Bumitama Agri Ltd.

Excellence Through Discipline

ANNUAL REPORT 2024

Contents

OUR VISION

To be a leading CPO producer through continuous improvement; focus on productivity, cost efficiency, sustainability and growth.

OUR MISSION

- To enhance shareholder’s value;
- To improve the benefits and quality of life of our employees;
- To improve the welfare of the local communities and the environment.

Corporate Profile

Charting a path of rapid, robust expansion since its founding in 1996, Bumitama Agri Ltd. ("Bumitama" or the "Group") has become a prominent producer of Crude Palm Oil ("CPO") and Palm Kernel ("PK") in Indonesia, the world's top CPO-producing country.

The Group mainly engages in the upstream processes of palm oil business through milling of Fresh Palm Fruit Bunches ("FFB") harvest from across its plantations. Listed on the Singapore Exchange in 2012, the Group has been recognised as a consistent high-yield dividend payer post-pandemic period, with market capitalisation of more than S$1 billion.

"Excellence Through Discipline" – Our All-Encompassing Motto

Through nearly three decades of transformative growth, Bumitama now plays a distinguished role in the palm oil industry. The Group is widely recognised for its agility in seizing opportunities and versatility in navigating a complex business landscape increasingly redefined by climate change. Tenaciously applying agronomic excellence inspired by a culture of continuous improvement, the Group orchestrates the expertise and fortitude of tens of thousands of its workers to deliver optimum results from its oil palm estates. The Group's driving force is its guiding principle, "Excellence Through Discipline". This legacy, instilled across generations of the Lim family, is at work at Bumitama, cultivating a shared future rooted in integrity and flourishing with innovation.

Nurturing Resilience From The Ground Up

Bumitama commands a total planted area of 187,021 hectares ("ha") in the Indonesian provinces of Central Kalimantan (56% of the total), West Kalimantan (43%), and Riau. The Group's estates are situated in prime agricultural zones. A balanced blend of rainfall and periods of dryness within the right range of temperatures confers these estates with a conducive climate for maximising plant yield. At the end of 2024, mature plants covered 96.2% of total planted area, with a weighted average age of 13.8 years, corresponding to peak productivity.

Bumitama takes pride in its highly-adaptive agronomic practices that harness biological, chemical, climatic, and mechanical aspects from a holistic vantage point. This approach served as a bulwark against the worst of extreme weather swings in recent years—from excessive dryness to intemperate rains—sustaining somewhat resilient plantation productivity amid the lagged negative effect during the challenging first nine months of 2024 and enabling a vigorous rebound in output within the final quarter.

While yield per mature hectarage in 2024 stood at 18.6 Metric Tonnes ("MT") per ha, monthly yield reached its highest level in November at 1.9 MT per ha, resulting in 27% quarterly spike in FFB output within the fourth quarter of the year. A total of 3.36 million MT of FFB were harvested from its nucleus and plasma estates under management in 2024, reflecting a Compound Annual Growth Rate ("CAGR") of 5.3% for the past decade.

Seamless Flow from Plantation to Port

Bumitama operates a network of 17 palm oil mills spread across three different provinces, boasting a processing capacity of 1,165 tonnes per hour—equating to an annual FFB throughput of almost 7 million MT. Despite incorporating the 35% proportion of third parties supply—known for its lower oil content, processed FFB managed to deliver an Oil Extraction Rate ("OER") of 22.0% in 2024, resulting in a CPO yield of 4.1 MT per ha for the year. The Group's mills are tactically situated near plantation estates to guarantee swift evacuation and immediate FFB processing.

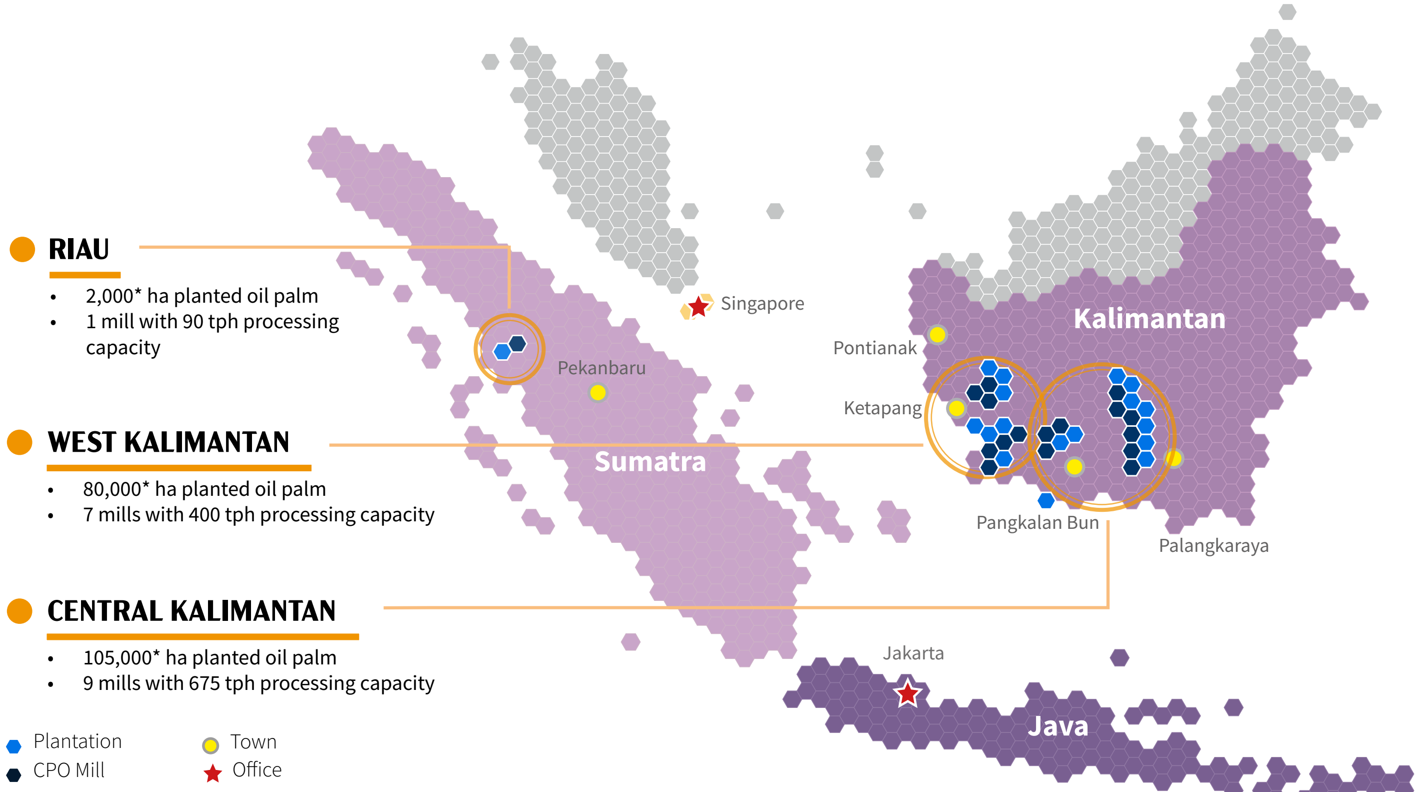
Strategic placement of Bumitama's palm oil mills—within close range to both plantations and ports—conveys a dual advantage: lowering transportation-related fuel costs and minimising emissions. Precision logistics has been key to Bumitama's operational efficiency in CPO production and delivery. From these ports, Bumitama shipped 1.18 million MT of CPO and 244 thousand MT of PK to refineries across Indonesia in 2024.

Keen Foresight for Financial Fortitude

Bumitama's financial strength results from a confluence of factors: vigilance in spotting opportunities, flexibility in marshalling resources, and a disciplined, well-timed execution. Closely observing market movements allowed the Group to time its CPO sales in alignment with price rallies, bringing revenue to a record high of IDR 16.73 trillion. At the same time, costs were kept in check through centralised procurement, extensive mechanisation, and enhanced supply chain efficiency. The Group's balance sheet continued to expand, closing the year with total assets of IDR 20.97 trillion, of which 78.6% comprising equity. Net gearing ratio was successfully reduced for the fifth year running, to 0.09x.

REVENUE
IDR 16.73
TRILLION

TOTAL ASSETS
IDR 20.97
TRILLION



Area statement figures presented is rounded to nearest thousand hectares

Going into 2025, Bumitama is sustaining its Sukuk 2014/2029's AA_2/ Stable rating from RAM Ratings. The Group was hailed by The Edge Singapore for delivering the Highest Growth in Profit After Tax Over Three Years in the F&B + Food & Drug Retailing Sector, for the second year running, and deemed the Overall Sector Winner for 2024. This accolade also elevated Bumitama's status from the Centurion Club in the previous year to the prestigious Billion Dollar Club, thanks to rising market capitalisation. Additionally, Bumitama earned a place on the Fortune Southeast Asia 500 list, a testament to its revenue and net profit achievements.

Sustainable Value Creation for All Stakeholders

Amidst shifting market dynamics, strategic cost management remained central to Bumitama's performance. With fervent efforts to drive cost efficiencies and uphold excellence at the same time, Bumitama is reinforcing its existing practices while exploring new avenues to forge a sustainable path forward, one that will see the Group deliver optimum value to its stakeholders. In 2024, the Group embarked on several high-impact projects serving multiple aims: from cost savings and emissions reduction, to specialised fertiliser formulae and innovative estate management. These initiatives, envisioned and executed with financial prudence in mind, continue to build a formidable foundation for the Group's high-yield dividend commitment.

Championing Community Well-Being and Environmental integrity

Bumitama's social and environmental programmes are deeply embedded in its operations, through which the Group strives to balance business growth with preserving ecosystem services and promoting socioeconomic advancement. Bumitama's "*Sekolah Desa Berdaya*" is a landmark initiative that fosters economic resilience by integrating smallholder farmers, local businesses, and surrounding communities into the Group's supply chain. It is strengthening rural livelihoods by fostering a sustainable sourcing ecosystem. Equally critical is the Group's climate mitigation strategy, which has so far taken shape through emissions reduction programmes, stalwart forest conservation, as well as biodiversity protection and enhancement. Playing its part in the sustainability of palm oil production, the Group upholds responsible land management practices, maintaining alignment with traceability and sustainability certifications applied across its smallholders and third-party FFB suppliers.

Bumitama also collaborates with smallholder farmers through the management of vast area of plasma estates. At the end of 2024, these plasma estates spanned 62,613 ha, comprising 33.5% of total planted area—well above the government-mandated level of 20%. They have steadily expanded throughout the past decade with an annualised growth of 5.2%, an evidence of Bumitama's dedication to strengthening smallholders' role in sustainable palm oil cultivation. Fostering closer alignment between plasma farmers and core operations, the Group strives to create a well-diversified supply chain that is at once resilient and instrumental in securing agricultural sustainability in the long run.

Chairman's Message

❝ With our financial position fortified by disciplined and consistent approach towards precision agronomic practices, rigorous cost control, and good rapport in fostering ties with surrounding communities, we are poised to advance and maximise shareholder value through an optimised dividend policy. ❞

Dear Shareholders,

I am honoured to represent the Board of Directors to deliver to you the 2024 Annual Report of Bumitama Agri Ltd ("Bumitama" or the "Group"). In yet another year where external challenges were mounting and manifold, Bumitama demonstrated resilience and resolve to press on with long-term transformation.

Escalating geopolitical uncertainty and stagnating post-pandemic growth in 2024, painted a complex backdrop for global commodity trade. Having largely tamed inflation with their aggressive rate hikes a couple of years prior, in 2024 central banks worldwide reversed course. The US Federal Reserve led the charge, slashing its rate three times on the back of a robust US economy. This caused the US dollar to reign in the highly volatile currency markets, precipitating a sizeable outflux of capital from emerging economies back into US assets. The path of growth ticked upward among advanced economies while the contrast happened in others, with some of the steepest drops seen in China and India.

Global demand for commodities, including edible oils, steadily grew, fuelled by the ongoing energy transition amid supply constraints affecting several key oils namely rapeseed and sunflower. While total production in 2024 expanded to nearly 260 million tonnes, according to Oil World, demand outpaced supply, creating market deficits and lifting prices. Palm oil, still the most consumed edible oil worldwide, saw its price rally during the final quarter of the year, also partly due to its share of supply constraint. Crude Palm Oil ("CPO") production shrank to around 79 million Metric Tonnes ("MT") globally, with output from Indonesia dwindling due to a combination of lower yield as a result of adverse weather and lack of land expansion within the past decade. The rise of Malaysia's full-year output could not offset Indonesia's shortfall.

Based on data from GAPKI (Indonesia's palm oil association), CPO output from the world's largest producer has stagnated since hitting the 47-million-MT mark in 2019. In contrast, domestic demand has climbed pronouncedly since then, almost single-handedly buoyed by the government's policy to uphold its biodiesel blending mandate. President Prabowo, not long after taking office in late 2024, further raised it to B40 at the start of 2025, doubling the rate from 2019's B20 during the previous administration. Within the time frame, Indonesia's biodiesel mandate has shifted substantial volumes of CPO from export markets to domestic use, erasing 6 million MT from its 2019's peak of 37 million MT.

In addition to strong demand, fear of an even tighter supply amid the lower-than-expected production triggered the CPO price to exhibit dramatic upswings starting in September. The price peaked at MYR 5,196 per MT in November, after touching a low of MYR 3,681 per MT in August. As scarcity grew and supplies tightened, the average CPO price for 2024 moved upwards to MYR 4,128, nearly 9% above that of 2023.

Operating with Discipline to Surmount Challenges

Throughout 2024 we pressed on with our strategy of precision agronomic practices, armed with the resolve to ever enhancing on-the-ground practices that have thus far placed Bumitama among the industry's top-tier growers. With discipline and consistency, we applied proven and reliable methods as well as introducing innovative ones that we believe will help us further augment our yield, sharpen our operational efficiency, and at the same time strengthen our sustainability drive.

Given the extreme weather swings of the past years—from the triple-dip La Niña of 2020, to El Niño's excessive drought in 2023, and back to heavy rains in 2024—our palm trees across Kalimantan had to endure various stresses. Acting both proactively and in response to these, we took quick and calculated measures to improve the conditions for our soil, which varies from region to region. We intensified our water management while reinforcing our circular use of organic matter present in the plantations with additional substances, like fungi-activated biocharcoal and soil-enriching bacteria.

Over the years, our holistic "bio-agro-climatic" approach to operations has steered us to achieve rapid advances in productivity, leading us to record an all-time high monthly yield in mid–2023. However, our extensive measures notwithstanding, 2024 was especially challenging owing to the specific water-retention characteristics of the soil in our estates. A decline in Fresh Palm Fruit Bunches ("FFB") production was an unavoidable outcome. This phenomenon, as discussed earlier, was observed widely across Indonesia's oil palm plantations, particularly in certain regions.

Bumitama's FFB production for the full year of 2024 amounted to 5.18 million MT, a 3.8% drop from 2023 performance, with internal production—from our nucleus and plasma estates—declining 9.7% to reach 3.36 million MT. We managed to offset some of the decline through securing more external FFB purchases, which amounted to 1.82 million MT in the same period. Oil Extraction Rate ("OER") from our mills declined from 22.7% in FY2023 to 22.0%, resulting in the output of 1.14 million MT of CPO in FY2024. This was 6.6% lower than FY2023's volume. Our Palm Kernel ("PK") production also recorded a decrease from 253,114 MT to 234,311 MT over the same period.

In 2024 we initiated the multi-years Bumitama Open Innovation programme to inspire new ideas and cutting-edge practices which will help us retain our leading edge in the field. Through the programme, we engaged reputable research institutions to come up with innovations, some of which, having achieved critical mass, we will adopt and scale up through our estate practices. We have identified four key areas of innovation, which we began testing in 2024 and are being tweaked and adjusted at some project sites, at the time of writing. We expect these projects to significantly enhance various aspects of our business, from soil nutrification and FFB yield to oil content and operational efficiency.

To promote further productivity increases in the long term, we have made efforts to continue new planting and replanting activities, in both our nucleus and, more intensively, in our plasma estates. Aiming for a sustainable growth trajectory for these plantations, we have utilised premium planting materials as well as more precise and ecological water and soil management techniques, some of which we had piloted in several plots, showing very encouraging results. With new planted and replanted areas of 261 and 2,247 ha respectively in FY2024, the nucleus and plasma palm plantations under our management stood at 187,021 ha at the end of the year. Mature plants make up 96.2% of our plantations, which are present in three Indonesian provinces. With an average age profile of 13.8 years (as at the end of 2024), within the peak productivity range, our plantations are well-placed to seize future opportunities as demand expands.

Building Financial Soundness on Market Momentum

Our palm plantations began to exhibit production recovery in the second semester of 2024, perfectly timed to capitalise on the CPO price surge in the final quarter. As our CPO's average selling price rose by 12.2% from FY2023's figure, we sold a total of 1.18 million MT of CPO in FY2024, 5.9% lower than one year prior. Revenue from our CPO sales climbed 5.6%, making up 89.0% of our total revenue. The remainder was from PK sales, which increased 37.7% from FY2023's figure due to PK prices rising during the year. Total revenue in FY2024, amounting to IDR 16.73 trillion, is our strongest to date.

Cost containment initiatives continued to be strengthened. We were able to benefit from lower fertiliser prices to secure enough volume to apply as needed, at considerably less cost. We revamped our taskforce management so our workforce could perform a series of tasks with greater efficacy, while simultaneously reducing external contractor and upkeep costs. We pushed ahead with mechanisation efforts to deal with rising labour costs and in anticipation of potential worker shortages. We also streamlined procurement and implemented a central warehouse and inventory consignment system, both effectively trimming our logistical outlay. Finally, the gradual shift from using diesel in our facilities to electricity from the Indonesian State Power Company (PLN) will bring energy-related expenses further down.

Bumitama has prided itself on the ongoing success in fostering good rapport with independent oil palm farmers around the operational areas. We have been able to consistently maintain a high ratio of external FFB in our total FFB composition, shoring up our mill utilisation rates and allowing us to readily serve rising demand. In 2024, our external FFB input increased by 9.5%, and in keeping with the CPO price rally, external FFB became costlier and bigger. This was one of the key reasons for the 15.4% increase in cost of sales we recorded for FY2024.

Gross profit for FY2024 stood at IDR 4.36 trillion, 7.7% lower than in FY2023. It enabled us to book EBITDA of IDR 4.42 trillion, with an EBITDA margin of 26.4%. Net profit for FY2024 amounted to IDR 2.74 trillion, the third highest in our history. Over the past five years, our net profit has grown with a Compound Average Growth Rate ("CAGR") of 19.0%. Our financial achievements in FY2024 are consistent with the accolades we obtained during the year, among others the "Overall Sector Winner" and "Highest Returns to Shareholders Over Three Years" from The Edge Singapore.

Despite the decline in profitability measures, in FY2024 Bumitama exhibited an accelerated performance in the second half that was rightly attuned to the market exuberance of the time. We ended the year on a high note, with profits exceeding market consensus. Our free cash flow also strengthened 31.5% to IDR 2.76 trillion and paved the way for us to deleverage further —our net gearing ratio has continued to fall since 2019, to reach 0.09x in FY2024—while extending our gains to optimally benefit our shareholders.

On top of the interim dividend of 1.2 Singapore cents per share we had distributed in September 2024, we are proposing a final one-tier tax exempt cash dividend of 5.44 Singapore cents per share from our FY2024 profit, subject to shareholders' approval at the coming annual general meeting. Should this be approved, Bumitama's annual dividend distribution will total 6.64 Singapore cents, more than seven fold in the past five years. Furthermore, a strong cash flow and financial soundness in recent years has given a boost of confidence about our bright prospects ahead. Accordingly, in line with our commitment to maximising shareholder value, we seek to enhance the Group's dividend policy from previously a maximum of 40% of profits to a minimum of 40% and a maximum of 60%.

Progressing on Our Sustainability Journey

Bumitama extended its mark of excellence in the areas of environmental, social, and governance ("ESG") in 2024 with several key strides in our aim to bring Bumitama to the frontier of sustainable palm oil production. We have always resorted to a holistic approach, informed by principles of economic circularity, social cohesion, and environmental continuity, when dealing with issues that emerged in our operations across multiple fronts: from our workforce to the communities around us, from our soil to our carbon emissions.

Bumitama's climate mitigation programme has been carried out extensively and enriched with more initiatives, addressing the two-way objective of reducing the environmental impact of our operations and minimising the adverse effects of climate change on our operational integrity. This programme to some extent is also helping Indonesia's drive towards carbon neutrality by 2060. We stay committed to our 30% emissions reduction by 2030, and in 2024 we ramped up this area. At the core of this programme are our two methane capture facilities, which sequester more than 200 thousand tonnes of CO_2 from 2023 to 2024 while providing electricity for use in our premises and their surroundings. We expanded our wastewater treatment to include additional processes, setting up a closed-loop water management system in the near future. Our application of biocharcoal, whose slow-release capability ensures adequate carbon content in our soil, forges our oil palms' resilience against climate impacts.

