

**Farm Fresh Berhad**

Registration Number: 201001010221 (894851-U)  
(Incorporated in Malaysia)

**Interim Financial Report  
Fourth quarter ended 31 March 2025**

## Farm Fresh Berhad

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(Incorporated in Malaysia)

### Condensed consolidated statement of financial position as at 31 March 2025

	Unaudited 31.3.2025 RM'000	Audited 31.3.2024 RM'000
<b>Assets</b>		
Property, plant and equipment	513,490	494,633
Right-of-use assets	36,467	33,124
Biological assets	141,952	133,284
Intangible assets	111,126	112,826
Trade and other receivables	268	563
Deferred tax assets	9,371	8,926
<b>Total non-current assets</b>	<u>812,674</u>	<u>783,356</u>
Inventories	174,088	156,299
Trade and other receivables	204,970	176,433
Current tax assets	5,446	4,509
Derivative financial assets	86	893
Cash and cash equivalents	58,785	58,167
Other investments	64,037	99,944
Assets held for sale	28,144	--
<b>Total current assets</b>	<u>535,556</u>	<u>496,245</u>
<b>Total assets</b>	<u><u>1,348,230</u></u>	<u><u>1,279,601</u></u>
<b>Equity</b>		
Share capital	404,847	399,555
Reserves	295,285	266,858
<b>Equity attributable to owners of the Company</b>	700,132	666,413
<b>Non-controlling interests</b>	27,947	26,558
<b>Total equity</b>	<u>728,079</u>	<u>692,971</u>
<b>Liabilities</b>		
Deferred tax liabilities	24,345	19,161
Deferred income	6,703	5,955
Loans and borrowings	329,934	338,365
Lease liabilities	20,590	16,742
Put option liability	55,833	36,955
<b>Total non-current liabilities</b>	<u>437,405</u>	<u>417,178</u>
Current tax liabilities	1,116	648
Deferred income	943	271
Derivative financial liabilities	428	--
Loans and borrowings	67,970	67,648
Lease liabilities	8,389	8,010
Trade and other payables	103,900	92,875
<b>Total current liabilities</b>	<u>182,746</u>	<u>169,452</u>
<b>Total liabilities</b>	<u>620,151</u>	<u>586,630</u>
<b>Total equity and liabilities</b>	<u><u>1,348,230</u></u>	<u><u>1,279,601</u></u>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<u><u>0.37</u></u>	<u><u>0.36</u></u>

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### Condensed consolidated statement of profit or loss and other comprehensive income for the fourth quarter ended 31 March 2025

	Individual quarter 3 months ended		Cumulative quarter 12 months ended	
	Unaudited 31.3.2025 RM'000	Unaudited 31.3.2024 RM'000	Unaudited 31.3.2025 RM'000	Audited 31.3.2024 RM'000
<b>Revenue</b>	243,730	215,034	981,181	810,411
Cost of sales	(166,279)	(149,701)	(665,937)	(594,368)
<b>Gross profit</b>	77,451	65,333	315,244	216,043
Other income	1,833	2,493	6,340	11,952
Selling and distribution expenses	(21,232)	(20,370)	(88,063)	(69,727)
Administrative expenses	(23,112)	(18,314)	(88,755)	(67,425)
Other expenses	(2,814)	(2,459)	(10,382)	(6,337)
Fair value gain/(loss) on biological assets	1,210	1,914	(2,556)	502
<b>Results from operating activities</b>	33,336	28,597	131,828	85,008
Finance income	253	204	1,062	937
Finance costs	(4,167)	(3,957)	(17,657)	(16,880)
Net finance costs	(3,914)	(3,753)	(16,595)	(15,943)
<b>Profit before tax</b>	29,422	24,844	115,233	69,065
Tax expense	(1,769)	(829)	(7,918)	(5,784)
<b>Profit after tax</b>	27,653	24,015	107,315	63,281
<b>Other comprehensive income/ (expense), net of tax</b>				
<b>Items that are or may be reclassified subsequently to profit or loss</b>				
Foreign currency translation difference:	939	(2,485)	(18,868)	7,023
Cash flow hedge	348	--	(429)	--
<b>Other comprehensive income/ (expense) for the period/year</b>	1,287	(2,485)	(19,297)	7,023
<b>Total comprehensive income for the period/year</b>	28,950	21,530	88,018	70,304
<b>Profit/(Loss) attributable to:</b>				
Owners of the Company	28,353	23,929	106,395	63,530
Non-controlling interests	(700)	86	920	(249)
<b>Profit for the period/year</b>	27,653	24,015	107,315	63,281
<b>Total comprehensive income/ (expense) attributable to:</b>				
Owners of the Company	29,580	21,534	87,428	70,350
Non-controlling interests	(630)	(4)	590	(46)
<b>Total comprehensive income for the period/year</b>	28,950	21,530	88,018	70,304
Basic earnings per ordinary share (sen)	1.51	1.28	5.68	3.40
Diluted earnings per ordinary share (sen)	1.51	1.28	5.66	3.40

