and disclose your personal information solely for the purpose of the AGM.

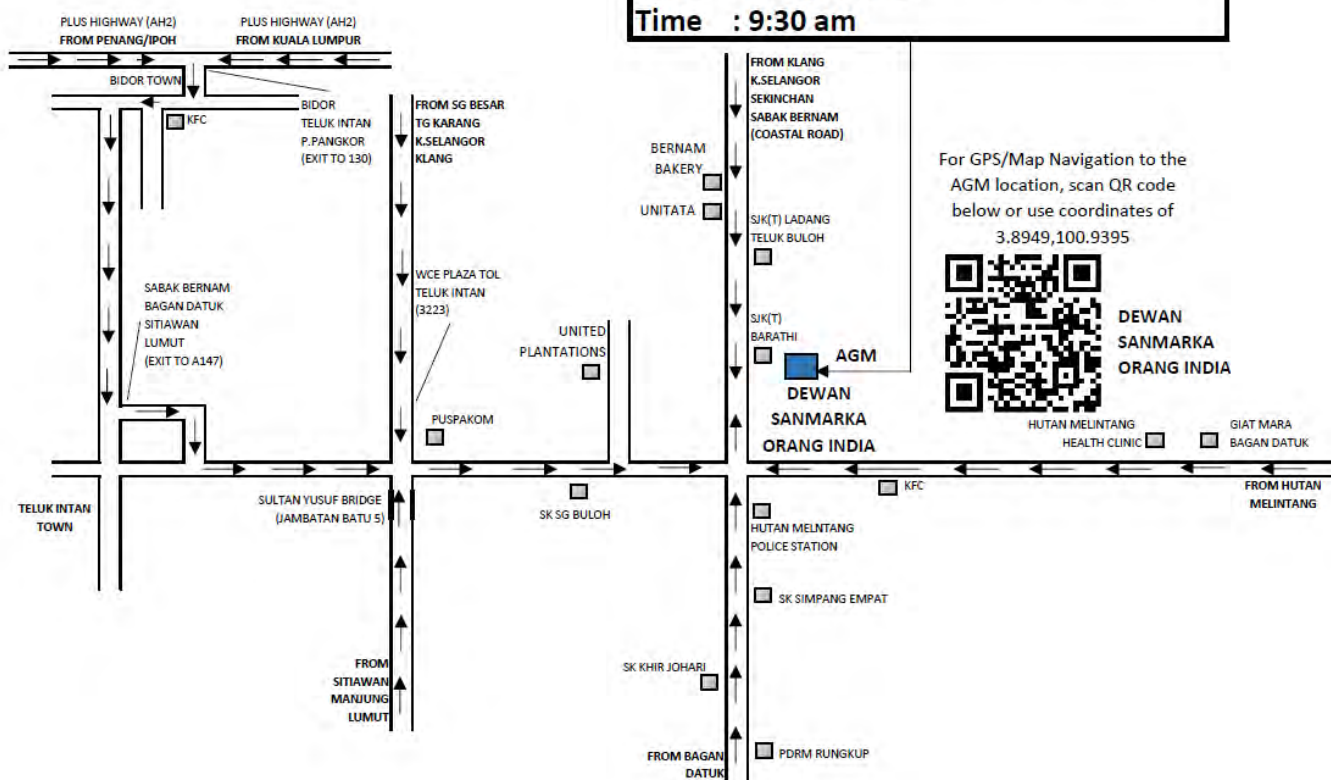
Yours faithfully,
UNITED PLANTATIONS BERHAD


Ng Eng Ho
Company Secretary (MIA No.12913)
SSM PC No. (201908002863)
26 February 2024

Location Map

103RD ANNUAL GENERAL MEETING

**Venue : Dewan Sanmarka Orang India,
36400 Hutan Melintang,
Perak Darul Ridzuan, Malaysia**
Date : 24 April 2024
Time : 9:30 am





UNITED PLANTATIONS BERHAD

(Company Registration No. 191701000045 (240-A))
(Incorporated in Malaysia under the Companies Act 2016)

ADMINISTRATIVE GUIDE FOR THE 103rd ANNUAL GENERAL MEETING (“AGM”)

Meeting day, Date and Time	:	Wednesday, 24 April 2024 at 9.30 a.m.
Meeting venue	:	Dewan Sanmarka Orang India, 36400 Hutan Melintang, Perak Darul Ridzuan, Malaysia.
Mode of Meeting	:	By way of a fully physical meeting

REGISTRATION

1. The registration will commence at 8:00 a.m. and the registration counters will be closed when the meeting commences.
2. Please produce your original identity card (for Malaysian) or passport (for non-Malaysian) to the registration staff for verification. Photocopy of identity card or passport will not be accepted. Please make sure you collect your identity card or passport thereafter.
3. No person will be allowed to register on behalf of another person even with the original identity card or passport of that other person.
4. After registration and signing on the Attendance List, please vacate the registration area.
5. You will be given a wristband and a smartcard upon registration. The wristband must be worn throughout the AGM. There will be no replacement in the event you lose or misplace the wristband.
6. No person/s will be allowed to enter the meeting hall without the wristband and smartcard. A handset will be given to the shareholders, proxies and Corporate Representatives once the smartcard is presented to the usherer at the entrance of the meeting hall.
7. The smartcard and handset must be returned to the usher at the door before you leave the meeting hall. If you are going to the restroom, please pass the smartcard and handset to the usher standing at the door. Please collect these from the same usher before entering the hall.
8. Once the meeting has ended, please return the smartcard and handset to the usher before leaving the hall. You will need to pay for the cost of the smartcard and handset if these are misplaced.
9. The registration counters only handle verification of identity and registration. If you have any enquiries or in need of clarification, please proceed to the Help Desk.