In the social arena, a new initiative named *Sekolah Desa Berdaya* ("SDB") was started in early 2024. It marked a landmark achievement of our comprehensive community engagement strategy, the six-pillar *Bumitama Berdaya* campaign. SDB's establishment has been followed by ongoing construction and programme development throughout the year, embodying Bumitama's Sustainability Policy mandate to empower communities across our operational landscapes through lasting and meaningful partnerships and training in three main clusters: *"KOLEGA Sawit"* (smallholder productivity and sustainability), "*Kolega Ekonomi Produktif*" (local food producers productivity), and "*Desa Rendah Karbon*" (low-carbon economic activities). With SDB, we leverage Bumitama's buying power as offtaker and step up beyond merely providing economic support: we have now given the communities a platform to enlarge their capacities and market their products.

Elevating conditions in the areas where we operate have become a more pressing concern in recent years, given the rise of social ills affecting many locals, including potentially our workers and their families. Persistent efforts at safeguarding them against these issues, especially the young generation through sound education, are crucial. We have been collaborating with the educational community around our operations, to raise students' awareness of these social ills and equip them accordingly. At the schools we manage, we have integrated such action into our curriculum, which foundationally promotes environmental mindfulness among the young. In recognition of this system's successes, we are proud to report that in 2024 five of our schools received the Adiwiyata Initiative, with two achieving the highest designation, Adiwiyata Mandiri, from the Indonesian Minister of Environment and Forestry and Minister of Education, Culture, Research and Technology.

For a deeper dive into the ESG-related progress we have made up to 2024, we encourage you to read our 2024 Sustainability Report, published separately from this Annual Report.

Charting the Course for Enduring Success

Global growth in 2025 is expected to modestly improve from 2024's baseline, with headline inflation to decline further overall, at the time of writing. But in this economic landscape uncertainties abound. Global trade, having quickly recovered from a sharp downturn in the initial stage of the pandemic, is now staring at a precipice with volatile US policies leaning toward protectionism. Such shifts could disrupt the currency markets and undermine central banks' inflation-targeting schemes. Indonesia, while not a major trading partner of the US, relies on it as its second-largest export destination and may experience spillover effects from these policies, adding unpredictability into the rupiah's power and capital flow.

CPO prices in 2025 are expected to be elevated, carrying the upward trend from 2024, with Malaysian benchmark futures projected to average higher. Global supply deficit of major vegetable oils is expected to linger, driven by adverse weather that has become the norm in recent years. Production recovery of Indonesian palm oil though certain, is expected to be marginal while those of rapeseed and sunflower will decline due to weather-related yield constraint.

On the flip side, demand estimates for CPO remain strong as domestic consumption grows, in particular due to Indonesia's B40 mandate, which potentially will take away an additional 2 million MT of CPO from the export market. Analysts foresee a strong support price of MYR 4,000 per MT, with potential trading range above MYR 5,000, averaging higher than the plentiful level of 2024, in our view.

Cognizant of the promising potentials in the market, we have allocated IDR 1.2 trillion to IDR 1.5 trillion of capital expenditure to finance various multiple initiatives in line with our target of increasing FFB production. Our late 2024 acquisition of PT Pupuk Lapan Harsa, a fertiliser blending facility in East Java, will be the cornerstone to enhancing our productivity going forward. It will enable our research and development team to manufacture tailored fertilisers according to different soil characteristics and meeting specific nutritional needs of each region, and ultimately enhancing yield growth, while reducing our reliance on external fertiliser supply. Meanwhile, we are setting aside around 3,000 ha - 4,000 ha of our area for replanting, about 1,000 ha to 1,500 ha for new planting. We also expect our production to rise up to 5% in 2025.

I would like to take this opportunity to welcome Ms. Ng Yi Wayn, who was appointed as an Independent Director of Bumitama, replacing Mr. Lee Lap Wah George in May 2024. We are confident that her distinguished expertise in the legal sector will be of immense value to the future growth of the Group.

We are thankful for the continued support and trust given by our shareholders, customers, and partners, which together with the hard work and dedication of our employees, have taken Bumitama to where it stands today in this industry. We aspire to uphold this collective effort as we step forward, committed to demonstrating excellence in what we do, and sharing the outcomes with all our stakeholders.

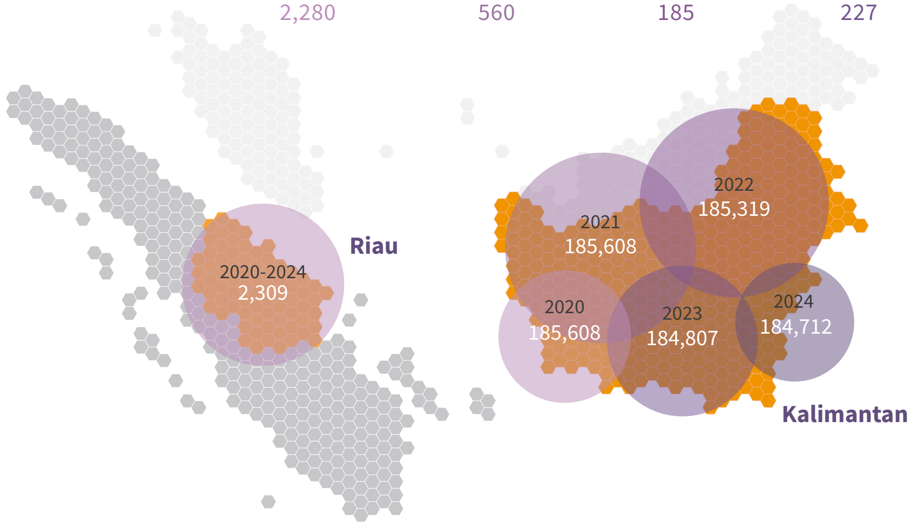
Gunawan H. Lim
Executive Chairman and Chief Executive Officer
25 March 2025

Operational & Financial Highlights

OPERATIONAL HIGHLIGHTS

Financial Year	2020	2021	2022	2023	2024
Production Volume (Metric Tonnes)					
Internal Fresh Palm Fruit Bunches ("FFB")	3,314,128	3,373,559	3,862,791	3,720,331	**3,360,640**
Nucleus	2,270,745	2,336,178	2,676,926	2,597,097	**2,197,116**
Plasma	1,043,383	1,037,381	1,185,865	1,123,234	**1,163,524**
Crude Palm Oil ("CPO")	1,024,548	1,051,623	1,188,156	1,222,139	**1,141,506**
Palm Kernel ("PK")	215,691	223,000	250,935	253,114	**234,311**
Productivity					
FFB Yield per Mature Hectare (metric tonnes)	19.0	18.6	21.4	20.6	**18.6**
CPO Yield per Mature Hectare (metric tonnes)	4.3	4.2	4.8	4.7	**4.1**
Oil Extraction Rate (%)	22.6	22.6	22.3	22.7	**22.0**
Kernel Extraction Rate (%)	4.8	4.8	4.7	4.7	**4.5**
Plantation Area (Hectares)					
Total Planted Area	187,917	187,917	187,628	187,116	**187,021**
Mature palms	173,464	181,211	180,806	180,903	**179,980**
Immature	14,453	6,706	6,822	6,213	**7,041**
Nucleus Planted Area	132,816	132,728	132,099	130,567	**124,408**
Mature palms	120,643	126,582	125,462	124,581	**118,030**
Immature	12,173	6,146	6,637	5,986	**6,378**
Plasma Planted Area	55,101	55,189	55,529	56,549	**62,613**
Mature palms	52,821	54,629	55,344	56,322	**61,950**
Immature	2,280	560	185	227	**663**

Planted Area by Location



FINANCIAL HIGHLIGHTS

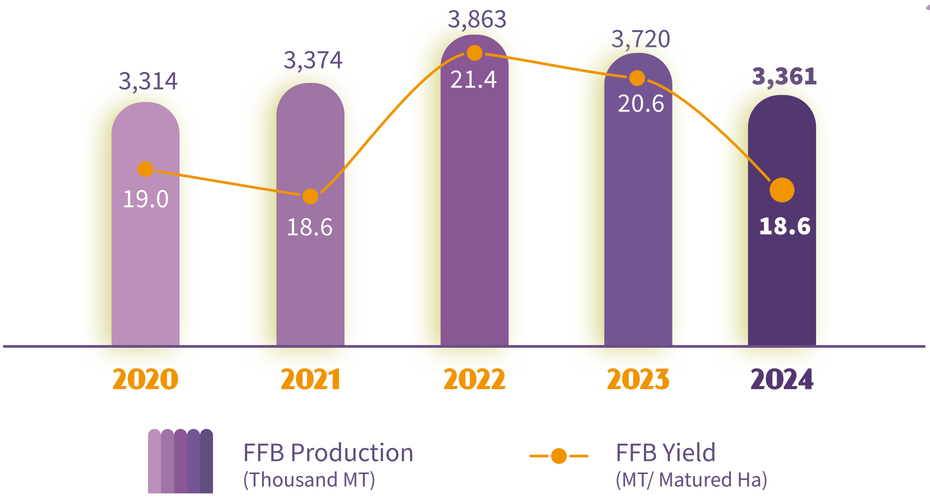
Financial Year	2020	2021	2022	2023	2024
Income Statement (IDR Billion)					
Revenue	9,102	12,249	15,829	15,443	**16,732**
Gross Profit	2,526	3,457	5,733	4,719	**4,357**
Fair Value Changes in Biological Assets	26	82	(87)	(81)	**185**
Profit before tax	1,931	2,864	4,571	3,862	**3,649**
EBITDA	2,575	3,498	5,686	4,627	**4,423**
Net Profit	1,362	2,089	3,399	2,931	**2,735**
Net Profit Attributable to Owners of the Company	1,126	1,721	2,826	2,449	**2,287**
EPS Attributable to Owners of the Company (IDR per Share)(1)	645	986	1,618	1,412	**1,319**
Balance Sheets (IDR Billion)					
Total Assets	18,233	17,686	19,898	19,233	**20,973**
Total Current Assets	2,618	2,179	4,539	3,697	**4,987**
Total Current Liabilities	1,722	1,218	1,858	2,085	**896**
Total Non-current Liabilities	5,977	4,469	3,584	1,711	**3,593**
Total Equity	10,534	11,999	14,456	15,437	**16,485**
Equity Attributable to Owners of the Company	9,017	10,300	12,494	13,306	**14,217**
Financial Statistics					
Revenue Growth	18.3%	34.6%	29.2%	-2.4%	**8.3%**
Gross Profit Margin	27.8%	28.2%	36.2%	30.6%	**26.0%**
Operating Profit Margin	21.1%	22.5%	31.1%	24.4%	**20.8%**
EBITDA Margin	28.3%	28.6%	35.9%	30.0%	**26.4%**
Net Profit Margin	15.0%	17.1%	21.5%	19.0%	**16.3%**
Return on Equity(2)	12.5%	16.7%	22.6%	18.4%	**16.1%**
Return on Assets(3)	6.2%	9.7%	14.2%	12.7%	**10.9%**
Net Debt(4)/Total Equity (Times)	0.50	0.33	0.17	0.14	**0.09**
Debt/Total Equity (Times)	0.57	0.35	0.23	0.17	**0.19**
Net Debt(4)/Total Assets (Times)	0.29	0.22	0.13	0.12	**0.07**

Remarks:

1. The earnings per share has been computed based on the Company's total number of issued shares excluding treasury shares as at each balance sheet date
2. Return on Equity = Net Profit Attributable to Owners of the Company / Equity Attributable to Owners of the Company
3. Return on Assets = Net Profit Attributable to Owners of the Company / Total Assets
4. Net Debt = Interest bearing debts less cash and bank balances

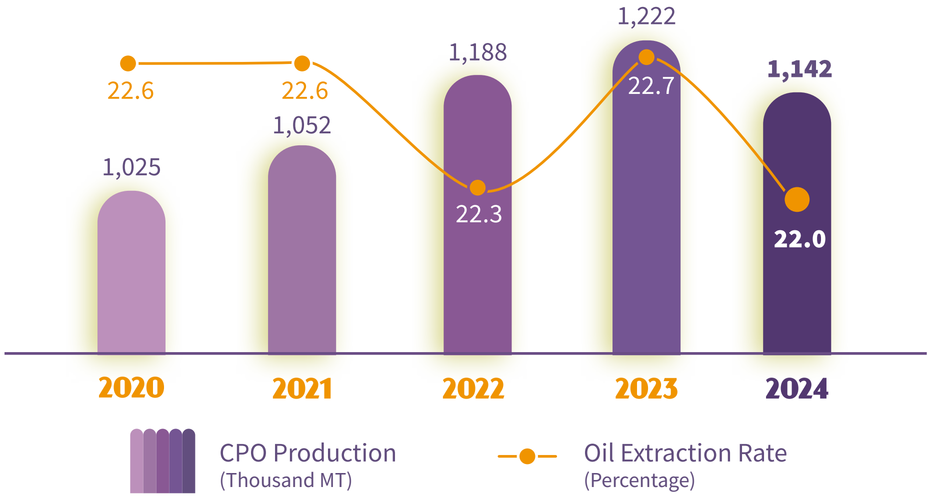
Internal FFB Output

CAGR 0.3%



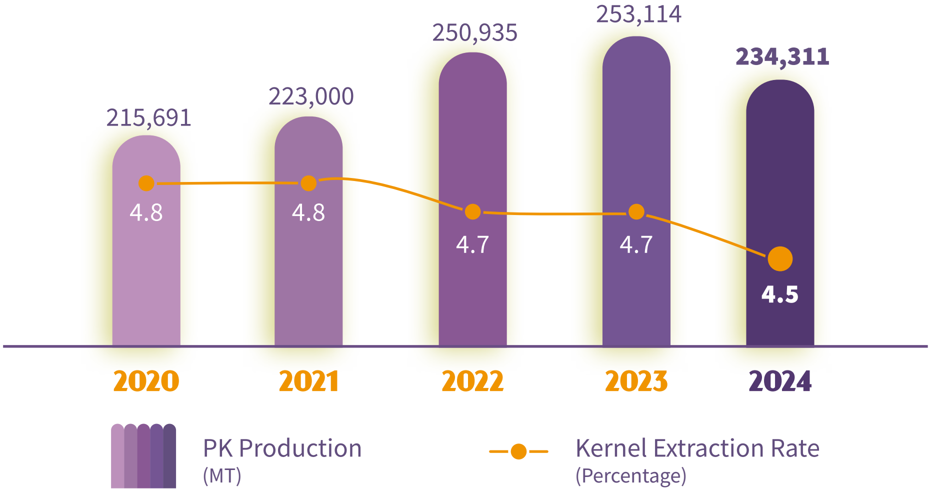
Crude Palm Oil Output

CAGR 2.7%



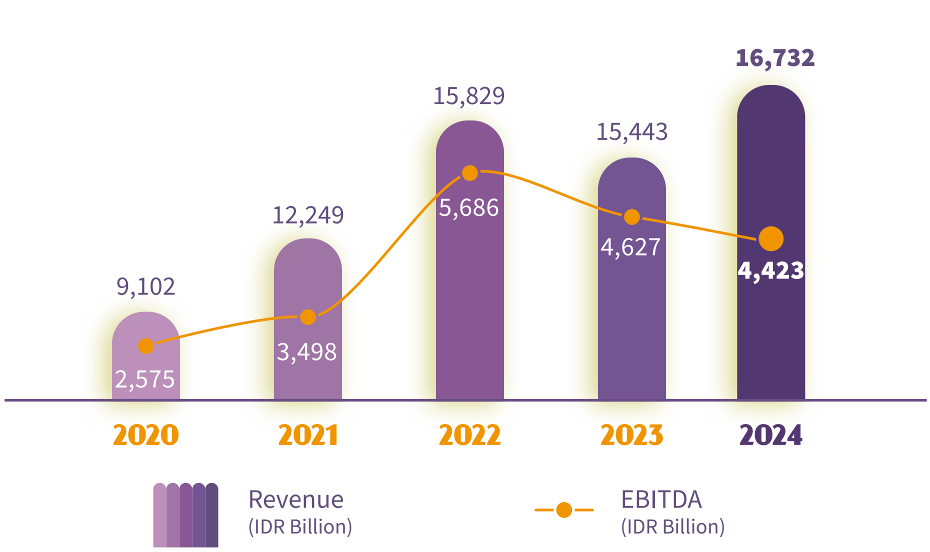
Palm Kernel Output

CAGR 2.1%



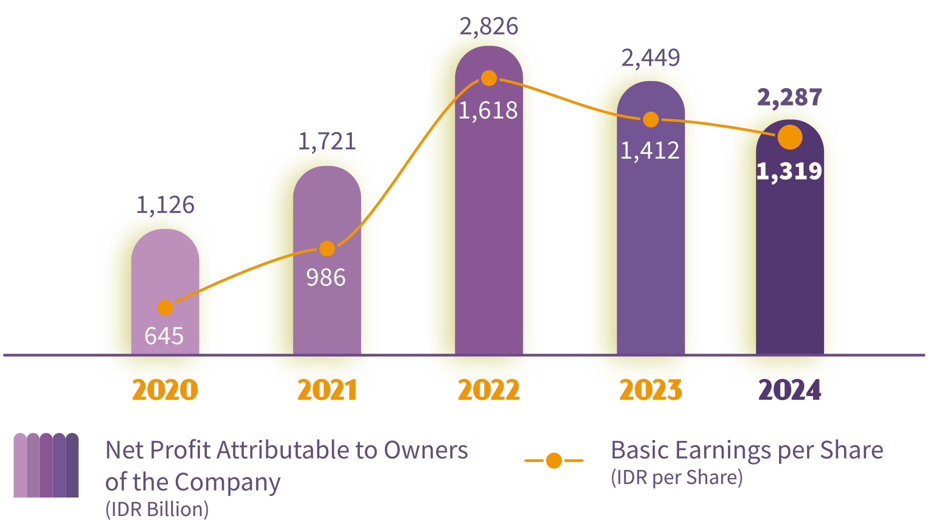
Revenue and EBITDA

CAGR 16.4%
CAGR 14.5%

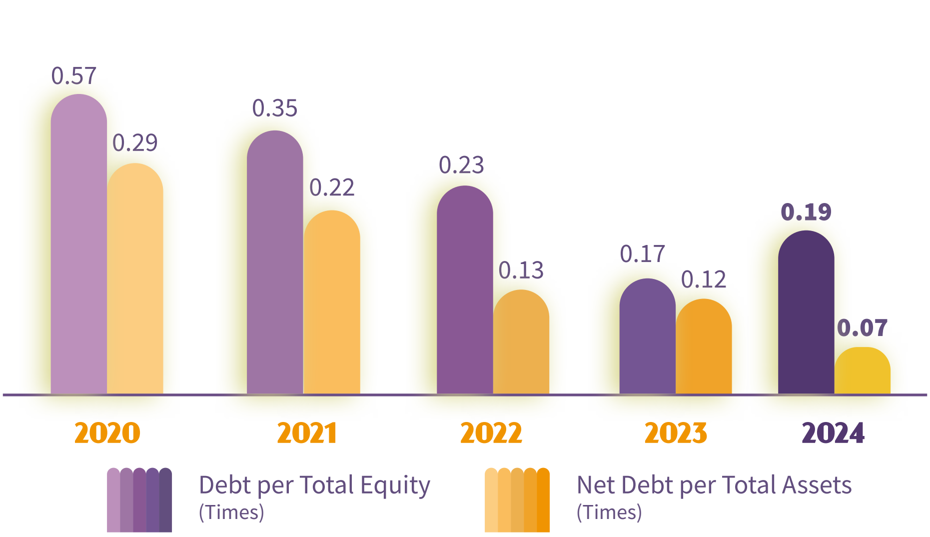


Net Profit Attributable to Owners of The Company and EPS

CAGR 19.4%



Debt



Operational & Financial Review

Operational Review

In 2024, global palm oil production dropped due to yet another year of the effects of extreme weather swings, initially driven by El Niño in the early months, and by La Niña later on. Arising in mid–2023 and extending into early 2024, El Niño brought drought and intense heat condition, reducing soil moisture and causing heat-related stress on oil palm trees. This led to lower Fresh Palm Fruit Bunches ("FFB") yields across plantations in Indonesia, as well as hampering oil extraction rates. As 2024 progressed, the weather shifted toward La Niña, with excessive rainfall causing waterlogged plantations, further disrupting harvesting activities and transportation logistics. Such an unfavourable combination of drought-induced stress followed by overly wet conditions heightened the challenges to production, tightening supply across the industry and driving Crude Palm Oil ("CPO") prices up.

As volatility continued to hamper production, Bumitama Group pressed on with a disciplined execution of best agronomic practices, geared to boost plantation resilience and maintain a high degree of productivity in the face of changing climate. Bumitama's holistic agronomy, refined over years, touches upon all crucial aspects, from soil chemistry and plant biology to technology-driven mechanisation and climate mitigation.

For the full year of FY2024, the Group's total FFB production reached 5.18 million Metric Tonnes ("MT"), 3.8% lower than 2023's total output. This figure comprised production from nucleus and plasma estates, amounting to 3.36 million MT, and external purchase of 1.82 million MT. Over the past years, built upon a solid partnership with third party suppliers, the Group has been able to gradually achieve a more balanced mix between internal and external FFB production, optimising mill utilisation and preparing the Group against production drag from the anticipated acceleration of replanting works in upcoming years. In FY2024, external FFB made up 35.2% of total output, compared with 30.9% in the previous year.