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### Condensed consolidated statement of changes in equity for the fourth quarter ended 31 March 2025

Unaudited	← Attributable to owners of the Company →					Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Translation reserve RM'000	Non-distributable Employee share-based reserve RM'000	Put option reserve RM'000	Distributable Retained earnings RM'000			
<b>At 1 April 2023</b>	381,071	(6,634)	3,642	--	252,926	631,005	4,897	635,902
Foreign currency translation differences for foreign operations/ <b>Total other comprehensive income for the year</b>	--	6,820	--	--	--	6,820	203	7,023
Profit/(Loss) for the year	--	--	--	--	63,530	63,530	(249)	63,281
<b>Total comprehensive income/(expense) for the period</b>	--	6,820	--	--	63,530	70,350	(46)	70,304
<i>Contributions by and distributions to owners of the Company</i>								
Acquisition of subsidiaries	--	--	--	--	--	--	21,569	21,569
Dividend to owners of the Company	--	--	--	--	(18,719)	(18,719)	--	(18,719)
Issuance of shares	17,632	--	--	--	--	17,632	--	17,632
Issuance of shares pursuant to ESOS	852	--	(146)	--	--	706	--	706
Share-based payment	--	--	2,119	--	--	2,119	--	2,119
Put option liability over shares held by non-controlling interests	--	--	--	(34,509)	--	(34,509)	--	(34,509)
Changes in put option liability	--	--	--	(2,446)	--	(2,446)	--	(2,446)
	18,484	--	1,973	(36,955)	(18,719)	(35,217)	21,569	(13,648)
Change in ownership interests in a subsidiary	--	--	--	--	275	275	138	413
<b>Total transactions with owners of the Company</b>	18,484	--	1,973	(36,955)	(18,444)	(34,942)	21,707	(13,235)
<b>At 31 March 2024</b>	399,555	186	5,615	(36,955)	298,012	666,413	26,558	692,971

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### Condensed consolidated statement of changes in equity for the fourth quarter ended 31 March 2025 (continued)

	← Attributable to owners of the Company →						Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Translation reserve RM'000	Hedging reserve RM'000	Non-distributable Employee share-based reserve RM'000	Put option reserve RM'000	Distributable Retained earnings RM'000			
<b>At 1 April 2024</b>	399,555	186	--	5,615	(36,955)	298,012	666,413	26,558	692,971
Foreign currency translation differences for foreign operations	--	(18,538)	--	--	--	--	(18,538)	(330)	(18,868)
Cash flow hedge	--	--	(429)	--	--	--	(429)	--	(429)
<b>Total other comprehensive income for the year</b>	--	(18,538)	(429)	--	--	--	(18,967)	(330)	(19,297)
Profit for the year	--	--	--	--	--	106,395	106,395	920	107,315
<b>Total comprehensive (expense)/income for the year</b>	--	(18,538)	(429)	--	--	106,395	87,428	590	88,018
<i>Contributions by and distributions to owners of the Company</i>									
Capital contribution by non-controlling interest	--	--	--	--	--	--	--	500	500
Dividend payable to owners of the Company	--	--	--	--	--	(41,229)	(41,229)	--	(41,229)
Issue of shares pursuant to ESOS	5,292	--	--	(908)	--	--	4,384	--	4,384
Share-based payment	--	--	--	1,979	--	--	1,979	--	1,979
Changes in put option liability	--	--	--	--	(18,878)	--	(18,878)	--	(18,878)
Change in ownership interests in a subsidiary	--	--	--	--	--	35	35	299	334
<b>Total transactions with owners of the Company</b>	5,292	--	--	1,071	(18,878)	(41,194)	(53,709)	799	(52,910)
<b>At 31 March 2025</b>	404,847	(18,352)	(429)	6,686	(55,833)	363,213	700,132	27,947	728,079

## Farm Fresh Berhad

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### Condensed consolidated statement of cash flows for the fourth quarter ended 31 March 2025