LODGEMENT OF PROXY FORM

1. If you are unable to attend the AGM in-person, you may appoint the Chairman of the AGM or another person as your proxy to vote on your behalf. The instrument appointing proxy(ies) may be made in the following manner:

a) In hardcopy form

The instrument appointing a proxy must be deposited at the Registered Office of the Company at Jendarata Estate, 36009 Teluk Intan, Perak Darul Ridzuan, Malaysia not less than forty-eight (48) hours before the time set for the meeting i.e. latest by Monday, 22 April 2024 at 9.30 a.m.. The number of shares to be represented by the proxy should be stated in the proxy form. Any alteration to the Form of Proxy must be initialled.

b) By electronic means (following the steps below)

- i. Logging in to <https://investor.boardroomlimited.com>
- ii. Select **UNITED PLANTATIONS BERHAD 103rd ANNUAL GENERAL MEETING** from the list of Meeting Event(s) and click "Enter".
- iii. Click "**Submit eProxy Form**".
- iv. For Corporate Shareholder, select the company you would like to represent (if more than one)
(Boardroom Smart Investor Portal now facilitates the registration of Corporate Shareholders)
- v. Enter your CDS account no. and number of shares held. Read and accept the General Terms and Conditions by clicking "**Next**".
- vi. Then, insert your proxy details and voting instructions. If you wish your proxy(ies) to act upon his/her discretion, please indicate "Discretionary".
- vii. Review and confirm your proxy/proxies appointment and click "**Next**".
- viii. Download or print the eProxy form as acknowledgement.

eProxy Form to be lodged not less than forty-eight (48) hours before the time set for the meeting i.e. latest by Monday, 22 April 2024 at 9.30 a.m.

- 2. If you wish to participate in the AGM yourself, please do not submit any proxy form for the AGM. You will not be allowed to participate in the AGM together with a proxy appointed by you.**

REVOCAION OF PROXY

If you have submitted your Proxy Form prior to the AGM and subsequently decide to appoint another person or wish to participate in the AGM yourself, please write in to the Company or email to **bsr.helpdesk@boardroomlimited.com** to revoke the earlier appointed proxy(ies) at least forty-eight (48) hours before the AGM or proceed to the Help desk counter on the AGM day to do proxy revocation. On revocation, your proxy(ies) will not be allowed to participate in the AGM. In such event, you should advise your proxy(ies) accordingly.

POLL VOTING

1. The voting will be conducted by poll in accordance with Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements. The Company has appointed Boardroom Share Registrars Sdn Bhd as Poll Administrator to conduct the poll by way of electronic voting (e-Voting) and SKY Corporate Services Sdn Bhd as Scrutineers to verify the poll results.
2. During the AGM, the Chairman will invite the Poll Administrator to brief on the e-Voting housekeeping rules. The voting session will commence as soon as the Chairman calls for the poll to be opened and until such time when the Chairman announces the closure of the poll.

3. Once the polling for each resolution has been completed, the appointed Scrutineer will read out the poll results and thereafter, the Chairman will declare whether the resolution is successfully carried or duly passed. Shareholders/ proxies can view the results on the screen.

ANNUAL REPORT 2023 AND CIRCULAR TO SHAREHOLDERS

1. The Annual Report 2023 and Circular to Shareholders dated 26 February 2024 are available on the Company's website at www.unitedplantations.com and Bursa Malaysia Securities Berhad's website at www.bursamalaysia.com.
2. Printed copies are also available for collection on a first come, first served basis from the table near the entrance of the meeting hall.

REFRESHMENTS

1. Breakfast will be served at the refreshment area before the commencement of the meeting.

DOOR GIFT

1. **NO** distribution of Door Gifts to the attending shareholders.

SEATING ARRANGEMENTS

1. Shareholders, Proxy Holders, and Corporate Representatives will only be allowed to enter the meeting hall upon registration. You are kindly advised to put on your mask while in the meeting venue.
2. All shareholders, Proxy Holders and Corporate Representatives are free to sit anywhere and are requested to be seated at least five minutes before the scheduled commencement of the meeting.

OTHERS

1. Kindly switch off or turn to silent mode all mobile devices during the meeting.
2. Photography and recording of the AGM proceedings, vocal, or audio-visual are strictly prohibited.
3. Kindly take care of your personal belongings. The Company will not be held responsible for any loss of items.
4. Parking is free.