The number of rainy days in 2024 was 218 in 2024, bringing 28.1% more rain to the Group's estates compared to in 2023. In the first half of the year, the lingering El Niño effects brought drier and hotter conditions, and as a result, productivity was low during this period. La Niña brought rains back in the third quarter of 2024, pushing production up sharply towards the end of the year. For the full year of FY2024, Central Kalimantan estates under management yielded a combined output of 1.93 million MT, 12.7% less than in 2023, while production from estates in West Kalimantan reached 1.38 million MT, 4.8% lower than in the previous period. However, combined output from Central Kalimantan in the second half of FY2024 was 8.6% higher than in the first half, and in West Kalimantan the jump in production from the first half to the second half was even more pronounced, at 32.9%.

The Group's FFB yield per mature hectarage declined from 20.6 MT per hectare ("ha") in FY2023 to 18.6 MT per ha in FY2024, owing to low bunch count due to the weather-related disruption. Nevertheless, in terms of internal production performance, Bumitama has kept its competitive edge in the industry. Internal FFB production over the 10-year period exhibited a Compound Annual Growth Rate ("CAGR") of 5.3%, or higher than the nation's palm oil output growth of 3.5%. Behind this performance lay two key drivers: favourable age profile, and the methodically thorough implementation of ever-enhanced "bio-agro-climatic" agronomic practices.

To mitigate disruptive weather conditions in 2024, the Group reinforced its estate management by drawing from past experience and the expertise of its operational staff. Across its estates, meticulous soil moisture monitoring was complemented by the construction of proper drainage and aeration systems to prevent excessive dryness and water-logging. Manuring was intensified with specifically formulated fertilisers tailored to the soil characteristics of the estates. Soil nutrification was enhanced through the application of organic materials, which include compost, Empty Palm Fruit Bunches ("EFB"), mesocarp fibres, as well as palm oil mill effluent and sludge, all aimed at improving soil fertility and promoting tree growth.

Beyond these efforts, in one of our estates in Pundu, Central Kalimantan, we have begun the enrichment of beneficial bacteria to augment soil health, especially in immature plantations. Early results from this initiative have been promising, and we are prepared to expand its application to more estates.

In 2024, the Group initiated the mechanisation of FFB transportation using mini tractor grabbers, and introduced tractor mowers and quick movers for slashing greenery. We ensured that our field workers were adequately trained and equipped to operate and maintain the relevant machinery, so they could make the transition more smoothly while fostering better cross-department coordination. By year-end, these programmes had enhanced both the output and efficiency of estate operations.

A major programme the Group undertook in 2024 was to hold the Bumitama Open Innovation to identify game-changing innovations through engagement with reputable research institutions in the country, in areas of soil health and fertility, FFB yield enhancement, oil content enrichment, and new products development. A model estate has been designated for testing some of these projects, with the principal focus of increasing productivity and oil content.

In FY2024, Oil Extraction Rate ("OER") from the Group's FFB decreased to 22.0%, from 22.7% in the previous period. The main cause for this was rising proportion of external FFB contribution with lower oil

content and lagged negative weather-related effect, notwithstanding the Group's consistent organic enrichment measures. The drop in OER resulted in a 6.6% less CPO produced, from 1.22 million MT in FY2023 to 1.14 million MT in FY2024. The CAGR for CPO production in the last ten years stood at 6.3%, considerably higher than the 3.5% rate in Indonesia. CPO yield declined from 4.7 MT per ha to 4.1 MT per ha over the same period, in part due to lower combined OER.

In line with lower CPO production, the Group's Palm Kernel ("PK") production volume reached 234,311 MT in FY2024, 7.4% lower than in FY2023, with the PK extraction rate sliding from 4.7% to 4.5% within the period. The CAGR for PK production was measured at 7.3% over the ten-year period.

At the end of FY2024, the Group's planted area covered a total of 187,021 ha, of which 96.2% comprised mature palms. Nucleus plantations made up 66.5% or 124,408 ha of the total area, with the rest being plasma plantations. The coverage of plasma plantations have grown over the years to 62,613 ha, with a CAGR of 4.3% over the period of 2021–2024. As much as 98.8% of the total planted area is in Kalimantan, with the remaining 1.2% in Riau Province.

Replanting was carried out across 2,247 ha in FY2024, with a focus on plasma plantations. Premium planting materials with higher yield and oil content potential have been used in the Group's replanting efforts, further strengthened with high-precision and eco-friendly agronomic practices as well as more sustainable soil enrichment solutions.

The Group's plantations had an average age of 13.8 years as at the end of FY2024, continuing to be in the prime age range, with additional gains in yield productivity possible through sound estate management.

Financial Review

Market Overview

The supply of key edible oils was estimated to be in deficit in FY2024 due to the effects of soaring temperatures, droughts, and heatwaves affecting critical areas of cultivation across various countries. Soybean oil supply, with the US achieving record high production within the year, could not single handedly match the higher demand for vegetable oils. The main theme prevalent in the global edible oils market in FY2024 was rising policy-driven demand, with energy transition underway in many countries, requiring vast amounts of vegetable oils to be used as fuel.

Indonesia, the world's top producer of CPO, carried on with its B35 biodiesel admixture mandate in place since 2023 and thus absorbed more than half of its own CPO production, reducing CPO availability in the global market. While imports by India and China, the two largest importers, declined slightly, a combination of lower-than-expected production in the first nine months of 2024 in Indonesia, and the country's commitment to raise its biodiesel mandate to B40 starting from 1 January 2025—diverting an additional 2 million MT of CPO for domestic biofuel use—eventually caused prices to rally in the final quarter of 2024.

Having been trading sideways for much of 2024, the CPO price began to surge from below MYR 4,000 per MT in early September to the year's high-point of MYR 5,196 in November, and ended the year at around MYR 4,450. With the 2024's average reaching MYR 4,128 per MT, or 9% above 2023's figure, there was consensus among analysts that the palm oil price band had shifted upwards, and will remain elevated at least till mid–2025 as tight supply situation lingers.

Operational & Financial Review

Income Analysis

As a market price taker, Bumitama Group has always resorted to a strategy underpinned by meticulous cost management to preserve its financial resilience and industry edge. At the same time, the Group remains highly responsive to market movements, ready to act quickly to capitalise on market opportunities with agility and precision.

By resorting to this strategy, the Group was able to align its CPO sales—as its FFB production began to recover in the second half of FY2024—with the rise in prices starting in September. As a result, the Group managed to seize the momentum and recorded a higher average selling price for its CPO, at around IDR 12,660 per kilogramme ("kg") in FY2024, 12.2% higher than in FY2023. PK average selling price was also on an upward trajectory, buoyed by an even tighter supply condition of lauric oils in FY2024, to reach IDR 7,565 per kg, 41.9% higher than FY2023's average.

The volume of CPO sold by the Group in FY2024 reached 1.18 million MT, a decrease of 5.9% from FY2023, while PK sales amounted to 244 thousand MT, 2.9% lower than the previous year's level. With these volumes, total revenue recorded by the Group in FY2024 still climbed to IDR 16.73 trillion, 8.3% more than IDR 15.44 trillion booked in FY2023. About 89% of the FY2024 revenue was derived from CPO sales, the remaining from PK sales. Over the past five years (2020–2024), the Group's revenue had grown by a CAGR of 16.4%.

The Group continued its stringent cost management programme and introduced several new initiatives to drive cost containment without compromising productivity across its value chain. Alongside ongoing and expanded mechanisation, some of which described above, the plantation work scheme was revamped. The formation of specialised teams, to handle both harvesting and pruning activities simultaneously, led to considerable reductions in external contractor and upkeep costs.

The Group has started the migration from diesel-powered generators to the national grid served by the National Electricity Company, PLN. This multi-year project is expected to substantially lower fuel costs in the mid-term and at the same time lower the Group's carbon footprint. In procurement, centralised vendor selection and price negotiations at the head office were implemented to secure the most competitive pricing and quality. In logistics, the adoption of a central warehouse and inventory consignment system enhanced coordination and cost efficiency through more streamlined operations.

Finally, to address fertiliser-related costs, which make up a large part of total expenditures, in the end of 2024 the Group made the strategic acquisition of PT Pupuk Lapan Harsa, a fertiliser blending unit capable of manufacturing customised fertilisers tailored to the Group's soil characteristics. In the coming years, this subsidiary will cater around a third of the Group's fertiliser need, central to boosting yield growth through more targeted custom fertilisation programmes.

A higher volume of external FFB purchase in FY2024, coinciding with higher CPO prices, resulted in the Group's cost of sales rising by 15.4% from IDR 10.72 trillion in FY2023 to IDR 12.38 trillion. The Group continued to enhance the cost effectiveness of its fertiliser and organic materials use, pressing relevant costs down by 13.1%, even with a more intensive manuring carried out throughout the year.

With the increase in cost of sales exceeding the rise in revenue, the Group's gross profit for FY2024, amounting to IDR 4.36 trillion, was 7.7% lower than FY2023's achievement. Along with that, gross profit margin retreated from 30.6% to 26.0% during the period.

The annual valuation of biological assets recorded an increase of IDR 185 billion in FY2024. By contrast, there was an IDR 81 billion reduction in FY2023. This was primarily due to higher average market price for FFB as at 31 December 2024, compared to one year prior. The valuation was conducted according to the Singapore Financial Reporting Standards (International) ("SFRS(I)") 1–41.

The above matters have resulted in profit before tax reached IDR 3.65 trillion for the period, a 5.5% decrease from FY2023's result. Earnings before Interest, Taxes, Depreciation, and Amortisation ("EBITDA") in FY2024 stood at IDR 4.42 trillion, 4.4% lower than in FY2023. Operating profit margin and EBITDA margin in FY2024 were recorded at 20.8% and 26.4%, respectively.

Recognising the narrowing interest rate gap between the US and Indonesia, the Group proactively diversified its financing portfolio to mitigate exposure to IDR, the primary currency in its business operations. The Group disbursed 37.3% greater financing cost in FY2024 compared with FY2023. This increase was attributable to a higher interest rate benchmark based on the Secured Overnight Financing Rate, as well as a higher composition of floating interest-bearing Term Loan Facility ("TLF") compared to previous corresponding period (FY2024: 33.9% vs. FY2023: 23.1%). The latter was in turn caused by the Group's TLF refinancing at a total amount of USD 65 million. Despite this, the Group continued its disciplined deleveraging, with its net gearing ratio declining for the fifth consecutive year to reach 0.09x in FY2024.

The coordinated deployment of financial strategies detailed above allowed the Group to transfer its gains to ultimately benefit its shareholders. In 2024, the Group distributed a total of SGD 0.068 per share through three types of dividends, paid out in May and September. This was equivalent to a dividend yield of 10%. Despite lower EBITDA, efficient management of cash flow in 2024 had resulted in 31.5% increase in free cash flow, providing ample room to maintain high dividend payout ratio. The Group dividend payout ratio over the years reflect a long-standing commitment to rewarding shareholders with optimum value, balanced with ensuring long-term financial stability.

For FY2024 the Group recorded net profit of IDR 2.74 trillion, down 6.7% from FY2023's IDR 2.93 trillion. IDR 2.29 trillion, or 83.6% of the total net profit was attributable to owners of the Company. Earnings per Share ("EPS") attributable to owners of the Company amounted to IDR 1,319 per share, 6.6% lower than in FY2023. Free cash flow on the other hand spiked 31.5% to reach IDR 2.76 trillion, second highest on record.

Financial Position

Bumitama Group successfully capitalised on the bullishness of the CPO market in the final quarter of FY2024 to deliver financial results that strengthened its balance sheet. Total assets at the end of 2024 were recorded at IDR 20.97 trillion, 9.1% higher than the IDR 19.23 trillion recorded in the previous year.

Current assets made up 23.8% of the total assets, amounting to IDR 4.99 trillion. This signifies a 34.9% increase from the position one year prior, at IDR 3.70 trillion. Current assets as at the end of FY2024 mainly comprised inventories, trade and other receivables, and cash and short-term deposits. With a significant CPO volume released nearing the year-end to boost sales, the Group's inventory went down by 21.8% from the previous period to IDR 1.24 trillion at FY2024 year-end. The Group recorded a value of IDR 720 billion in trade and other receivables, and IDR 1,705 billion in cash and short-term deposits.

Non-current assets as at the end of FY2024 amounted to IDR 15.99 trillion or 76.2% of total assets. These were mainly made up of bearer plants (amounting to IDR 8.02 trillion or 50.2% of total non-current assets); property, plant, and equipment (IDR 5.75 trillion); and land use rights (IDR 1.13 trillion).

The Group's total liabilities as at the end of FY2024 amounted to IDR 4.49 trillion, 18.3% higher than IDR 3.80 trillion at the end of FY2023. Of the total, 20.0% were composed of current liabilities, reaching IDR 896 billion at year-end, shrinking by 57.0% from the previous period's IDR 2.08 trillion. This was due to the refinanced portions of loans and borrowings, in line with the repayment of a previous term loan facility using a new facility that will mature in more than one year.

Non-current liabilities at FY2024 year-end amounted to IDR 3.59 trillion, more than twice the amount recorded at the end of FY2023, of IDR 1.71 trillion. This corresponds with the loan refinancing that took place in FY2024, as explained above. The Group remains committed to maintaining a healthy cash flow while ensuring sufficient funding for its long-term capital expenditure plans.

As total equity reached IDR 16.49 trillion at the end of FY2024, 6.8% higher than the previous period's figure, the Group's liabilities to equity ratio was measured at 0.27x. This was above the 0.25x recorded at the end of FY2023. Over the same period, Return on Equity ("ROE") dropped from 18.4% to 16.1%, while Return on Assets ("ROA") declined from 12.7% to 10.9%. The lower profitability metrics in FY2024 were consistent with the Group's more extensive third party FFB purchases, as one of the key components of cost. Finally, equity attributable to owners of the Company rose by 6.8% to IDR 14.22 trillion.

Cash Flows

The Group collected cash from customers to the tune of IDR 16.51 trillion, 11.7% greater than in the previous year, propelled by the rallies of both CPO and PK prices more than offsetting the decrease in sales volume. Soaring external FFB prices were the main factor that caused payments to suppliers, employees, and for other operating expenses to increase, from IDR 10.31 trillion in FY2023 to IDR 12.15 trillion in FY2024. Net cash generated from operating activities in FY2024 therefore amounted to IDR 3.26 trillion.

The Group made several investments in property, plant, and equipment amounting to IDR 943 billion, along with additional bearer plants of IDR 464 billion in FY2024. Moreover, additional land use rights cost the Group IDR 63 billion, and the acquisition of subsidiaries resulted in a cash outflow of IDR 41 billion. Against those, the Group recorded a decrease in plasma receivables of IDR 848 billion and received interest in the region of IDR 171 billion. All the above resulted in net cash used in investing activities amounting to IDR 504 billion.

With the free cash flows generated from the above activities, the Group made payments of dividends amounting to IDR 1.70 trillion in FY2024, in addition to IDR 162 billion in interest. The Group made a withdrawal from its loan facilities in FY2024 with a combined total of IDR 1.81 trillion, and made debt repayments of IDR 1.38 trillion. The resulting net cash used in these financing activities amounted to IDR 1.43 trillion.

The movements described above in FY2024 led to a sharp increase in cash and cash equivalents of IDR 1.33 trillion, bringing the Group's total cash and cash equivalents to IDR 1.71 trillion at the end of the year.

Board of Directors

LIM GUNAWAN HARIYANTO

Executive Chairman and Chief Executive Officer

Mr. Lim Gunawan Hariyanto has been serving as the Executive Chairman and Chief Executive Officer of the Group since its inception in 1998, playing a key role in formulating the Group's strategic plans and leading its business operations. He was appointed to the Board on 23 March 2012 and was most recently re-elected on 22 April 2022. In addition to his role at the Group, he has concurrently served as the Group President Director and CEO of PT Harita Jayaraya since 1998. With track record of expertise in the palm oil and mining industries, Mr. Lim holds a Bachelor of Business Administration degree from the University of Southern California, USA, having graduated in 1981.

LIM CHRISTINA HARIYANTO

Executive Director

Ms. Lim Christina Hariyanto joined the Group in 2012 as the Head of Investor Relations and was appointed to the Board on 1 June 2017. She was most recently re-elected on 20 April 2023. In her capacity, she has been instrumental in optimising the Group's communication with the financial community and driving initiatives aligned with Bumitama's strategic goals. Under her leadership, the Group's investor relations and corporate communications have gained credibility among key stakeholders within the investment community. Ms. Lim has received prestigious accolades, including IR Magazine's Best Overall Investor Relations for Southeast Asia in 2024, and Asiamoney's "Best Executive in Singapore" Award in 2016. In addition to her role in Bumitama, she serves as the President Commissioner of Harita Kencana Sekuritas and is a member of the Bumitama Foundation Board of Advisors. Ms. Lim holds a degree in Business Administration from the University of Southern California, USA, which she earned in 1990. She is also an active leader in the business community, having served as the Chair of the Young Presidents' Organization (YPO) Indonesia Chapter from 2011 to 2012.

DATO' LEE YEOW CHOR

Non-Executive Director

Dato' Lee Yeow Chor, Non-Executive Director since 23 March 2012, was most recently re-elected to the Board on 20 April 2023. He is the Group Managing Director and Chief Executive of IOI Corporation Berhad and a Board Member of IOI Properties Group Berhad, both being public listed companies in Malaysia. His career began in the Attorney General's Chambers of Malaysia and the Malaysian Judiciary, as a Magistrate. Elected as the Malaysian Palm Oil Association (MPOA) Chairman since June 2020, he previously chaired the Malaysian Palm Oil Council (2009–2020) and was a Board Director of Bank Negara Malaysia (2015–2018). He holds an LLB (Honours) from King's College London and a Postgraduate Diploma in Finance and Accounting from the London School of Economics, as well as qualified as a barrister from Gray's Inn, London, UK.

LIM HUNG SIANG

Lead Independent Director

Mr. Lim Hung Siang was appointed to the Board on 1 June 2018 and most recently re-elected on 22 April 2024. His expertise spans the transport and engineering sectors, including leadership roles at Singapore Automotive Engineering Group and ComfortDelgro Corporation. Post-retirement in 2007, he consulted for companies in Singapore, China, and France. He holds a Bachelor of Engineering (Mechanical) (First Class Honours) (1973) and a Master of Science (Industrial Engineering) (1979) from the University of Singapore, and attended the Senior Executive Programme at Stanford University, USA (1989).

WITJAKSANA DARMOSARKORO

Independent Director

Mr. Witjaksana Darmosarkoro, appointed as Independent Director on 1 July 2021 and most recently re-elected on 22 April 2024, is also the Director of Sustainability and Smallholders Development at the Secretariat of the Council of Palm Oil Producing Countries (CPOPC) in Jakarta. His career began in 1984 at the Coconut Research Center in North Sumatra, Indonesia, and he advanced through roles at the Indonesian Oil Palm Research Institute (IOPRI) (2005–2014) and the Indonesia Estate Crop Fund (BPDPKS) (2015). His eminent knowledge in Agronomy and Technical Advisor has allowed him to bring invaluable benefits to numerous oil palm companies throughout the years. He holds a Bachelor's degree in Soil Science (1983), a Master of Agronomy (1991) from Bogor Agricultural University, Indonesia, and a PhD in Crop Production and Physiology (1997) from Iowa State University, USA.

Board of Directors

LAWRENCE LUA GEK PONG

Independent Director

Mr. Lawrence Lua Gek Pong joined the Board on 1 January 2020 and was re-elected on 20 April 2023. He had a distinguished career in banking and finance. He currently serves as the Chairman of Miclyn Express Offshore Limited, a Non-Executive Director of Lygend Resources & Technology Co Ltd and Director of DSL Advisory Pte Ltd. His past roles include leadership positions at Citibank Private Bank Singapore, Merrill Lynch International Bank Singapore, and DBS Bank Singapore, where he also served as a Member of its Management Committee and Group Head of the Private Bank and subsequently as senior advisor until his retirement in 2022. Awarded the Pingat Bakti Masyarakat (PBM) Public Service Medal in 2021, he is deeply involved in community service and social enterprise mentorship. He was Chairman of IBF Private Banking Industry Workgroup and Member of IBF Standards Committee (2016–2020) and continues to serve on the Advisory Board for Wealth Management at the Singapore Management University. He is the Founding Chairman of a not-for-profit child development organisation (since 1991) and Patron of the Nee Soon Link Citizens' Consultative Committee (since June 2024). He graduated with a Bachelor of Social Science (Honours in Economics) from the National University of Singapore in 1982.