	12 months ended	
	Unaudited 31.3.2025 RM'000	Audited 31.3.2024 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	115,233	69,065
Adjustments for:		
Depreciation and amortisation:		
- property, plant and equipment	48,080	40,165
- right-of-use assets	10,152	8,158
- intangible assets	274	263
Finance income	(1,062)	(937)
Finance costs	17,657	16,880
Equity settled share based payment	2,110	2,070
Impairment loss on trade receivables	3,551	1,195
Bad debts written off	213	398
Write off/(Reversal of written off) of:		
- property, plant and equipment	252	510
- obsolete and slow-moving inventories	438	(614)
Gain on disposal of property, plant and equipment	(262)	(867)
Gain on derecognition of lease	(81)	(30)
Amortisation of deferred income	(708)	(271)
Net fair value loss/(gain) on:		
- Biological assets	2,556	(502)
- Derivative financial instruments	820	(1,922)
- Other investments	(2,450)	(2,367)
Distribution income from money market investments	(1,143)	(2,787)
Unrealised gain on foreign exchange	(62)	(13)
<b>Operating profit before changes in working capital</b>	195,568	128,394
Change in deferred income	2,128	--
Change in inventories	(16,893)	20,810
Change in trade and other receivables	(32,015)	(36,793)
Change in trade and other payables	10,820	25,291
<b>Cash generated from operations</b>	159,608	137,702
Interest received	1,062	937
Tax paid	(4,234)	(3,644)
<b>Net cash from operating activities</b>	156,436	134,995
<b>Cash flows from investing activities</b>		
Acquisition of:		
- property, plant and equipment	(106,736)	(105,966)
- biological assets	(24,323)	(23,538)
- right-of-use assets	--	(1,312)
- intangible assets	(623)	(1,124)
- subsidiaries, net of cash and cash equivalents acquired	--	(64,143)
Net withdrawal from other investments	39,500	61,000
Proceeds from disposal of:		
- property, plant and equipment	2,736	3,751
- biological assets	6,271	5,776
<b>Net cash used in investing activities</b>	(83,175)	(125,556)

**Condensed consolidated statement of cash flows for the fourth quarter ended 31 March 2025**  
(continued)

	12 months ended	
	Unaudited 31.3.2025 RM'000	Audited 31.3.2024 RM'000
<b>Cash flows from financing activities</b>		
Interest paid	(16,074)	(14,802)
Dividend paid	(41,229)	(18,719)
Proceeds from shares issued	4,384	706
Drawdown of sukuk	--	100,000
Repayment of term loans	(639)	(563)
Net (payment)/proceeds from:		
- bankers' acceptances	4,275	(12,995)
- revolving credits	--	(14,760)
- short-term financing	(1,314)	380
Repayment of hire purchase liabilities	(7,400)	(7,294)
Repayment of lease liabilities	(10,432)	(8,098)
Capital contributed by a non-controlling shareholder	833	413
<b>Net cash (used in)/from financing activities</b>	<u>(67,596)</u>	<u>24,268</u>
Exchange difference on translation of the financial statements of foreign operation	<u>(5,047)</u>	<u>1,490</u>
<b>Net increase in cash and cash equivalents</b>	618	35,197
<b>Cash and cash equivalents at 1 April</b>	<u>58,167</u>	<u>22,970</u>
<b>Cash and cash equivalents at 31 March</b>	<u><u>58,785</u></u>	<u><u>58,167</u></u>

Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise the following amounts from the condensed consolidated statement of financial position:

	12 months ended	
	Unaudited 31.3.2025 RM'000	Audited 31.03.2024 RM'000
Cash and cash equivalents:		
- cash and bank balances	57,412	56,826
- deposits with licensed banks	1,373	1,341
	<u><u>58,785</u></u>	<u><u>58,167</u></u>

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# Part A: Explanatory notes pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134 and International Accounting Standards (“IAS”) 34 Interim Financial Reporting

## A1. Basis of preparation

This condensed consolidated interim financial report is unaudited and has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirements”), Malaysia Financial Reporting Standards (MFRS) 134: *Interim Financial Reporting* and International Accounting Standards (IAS) 34: *Interim Financial Reporting*.

This condensed consolidated interim financial report should be read in conjunction with the audited consolidated financial statements for the year ended 31 March 2024 and the accompanying notes attached to the interim financial report.

## A2. Material accounting policies

The accounting policies applied by the Group in this interim financial report are the same as those applied by the Group in its audited consolidated financial statements for the year ended 31 March 2024.

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group:

### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025***

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026***

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures- Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements — Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures- Contracts Referencing Nature-dependent Electricity*

### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027***

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

***The following MFRS Accounting Standards, interpretations and amendments will become effective for annual periods beginning on or after a date yet to be determined:***

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

## **Part A: Explanatory notes pursuant to MFRS 134 and IAS 34 Interim Financial Reporting (continued)**

### **A2. Material accounting policies (continued)**

The Group plans to apply the abovementioned accounting standards, interpretations and amendments in the respective financial year when the above accounting standards, interpretations and amendments become effective, if applicable.

The initial application of the accounting standards, interpretations and amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group upon its first adoption.

### **A3. Auditors' report**

The audited consolidated financial statements for the financial year ended 31 March 2024 was not subject to any qualifications.

### **A4. Seasonal or cyclical factors**

The nature of the Group's business was not subject to any significant seasonal or cyclical factors.

### **A5. Unusual items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group for the financial period under review.

### **A6. Changes in estimates**

There were no material changes in estimates for the financial period under review.

### **A7. Debt and equity securities**

There were no debt and equity securities issued during the financial period under review.

### **A8. Dividends paid**

Since the end of the previous financial year, the Company paid:-

- (a) a final single-tier dividend of 1.20 sen per ordinary share totalling RM22.5 million in respect of the financial year ended 31 March 2024 on 10 October 2024;
- (b) an interim single-tier dividend of 1.00 sen per ordinary share totaling RM18.7 million in respect of the financial year ended 31 March 2025 on 27 December 2024.

### **A9. Property, plant and equipment**

The Group acquired property, plant and equipment amounting to RM109.0 million during the financial period under review.

There were no material disposals of property, plant and equipment during the current quarter and financial period under review.

### **A10. Impairment losses**

Save as disclosed in Note B13, there were no other significant impairment losses arising from property, plant and equipment, financial assets, assets arising from contracts with customers or other assets during the current quarter and financial period under review.

## Part A: Explanatory notes pursuant to MFRS 134 and IAS 34 Interim Financial Reporting (continued)

### A11. Segment information

The Group has two reportable segments, as described below, which are the Group's strategic business units. The strategic business units are in different geographies, and are managed separately because they require different marketing strategies. For each of the strategic business units, the Chief Operating Decision Maker ("CODM") (i.e. the Group Managing Director and Group Chief Executive Officer) reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

- Malaysia's operation Includes rearing of dairy cows and goats, production and marketing and sale of cow's and goat's milk, yogurt, plant-based, ice cream, butter, other related products and agrotourism.
- Australia's operation Includes rearing of dairy cows, production and marketing and sale of cow's milk, jam, sauces, butter and yogurt.

Performance is measured based on segment profit before tax, finance income, finance costs, depreciation and amortisation, as included in the internal management reports that are reviewed by CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment profit/(loss) before tax at each reportable segment is arrived after eliminating all inter-segment profits originating from that reporting segment. Segmental information is presented in respect of the Group's business segments as follows:

Individual quarter (3 months)	Malaysia's Operation RM'000	Australia's Operation RM'000	Intra-group Adjustments RM'000	Total RM'000
<b>1.1.2025 to 31.3.2025</b>				
External revenue	228,371	15,359	--	243,730
Inter-segment revenue	44,487	29,972	(74,459)	--
Segment profit before tax	<u>36,878</u>	<u>(7,702)</u>	<u>246</u>	<u>29,422</u>
<b>1.1.2024 to 31.3.2024</b>				
External revenue	194,296	20,738	--	215,034
Inter-segment revenue	33,892	22,391	(56,283)	--
Segment profit before tax	<u>27,691</u>	<u>(3,510)</u>	<u>663</u>	<u>24,844</u>
Cumulative quarter (12 months)	Malaysia's Operation RM'000	Australia's Operation RM'000	Intra-group Adjustments RM'000	Total RM'000
<b>1.4.2024 to 31.3.2025</b>				
External revenue	881,249	99,932	--	981,181
Inter-segment revenue	168,721	130,840	(299,561)	--
Segment profit before tax	<u>125,293</u>	<u>(9,791)</u>	<u>(269)</u>	<u>115,233</u>
<b>1.4.2023 to 31.3.2024</b>				
External revenue	700,576	109,835	--	810,411
Inter-segment revenue	122,690	112,697	(235,387)	--
Segment profit before tax	<u>78,644</u>	<u>(9,086)</u>	<u>(493)</u>	<u>69,065</u>

### A12. Material events subsequent to the statement of financial position date

The were no material events subsequent to the end of the current quarter that have not been reflected in the financial statements.

## Part A: Explanatory notes pursuant to MFRS 134 and IAS 34 Interim Financial Reporting (continued)

### A13. Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial period under review. The incorporations above did not have material impact to the Group during the financial period under review.