NG YI WAYN

Independent DIrector

Ms. Ng Yi Wayn, appointed as an Independent Director on 6 May 2024, is the Equity Partner and Head of Mergers & Acquisitions in Oon & Bazul LLP. She specialises in corporate transactional matters, with a particular focus on Mergers, Acquisitions and Divestments (M&A) as well as Private Equity (PE) and Venture Capital (VC) financing transactions. She has represented global and regional clients across various industries from Asia, United Kingdom, Europe, and the United States. She has been recognised and ranked as "Highly Regarded" by IFLR1000 Asia Pacific, as a "Notable Practitioner" by Asialaw Profiles, as the "Mergers & Acquisitions Lawyer of the Year in Singapore" by Corporate INTL, and as one of "Singapore's 20 most promising legal luminaries aged 40-and-under" by Singapore Business Review. She is also a contributing author for the Singapore Chapter of the International Comparative Legal Guide – Public Investment Funds 2023 and Private Equity 2021, and Lexis®Library's International Corporate Procedures for Singapore (2017–2020). She is an Advocate and Solicitor in Singapore and holds a Bachelor of Laws degree from The University of Manchester, UK.

Key Management

ROEBIANTO
Chief Operating Officer

Roebianto, the Chief Operating Officer of the Group since 1 January 2004, brings a wealth of experience to his role in the Group, which he joined in 2003.
From his initial position as General Manager in the Engineering Division of Bumitama Gunajaya Agro (BGA), Roebianto now leads and coordinates the Group's operations across plantation management, engineering, and human capital. His impressive career, spanning over four decades, began at Indo Plywood (Salim Group) in 1982 as a Field Superintendent. He climbed the ranks within Salim Group, eventually leaving in 1999. He then assumed the role of Director at Chua Sea Joo Plywood Industry Sdn Bhd, Malaysia, until 2003, before serving as General Manager at PT Tirta Mahakam Resources Tbk. Roebianto is a graduate of the Christian University of Indonesia, holding a Bachelor of Civil Engineering degree since 1982.
In 2023, he won the Planters Manajemen Transformatif (Transformative Management Planters) award from STIPER Agricultural Institute in Yogyakarta, Indonesia, in recognition of his efforts in transforming the Group's work culture.

SIE EDDY KURNIAWAN
Chief Financial Officer

Sie Eddy Kurniawan, the Chief Financial Officer of the Group since 7 January 2013, oversees finance, accounting, and ICT departments, along with strategic and commercial activities. His career in finance began in 1994 at Arthur Andersen as a Financial Auditor and Senior Auditor. He moved to PricewaterhouseCoopers, advancing to Vice President in Financial Advisory Services. In 2005 he joined Sampoerna Strategic Group as a Business Development Executive and subsequently served as the Chief Financial Officer of PT Sampoerna Agro Tbk until 2012. He holds a Bachelor of Economics degree from Parahyangan Catholic University, Indonesia, obtained in 1994.

LIM SIAN CHOO
Chief Sustainability Officer

Lim Sian Choo, the Chief Sustainability Officer since 27 May 2020, joined the Group in 2011. Her responsibilities encompass Corporate Secretarial Services and Corporate Social Responsibility, working closely with stakeholders, including the RSPO, in various capacities. She is an active member of numerous RSPO standing committees, working groups, and task forces, including as a member and co-chair of the Complaints Panel. Her career started in 1982 as a Chartered Accountant, and subsequently she held significant roles in various companies, including the Hong Leong Group of Malaysia as Group Financial Controller until 2011. In 2009, she served as a Non-Executive Director and Audit Committee member of Southern Steel Berhad. She earned her Bachelor of Commerce and Administration degree from Victoria University, Wellington, New Zealand, in 1981, and is a member of the Malaysian Institute of Accountants.

Corporate Milestones

1996
Acquired first concession covering 17,500 hectares in Central Kalimantan

1998
Commenced planting of first oil palm estate

2003
Commissioned first CPO mill in Central Kalimantan with 45 tph processing capacity

2007
- Surpassed 50,000 hectares planted area
- IOI Group bought 33% stake in the Group

2010
Surpassed 100,000 hectares planted area

2012
Listed on the Mainboard of the Singapore Exchange in April

2014
- Awarded the first two RSPO certificates and one ISPO certificate
- Piloted assessment of peat and forest, pioneering HCSA methodology in concession areas of over 55,000 hectares

2015
- Cemented results of 2014 study into NDPE-based Sustainability Policy, reported through the inaugural Sustainability Report

2017
Launched BBCP, a 9,000 hectares of landscape-based conservation project in Ketapang, West Kalimantan containing peat-lands, high-carbon stock rich forests and rare, threatened and endemic species of biodiversity, and as a wildlife corridor connects Sungai Putri peat swamp and Gunung Tarak protected forest, directly linked to Gunung Palung National Park

2018
Assisted group of 35 independent smallholders with 223 hectares of land in Central Kalimantan achieve RSPO certification

2019
- Achieved Group's first RSPO certificate for plasma smallholders under PT ASM
- Completed over 98% traceability of all FFB to plantation-level

2020
Piloted the FlyForest project, a drone-assisted seed dispersal programme to reforest 800 hectares of conservation areas within BBCP

2021
- Grossed over IDR 10 trillion in revenue for the first time
- Completed the first methane capture facility attached to the largest capacity mill, significantly reducing its GHG emissions

2022
- Bumitama's Sukuk Musharakah 2014/2029 upgraded to AA_2/Stable by RAM Ratings
- Expanded the Bumitama Sustainability Policy to address sustainability aspects across a wider spectrum

2023
25th anniversary of Bumitama and 10 years of SGX listing, marked by all-time-high dividend distribution of 55% payout ratio translating to 14% dividend yield

2024
Added 2 milling facilities in West Kalimantan with a combined processing capacity of 100 tonnes per hour

Corporate Accolades

2022

- Received “Asiamoney Award” in three categories:
  - Overall Most Outstanding Company in Singapore
  - Most Outstanding Company in Singapore (Small/Mid Cap)
  - Most Outstanding Company in Singapore (Consumer Staples)

2023

- Received “Asiamoney Award” in four categories:
  - Overall Most Outstanding Company in Singapore
  - Best for ESG in Singapore
  - Most Outstanding Company in Singapore (Small/Mid Cap)
  - Most Outstanding Company in Singapore (Consumer Staples)
- The Edge Singapore – Centurion Club Awards 2023 for the Highest Growth in Profit After Tax (PAT) Over Three Years in the Food & Beverages + Retailers Sector
- “Best CSR in Palm Oil Industry 2023” from The Iconomics
- Conservation Leadership Award from RSPO
- Three schools of Bumitama were awarded the Adiwiyata Initiative at the national level by the Indonesian Minister of Environment and Forestry and Minister of Education, Culture, Research, and Technology
- Mr. Sie Eddy Kurniawan of Bumitama’s Key Management received the “Top 10 Chief Financial Officer in Singapore 2023” from CEO insights ASIA Magazine
- Mr. Lim Hariyanto Wijaya Sarwono, Bumitama’s founding father, received the “Honorary Lifetime Achievement” from Ernst & Young
- Mr. Roebianto of Bumitama’s Key Management received the “Planters Manajemen Transformatif” award from STIPER Agricultural Institute

2024

- Ranked top 54th percentile and 35th percentile in terms of revenue and net profit, respectively, on Fortune Southeast Asia 500
- The Edge Singapore – Billion Dollar Club Awards 2024 for the Food & Beverages + Food & Drug Retailing Sector:
  - Overall Sector Winner
  - Highest Returns to Shareholders Over Three Years
  - Highest Growth in Profit After Tax (PAT) Over Three Years

- Bumitama subsidiary, PT BGB was accorded the “Tax Award 2024” as one of the largest taxpayers in 2023 from the South Jakarta II Regional Office of the Indonesian Directorate General of Taxes
- Five Bumitama-managed schools were awarded the Adiwiyata Initiative for their integrated system to create environmentally-mindful future generations, with three schools obtaining the highest Independent Adiwiyata level and two designated National level by the Indonesian Minister of Environment and Forestry and Minister of Education, Culture, Research, and Technology
- Received the “Best Overall Investor Relations” (Small Cap) awards at the IR Magazine Awards – South East Asia 2024
- Mr. Michael Kesuma, Bumitama’s Head of Investor Relations, was named the “Best Investor Relations Officer” (Small Cap) at the same event

- Excellence in HR Business Transformation by DataOn Humanica
- Sustainability and CSR Award by Media Perkebunan Magazine
- Plasma partnership assistance commitment award by Sawit Indonesia Magazine

SUSTAINABILITY & CORPORATE SOCIAL RESPONSIBILITY

Environmental Protection and Sustainable Land Use

Committed to environmental protection and sustainable land use, in 2024 Bumitama advanced several initiatives to balance responsible palm oil production with ecosystem conservation. Guided by its No Deforestation, No Peat, No Exploitation (NDPE) policy, the Group placed an emphasis on productivity improvements to reduce the need for land expansion.

We successfully conducted conservation efforts on set-aside area of 36,329 ha and social forestry area of 16,624 ha. Through our rehabilitation efforts, in the past two years we replanted 137 ha with 67,713 tree seedlings, helping to increase forest cover in conservation areas to 39.6%. To strengthen our conservation strategy, we continued reassessing and revalidating high conservation value (HCV) and high carbon stock (HCS) areas, and completed 20 reassessments across multiple estates in 2024.

In climate mitigation, the Group has achieved 18% reduction in greenhouse gas emissions compared to 2016 baseline. Our methane capture facility prevented 217,946 metric tonnes of CO_2e emissions from 2023 to 2024, and by introducing biocharcoal technology, we have been able to reduce our reliance on chemical fertilisers.

Renewable energy integration has been strongly featured in the Group's sustainability strategy in the past two years. Over 95.6% of our energy consumption is now derived from renewable sources. This include energy from additional solar farms that provided electricity to employee residences. Recognising its leadership in emissions reduction through low-carbon solutions, the Group has been selected to pilot Indonesia's Forestry and Other Land Use (FOLU) Net Sink 2030 initiative, which will prove instrumental in ensuring the success of Indonesia's national climate strategy.

Sustainable land management was supported by intensified fire prevention and water conservation efforts. As the Group fastidiously upheld its zero-burning policy, some challenges persisted in fully eliminating fire incidents within concession areas, despite having brought down the total areas burnt significantly *vis-à-vis* in 2023. Water resource management saw more optimised consumption and improved water quality in milling operations. Additionally, our pesticide reduction efforts attained new heights, with 96% of our operations have now become rodenticide-free, as the Group continues the transition toward more environmentally-friendly agronomic practices.

People and Communities

Our focus on developing the livelihoods and cultivating the capability of our people and the surrounding communities was redoubled in 2024. We deployed a range of new initiatives targeted to enhance workforce well-being, promote human rights, and drive inclusive economic growth, while reshaping our ongoing projects to render them more effective at delivering the intended outcomes.

Over 99% of our employees are on full-time contracts, which guarantee their job security and uphold fair labour conditions. We paid meticulous attention to our workforce's health and safety, and have achieved a 71% reduction in lost-time incident rates since 2020.

We expanded our community engagement with initiatives such as the "*Bumitama Berdaya*" programme, an integrative approach blending social, economic, and environmental perspectives in the quest to propel local communities towards greater self-sufficiency. In 2024, the principal focus of our outreach programmes was on education and social development. This was particularly evident in the "*Sekolah Desa Berdaya*" (SDB) initiative, through which we provide vocational training and entrepreneurship support for rural communities. We also supported our smallholder partners with relevant training and technical assistance to increase their agricultural productivity and ensure sustainable farming practices.

Beyond economic and educational support, Bumitama remained active in disaster relief, healthcare, and environmental stewardship. In deploying our programmes, we have been working closely with local stakeholders to tackle pressing social issues. Through initiatives ranging from community health services to infrastructure improvements to climate resilience projects, we are underscoring our involvement as a responsible corporate citizen that seeks to create meaningful social impact at a scale that is consistent with our growth.

Sustainability & Corporate Social Responsibility

Supply Chain and Responsible Sourcing

Our stance in promoting responsible sourcing was upheld, with the specifications for traceability tightened to align with the more granular attention as prescribed by the European Union Deforestation Regulation (EUDR). This new, more stringent standard meaningfully enhanced our sustainability approach we implement across our supply chain, and resulted in 92.5% of our FFB supply traceable to plantation level.

Over a third of our planted area has been allocated to scheme smallholders, surpassing the regulatory requirement and reflecting our Group's dedication to inclusive growth in the industry. Bumitama maintains stringent sourcing standards that ensure no FFBs were purchased from land cleared by fire. Owing to that, in 2024 Bumitama terminated sourcing agreement with one supplier found to have cleared land on forest area, therefore breaching our zero-tolerance commitment to sustainable practices.

Bumitama also made headway in terms of its estate certification, with ten of our seventeen mills obtaining RSPO certification by year-end. Full certification is expected by 2027. Simultaneously, the Group provides constant support to independent smallholders in obtaining certification. In anticipation of certain regulatory shifts, such as the EUDR, Bumitama has been proactively exploring RSPO-segregated mills to meet rising demand for fully traceable, deforestation-free palm oil.

Beyond compliance, Bumitama actively engages with suppliers to elevate environmental and social standards, participating in industry-wide initiatives and conservation partnerships. By integrating sustainability into procurement and strengthening supplier accountability, our Group has safeguarded its supply chain's resilience as well as reinforced its position as a prominent player in ethical palm oil production.

Governance and Accountability

Bumitama Group applies rigorous oversight on all its business practices through its Board of Directors and Sustainability Steering Committee that performs monitoring on ESG performance. We maintain compliance with the Singapore Exchange's sustainability reporting requirements and alignment with international frameworks, including the Task Force on Climate-related Financial Disclosures (TCFD). These frameworks have over the years strengthened our commitment to transparency and regulatory adherence. We are proud to report that no legal non-compliances or corruption incidents took place during the year.

Across Bumitama's operations, fully accessible grievance mechanisms and clear whistleblowing policies are maintained. Through these, we proactively identify and address stakeholder concerns, as well as document and resolve grievances raised by communities, NGOs, and regulatory bodies.

To elevate our industry standing, we have been actively engaging with stakeholders, among others through participation in ESG benchmarking initiatives and continued improvements in disclosure standards. Bumitama Group's ranking in sustainability indices, such as the Zoological Society of London's SPOTT and Forest 500, highlighted our progress in responsible governance across our operations, allowing us to bolster our reputation as a sustainability leader.

Key Sustainability Achievements and Goals

Topic	Target	Status as of December 2024
Non-deforestation, peat, conservation, and restoration	Increase forest cover in conservation areas by 10% (2020 baseline) by 2025	**On track: 39.6% as of 2024**
Wildlife and biodiversity conservation	Conservation partnerships to protect and increase Kalimantan's orangutan population	**Ongoing**
GHG reduction and climate adaptation	Install methane capture and biogas facilities at 15 existing palm oil mills	**On track: 1 methane capture facility in operation and 3 in the pipeline**
	Reduce GHG emissions intensity by 30% (2016 baseline)	**On track: 18% lower than baseline**
Health and safety	Zero fatalities	**Not achieved: Regrettably, 2 fatalities took place in 2023, and 3 in 2024**
	75% reduction in accident rates (2020 baseline) by 2025	**On track: 71% reduction in lost time incident rate since 2020**
Gender and equal opportunities	Breastfeeding facilities are available in all operational areas by 2023	**Achieved: 23 breastfeeding facilities have been set up**
Capacity and training	Provide 13 hours of annual training per employee	**Not achieved: 11.9 and 8.7 training hours per employee was recorded on average in 2023 and 2024**
Community development	Support six communities through social forestry partnerships in areas greater than 15,000 hectares by 2025	**Achieved and exceeded: 7 communities supported through social forestry programmes across 16,624 hectares**
Traceability and supply chain monitoring	100% traceability of FFB supplied by smallholders and external suppliers by 2023	**99.4% achieved in 2023, with revision of target in light of more stringent EUDR requirements** **In 2024, 92.5% of FFB supply traceable to plantation**
Governance, regulatory compliance, and business ethics	No legal non-compliances	**Achieved**
Transparency and accountability	Report climate-related impacts consistent with mandatory climate reporting targets for TCFD and SGX	**Achieved**

Corporate Governance

Bumitama Agri Ltd. (the "Company" or "Bumitama") and its subsidiaries (the "Group") recognises the importance of and is committed to upholding high standards of corporate governance, business integrity, and professionalism in its business and operations. The Board constantly reviews the Company's corporate governance practices and ensures alignment with the development and changes in the Code of Corporate Governance 2018 (the "Code") as well as inputs from stakeholders. The Company has achieved substantial compliance with the principles and guidelines set out in the Code, where they are applicable, relevant and practicable. In instances where a principle and/or guideline has not been fully met, an explanation has been provided.

This report sets out Bumitama's key corporate governance practices and activities in 2024, demonstrating adherence to the Code and embodying the Group's cultural pillar of morality, capability and integrity and its code of ethics, which are encapsulated in the Company's code of conduct policy, business ethics and anti-corruption policy.

ACHIEVEMENTS

The Company made its debut on the recently launched Fortune Southeast Asia 500 index, Bumitama ranked top 54th percentile and 35th percentile in revenue and net profit respectively. Additionally, Bumitama was accorded 3 awards from The Edge Singapore – Billion Dollar Club Awards 2024 under the categories of Returns to Shareholders Over Three Years, Growth in Profit After Tax Over Three Years, and Overall Sector Winner in the Food & Beverages + Food & Drug Retailers sector. The IR Magazine Awards – South East Asia 2024 had also accorded to the Company the "Best Overall Investor Relations" (Small Cap) and the "Best Investor Relations Officer" (Small Cap) awards.

(A) BOARD MATTERS

PRINCIPLE 1: THE BOARD'S CONDUCT OF AFFAIRS

The Board's primary role is to safeguard and foster long-term value and returns to its Shareholders. Board members are obligated to act in good faith and exercise independent judgement in the best interests of the Group. The Board focuses on the following broad areas, namely:

- Formulating corporate strategies, financial objectives and direction for the Group;
- Promoting effective management leadership of the highest quality and integrity;
- Monitoring the Group's adherence to the code of conduct and business ethics;
- Overseeing and evaluating the adequacy and effectiveness of the internal audit, risk management, financial reporting and compliance processes; and
- Upholding high standards of corporate governance for the Group.

The Board has set up a framework of prudent and effective internal controls, enabling risk assessment and management, evaluating Management's performance, establishing the Company's values and standards, and ensuring that the Company's obligations to Shareholders and other stakeholders are met, with decisions made objectively and in the interest of the Company and its Shareholders.

To facilitate effective management and assist the Board, certain functions have been delegated by the Board to various Board Committees namely: Audit Committee ("AC"), Remuneration Committee ("RC"), Governance & Nominating Committee ("GNC"), and Conflicts Resolution & Enterprise Risk Management Committee ("CRERMC"), each operating under clearly defined terms of reference.

Acknowledging the importance of Environmental, Social, and Governance ("ESG") issues, Sustainability Steering Committee ("SSC") was established on 10 May 2022, tasked with integrating sustainability into the Group's business model. The SSC comprises of the Group Executive Chairman & Chief Executive Officer ("CEO"), Independent Non-Executive Director, Chief Operating Officer ("COO"), Chief Financial Officer ("CFO"), Chief Sustainability Officer ("CSO"), and senior management of the Group. The SSC is responsible for overseeing social and environmental risk management strategies and ensuring compliance with social and environmental responsibilities and commitments, including the Group's Climate risk management strategy. Additionally, the SSC oversees sustainable development responsibilities and supports the Board in setting high level direction and strategic focus on sustainable business models within the Group.