### A14. Fair value information

The following table analyses financial instruments carried at fair value by valuation method. The different levels in a fair value hierarchy based on the input used in the valuation technique have been defined as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.  
 Level 2 - Input other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).  
 Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable input).

	Fair value of financial instruments carried at fair value		Fair value of financial instruments not carried at fair value	Total fair value	Carrying amount
	Level 2 RM'000	Level 3 RM'000	Level 3 RM'000		
<b>31.3.2025</b>					
<b>Financial assets</b>					
Derivatives at fair value through profit or loss					
- Interest rate swap	86	--	--	86	86
Other investments	64,037	--	--	64,037	64,037
	<u>64,123</u>	<u>--</u>	<u>--</u>	<u>64,123</u>	<u>64,123</u>
<b>Financial liabilities</b>					
Derivatives designated as cash flow hedge					
- Forward exchange contracts	(260)	--	--	(260)	(260)
- Commodity future contracts	(168)	--	--	(168)	(168)
Hire purchase liabilities	--	--	(8,743)	(8,743)	(8,785)
Term loans	--	--	(28,125)	(28,125)	(28,234)
Sukuk	--	--	(303,405)	(303,405)	(303,405)
Put option liability	--	(55,833)	--	(55,833)	(55,833)
	<u>(428)</u>	<u>(55,833)</u>	<u>(340,273)</u>	<u>(396,534)</u>	<u>(396,685)</u>
<b>31.3.2024</b>					
<b>Financial assets</b>					
Commodity future contracts	426	--	--	426	426
Forward exchange contracts	7	--	--	7	7
Interest rate swap	460	--	--	460	460
Other investments	99,944	--	--	99,944	99,944
	<u>100,837</u>	<u>--</u>	<u>--</u>	<u>100,837</u>	<u>100,837</u>
<b>Financial liabilities</b>					
Hire purchase liabilities	--	--	(14,916)	(14,916)	(14,706)
Term loans	--	--	(31,734)	(31,734)	(31,553)
Sukuk	--	--	(303,366)	(303,366)	(303,366)
Put option liability	--	(36,955)	--	(36,955)	(36,955)
	<u>--</u>	<u>(36,955)</u>	<u>(350,016)</u>	<u>(386,971)</u>	<u>(386,580)</u>

## Part A: Explanatory notes pursuant to MFRS 134 and IAS 34 Interim Financial Reporting (continued)

### A15. Contingent liabilities

There were no material changes in contingent liabilities arising since the last audited consolidated financial statements for the financial year ended 31 March 2024.

### A16. Capital commitments

	<b>Unaudited 31.3.2025 RM'000</b>	<b>Audited 31.3.2024 RM'000</b>
<b>Contracted but not provided for:</b>		
Plant and equipment	13,683	7,044
Intangible assets	385	288
	<u>14,068</u>	<u>7,332</u>

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements

### B1. Review of performance

#### Current quarter against corresponding quarter (Q4'25 vs Q4'24)

	Individual quarter 3 months ended		Changes %
	31.3.2025 RM'000	31.3.2024 RM'000	
Revenue	243,730	215,034	13.3
Gross profit	77,451	65,333	18.5
Operating profit	33,336	28,597	16.6
Profit before tax	29,422	24,844	18.4
Profit after tax	27,653	24,015	15.1
Profit attributable to owners of the Company ("PATAMI")	<u>28,353</u>	<u>23,929</u>	<u>18.5</u>

The Group's revenue increased by 13.3% or RM28.7 million as compared to the corresponding period, mainly attributable to the increase in Malaysian revenue underpinned by positive sales contribution from launching of new products i.e. Farm Fresh Grow, Farm Fresh Choco Malt, Farm Fresh Full Cream Milk Powder, Farm Fresh Cream Hauz consumer-packaged goods (CPG) ice cream and Farm Fresh Butter, and partly offset by a decrease in Australian revenue due to lower external sales from Goulburn Valley Creamery Pty Ltd.

The Group's gross profit increased by 18.5% or RM12.1 million while the gross profit margin increased from 30.4% to 31.8%, mainly attributable to increased sales of higher margin products and lower cost of dairy raw materials.

Consequently, operating profit increased by RM4.7 million and profit before tax increased by RM4.6 million respectively, primarily driven by the aforementioned increase in gross margin. This was partially offset by higher administrative costs, including salary and depreciation costs with the addition of the CPG ice cream operations and increase of Inside Scoop outlets.