The Board Committees, chaired by Independent Non-Executive Directors (also known as Independent Directors) and composed entirely of Independent Directors save for SSC, are guided by specific terms of reference set and approved by the Board. They have the authority to examine any issues within their remit and advise the Board with recommendations. Ultimately, the Board retains full responsibility and decision-making authority. Details of the scopes, responsibilities, and functions of the various Board Committees are set out in this Report and are as follows:

BUMITAMA'S GOVERNANCE FRAMEWORK

BOARD OF DIRECTORS

GROUP / COMPANY SECRETARY

CHAIRMAN & CEO

COMMITTEE	COMMITTEE MEMBERS	KEY RESPONSIBILITIES
Audit Committee	**Chairman:** Lim Hung Siang **Members:** Lawrence Lua Gek Pong Witjaksana Darmosarkoro	• Assist the Board in discharging its statutory and additional responsibilities • Evaluate the adequacy and effectiveness of the Company's Financial Control and internal control system and supervise the internal audit function • Oversee both internal and external audit processes, financial reporting and compliance with corporate governance standards • Evaluate the external auditor's adequacy, independence and performance
Governance & Nominating Committee	**Chairman:** Ng Yi Wayn **Members:** Lim Hung Siang Lawrence Lua Gek Pong Witjaksana Darmosarkoro	• Review the Board's structure, size and composition of the Board and Board Committees • Review all Board's appointments, re-appointment, and directors' retirement • Establish diversity targets for the Board, monitor within reasonable timelines and review the progress periodically • Determine and confirm annually the independence of directors • Review each director's ability to adequately carry out his/her duties and identify any training needs • Evaluate and assess Board's performance and adopt appropriate measures/ improvements as necessary • Review the Board and key management's succession planning
Remuneration Committee	**Chairman:** Lawrence Lua Gek Pong **Members:** Lim Hung Siang Ng Yi Wayn	• Review and recommend a remuneration framework for the Board and key management personnel • Review remuneration packages, ensuring alignment with the Group's remuneration guidelines
Conflicts Resolution & Enterprise Risk Management Committee	**Chairman:** Witjaksana Darmosarkoro **Members:** Lawrence Lua Gek Pong Lim Hung Siang Ng Yi Wayn	• Evaluate adequacy and relevancy of the potential conflicts of interest protocols annually • Receive and review quarterly report from internal auditors on potential conflicts • Determine and set the Group's overall levels of risk tolerance and oversee the risk management framework and its policies • Review and provide oversight on the enterprise risk management framework and significant risk exposures • Review the Group's sustainability risk framework and its approach to ESG factor management and climate-related disclosures
Sustainability Steering Committee	**Chairman:** Witjaksana Darmosarkoro **Members:** Mubarak Ahmad, Johan Puspowidjono, Lim Sian Choo **Advisors:** Lim Gunawan Hariyanto, Dato' Lee Yeow Chor, Roebianto & Eddy Kurniawan **Secretariate:** Deputy Head of Sustainability & CSR and Corporate Secretary Specialist	• Oversee the Group's sustainability performance and compliance with relevant regulatory requirements and international standards • Develop new ESG related programmes, including in regards with the Group's Climate risk management strategy • Review Group's Sustainability Policy and supervise integration of ESG into long-term planning • Monitor and provide recommendations on emerging sustainability issues • Monitor and ensure efficient functioning of the Group's grievance mechanism • Report to the Board quarterly on sustainability progress update and biennially for approval of Group's Sustainability Report

Corporate Governance

The Board and Board Committees meetings are scheduled in advance to coincide with the announcements of the Group's half yearly results and key summary production and financial indicators for the first and third quarters of the financial year. Additional and ad hoc meetings are convened as and when they are deemed necessary to address significant transactions or issues that may arise in between the scheduled meetings. In addition to these meetings, Independent Directors meet without the presence of Management, as and when required. The Company's Constitution provides for meetings to be held via telephone, electronic or other communication facilities which permit all persons participating in the meeting to communicate with each other simultaneously.

Directors may request for explanations, briefings by or discussions with Management on any aspect of the Group's operations or business from Management. When circumstances require, Board members exchange views outside the formal environment of Board meetings.

The Board met four times during the financial year ended 31 December 2024 ("FY2024"). The attendance of each Director at the Board and Board Committees Meetings for FY2024 was as follows:

	Board	AC	RC	GNC	CRERMC
Number of Meetings Held	4	4	1	1	2
	No. of Meetings Attended	No. of Meetings Attended	No. of Meetings Attended	No. of Meetings Attended	No. of Meetings Attended
Lim Gunawan Hariyanto	3	NA	NA	NA	NA
Lim Christina Hariyanto	4	2[1]	NA	NA	NA
Dato' Lee Yeow Chor	4	4[1]	NA	NA	NA
Lee Lap Wah George[2]	1	1	1	1	NA
Lim Hung Siang	4	4	1	1	2
Lawrence Lua Gek Pong	4	4	1	1	2
Witjaksana Darmosarkoro	4	4	NA	1	2
Ng Yi Wayn[3]	3	3[1]	NA	NA	2

NA: Not Applicable
(1) Attendance by invitation of the Committee.
(2) Resigned as an Independent Director of the Company with effect from 26 February 2024.
(3) Appointed as an Independent Director of the Company with effect from 6 May 2024.

The Board has delegated day-to-day operations to Management, while reserving certain key matters for its approval. Matters that specifically require Board approval are the Group's financial results, annual budgets, financial statements, interested person transactions, acquisitions and disposals of assets, capital expenditure plan, corporate or financial restructurings, dividend payments, commitments to banking facilities and convening of Shareholders' meetings. Board approval is also required for other matters which are likely to have a material impact on the Group's operating units and/or financial positions as well as matters other than in the ordinary course of business. The Board believes that when making decisions, all Directors of the Board act objectively and in the interests of the Group. If there is a conflict of interest, the concerned directors will recuse themselves from discussions and decisions involving the issue of conflict.

Directors who do not have prior experience or are not familiar with the duties and obligations required of a Director of a listed company in Singapore must undergo the necessary training and briefing as prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST"), especially organised by the Singapore Institute of Directors ("SID"), of which the Company is a corporate member, Institute of Singapore Chartered Accountants and SAC Capital. Ms. Ng Yi Wayn who appointed as an Independent Director of the Company with effect from 6 May 2024 has attended the mandatory training as prescribed by the SGX-ST in year 2024.

Directors are briefed on the strategic, business and industrial development of the Group at each board meeting by the Chairman and CEO and they also have the opportunity to visit the Group's operational facilities and meet with the Management to gain a better understanding of the Group's business operations. For FY2024, none of the Independent Directors had been able to travel to the Company's plantations, except for the Non-Executive Director who visited West Kalimantan on 7-10 August 2024. The Board members plan to visit the plantations in Indonesia in FY2025.

The Company encourages Directors to participate in development programmes especially technology development in palm oil industry and sustainability training course, which are considered essential and/or will enhance their roles on the Board and its Committees. The cost of Directors' attendance at appropriate training courses, conferences and seminars conducted by professionals (including SID) will be borne by the Company.

To reinforce the Board's effectiveness in addressing climate related risks and impacts, all members have completed sustainability training mandated under the enhanced SGX-ST Sustainability Reporting Rules, equipping them with crucial insights for informed governance in this regard. The CEO, supported by the CSO and various departments, is tasked with the operational management of climate-related issues, as delegated by the Board. This includes conducting a comprehensive study to assess the Group's climate-related risks and opportunities, further aligning the Group's strategic direction.

Some of the courses/seminars/conferences attended by some of the Directors are:

- Council for Board Diversity Leadership in Action – Navigating Change, Creating Opportunities 2024
- SID - Listed Entity Directors Programme
- SID – Environmental, Social & Governance Essential
- SID – Board Risk Committee Essentials Programme
- Transforming the Global Digital Economy with Generative AI
- Malaysian Palm Oil Council's Palm Oil Forum 2024
- Oils & Fats International Congress 2024
- YPO Leading in Disruptive Times Talk
- Forbes Global CEO Conference 2024
- ICDM - Strategic Data and Frameworks in Board Governance
- Pakistan Edible Oil Conference 2024
- 3rd Sustainable Vegetable Oil Conference 2024
- Indonesia Palm Oil Research & Innovation, Conference & Exhibition

All Directors are updated on an on-going basis via Board meetings and/or circulars on matters relating to, *inter alia*, changes to the regulations of the SGX-ST, Companies Act, accounting standards, and/or other statutory requirements and/or new releases issued by the SGX-ST, Accounting and Corporate Regulatory Authority ("ACRA"), and Monetary Authority of Singapore. The Directors may also seek independent professional advice on any Group matters, as they require, at the Group's expense.

Prior to each Board and Board Committees meeting, all Directors are provided with the relevant Board papers and reports within adequate time for the Directors to review the papers and reports. These reports provide information on the Group's performance, financial position, significant issues and any other matter which may be brought before the Board. Besides this, Board members are provided with quarterly operational performance reports with a short commentary so as to ensure Board members are kept updated and informed of the progress of the Group and an industry update on a regular basis. Directors are also informed of any significant developments or events relating to the Group.

All Directors have independent access to the senior management of the Group and the Company Secretary. The Directors also have unrestricted access to the Group's information, minutes of Board meetings, and management accounts to enable them to carry out their duties.

The Company Secretary attends all Board and Board Committees meetings excluding Executive Committee meetings and ensures that Board procedures are followed and that the applicable rules and regulations are complied with. The Company Secretary is responsible for assisting the Company in its compliance with the requirements of the Companies Act, the rules of SGX-ST Listing Manual and any other applicable regulations. The Company Secretary also ensures good information flow within the Board and the Board Committees, as well as between the senior management and Non-Executive Directors (including Independent Directors), and assists in the professional development of existing Directors, as and when required. The appointment and/or removal of the Company Secretaries are subject to Board approval.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

The Board comprises seven members and a majority of the Board are Independent Directors as of the date of this Annual Report:

Name	Board	AC	RC	GNC	CRERMC	Years of Service as at 31.12.24
Lim Gunawan Hariyanto	Executive Chairman	-	-	-	-	12.8
Lim Christina Hariyanto	Executive Director	-	-	-	-	7.6
Dato' Lee Yeow Chor	Non-Executive Director	-	-	-	-	12.8
Lim Hung Siang	Lead Independent Director	Chairman	Member	Member	Member	6.6
Lawrence Lua Gek Pong	Independent Director	Member	Chairman	Member	Member	5.3
Witjaksana Darmosarkoro	Independent Director	Member	-	Member	Chairman	3.5
Ng Yi Wayn	Independent Director	-	Member	Chairman	Member	0.7

Note: The composition of the Board Committees has been changed as above: as reflected on 6 May 2024.

Corporate Governance

The strong independent element of the Board ensures that it can exercise objective and independent judgement on corporate affairs and on transactions involving conflicts of interest and other complexities.

The GNC is tasked to determine on an annual basis and as needed, whether or not a Director is independent, bearing in mind the guidelines set forth in the Code and any other salient factors which would render a Director deemed not independent. Each of the Independent Directors has provided a declaration of his/her independence to the GNC. The GNC has reviewed, determined and confirmed the independence of the Independent Directors.

None of the Independent Directors has served on the Board for an aggregate period of more than nine years (whether before or after listing) from the date of their first appointments.

Views and opinions of Non-Executive Director and Independent Directors, who make up a majority of the Board, provide alternative perspectives to the Group's business. When challenging Management's proposals or decisions, they bring independent judgement to bear on business activities and transactions involving conflicts of interest and other complexities. The Non-Executive Director and Independent Directors also communicate regularly with Management to discuss matters such as the Group's financial performance, business strategies, latest business innovation and technologies, and corporate governance initiatives. Where necessary, the Group arranges for the Independent Directors to meet the Heads of Departments and key employees without the presence of Management.

Where necessary or appropriate and at least once a year, the Non-Executive Director and Independent Directors on the Board will meet without the presence of the Management. The Independent Directors communicate regularly to discuss matters related to the Group. Where appropriate, the Lead Independent Director provides feedback to the Executive Chairman after such meeting(s).

The Code provides that where the Chairman is, *inter alia*, part of the Management team or is not an Independent Director, the Independent Directors should make up a majority of the Board. With 1 Non-Executive Director and 4 Independent Directors making up a majority of the Board, the Board is satisfied and assured that no individual or group of Directors has unfettered powers of decision that could create a potential conflict of interest.

The Board periodically conducts a review of its size and composition of the Board which comprises members of both genders and from different backgrounds. This diversity in core competencies, qualifications, skills and experiences ensures that the Board continues to meet the needs of the Group and maintains its effectiveness.

The Board adopted a Group Diversity Policy with measurable objectives identified in particular Board diversity aspects such as age, gender, cultural, educational background, ethnicity, professional experience, skills, knowledge and length of service, and any other factors that the Board may consider relevant and applicable from time to time. Directors with background in technical, legal, financial, engineering, management and audit fields will provide various extensive business experiences to the Company. High emphasis is placed on ensuring a balanced composition of skills and experience at the Board level in order to provide a range of perspectives and insights. This enables the Board to discharge its duties and responsibilities effectively, support good decision making regarding the core business and strategy of the Company and its subsidiaries, and support succession planning and development of the Board.

The current Board comprises Directors who as a group provide core competencies such as finance, legal, engineering, business management, agronomy researcher, sustainability, and industry knowledge. The profile of the Directors can be found on pages 18 to 20 of this Annual Report.

For achieving an optimal Board, additional measurable objectives/ specific diversity targets may be set and reviewed from time to time to ensure their appropriateness. Such factors will be considered by the Company based on its business model and specific needs and the ultimate decision will be based on merit, value and contribution that the selected candidates will bring to the Board.

The Board is of the view that, while it is important to promote boardroom diversity in terms of gender, age and ethnicity, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board should remain as priority. In addition to ensuring a balanced composition of skills and experience at the Board, the following has been deliberated:

(a)Gender diversity

The Company has stated that it will make a concerted effort to have two female directors on the Board over the next 5 years starting from year 2023. Thus, the Company accomplished to achieve its target ahead of its targeted timeline by appointing a new female director in May 2024. It is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment and discrimination on the basis of gender, physical or mental state, ethnicity, nationality, religion, age or family status. This principle also applies to the selection of potential candidates for appointment to the Board in order to attract and retain women participation on the Board;

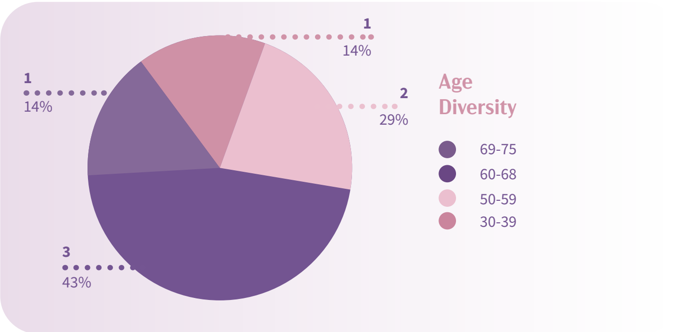
(b) Age diversity

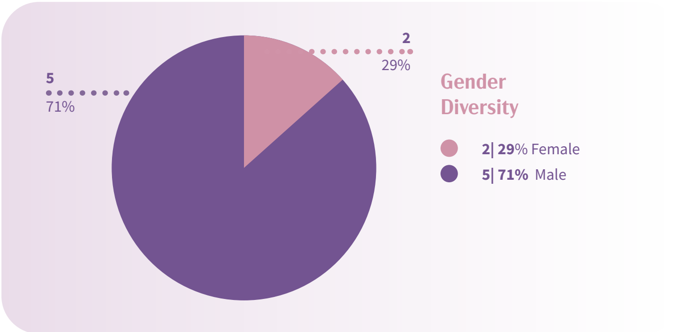
The Company does not set any specific target for the boardroom age diversity but will work towards having appropriate age diversity on the Board, if opportunity arises. It does not fix an age limit for its directors given that such Directors are normally reputed and experienced in the corporate world and could continue to contribute to the Board in steering the Company. The Board is fully committed in promoting age diversity, valuing the contribution of its members regardless of age, and seeking to eliminate age stereotyping and discrimination on age. Following the appointment of the new independent director, the age diversity of the board has been broadened; and

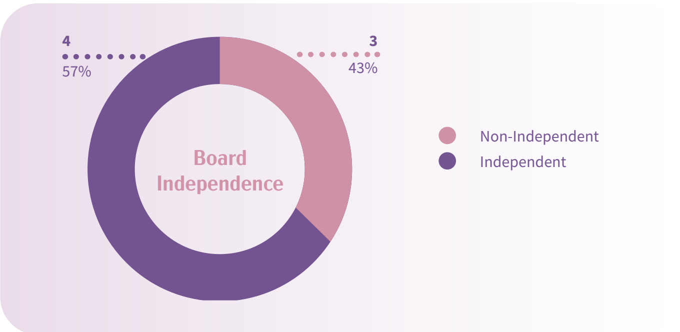
(c) Ethnic diversity

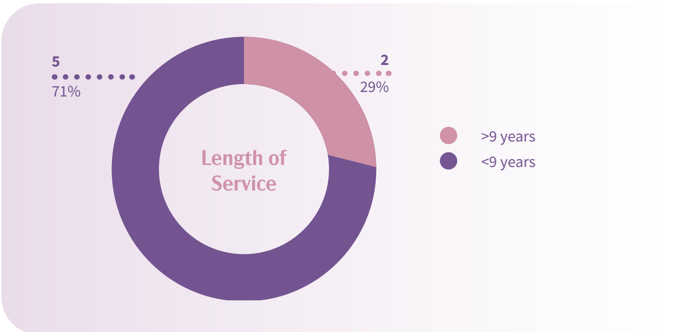
The Company does not set any specific target for ethnic diversity in the boardroom but will endeavor to have a board that reflects a suitable mix of ethnic backgrounds, if opportunity arises. Without bias towards any ethnicity, provided that the individual is well known and has experience in the business sector which the Group is operating in and can continue to make contributions to the Board, regardless of their ethnic background.

The following charts set out the Company's Board diversity indicators as at the end of FY2024:

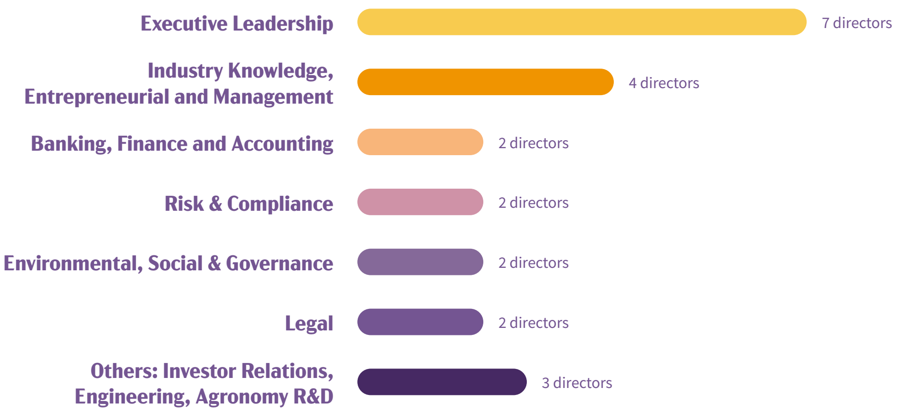








The following is the Board's skill matrix, which lists the expertise, skills, and experiences of the Board:



Corporate Governance

The Company is committed to implementing the Board Diversity Policy and will review this Policy periodically to ensure its effectiveness and alignment with best practice and the requirements of the Code, or as amended from time to time, and any other relevant legislation. Any progress made towards the implementation of this Policy will be disclosed in future Corporate Governance Reports of the Company, as appropriate.

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Chairman of the Board, Mr. Lim Gunawan Hariyanto, is also the CEO of the Company. Mr. Lim Gunawan Hariyanto plays an instrumental role as the CEO in (i) formulating the overall business and corporate policies and strategies of the Group; (ii) managing the overall business and operations of the Group; and (iii) overseeing the Group's overall business development. As Chairman of the Board, he bears primary responsibility for the workings of the Board, by ensuring effectiveness on all aspects of its role including setting agenda for Board meetings and ensuring that the Directors receive complete and adequate information.

With the establishment of various Board Committees who have power and authority to perform key functions and put in place internal controls for effective oversight of the Group's business and the majority of the Board comprises non-executive Directors while Board Committees comprise Independent Directors, to prevent an uneven concentration of power and authority in a single individual, the Board is of the view that these enable the Board to exercise objective decision-making in the interests of the Group. The Board believes that Mr. Lim Gunawan Hariyanto's dual role as Chairman and CEO allows for more effective planning and execution of long-term business strategies as he is knowledgeable in the business of the Group and provides the Group with a strong and consistent leadership.

In view of the foregoing, the Board considers it is currently not necessary to separate the roles of the Chairman of the Board from that of the CEO to facilitate the Group's decision-making and implementation process.

Taking cognizance of the non-separation of the roles of the Chairman of the Board and the CEO, in the spirit of good corporate governance, Mr. Lim Hung Siang was appointed as Lead Independent Director to serve as a channel for Shareholders in the event their concerns are not resolved through the normal channel of the Chairman and CEO or the CFO, or for which such contact is inappropriate. Mr. Lim Hung Siang will also act as liaison between the Independent Directors and the Chairman of the Board; to provide non-executive perspectives in circumstances where it would be inappropriate for the Chairman to serve in such capacity and to contribute a balanced viewpoint to the Board.

PRINCIPLE 4: BOARD MEMBERSHIP

The GNC comprises four Directors, all of whom are non-executive and are Independent Directors. The GNC members are:

Ms. Ng Yi Wayn(GNC Chairman)
Mr. Lim Hung Siang
Mr. Lawrence Lua Gek Pong
Mr. Witjaksana Darmosarkoro

The GNC met on one occasion in FY2024.

The GNC performed the following functions in FY2024 in accordance with its terms of reference:

1. reviewed and recommended to the Board the structure, size and composition of the Board and Board Committees;
2. determined the process for search, nomination, selection and appointment of new Board members;
3. reviewed and made recommendations to the Board on all Board appointments, including nomination of the Directors for re-election/re-appointment, taking into account the Director's contribution and performance;
4. determined annually whether a director is independent;
5. determined whether or not a director is able to and has been adequately carrying out his/her duties as a Director of the Company, particularly where the Director concerned has multiple board representations;
6. evaluated the Board's performance as a whole and the contribution by each Director to the effectiveness of the Board, and to adopt appropriate measures to assess performance;
7. reviewed succession plans, in particular, the Chairman/CEO and key management;
8. monitored the induction, orientation and training for any new and existing Directors; and
9. reviewed the Diversity Policy that addresses gender, skills and experience, and any other relevant aspects of diversity , including diversity target(s) periodically and/or amend it whenever necessary.

Pursuant to Regulation 91 of the Company's Constitution, one-third of the Directors will retire from office by rotation and submit themselves for re-nomination and re-election at every Annual General Meeting ("AGM"). Each Director is also required to retire at least once every three years. Pursuant to Regulation 97 of the Company's Constitution, any Director so appointed shall hold office until the next AGM. A retiring Director is eligible and may be nominated for re-election.

The GNC has recommended to the Board that Mr. Lim Gunawan Hariyanto, Mr. Lawrence Lua Gek Pong (retiring pursuant to Regulation 91 of the Company's Constitution) and Ms. Ng Yi Wayn (retiring pursuant to Regulation 97 of the Company's Constitution), be nominated for re-election at the forthcoming AGM. Mr. Lim Gunawan Hariyanto, Mr. Lawrence Lua Gek Pong, and Ms Ng Yi Wayn have signified their consent to remain in office.

In reviewing the nomination of the retiring Directors, the GNC considered the performance and contribution of each, focusing not only to their attendance and participation at Board and Board Committees meetings but also on the time and efforts devoted to the Group's business and affairs. The Board has accepted the GNC's recommendation.

Each member of the GNC and the Board shall abstain from voting on any resolutions and/or participating in deliberations in respect of his/her own re-election as Director. Thus, Mr. Lim Gunawan Hariyanto, Mr. Lawrence Lua Gek Pong, and Ms. Ng Yi Wayn have abstained from the deliberation and decision concerning their own re-election.

The GNC conducts an annual review of Directors' independence following the Code's and Listing Manual's definition of an Independent Director and guidelines regarding relationship in determining the independence of a director. The GNC and the Board are of the view that Mr. Lim Hung Siang, Mr. Lawrence Lua Gek Pong, Mr. Witjaksana Darmosarkoro and Ms. Ng Yi Wayn are considered independent while Dato' Lee Yeow Chor is considered a Non-Executive and Non-Independent Director due to his association with Oakridge Investments Pte Ltd., a substantial shareholder of the Company.

Save as disclosed, the Independent Directors are not related and do not have any relationship with the Company, its related corporations, its officers, or any situation that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement for the best interests of the Company.

The GNC has adopted a process for the selection and appointment of new Directors which outlines procedures for identification of potential candidates' skills, knowledge, experience and assessment of the candidates' suitability.

Selection of candidates to be considered for appointment as Directors is facilitated through recommendations from the Directors, Management or external parties. The GNC interviews the shortlisted candidates before formally considering and recommending them for appointment to the Board and where applicable, to the Board Committee(s).

In reviewing and recommending to the Board any new Director appointments, the GNC evaluates: (a) the candidate's independence, in the case of an Independent Director's appointment; (b) the composition requirements for the Board or Board Committee(s) as the case may be; (c) the candidate's track record, experience and capabilities and such other relevant factors as may be determined by the GNC which would contribute to the Board's collective skills; and (d) any competing time commitments due to multiple board representations.

The Company will issue a formal letter of appointment to newly appointed Non-Executive Director and Independent Director, setting out the Director's duties and obligations and terms of appointment, whereas Executive Directors will be provided with Service Agreements setting out their terms of office and terms and conditions of appointment

The GNC has reviewed succession planning for the Chairman/CEO and key management and the Company's high potential and talent programmes. This information is used when considering the appointment and/or replacement of any Executive Director and key management personnel to ensure business continuity and long-term success of the Company.

A Director with multiple board representations must ensure that sufficient time and attention are given to the affairs of the Group. The Board, with the concurrence of the GNC, having considered the attendance of the Directors and their contributions at meetings of the Board and Board Committees, has concluded that Directors with multiple board representations have performed as well as those with fewer. They are satisfied that these Directors have devoted sufficient time and to the Group's affairs. The GNC is also of the view that imposing a maximum limit on the number of listed company board representations is arbitrary and prefers to review existing models for managing board representations rather than setting a fixed limit.

As at 31 December 2024, there was no alternate Director on the Board.

Corporate Governance

PRINCIPLE 5: BOARD PERFORMANCE

The GNC undertakes an annual assessment of the performance and effectiveness of the Board and Board Committees collectively. The GNC prefers assessing the Board and its Committees as a whole, acknowledging the unique contributions of each Board member towards the Board's overall effectiveness.

The assessment procedure has been refined over time, incorporating feedback including factors such as attendance, Board composition, conduct, input and contributions to the Board and its various committees; keeping updated on industry trends and global market developments; and the quality and timeliness of information provided. The Directors individually evaluate the Board and the Board Committees, with the results being consolidated, analysed and reviewed by the GNC, which also compared them to the previous year's results. Identified strengths and areas for improvement are then reported to the Board.

The Chairman, in consultation with the GNC, would act on the results of the assessment, upon the endorsement of the report.

Based on the GNC's findings for FY2024, the Board's performance was satisfactory, highlighting strengths and identifying areas for further improvement. No significant problems have been identified. The GNC had discussed the results with the Board and the Board had agreed to address the areas where improvement is necessary and appropriate, with no external facilitator involved in assessment.

(B) REMUNERATION MATTERS

PRINCIPLE 6: PRECEDURES FOR DEVELOPING REMUNERATION POLICIES

The RC comprises three members, all of whom are non-executive and Independent Directors. The members of the RC are:

Mr. Lawrence Lua Gek Pong (RC Chairman)
Mr. Lim Hung Siang
Ms. Ng Yi Wayn

In FY2024, the RC met on one occasion.

During FY2024, the RC performed tasks according to its terms of reference:

1. recommended to the Board a renumeration framework for the Directors and key management personnel of the Group;
2. ensured that these remuneration packages are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibilities;
3. assessed and recommended Non-Executive Director and Independent Directors fees, considering their effort, time spent, and responsibilities; and
4. reviewed the service contracts of the CEO and Executive Directors.

The Group employs a transparent method for establishing executive remuneration policies and setting individual remuneration packages of individual Directors and key management personnel. The RC's review covers all aspects of remuneration including but not limited to, Directors' fees, salaries, allowances, bonuses, employees share options and benefits in kind and specific remuneration package for each Director. In developing a policy on executive remuneration, the RC seeks to link a proportion of the compensation to the Group's performance. The RC also ensures that the remuneration packages of individual Directors take into consideration the Group's performance and the performance of that individual Director.

Directors do not participate in decisions regarding their own remuneration. When needed, the RC can consult external experts on remuneration matters. No external consultants were appointed for the financial year under review.

The Group does not have any employee share option scheme or any long-term scheme in place.

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION
PRINCIPLE 8: DISCLOSURE ON REMUNERATION

The Company's remuneration policy aims to offer compensation packages at market rates, reward performance and attract, retain, and motivate the key management personnel.

Non-Executive Directors (including Independent Directors) are compensated with Directors' fees, established through a structured framework. This framework comprising Board fees and additional fees, considers Board participation, additional roles on Board Committees, as well as the effort, time and responsibilities associated with these positions. The payment of such fees is proposed for Shareholders' approval at the AGM of the Company.

Executive Directors are not eligible for Directors' fees. Instead, their remuneration packages, which are reviewed annually, are reflective of individual and Group's performance, and are benchmarked against the industry standards.

The remuneration packages for the Executive Directors and key management personnel includes fixed and variable components. The variable component is determined based on the individual's and the Group's performance in the relevant financial year. Adjustments to remuneration are determined post the annual appraisal process.

Recommendations for remuneration to the RC are based on key performance indicators, such as revenue, earnings before interest, depreciation and amortisation (EBITDA), net profit, planted area, and Fresh Fruits Bunches internal and Crude Palm Oil production, as well as the individual's contribution to these objectives. This approach aligns the interests of shareholders and other stakeholders with the Group's long-term sustainability.

RC members recuse themselves from discussions and decisions on any their own remuneration package, or on other matters with conflict of interest, to maintain objectivity.

Executive Directors' Service Agreements are initially set for three years from the date of appointment respectively and are renewable for successive periods of one year each. These agreements allow for termination by either party with a six months' written notice, without imposing undue financial burdens. There are no onerous compensation commitments on the Company or its subsidiaries for early termination. The remuneration structure is designed to reward Executive Directors and key management personnel on the achievement of specific performance indicators and the actual results of the Group, and not on any other assigned incentives, the "claw back" provisions in their employment contracts may therefore not be relevant or appropriate. The RC may consider "claw back" provisions in exceptional cases of financial misstatement or misconduct which could result in financial loss to the Group.

For FY2025, the RC with the concurrence of the Board, has recommended that Non-Executive Directors receive a total of S$416,000 in Directors' fees, paid quarterly in arrears, subject to Shareholders' approval at the forthcoming AGM.

The annual remuneration bands for the Directors and key management personnel and the proportion of variable bonus and fixed remuneration, fee, and salary of the benefit for FY2024 are set out below:

Name of Directors	Total Directors' Fee	Fixed Salary	Variable Bonus and Benefit	Total Remuneration	Total
Executives Directors					
Lim Gunawan Hariyanto[1]	–	45%	55%	S$4,379,420	100%
Lim Christina Hariyanto[1]	–	49%	51%	S$693,206	100%
Non-Executives Directors					
Dato' Lee Yeow Chor	S$68,000	–	–	–	100%
Lim Hung Siang	S$91,000	–	–	–	100%
Lee Lap Wah George[3]	S$14,833	–	–	–	100%
Lawrence Lua Gek Pong	S$89,000	–	–	–	100%
Witjaksana Darmosarkoro	S$87,000	–	–	–	100%
Ng Yi Wayn[4]	S$54,000	–	–	–	100%
Key Management Personnel[2]				**Remuneration Band**	
1 Executive	–	49%	51%	S$3,250,001 – S$3,500,000	100%
1 Executive	–	37%	63%	S$2,500,001 – S$2,750,000	100%
1 Executive	–	80%	20%	S$250,001 – S$500,000	100%

Notes:
(1) Payment partly by Indonesian subsidiary and partly by Bumitama.
(2) Fully paid by Indonesian subsidiaries.
(3) Resigned as an Independent Director of the Company with effect from 26 February 2024.
(4) Appointed as an Independent Director of the Company with effect from 6 May 2024.

Corporate Governance

The Company's approach to Director and key management remuneration aligns with market rates, rewarding performance, and aims to attract, retain and motivate talent. Remuneration bands are set out in incremental bands of S$250,000, deemed by the Group as both sufficient and adequate for disclosure. Further disclosure is considered potentially detrimental to the Group's interests, possibly affecting talent retention and recruitment in a highly competitive market, given the sensitive nature of remuneration matters.

Despite Provision 8.1 of the Code, which requires disclosure of the top five (5) key management personnel's remuneration on named basis, the Group will only disclose the above three (3) individuals identified as Group's key management personnel, excluding the CEO, due to their supervisory roles over senior management.

The Board believes that the remuneration information disclosed above is sufficient for shareholders to have an adequate information and appreciation of the remuneration of the Directors, Group CEO and top 3 key management personnel. The Board also believes that there is sufficient transparency on the Company's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation are consistent with the intent of Principle 8 of the Code.

During FY2024, the remuneration of three employees, who are immediate family members of a Director, and/or the CEO and/or a substantial shareholder of the Company, exceeded S$100,000. Their compensation is detailed in bands no wider than S$100,000, as set out below:

Name of Executives[1]	Related to	Remuneration Band
Gunardi Hariyanto Lim	Brother of Lim Gunawan Hariyanto and Lim Christina Hariyanto	S$3,200,001 - S$3,300,000
Lim Liana Sarwono	Sister of Lim Gunawan Hariyanto and Lim Christina Hariyanto	S$400,001 – S$500,000
Lim Chuan Loong, Brian	Son of Lim Gunawan Hariyanto and Nephew of Lim Christina Hariyanto	S$100,001 – S$200,000

Notes:
(1) Fully paid by Indonesian subsidiaries.

(C) ACCOUNTABILITY AND AUDIT

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Board ensures that Management maintains a robust system of risk management and internal controls, safeguarding shareholders' investment and the Group's assets.

Risk management involves regular Board's reviews to identify significant business risks and appropriate measures to control and mitigate these risks. Management reviews all control policies and procedures and highlights significant matters to the AC and the Board. The Group's financial risk factors and financial risk management objectives and policies are outlined under Note 34 of the "Notes to the Financial Statements" on pages 116 to 123. Risk management alone does not guarantee that business undertakings will not fail. However, by identifying and managing risks that may arise, the AC and the Board are better positioned to make more informed decisions and will benefit from a better balance between risk and reward. This will assist in protecting the Group's assets.

The AC, together with the Board, has reviewed the effectiveness of the Group's system of internal controls established to address the key financial, operational, compliance and information technology risks affecting the operations.

ENTERPRISE RISK MANAGEMENT ("ERM")

Effective and prudent risk management is one of the key factors in achieving the Group's business objectives and strategic goals.

The Group has established a systematic ERM framework to identify, assess, monitor, manage and evaluate the significant business risks to which the Group is exposed to. Under the ERM framework, a risk register identifying material risks together with the internal controls to manage or mitigate those risks is maintained. A separate Management Committee and an ERM Secretariat were formed to oversee the ERM and ensure that the risk register is reviewed, managed and updated regularly.

The Management Committee comprises the COO, CFO, CSO, as well as the Head of the Internal Audit Department.

Risks are pro-actively identified and addressed. The ownership of these risks lies with the respective business and executive heads with stewardship residing with the Board. The Internal Audit Department, CSO, together with the ERM Secretariat, reviews the overall ERM system quarterly and the CRERMC reviews the adequacy and effectiveness of the Group's risk management and internal control systems half-yearly. As the Group continues to grow, considering the evolving nature of its business, the Management Committee will, on a regular basis, conduct an assessment on the adequacy of the framework, processes and procedures, and risk identified and measured.

In 2024, the results of a review incorporating changes in business dynamics were presented, and the results and recommendations have been shared with CRERMC and the Board. It was agreed that (1) continuous reviews and training are needed and agreed recommendation and implementation will be conducted in phases to ensure the internalisation of the purpose and method of ERM assessment and risk management; (2) the risk map was improved and updated based on feedback from various departments and management; and (3) the preparation of the internal audit plan for 2024 incorporated information drawn from the yearly revised risk map.

The Board has received written assurances from the CEO and CFO that:

a. the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and

b. the Group's risk management and internal control systems are effective and adequate.

The CEO and CFO have obtained similar assurance from the business and corporate executive heads in the Group.

Based on the ERM framework established, internal controls systems maintained by the Group, work performed by the internal and external auditors, and assurance from Management, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls addressing financial, operational, compliance and information technology controls and risk management system of the Group were adequate and effective during FY2024.

The amended terms of reference of AC have delegated the oversight of ERM to CRERMC, and AC shall have close interaction with CRERMC on key financial risk areas of the ERM.

MANAGEMENT OF CLIMATE-RELATED RISKS

Bumitama Group's approach to risk management involves a structured and methodical process for the meticulous identification and assessment of risks, subsequently graded based on their impact and likelihood. This process is strengthened by the Plan-Do-Check-Act cycle to ensure effective risk management. The Group aims to comprehensively manage both physical and transition-related climate risks, which are integrated into the overall risk management framework, and focus on enhancing business resilience and transitioning from conventional, carbon-intensive operations to more sustainable, low-carbon models. Crucial to this transition are alternative energy technologies used to power the Group's operations and support surrounding communities with renewable energy solutions.

In alignment with this commitment, the Group has undertaken a comprehensive analysis of two climate scenarios that help develop a resilience assessment strategy leading up to 2050. These scenarios include one aligned with the Paris Agreement's goal of remaining below a 2°C temperature increase and a more severe scenario envisaging a 4°C increase. The TCFD's recommended analytical framework has been utilised in this identification and analysis of potential transitional and physical risks. It also aids in identifying opportunities related to resource efficiency, energy sources, and market adaptation, ensuring that the Group's strategy is well-rounded and future-proof. For a more detailed information of the Group's risk management framework for climate-related risks, see in our website.

As a key part of addressing climate-related risks, the Group has established ambitious emission reduction goals across its operations and supply chain. These goals include both short-term and long-term strategies, building on the Group's commitment to No Deforestation, No Peat, No Exploitation ("NDPE") principles. In brief, the measurable strategies include limiting deforestation in conservation areas to under 0.1% annually, increasing forest cover by 10% by 2030, and reducing greenhouse gas intensity by 30% from 2016 levels by 2030. Efforts to meet these targets involves active reforestation, enhancing production efficiency, installing methane reduction facilities, boosting renewable energy use, collaborating to reduce suppliers' and contractors' carbon footprint, and optimising business travel and logistics. The Group maintains transparency in reporting emission reduction targets and progress in its annual and sustainability reports. A more detailed information of the Group's climate-related metrics and targets are presented in our website.

Corporate Governance

PRINCIPLE 10: AUDIT COMMITTEE

The AC comprises three members, all of whom are non-executive and Independent Directors. The AC members are:

Mr. Lim Hung Siang (AC Chairman)
Mr. Lawrence Lua Gek Pong
Mr. Witjaksana Darmosarkoro

In accordance with the principles and provisions in the Code, the Board is of the view that at least two members, including the AC Chairman, collectively, have the expertise and experience in accounting and financial management, and are qualified to fulfill and discharge their responsibilities.

The AC does not comprise former partners or directors of the Company's existing auditing firm, Ernst & Young LLP.

For FY2024, the AC has performed the following in accordance with its terms of reference:

1. met with both the internal and the external auditors to review the audit plans, and discussed the results of their audit findings and evaluation of the Group's system of internal accounting controls;
2. reviewed the Group's significant financial reporting issues and judgement to ensure the integrity of the financial statements of the Group and announcements relating to the Group's financial performance;
3. reviewed the adequacy and effectiveness of the Group's internal audit controls and risk management systems;
4. reviewed with the internal auditors, the scope and results of the internal audit procedures and monitored Management's response to their findings to ensure that appropriate follow-up measures are taken;
5. reviewed the adequacy, independence, effectiveness, scope and results of the external audit and the Group's internal audit function;
6. reviewed the assurance from the CEO and the CFO on the financial records and financial statements;
7. reviewed and discussed with the external auditors, any suspected fraud or irregularity, or suspected infringement of any law, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and Management's response;
8. reviewed Interested Person Transactions ("IPT") falling within the scope of Chapter 9 of the SGX-ST Listing Manual and the IPT Register;
9. reviewed and monitored any report or concern received via channel established by whistleblowing policy;
10. considered half-yearly ERM report reviewed by CRERMC and prepared by the Internal Audit Department, CSO, and the ERM Secretariat;
11. made recommendations to the Board on the nomination of the external auditors, as well as reviewed the remuneration and terms of engagement of the external auditors;
12. met with the internal and external auditors, without the presence of Management. Both the internal and external auditors had confirmed that they had received full co-operation from Management and no restrictions were placed on the scope of the respective audits;
13. kept abreast of accounting standards and issues that could potentially impact the Group's financial reporting through semi-annual updates and advice from the external auditors;
14. reviewed the non-audit services provided by the external auditors of the Group, and the fees paid to them, to assess the independence and objectivity of the external auditors. The aggregate amount and breakdown of the audit and non-audit fees paid to the external auditors are found in Note [6] "General and Administrative Expenses" in the Financial Statements of this Annual Report. The AC is satisfied that the nature and extent of non-audit services had not prejudiced the independence and objectivity of the external auditors. The external auditors had also confirmed their independence in this respect; and
15. reviewed and confirmed the Group's compliance with Rules 712, 715 and 716(1) of the Listing Manual of the SGX-ST. The AC in their deliberation on the proposed appointment of Ernst & Young LLP have considered various factors, and was satisfied that the adequacy of resources and firm's experience, the audit engagement partner and his team assigned to the audit of the Group were adequate to meet their audit obligations, given the size, nature, operations and complexity of the Group. The accounts of the Company, its significant foreign-incorporated subsidiaries and its associates are audited by Ernst & Young LLP, an auditing firm registered with the ACRA, and KAP Purwantono, Sungkoro & Surja (a member firm of Ernst & Young Global Indonesia).

    The rest of the Group's subsidiaries are audited by KAP Anwar & Rekan ("A&R") and KAP Heru Satria Rukmana & Rekan. A&R is an auditing firm which is part of DFK International, a worldwide association of independent accounting firms and business advisers. The AC is satisfied that the appointment of A&R would not compromise the standard and effectiveness of the audit of the Group. The list of the Group's subsidiaries audited are disclosed on Note 9 of the "Investments to Subsidiaries" on pages 83 to 86 of this Annual Report.

The AC with the concurrence of the Board has recommended the nomination of Ernst & Young LLP for re-appointment as external auditors of the Company at the forthcoming AGM. Rule 713(1) of the Listing Manual of SGX-ST provides that the audit partner must not be in charge of more than 5 consecutive audit for a full financial year. The Company adheres to the regular rotation of audit partner once every five years.

The AC has explicit authority within the scope of its responsibilities to seek any information it requires or investigates any matter within its terms of reference. In particular, the AC has full access to both the external and internal auditors. It also has full discretion to invite any Director, and/or Management to attend its meetings.

The Group has put in place a whistle-blowing policy, whereby staff of the Group or any other persons such as customers, suppliers, contractors or local community may, in good faith and confidence, without fear of reprisals raise concerns about possible improprieties in financial reporting, unethical practices, misconduct or wrongdoing or other matters relating to the Company and its officers.