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B1. Review of performance (continued)

#### Current financial period against corresponding financial period (FY'25 vs FY'24)

	Cumulative quarter 12 months ended		Changes %
	31.3.2025 RM'000	31.3.2024 RM'000	
Revenue	981,181	810,411	21.1
Gross profit	315,244	216,043	45.9
Operating profit	131,828	85,008	55.1
Profit before tax	115,233	69,065	66.8
Profit after tax	107,315	63,281	69.6
Profit attributable to owners of the Company ("PATAMI")	<u>106,395</u>	<u>63,530</u>	<u>67.5</u>

The Group's revenue increased by 21.1% or RM170.8 million as compared to the corresponding financial period, mainly attributable to the increase in Malaysian revenue by 25.8% or RM180.7 million underpinned by positive sales contribution from launching of new products i.e. Farm Fresh Grow, Farm Fresh Choco Malt, Farm Fresh Full Cream Milk Powder, CPG ice cream and butter, coupled with higher commercial UHT sales and school milk sales, as well as full period sales contribution from Inside Scoop (acquired in end-May 2023) and Sin Wah (acquired in end-November 2023). However, Australian revenue decreased by 9.0% or RM9.9 million due to lower external sales from Goulburn Valley Creamery Pty Ltd.

The Group's posted a gross profit of RM315.2 million, up 45.9% from the same period last year, while gross profit margin surged from 26.7% to 32.1% in the current financial period. The increase in profitability was mainly driven by reduction in input costs of dairy raw materials and further boosted by contributions from Inside Scoop and Sin Wah, as well as improving margins from Australian operations following the reduction in season farmgate prices by about 11% beginning July 2024.

Consequently, the Group's operating profit rose by 55.1% or RM46.8 million while profit before tax increased by 66.8% or RM46.2 million, mainly driven by higher revenues and bolstered by decreased costs. This has resulted in the Group surpassing the RM100 million mark by achieving a profit after tax of RM107.3 million.

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B2. Comparison with immediate preceding quarter (Q4'25 vs Q3'25)

	Current quarter 31.3.2025 RM'000	Preceding quarter 31.12.2024 RM'000	Changes %
Revenue	243,730	246,589	(1.2)
Gross profit	77,451	81,019	(4.4)
Operating profit	33,336	32,417	2.8
Profit before tax	29,422	28,156	4.5
Profit after tax	27,653	26,179	5.6
Profit attributable to owners of the Company ("PATAMI")	<u>28,353</u>	<u>25,864</u>	<u>9.6</u>

The Group's revenue dipped by 1.2% or RM2.9 million as compared to the preceding quarter, mainly attributable to the decrease in Australian revenue by 26.9% or RM5.7 million due to lower external sales from Goulburn Valley Creamery Pty Ltd resulting from a postponement of deliveries to Middle East to the first quarter of FY2026. This was partially offset by increase in Malaysian revenue by RM2.8 million mainly driven by heightened seasonal demand during Ramadhan as well as sales contribution from new products i.e. Farm Fresh Full Cream Milk Powder and Farm Fresh Butter.

The Group's gross profit declined by 4.4% or RM3.6 million as compared to the preceding period while the gross profit margin decreased from 32.9% to 31.8%, primarily due to lower margins from the Australian operations, which were impacted by higher production costs amid reduced deliveries.

The operating profit increased by 2.8% and profit before tax increased by 4.5% mainly due to fair value gains on biological assets amounting to RM1.2 million in the current quarter as opposed to RM0.5 million fair value losses in the preceding quarter.

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B3. Prospects for the Group

#### Prospects

The Group has continued its upward trajectory by posting a strong and improved results for the fourth quarter, culminating in a full financial year which recorded high revenue and profitability growth, while the progress that we have made in both our category expansion and regional expansion are expected to make us continue the momentum into FY2026.

We have seen strong demand for our consumer-packaged goods (CPG) ice cream since the launch in August 2024. Consequently, we are expediting the expansion of capacity for ice cream production at our Taiping plant, while waiting for the Enstek plant to be completed towards end-2025.

Our choco malt product in powder format, launched in July 2024 also has gained more traction in the market, aided by the introduction of a 35g sachet format, as well as the 1kg and 2kg formats for modern trade / mini market and food services channel respectively. Additionally, our full cream milk powder and butter have also hit the shelves with good reception from our consumers in October 2024 and February 2025 respectively, and cultured milk following suit in April 2025.

On the farm side, our Muadzam Shah farm expansion with the additional 500 acres of land leased from the Pahang State Government has commenced operations with the arrival of 1,300 dairy cows in May 2025. Upon full completion of the expansion, our total capacity in Muadzam Shah will double to 6,000 dairy cows.

Our plans to expand regionally are also taking shape in the Philippines, where we have commenced our factory operations in end-September 2024. We have listed our chilled products, UHT products and milk powder products in the modern trade outlets in the Greater Manila market and secured many key HORECA accounts in Manila.