Anonymous disclosures will be accepted, and anonymity honoured. Arrangements are also in place for the confidential and independent investigation of such matters and for appropriate follow up actions. The Head of Internal Audit is the person to whom matters should be reported in the first instance through designated email and phone number. The initiated case will be raised to Investigation Audit Section ("IAS")/ AC Chairman and the investigation process will be carried out by IAS.

The Group is committed to ensuring protection of the identity and interest of all whistleblowers against detrimental or unfair treatment. If there are concerns as to the safety of the whistleblower, he or she may submit their complaint without putting his or her name and the whistleblower shall not be disadvantaged by dismissal, demotion, harassment, discrimination, or bias.

The whistle-blowing policy and the procedures put in place to implement such a policy had been reviewed by the AC and made available to all employees.

During FY2024, the Group had received whistle-blowing reports which were also highlighted to the AC's attention and deliberated at the meetings of AC quarterly. The whistle-blowing reports highlighted some incidents of impropriety carried out at the Group's plantations in Indonesia. These incidents were not material to the Group's financial statements and operations and remedial actions had been taken to address the issues.

INTERNAL AUDIT

The Company has a dedicated in-house internal audit team ("IA") which comprises of 32 members who are suitably qualified and experienced professionals with operational, financial and compliance experiences. The Head of IA is a Chartered Accountant who holds certification in Risk Management Assurance and has more than 30 years professional experience in Finance, Accounting, Audit, Tax and Information Technology management.

The IA is in place to review, at least once annually, the risks of the Group's policy, procedures, and activities. The IA has unfettered access to all of the Group's records and documents and reports directly to the AC on any material non-compliance and internal control weakness.

The Head of the IA reports directly to the Chairman of the AC on audit matters and to the CFO on administrative matters. The Head of the IA also shares the IA report with Management so as to ensure that the recommended corrective and preventive actions are taken. Every quarter, the IA prepares the internal audit report and reports the key issues, highlighting concerns, if any, to the AC. Feedback from the AC is taken note of, acted on and monitored. Within this framework, the internal audit function provides reasonable assurance that the risks of the Group will be identified, analysed, and managed by Management. The IA will also make recommendations to enhance the effectiveness and security of the Group's operations.

The AC ensures that the internal audit function is adequately resourced and qualified. On an annual basis, the AC reviews the adequacy and effectiveness of the internal audit function. The IA prepares and presents internal audit plan which incorporated feedback from the AC reviews, categorised inputs gathered from the audits, reviewing risk map, core programmes of the Group and critical internal control areas. To ensure maximisation of human resources in this department, IA has a training programme drawn up specifically to ensure that the team is kept updated and current on matters of audit, risks and internal controls as well as supervisory and managerial skills based on the recommendations of the AC. IA also attends relevant public trainings as part of the continuing professional requirements. The IA department is staffed with suitably qualified and experienced professionals with operational and financial experiences.

In addition to the work performed by the IA, the external auditors performed tests of certain controls that are relevant to the preparation of the Group's financial statements. The external auditors report any significant deficiencies of such internal controls to the AC. The AC also reviews the effectiveness of measures taken by Management to address the issues noted by the external auditors. The internal controls are continually being refined by Management.

During FY2024, the AC has reviewed the adequacy, independence and effectiveness of the Group's internal audit function and the AC is of the opinion that the internal audit function is independent, effective and adequately resourced.

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLE 11: SHAREHOLDERS RIGHTS AND CONDUCT OF GENERAL MEETINGS

The Group is committed to disseminating information to Shareholders regularly and on a timely basis. It aims to provide Shareholders with clear, balanced, useful and material information to ensure that Shareholders receive a balanced and up-to-date view of the Group's strategic development, performance, and business. The Company also takes input from stakeholders by considering and balancing the needs and interests of material stakeholders.

Corporate Governance

Shareholders are informed of general meetings through notices posted on the Company's website and the Company's announcement via SGXNet and published in local newspapers. The Company will dispatch the notice of general meeting to shareholders, together with the explanatory notes or a circular on items of special business for AGM or ordinary resolution or special resolution for EGM, at least 14 or 21 calendar days, where the case may be, before the general meeting.

The Group's main forum for dialogue with Shareholders takes place at its AGM, where members of the Board, senior management, and the external auditors are in attendance. Shareholders are given an opportunity to submit questions in advance regarding the resolutions tabled at the AGM or air their views and ask questions during the AGM.

The Company endeavors to address the substantial and relevant questions from shareholders received before the cut-off date and time stipulated in the notice of AGM and publish its responses to the questions on SGXNet and the Company's website at least 48 hours before the closing date and time for the lodgement of proxy forms. Any questions received after the cut-off date and time stipulated in the notice of AGM, the Company will seek to respond to these questions during the AGM or within a reasonable timeframe.

All the chairpersons of the Board Committees and Directors endeavor to be present and available to address shareholders' questions raised at the AGM relating to matters of the Board and respective Committees. The Group's external auditors are also invited and required to attend the AGM and are available to assist the Directors in addressing any relevant queries by the Shareholders relating to the conduct of the audit and the preparation and content of their Auditors' Report. For FY2023 AGM held on 22 April 2024, all Directors of the Company attended AGM virtually and/or physically.

Shareholders are encouraged to attend the Company's AGM to ensure a high level of accountability and to stay informed of the Group's strategies and growth. If Shareholders are unable to attend the meetings, the Constitution allows a Shareholder of the Company to appoint up to two proxies to attend, speak and to vote in place of the Shareholder through proxy form sent in advance. On 3 January 2016, the legislation was amended, among other things to allow certain members, defined as "relevant intermediary" to attend and participate in general meeting without being constrained by the two-proxy requirement. Relevant intermediary includes corporations holding licenses in providing nominee and custodial services and Central Provident Fund ("CPF") Board, which purchases shares on behalf of the CPF investors.

As the authentication of Shareholder identity information and other related security issues remain a concern, the Group has decided, for the time being, not to implement voting in absentia by mail, email, or fax.

Separate resolutions on each distinct issue are tabled at general meetings and explanatory notes are set out in the notices of general meetings where appropriate.

Electronic poll voting may be efficient in terms of speed but may not be cost effective. In this respect, the Company did not adopt electronic poll voting.

An appointed independent scrutineer validates the proxy forms submitted by the shareholders and the vote of all such valid proxies are counted and verified. The voting results of all votes cast for or against each resolution are screened at the meeting with respective percentage and these details are announced through SGXNet after the meeting. The Company Secretary prepares the minutes of the general meeting, which incorporate substantial and relevant questions from shareholders and responses from the Board and Management. These minutes are publicly available at SGX-ST's website and the Company's website.

2025 AGM

The forthcoming AGM of the Company will be held physically at Pan Pacific Singapore, Ocean 2-3, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595. Shareholders will be able to raise questions and vote in person at the AGM. There will be no option for shareholders to participate virtually. Arrangements relating to attendance at the forthcoming AGM, submission of questions to the Chairman of the meeting in advance of, or at, the AGM, and voting at the AGM by shareholders or their duly appointed proxy(ies), are set out in the Notice of AGM released on SGXNet on 11 April 2025.

DIVIDEND POLICY

The Group had updated its dividend policy to distribute with a range from 40% to 60% (previously the policy was up to 40%) of its distributable income. This adjustment considers the anticipated growth in cash flow, demonstrating the company's ability to maintain a sustainable and higher dividend payout. The policy on distribution of dividend will consistently be influenced by the results of the Group's cash flow and financial position, capital expenditure plan, debt repayment schedule, dividends received from its subsidiaries, industry conditions and prospects, and other factors deemed relevant by the Board of Directors.

For FY2024, the Group had declared and paid interim dividend of 1.2 Singapore cents per ordinary share on 18 September 2024. The Board has proposed a final dividend of 5.44 Singapore cents per ordinary share, one tier tax-exempt, which is subject to the approval by Shareholders at the forthcoming AGM.

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

The Company, through the Corporate Secretary and Investor Relations Departments, has adopted beyond-compliance approach in providing relevant company information disclosures to enhance shareholder's value, as dictated by its mission statement.

Aside from the AGM of shareholders which serves as a main avenue for communication between the Board and Shareholders, the Company has a dedicated Investor Relations team who function as company spokesperson to ensure accessibility while actively engaging the investment community, and promoting effective two-way communication through accurate, consistent, and timely responses to all external inquiries from investors, analysts and the media.

Bumitama's capital market outreach activities include publication of annual reports, sustainability reports, press releases, and investor circulars, in addition to conducting and participating in quarterly results briefings, investor conferences, roadshows, site visits, and meetings with investors, analysts, brokers, and the media.

During 2024, the Investor Relations team increased its efforts in view of the rising industry sentiment as palm oil price trended upwards throughout the year. Hence, more than 250 participants were engaged through various capital market outreach events mentioned above.

Contact details of the Investor Relations Department are available on the Company's corporate website at https://www.bumitama-agri.com/ and shareholders may contact the Company with relevant inquiries.

(E) MANAGING STAKEHOLDER RELATIONSHIPS

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

In addition to being labor intensive, palm oil plantation companies typically operate over vast areas, engaging multi stakeholders in their daily operations. The Group is mindful that effective stakeholder engagement is important to achieving a sustainable business model. Therefore, it has arrangements in place to identify and engage with its material shareholder groups and to manage its relationships with such groups. It undertakes formal and informal stakeholder engagement exercise, such as announcements, press releases, investor circulars, discussion forums, surveys, and feedback with material stakeholder groups which include shareholders, suppliers, customers, smallholders, and employees. The Group has identified all factors relating to environmental, social and governance that are important to its stakeholders. These factors form the materiality matrix upon which targets, metrics, programmes and progress are reviewed by and approved by the Board, prior to being published annually in the Company's Sustainability Report. Further information in relation to details of the stakeholders engaged by the Group, areas of focus, approaches to stakeholders, including frequency of engagement by type and by stakeholder groups and key feedback or issues that have been raised through stakeholder engagement can be found in the Sustainability Report for FY2024.

The Company also maintains a corporate website at https://www.bumitama-agri.com/ to communicate and engage with shareholders and stakeholders.

CONFLICTS RESOLUTION & ENTERPRISE RISK MANAGEMENT COMMITTEE

In light of the interest of the Group's controlling shareholders in the palm oil business outside of the Group, the Board has adopted certain procedures to address conflicts or potential conflicts of interest issues that may arise from time to time in the course of business conducted or carried on by the Group.

The CRERMC comprises four members, all of whom are non-executive and are Independent Directors. The members are:

Mr. Witjaksana Darmosarkoro (CRERMC Chairman)
Mr. Lawrence Lua Gek Pong
Mr. Lim Hung Siang
Ms. Ng Yi Wayn

The CRERMC performed the following functions in accordance with its terms of reference for FY2024:

1. reviewed on an annual basis the protocols established to resolve conflicts or potential conflicts of interest, so as to ascertain that the guidelines are adequate and relevant to the business and affairs of the Group;
2. received quarterly report from internal auditors in relation to the potential of conflict of interest for the Company;
3. reviewed, if any, specific conflicts or potential conflicts of interests that may arise from time to time and to ensure that such conflicts are dealt with or resolved properly; and
4. reviewed half-yearly ERM report including but not limited to Risk Map, ERM Plan and realisation, and etc prepared by the Internal Audit Department, CSO, and together with the ERM Secretariat and highlighted any findings or concerns from ERM report to AC.

Management maintains a record of potential conflict transactions (deliberated on as well as decided). Any member of the CRERMC is entitled to inspect such records.

Within 45 days from the end of each financial quarter/halfyear and 60 days from the full year results announcement, Management will circulate or present information on transactions or potential transactions carried out or rejected in the immediately preceding financial quarter to the Board.However, this information will not be extended to the Directors who are in a conflict or potential conflict of interest situation.

On a quarterly basis, the CRERMC will receive reports from the internal auditors who provide confirmation that the protocols have been adhered to in the preceding quarter.

Corporate Governance

SUSTAINABILITY STEERING COMMITTEE

In recognising the importance of ESG issues and in meeting the increasing needs of ESG-related reporting and disclosure, the Board established an executive committee, SSC on 10 May 2022. The objective of this SSC is to oversee, on behalf of the Board, management strategies and processes designed to manage social and environmental risks and achieve compliance with social and environmental responsibilities and commitments, including in regard to the Group's Climate risk management strategy. The SSC shall have oversight of sustainable development responsibilities of the Group and will also support the Board in setting high level direction and strategic focus on sustainable business models within the Group.

The SSC comprised four members and they are:-

Mr. Witjaksana Darmosarkoro (SSC Chairman)
Mr. Mubarak Ahmad
Mr. Johan Puspowidjono
Ms. Lim Sian Choo

Mr. Lim Gunawan Hariyanto, Dato' Lee Yeow Chor, Mr. Roebianto (COO) and Mr. Sie Eddy Kurniawan (CFO) were appointed as advisors to the SSC.

The SSC met four times during FY2024. The SSC performs the following functions in accordance with its terms of reference for FY2024:

a. reviewed the Group's sustainability performance and report;
b. reviewed the strategy and initiative on ESG related programmes; and
c. monitored and provided recommendation on emerging sustainability issues.

A quarterly sustainability updates reports would be reviewed by SSC before tabling at the Board Meeting for directors' deliberation, adoption and approval.

PERSONAL DATA INFORMATION

Bumitama routinely engages with personal data information as part of its ordinary course of business. Safeguarding this information is of paramount importance for building and sustaining a trustworthy company. Bumitama provides guidance to its employees on the proper management, use and disclosure of Personal Data Protection. Bumitama's Personal Data Protection Policy outlines the framework and procedures necessary to comply with the obligations set forth in the Personal Data Protection Act.

DEALINGS IN SECURITIES

The Group has adopted an internal compliance code on Securities Transaction ("Compliance Code") which provides guidance and internal regulation with regard to dealings in the Company's securities by the Company, its Directors and officers. These guidelines prohibit dealing in the Company's securities on short-term considerations and while in possession of unpublished material price-sensitive information in relation to such securities and during the "closed period", which is defined as two weeks before the date of announcement of results for each of the first three quarters of the Company's financial year (if the Company announces its quarterly results, whether required by the SGX-ST or otherwise) and/or one month before the date of announcement of the half year and full year financial results (if the Company does not announce its quarterly results), and ending on the date of the announcement of the relevant results. The Directors and employees of the Company are notified in advance of the commencement of each "closed period". The Compliance Code has been disseminated and made available to all employees.

The Group confirmed that it has adhered to its Compliance Code for FY2024 pursuant to Rule 1207(19) of the SGX-ST Listing Manual.

INTERESTED PERSON TRANSACTIONS

The Group has established internal guidelines to ensure compliance with the requirements of Chapter 9 of the Listing Manual on interested person transactions. The main objective is to ensure that interested person transactions are properly reviewed, approved, and conducted on an arm's length basis and on normal commercial terms and will not be prejudicial to the interests of the Shareholders.

In particular, the CFO maintains a register of interested persons and a register of transactions carried out with interested persons. These registers are updated quarterly based on submissions by the designated persons. The AC reviews all transactions recorded in the register of interested person transactions on a quarterly basis to ensure that they are carried out on normal commercial terms and in accordance with the procedures established by the Group.

The aggregate value of interested person transactions entered into by the Group in FY2024 is as follows:

Name of interested person	Nature of the Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual during the financial year under review (excluding transactions less than S$100,000)
		In IDR million	In IDR million
Mr. Gunardi Hariyanto Lim[1]	Family relationship with the controlling shareholder of the Company	2,100	Nil
Goldwood Investments Ltd[2]	Related company	2,350	Nil
IOI Corporation Berhad[3]	Controlling shareholder of the Company	Nil	Nil
PT Lima Srikandi Jaya[4]	Related company	14,020	Nil
Total		**18,470**	**Nil**

Notes:
* *For illustrative purposes the aggregate value of all interested person transactions, conducted under the Shareholders' Mandate during the financial year under review using the current period average rate.*
(1) In respect of the aggregate rent paid by the Group to Mr. Gunardi Hariyanto Lim for office space in Indonesia pursuant to the lease agreement between Mr.Gunardi Hariyanto Lim and PT Bumitama Gunajaya Agro.
(2) In respect of the aggregate rent paid by the Group to Goldwood Investments Ltd. for office space in Singapore pursuant to the lease agreement between Goldwood Investments Ltd. and the Company.
(3) In respect of transactions conducted pursuant to the Shareholders' Mandate for Transactions with IOI Corporation Berhad (as described in the Prospectus).
(4) In respect of the rental agreement of barge transactions involving PT Lima Srikandi Jaya which is one of the subsidiaries of Harita Group. Harita Group is owned by Lim family and also one of the Company's controlling shareholders.

MATERIAL CONTRACTS

Save as disclosed above in the sections on "Interested Person Transactions" and Service Agreements entered into between the Company and the Executive Directors, there are no other material contracts of the Company or its subsidiaries involving the interest of the CEO, each Director or controlling shareholders, which are either still subsisting at the end of FY2024 or if not then subsisting, entered into since the end of FY2024.

USE OF PROCEEDS

There is no proceeds arising from any offerings pursuant to Chapter 8 of Listing Manual of the SGX-ST during FY2024.

Corporate Governance

Additional Information on Directors seeking re-election pursuant to Rule 720(6) of the Listing Manual of the SGX-ST

Mr. Lim Gunawan Hariyanto, Mr. Lawrence Lua Gek Pong and Ms. Ng Yi Wayn are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 28 April 2025 ("AGM") under Ordinary Resolutions 3, 4, and 5 as set out in the Notice of AGM dated 11 April 2025 (collectively, the "Retiring Directors" and each a "Retiring Director").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST is set out below:

Name of Director	Lim Gunawan Hariyanto	Lawrence Lua Gek Pong	Ng Yi Wayn
Date of Appointment	23 March 2012	1 January 2020	6 May 2024
Date of Last Re-Appointmentment	22 April 2022	20 April 2023	-
Age	65	67	36
Country of principal residence	Indonesia	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board having considered among others, the recommendation of the Governance & Nominating Committee, contribution, qualifications and work experience of Mr. Lim Gunawan Hariyanto, is of the view that he is suitable for re-election as a Director who is also Executive Chairman and Chief Executive Officer of the Company.	The Board having considered among others, the recommendation of the Governance & Nominating Committee, contribution, qualifications and work experience of Mr. Lawrence Lua Gek Pong, is of the view that he is suitable for re-election as an Independent Director of the Company. The Board considers Mr. Lawrence Lua Gek Pong to be independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST.	The Board having considered among others, the recommendation of the Governance & Nominating Committee, contribution, qualifications and work experience of Ms. Ng Yi Wayn, is of the view that she is suitable for re-election as an Independent Director of the Company. The Board considers Ms. Ng Yi Wayn to be independent for the purpose of the Listing Manual of the SGX-ST.
Whether appointment is executive, and if so, the area of responsibility	Yes, Mr. Lim Gunawan Hariyanto is responsible for the formulation of the Group's business, corporate policies and strategies, business development as well as business and operations management.	No	No
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman and Chief Executive Officer.	Independent Director, Chairman of Remuneration Committee, and a member of Audit Committee, Conflicts Resolution & Enterprise Risk Management Committee and Governance & Nominating Committee.	Independent Director, Chairman of Governance & Nominating Committee, and a member of Remuneration Committee, and Conflicts Resolution & Enterprise Risk Management Committee.
Professional qualifications	Please refer to Directors' Profile on pages 18 to 20 of Annual Report.	Please refer to Directors' Profile on pages 18 to 20 of Annual Report.	Please refer to Directors' Profile on pages 18 to 20 of Annual Report.
Working experience and occupation(s) during the past 10 years	Please refer to Directors' Profile on pages 18 to 20 of Annual Report.	Please refer to Directors' Profile on pages 18 to 20 of Annual Report.	Please refer to Directors' Profile on pages 18 to 20 of Annual Report.

Name of Director	Lim Gunawan Hariyanto	Lawrence Lua Gek Pong	Ng Yi Wayn
Shareholding interest in the listed issuer and its subsidiaries	Indirect interest – 906,557,774 ordinary shares.	Nil	Nil
Any relationship (including immediate family relationship) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mr. Lim Gunawan Hariyanto is a substantial shareholder of the Company. Mr. Lim Gunawan Hariyanto, Ms. Lim Christina Hariyanto (Executive Director) and Dr. Lim Hariyanto Wijaya Sarwono (substantial shareholder of the Company) are immediate family members.	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principle Commitments including Directorships			
Past (for the last 5 years)	• Wellpoint Pacific Holdings Ltd	• Institute of Banking and Finance Standard Committee • Institute of Banking and Finance Private Banking Industry Workgroup • SingHaiyi Group Ltd • DBS Private Bank • Maitri Asset Management • Azura Investment Partners Pte Ltd	• Saviynt Singapore Pte Ltd • RHTLaw Asia LLP (formerly known as RHTLaw Taylor Wessing LLP)
Present	Nil	• DSL Advisory Pte Ltd • Lygend Resources & Technology Co Ltd • Miclyn Express Offshore Limited • Nee Soon Link Citizens' Consultative Committee • Advisory Board for Wealth Management, Singapore Management University • PCF Exco (Telok Blangah) • PCF Sparkletots Preschool Board of Governors (Telok Blangah)	• iRhythm Singapore Pte Ltd • Oon & Bazul LLP
Information required under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual	Mr. Lim Gunawan Hariyanto was appointed as Director since 23 March 2012 which was before listing of the Company and his answers were "No" to items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual.	There is no change to the responses previously disclosed by Mr. Lawrence Lua Gek Pong under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual which were all "No". The Appendix 7.4.1 information in respect of Mr. Lawrence Lua Gek Pong's appointment as Director was announced on 27 December 2019.	There is no change to the responses previously disclosed by Ms. Ng Yi Wayn under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual which were all "No". The Appendix 7.4.1 information in respect of Ms. Ng Yi Wayn's appointment as Director was announced on 6 May 2024.