We will also continue to drive our ESG agenda in the coming year. Our biogas plant has been completed and commissioned in April 2024, and once fully operational, is targeted to have a reduction of 9,800 tonnes carbon dioxide equivalent (tCO<sub>2</sub>e) per annum and a targeted displacement or reduction of diesel usage of 670,000 litres per annum. Our Milk on Tap initiative, selling fresh milk sold in reusable glass bottles has been successfully expanded to 29 locations in Jaya Grocer and Jom Cha outlets across Peninsular Malaysia.

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B4. Profit forecast

Not applicable as the Group did not issue any profit forecast during the financial period under review.

### B5. Tax expense

Income tax expenses on continuing operations comprise the following:

	Individual quarter 3 months ended		Cumulative quarter 12 months ended	
	Unaudited 31.3.2025 RM'000	Unaudited 31.3.2024 RM'000	Unaudited 31.3.2025 RM'000	Audited 31.3.2024 RM'000
Tax expense	1,474	7	4,098	1,215
Deferred tax expense	295	822	3,820	4,569
	<u>1,769</u>	<u>829</u>	<u>7,918</u>	<u>5,784</u>

### B6. Status of corporate proposals

There were no corporate proposals pending completion as at date of this report.

Registration Number: 201001010221 (894851-U)
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## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B7. Utilisation of proceeds from the Public Issue

We expect to use the gross proceeds from our Public Issue amounting to RM301.0 million in the following manner:

Details of use of proceeds	Estimated timeframe for the use of proceeds	Initial proposed utilization <sup>(1)</sup>	Revised proposed utilization	Actual utilization to 31.3.2025	Balance to be utilised
		RM'000	RM'000	RM'000	RM'000
1. Capital expenditure of our Group					
- <i>Establishment of a new manufacturing hub, a new dairy farm and integrated processing facility in Malaysia</i>	Within 24 months	131,237	132,455 <sup>(2)</sup>	(33,555)	98,900
- <i>Regional expansion outside of Malaysia</i>	Within 24 months	40,000	40,000	(33,831)	6,169
- <i>Expansion of our production facility in Australia</i>	Within 18 months	4,851	4,851	(4,851)	--
2. Working capital	Within 12 months	40,789	40,789	(40,789)	--
3. Estimated listing expenses	Within 3 months	20,200	18,982	(18,982) <sup>(2)</sup>	--
4. Acquisition of TISSB	On the date of completion of the SSA and SPA (as defined herein)	63,912	63,912	(63,912)	--
		<b>300,989</b>	<b>300,989</b>	<b>(195,920)</b>	<b>105,069</b>

(1) The initial utilization of the proceeds as disclosed above should be read in conjunction with the Announcement made on 15 February 2023.

(2) The actual listing expenses incurred of RM18.98 million is lower than the estimated amount of RM20.20 million, therefore the excess amount of RM1.22 million will be used for establishment of a new manufacturing hub, a new dairy farm and integrated processing facility in Malaysia.

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B8. Loans and borrowings

	Unaudited 31.3.2025 RM'000	Audited 31.3.2024 RM'000
<b>Non-current</b>		
<b><i>Unsecured</i></b>		
Sukuk	300,000	300,000
<b><i>Secured</i></b>		
Hire purchase liabilities	2,455	7,452
Term loans	27,479	30,913
	<u>329,934</u>	<u>338,365</u>
<b>Current</b>		
<b><i>Unsecured</i></b>		
Sukuk	3,405	3,366
<b><i>Secured</i></b>		
Hire purchase liabilities	6,288	7,254
Short term financing	27	1,405
Term loans	646	640
Bankers' acceptances	57,604	54,983
	<u>67,970</u>	<u>67,648</u>
	<u><u>397,904</u></u>	<u><u>406,013</u></u>

The loans and borrowings of the Group are denominated in MYR, except for term loans of RM26.46 million (31.3.2024: RM29.25 million), hire purchase liabilities of RM6.45 million (31.3.2024: RM10.71 million), bankers' acceptances of RM17.94 million (31.3.2024: RM14.47 million) and short term financing of RM0.03 million (31.3.2024: RM1.40 million) which are denominated in AUD.

### B9. Material litigations

On 31 March 2021, the Group filed a legal action in Australia against Shepparton Partners Collective Group ("SPC") for various misrepresentations to The Holsten Milk Company (Australia) Pty Ltd ("THMCA") during the course of due diligence of a business acquisition.

The court hearing was conducted in February 2025. On 11 April 2025, the court released a judgement on 11 April 2025 in favour of SPC by dismissing THMCA's legal action.

The Group has lodged an appeal against the decision. As such, in the Directors' opinion, disclosure of any further information about the above matter would be prejudicial to the interests of the Group.

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B10. Proposed Dividends

The Board of Directors has not recommended any dividend for the current financial period under review.

### B11. Earnings per share (“EPS”)

The basic and diluted EPS for the current financial quarter under review is computed as follows:

	Individual quarter 3 months ended		Cumulative quarter 12 months ended	
	Unaudited 31.3.2025	Unaudited 31.3.2024	Unaudited 31.3.2025	Audited 31.3.2024
Net profit attributable to the owners of the Company (RM'000)	28,353	23,929	106,395	63,530
Weighted average number of ordinary shares in issue	<u>1,873,862,952</u>	<u>1,871,920,037</u>	<u>1,873,862,952</u>	<u>1,869,694,570</u>
Basic EPS (sen)	<u>1.51</u>	<u>1.28</u>	<u>5.68</u>	<u>3.40</u>

#### Diluted earnings per ordinary share

For the diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

The diluted EPS for the current financial quarter under review is computed as follows:

	Individual quarter 3 months ended		Cumulative quarter 12 months ended	
	Unaudited 31.3.2025	Unaudited 31.3.2024	Unaudited 31.3.2025	Audited 31.3.2024
Net profit attributable to the owners of the Company (RM'000)	28,353	23,929	106,395	63,530
Weighted average number of ordinary shares in issue	1,873,862,952	1,871,920,037	1,873,862,952	1,869,694,570
Effect of share option in issue	5,958,351	768,243	4,603,591	--
Total weighted average number of ordinary shares	<u>1,879,821,303</u>	<u>1,872,688,280</u>	<u>1,878,466,543</u>	<u>1,869,694,570</u>
Diluted EPS (sen)	<u>1.51</u>	<u>1.28</u>	<u>5.66</u>	<u>3.40</u>

The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on the quoted market prices for the period during which the options are outstanding.

## Part B: Explanatory notes pursuant to Part A, Appendix 9B of the Listing Requirements (continued)

### B12. Revenue

	Individual quarter 3 months ended		Cumulative quarter 12 months ended	
	Unaudited 31.3.2025 RM'000	Unaudited 31.3.2024 RM'000	Unaudited 31.3.2025 RM'000	Audited 31.3.2024 RM'000
<b>Revenue from contracts with customers</b>				
- At a point in time	243,592	214,898	980,615	809,919
- Over time	138	136	566	492
	<u>243,730</u>	<u>215,034</u>	<u>981,181</u>	<u>810,411</u>

### B13. Profit before tax

	Individual quarter 3 months ended		Cumulative quarter 12 months ended	
	Unaudited 31.3.2025 RM'000	Unaudited 31.3.2024 RM'000	Unaudited 31.3.2025 RM'000	Audited 31.3.2024 RM'000
<b>Profit for the period is arrived at after charging/(crediting)</b>				
Depreciation and amortisation:				
- property, plant and equipment	12,799	10,999	48,080	40,165
- right-of-use assets	2,645	2,388	10,152	8,158
- intangible assets	72	61	274	263
Equity settled share-based payment	536	552	2,110	2,070
Impairment loss of trade receivables	1,997	617	3,551	1,195
Bad debts written off	213	398	213	398
Write off/(reversal of written off) of:				
- property, plant and equipment	144	341	252	510
- obsolete and slow-moving inventories	5	(455)	438	(614)
Gain on disposal of property, plant and equipment	(499)	(234)	(262)	(867)
Amortisation of deferred income	(445)	(68)	(708)	(271)
Net fair value (gain)/loss on:				
- Biological assets	(1,210)	(1,914)	2,556	(502)
- Derivative financial instruments	84	(260)	820	(1,922)
- Other investments	(469)	(520)	(2,450)	(2,367)
Distribution income from money market investments	(139)	(581)	(1,143)	(2,787)
Realised gain on derivative financial instruments	--	--	(4,522)	--
Realised (gain)/loss on foreign exchange	(1)	(200)	2,375	(305)
Unrealised (gain)/loss on foreign exchange	(108)	18	(62)	(13)
Personnel expenses (including key management personnel):				
- Contribution to state plans	2,293	1,671	7,759	6,510
- Wages, salaries and others	32,636	24,117	106,954	82,864
Rental income from subleasing of property	(102)	(426)	(827)	(1,714)
Expenses relating to short-term leases	1,242	1,036	5,715	4,018
Expenses relating to leases of low-value assets	186	74	593	420