ANNUAL FINANCIAL STATEMENTS

Directors' Statement

The Directors are pleased to present their statement to the members together with the audited consolidated financial statements of Bumitama Agri Ltd. (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet of the Company for the financial year ended 31 December 2024.

1. Opinion of the Directors

In the opinion of the Directors,

(a) the consolidated financial statements of the Group and the balance sheet of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The Directors of the Company in office at the date of this statement are:

Lim Gunawan Hariyanto
Lim Christina Hariyanto
Dato' Lee Yeow Chor
Lim Hung Siang
Lawrence Lua Gek Pong
Witjaksana Darmosarkoro
Ng Yi Wayn (Appointed on 6 May 2024)

3. Arrangements to enable Directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

4. Directors' interest in shares and debentures

The following Directors, who held office at the end of the financial year, had, according to the register of Directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in shares of the Company as stated below:

	Direct interest		Deemed interest	
Name of director	**At the beginning of financial year or date of appointment**	**At the end of financial year**	**At the beginning of financial year or date of appointment**	**At the end of financial year**
Ordinary shares of the Company				
Lim Gunawan Hariyanto	–	–	906,557,774	906,557,774
Dato' Lee Yeow Chor	–	–	556,672,070	556,672,070
Lim Hung Siang	50,000	50,000	100,000	200,000

4. Directors' interest in shares and debentures (continued)

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2025.

By virtue of Section 7 of the Singapore Companies Act 1967, Lim Gunawan Hariyanto and Dato' Lee Yeow Chor are deemed to have interests in shares of the subsidiaries of the Company to the extent that the Company has interest.

Except as disclosed in this statement, no Director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

5. Share options

There were no share options granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries. The Company does not have any share option scheme.

6. Audit Committee

The Audit Committee ("AC") carried out its functions in accordance with Section 201B (5) of the Singapore Companies Act 1967, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and the Company, and reviewed the internal auditors' evaluation of the adequacy of the Group's system of internal accounting controls and the assistance given by the Group and the Company's management to the external and internal auditors;
- Reviewed the quarterly and annual financial statements and the independent auditor's report on the annual financial statements of the Group and the Company before their submission to the Board of Directors;
- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor;
- Met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;
- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- Reviewed the cost effectiveness and the independence and objectivity of the external auditor;
- Reviewed the nature and extent of non-audit services provided by the external auditor;
- Recommended to the Board of Directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;
- Reported actions and minutes of the AC to the Board of Directors with such recommendations as the AC considered appropriate; and
- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual.

The AC, having reviewed all non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor. The AC has also conducted a review of interested person transactions.

6. Audit Committee (continued)

The AC convened four meetings during the year with full attendance from all members. The AC has also met with internal and external auditors, without the presence of the Company's management, at least once a year.

Further details regarding the AC are disclosed in the Report on Corporate Governance in the Annual Report of the Company.

7. Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors,

Lim Christina Hariyanto
Director

Lim Hung Siang
Director

Singapore
25 March 2025

Independent Auditor's Report

For the financial year ended 31 December 2024
To the Members of Bumitama Agri Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bumitama Agri Ltd. (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2024, the consolidated statement of changes in equity, the consolidated income statement, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 current period. 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 our responsibilities described in the *Auditor's 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. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Goodwill

SFRS(I) 1-36 requires goodwill to be assessed for impairment annually. The plantation estates held by the respective subsidiaries are individually identified as a single Cash Generating Unit ("CGU") for goodwill impairment testing. Management engaged an independent valuer to assist them in their estimation of the recoverable value of the CGU using Fair Value Less Cost of Disposal ("FVLCD") method. The FVLCD were derived using cash flow models where management estimate the relevant future cash flows which are expected to be generated and then discount them to their present value by using a discount rate approximating the weighted cost of capital of the industry. The estimation of future cash flows requires the use of a number of significant operational and predictive assumptions, such as fresh fruit bunch yield rate, extraction rate, projected selling price, inflation rate, exchange rate and also factors in terminal value after the implicit period of 5 years.

Goodwill (continued)

The audit procedures over management’s annual goodwill impairment test are significant to our audit because the recoverable value is determined by FVLCD which is complex, judgmental and subjective.

We performed the following procedures, amongst others, in our audit of goodwill impairment assessment:

- Reviewed the discounted cash flow model to assess the appropriateness of the methodology employed by management.
- Compared the operational assumptions against historical data and trend to assess their reasonableness.
- Evaluated and assessed reasonableness of the key assumptions used in the impairment analysis, in particular the inflation rate, projected crude palm oil price, terminal growth rate and the discount rate used.
- Reviewed adequacy of the disclosures relating to those key assumptions to which the outcome of the impairment test is most sensitive. The Group’s disclosure on goodwill, which disclosed that any material changes in the key assumptions used could give rise to an impairment of the goodwill balance in the future is in Note 13 to the financial statements.

Deferred Tax Assets

The Group recognizes deferred tax assets (“DTA”) arising mainly from differences between accounting and tax depreciation for biological assets as well as unutilized tax losses of subsidiaries brought forward from prior years. These DTAs can be carried forward and used to offset future taxable income and reduce the overall income tax expense for that year. The recoverability of the deferred tax assets (“DTA”) is significant to our audit because of the significant management judgement and complexity of the estimation process in forecasting the availability of future taxable profits.

We performed the following procedures, amongst others, in our audit of DTA:

- Assessed and tested management’s assumptions to determine if it is probable that sufficient taxable income will be available in the future to utilise the DTA.
- Compared the consistency of management’s profit forecasts with those included in the financial budgets approved by the Board of Directors.
- Assessed the reasonableness of management’s assumptions used in the estimation of future profitability by comparing past forecasted results against actual results and by comparing the key assumptions, such as projected crude palm oil price, Fresh Fruit Bunch (“FFB”) yield and cost of production, against external sources and historical trends.
- Assessed the adequacy of the disclosure in Note 16 to the financial statements.

Other Information

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements 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, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 SSAs 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 SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or other business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

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

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 current period and are therefore the key audit matters. We describe these matters in our auditor's 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 our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Vincent Toong Weng Sum.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

25 March 2025

Consolidated Income Statement

For the financial year ended 31 December 2024

	Note	2024 IDR million	2023 IDR million
Revenue	4	16,732,039	15,442,893
Cost of sales	5	(12,375,340)	(10,724,241)
Gross profit		4,356,699	4,718,652
Other items of income:			
Other income		34,205	27,118
Interest income	6	170,515	175,336
Foreign exchange income		–	113,183
Fair value changes in biological assets	17	184,718	–
Other items of expenses:			
Selling expenses	6	(328,502)	(371,835)
General and administrative expenses	6	(550,687)	(583,079)
Finance cost	6	(177,113)	(129,003)
Fair value changes in biological assets	17	–	(81,088)
Foreign exchange loss		(34,731)	–
Other expenses		(5,750)	(7,388)
Profit before taxation		3,649,354	3,861,896
Taxation	7	(914,130)	(930,728)
Profit for the year		**2,735,224**	**2,931,168**
Attributable to:			
Owners of the Company		2,287,032	2,449,160
Non-controlling interests		448,192	482,008
		2,735,224	**2,931,168**
Earnings per share attributable to owners of the Company			
Basic and diluted (IDR per share)	8	1,319	1,412

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

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2024

	Note	2024 IDR million	2023 IDR million
Profit for the year		2,735,224	2,931,168
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation gain/(loss)		52,451	(70,052)
Fair value reserve on derivative financial instruments	27	(30,809)	(79,594)
Item that will not be reclassified to profit or loss:			
Re-measurement loss on defined benefit plans	26	(8,514)	(5,885)
Other comprehensive income/(loss) for the year, net of tax		13,128	(155,531)
Total comprehensive income for the year		2,748,352	2,775,637
Total comprehensive income attributable to:			
Owners of the Company		2,300,718	2,293,721
Non-controlling interests		447,634	481,916
		2,748,352	2,775,637

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

Balance Sheets

For the financial year ended 31 December 2024

	Note	Group		Company	
		2024 IDR million	2023 IDR million	2024 IDR million	2023 IDR million
ASSETS					
Non-current assets					
Investments in subsidiaries	9	–	–	2,280,099	2,178,249
Bearer plants	10	8,019,865	7,932,730	–	–
Property, plant and equipment	11	5,749,620	5,247,527	580	41
Land use rights	12	1,132,556	1,045,907	–	–
Intangible assets	13	202,132	199,173	–	–
Plasma receivables	14	807,168	991,406	–	–
Due from subsidiaries	15	–	–	3,662,036	4,226,143
Deferred tax assets	16	75,590	118,810	–	–
Total non-current assets		15,986,931	15,535,553	5,942,715	6,404,433
Current assets					
Biological assets	17	392,248	207,530	–	–
Inventories	18	1,241,163	1,587,232	–	–
Deferred charges		7,592	8,725	–	–
Trade and other receivables	19	719,696	485,556	763	299
Due from related companies	20	50	50	–	–
Plasma receivables	14	112,886	632,706	–	–
Prepayments and advances		24,088	18,605	212	210
Prepaid taxes		783,499	373,623	110	249
Derivative financial assets	27	–	9,123	–	9,123
Cash and short-term deposits	21(a)	1,705,322	374,050	989,343	18,749
Total current assets		4,986,544	3,697,200	990,428	28,630
Total assets		**20,973,475**	**19,232,753**	**6,933,143**	**6,433,063**

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

Balance Sheets

For the financial year ended 31 December 2024

	Note	Group		Company	
		2024 IDR million	2023 IDR million	2024 IDR million	2023 IDR million
LIABILITIES AND EQUITY					
Current liabilities					
Loans and borrowings	22	-	1,270,326	–	770,493
Trade and other payables	23	418,841	175,993	285	1,327
Accrued operating expenses	24	283,745	258,406	37,093	29,857
Sales advances		84,475	80,825	–	–
Taxes payable		108,461	299,388	1,696	3,380
Total current liabilities		895,522	2,084,938	39,074	805,057
Net current assets/(liabilities)		4,091,022	1,612,262	951,354	(776,427)
Non-current liabilities					
Deferred tax liabilities	16	208,584	183,137	–	–
Loans and borrowings	22	1,750,405	–	1,050,405	–
Islamic medium-term notes	25	1,446,402	1,336,482	1,446,402	1,336,482
Employee benefits liability	26	128,396	115,834	–	–
Derivative financial liabilities	27	59,087	75,095	59,087	75,095
Total non-current liabilities		3,592,874	1,710,548	2,555,894	1,411,577
Total liabilities		**4,488,396**	**3,795,486**	**2,594,968**	**2,216,634**
Net assets		**16,485,079**	**15,437,267**	**4,338,175**	**4,216,429**
Equity attribute to owners of the Company					
Share Capital	28	1,807,045	1,807,045	1,807,045	1,807,045
Treasury shares	28	(161,366)	(161,366)	(161,366)	(161,366)
Other reserves	29	(93,874)	(63,065)	56,940	87,749
Retained earnings		12,863,575	11,974,318	1,195,910	1,216,797
Foreign currency translation reserve	30	(198,653)	(251,104)	1,439,646	1,266,204
		14,216,727	13,305,828	4,338,175	4,216,429
Non-controlling interests		2,268,352	2,131,439	–	–
Total equity		**16,485,079**	**15,437,267**	**4,338,175**	**4,216,429**
Total liabilities and equity		**20,973,475**	**19,232,753**	**6,933,143**	**6,433,063**

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

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2024

Group	Share capital (Note 28) IDR million	Treasury shares (Note 28) IDR million	Retained earnings IDR million	Other reserves (Note 29) IDR million	Foreign currency translation reserves (Note 30) IDR million	Total share capital and reserves IDR million	Non-controlling interests IDR million	Total equity IDR million
	Attributable to owners of the Company							
2024								
Balance as at 1 January 2024	1,807,045	(161,366)	11,974,318	(63,065)	(251,104)	13,305,828	2,131,439	15,437,267
Profit for the year	–	–	2,287,032	–	–	2,287,032	448,192	2,735,224
Other comprehensive income:								
Fair value reserve on derivative financial instruments	–	–	–	(30,809)	–	(30,809)	–	(30,809)
Foreign currency translation gain	–	–	–	–	52,451	52,451	–	52,451
Re-measurement loss on defined benefit plan (Note 26)	–	–	(7,956)	–	–	(7,956)	(558)	(8,514)
Total comprehensive income for the year, net of tax	–	–	2,279,076	(30,809)	52,451	2,300,718	447,634	2,748,352
Contributions by and distributions to owners:								
Dividends on ordinary shares (Note 36)	–	–	(1,389,819)	–	–	(1,389,819)	–	(1,389,819)
Dividends paid to non-controlling interests	–	–	–	–	–	–	(311,291)	(311,291)
Contribution from non-controlling interest	–	–	–	–	–	–	570	570
Balance as at 31 December 2024	**1,807,045**	**(161,366)**	**12,863,575**	**(93,874)**	**(198,653)**	**14,216,727**	**2,268,352**	**16,485,079**

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

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2024

Group	Share capital (Note 28) IDR million	Treasury shares (Note 28) IDR million	Retained earnings IDR million	Other reserves (Note 29) IDR million	Foreign currency translation reserves (Note 30) IDR million	Total share capital and reserves IDR million	Non-controlling interests IDR million	Total equity IDR million
	Attributable to owners of the Company							
2023								
Balance as at 1 January 2023	1,807,045	(161,366)	11,039,781	(10,734)	(181,052)	12,493,674	1,962,454	14,456,128
Profit for the year	–	–	2,449,160	–	–	2,449,160	482,008	2,931,168
Other comprehensive income:								
Fair value reserve on derivative financial instruments	–	–	–	(79,594)	–	(79,594)	–	(79,594)
Foreign currency translation loss	–	–	–	–	(70,052)	(70,052)	–	(70,052)
Re-measurement loss on defined benefit plan (Note 26)	–	–	(5,793)	–	–	(5,793)	(92)	(5,885)
Total comprehensive income for the year, net of tax	–	–	2,443,367	(79,594)	70,052	2,293,721	481,916	2,775,637
Contributions by and distributions to owners:								
Change in ownership in a subsidiary without loss of control	–	–	–	27,263	–	27,263	(27,263)	–
Dividends on ordinary shares (Note 36	–	–	(1,508,830)	–	–	(1,508,830)	–	(1,508,830)
Dividends paid to non-controlling Contribution from non-controlling interest	–	–	–	–	–	–	(285,668)	(285,668)
Balance as at 31 December 2023	**1,807,045**	**(161,366)**	**11,974,318**	**(63,065)**	**(251,104)**	**13,305,828**	**2,131,439**	**15,437,267**

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

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2024

	2024 IDR million	2023 IDR million
Cash flows from operating activities		
Cash receipts from customers	16,508,646	14,775,317
Cash payments to suppliers, employees and for other operating expenses	(12,145,402)	(10,307,937)
Net cash receipts from operations	4,363,244	4,467,380
Income tax paid	(1,098,581)	(1,190,578)
Net cash flows generated from operating activities (Note 21(b))	3,264,663	3,276,802
Cash flows from investing activities		
Decrease in plasma receivables (Note 14)	848,351	305,693
Additions of intangible assets (Note 13)	(12,414)	(13,064)
Additions of bearer plants (Note 10)	(463,543)	(456,511)
Purchase of property, plant and equipment, net (Note 21(c))	(943,256)	(1,157,258)
Acquisition of a subsidiary, net of cash (Note 9(c))	(41,432)	–
Additions of land use rights (Note 12)	(62,591)	(32,321)
Interest received	170,515	175,336
Net cash flows used in investing activities	(504,370)	(1,178,125)
Cash flows from financing activities		
Proceeds from loans and borrowings	1,813,025	766,256
Repayment of loans and borrowings	(1,380,300)	(1,389,087)
Dividends paid	(1,701,110)	(1,794,498)
Interest paid	(162,449)	(122,099)
Net cash flows used in financing activities	(1,430,834)	(2,539,428)
Net increase/(decrease) in cash and cash equivalents	1,329,459	(440,751)
Effect of exchange rate changes on cash and cash equivalents	1,813	(11,409)
Cash and cash equivalents at beginning of the year	374,050	826,210
Cash and cash equivalents at the end of the year (Note 21(a))	**1,705,322**	**374,050**

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

Notes to the Financial Statements

For the financial year ended 31 December 2024

1. Corporate Information

Bumitama Agri Ltd. (the "Company") is a limited liability company, incorporated and domiciled in the Republic of Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The Company's immediate holding company is Wellpoint Pacific Holdings Ltd. ("Wellpoint") incorporated in British Virgin Islands. Wellpoint is ultimately held by the Hariyantos.

The registered office of the Company is located at 10 Anson Road, #11-19, International Plaza, Singapore 079903. The principal place of operations of the Group is located at Jl. Melawai Raya No. 10, Kebayoran Baru, Jakarta Selatan, Indonesia.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are that of investment holding, operating oil palm plantations and palm oil mills located across the Indonesian provinces of Central Kalimantan, West Kalimantan, and Riau, as well as the production and trading of crude palm oil and related products, and operating a fertiliser blending plant.

Related companies in these financial statements refer to the Hariyanto family's group of companies.

2. Material accounting policy information

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)").

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

The financial statements are presented in Indonesian Rupiah ("IDR") and all values are rounded to the nearest million ("IDR million"), except when otherwise indicated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and revised standards and SFRS(I) Interpretations ("SFRS(I) INT") which are effective for annual financial periods beginning on or after 1 January 2024. The adoption of these standards and interpretations did not have any material effect on the financial performance or position of the Group and the Company.

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	***Effective for annual periods beginning on or after***
Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to SFRS(I)s – Volume 11	1 January 2026
SFRS(I) 18: Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027

Other than the below, the Directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2. Material accounting policy information (continued)

2.3 Standards issued but not yet effective (continued)

SFRS(I) 18 replaces SFRS(I) 1-1 Presentation of Financial Statements and introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosures of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

In addition, narrow-scope amendments have been made to SFRS(I) 1-7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

SFRS(I) 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027. Early application is permitted, but it must be disclosed. Retrospective application is required.

The Group is currently working to identify the impacts the amendments will have on the presentation and disclosure of its consolidated financial statements.

2.4 Basis of consolidation and business combinations

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group losses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- De-recognises the carrying amount of any non-controlling interest;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;

2. Material accounting policy information (continued)

2.4 Basis of consolidation and business combinations (continued)

(a) Basis of consolidation (continued)

- Re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

(b) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is an asset or liability are recognised in profit or loss.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. The accounting policy for goodwill is set out in Note 2.12(a). In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Business combinations involving entities under common control are accounted for by applying the pooling-of-interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid/transferred and the equity of the acquired entity is reflected within the equity as merger reserve. The statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination took place. Comparatives are presented as if the entities had always been consolidated since the date the entities had come under common control. No adjustments are made to reflect the fair values on the date of combination, or recognise any new assets or liabilities. No additional goodwill is recognised as a result of the combination.

2.5 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

2. Material accounting policy information (continued)

2.5 Transactions with non-controlling interests (continued)

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.6 Foreign currency

The Group's financial statements are presented in Indonesian Rupiah ("IDR") which is also the functional currency of its Indonesian entities. The functional currency of the Company is United States Dollars ("USD"). Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

Exchange differences arising on monetary items that form part of the Group's net investment in foreign operations are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

(b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into IDR at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.7 Revenue and other income

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

2. Material accounting policy information (continued)

2.7 Revenue and other income (continued)

(a) Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the buyer, usually on delivery of goods as performance obligation is judged to have been satisfied and revenue is therefore recognised.

Payments received from the buyer are recorded as sales advances until all of the criteria for acceptance of goods are met.

(b) Interest income

Interest income is recognised using the effective interest method.

2.8 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it 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.

In the Company's balance sheet, investments in subsidiaries are accounted for at cost less impairment losses.

2.9 Bearer plants

Bearer plants comprise mature and immature oil palm plantations and nurseries.

Bearer plants are measured at accumulated cost before maturity and at cost, less any subsequent accumulated depreciation and impairment after maturity, with changes recognised in profit or loss. Bearer plants at cost mainly consist of cost relating to development of the oil palm such as land clearing, planting, fertilising, upkeeping/maintaining the plantations, and allocations of indirect overhead costs up to the time the trees become commercially productive and available for harvest.

Depreciation is computed on a straight-line basis over the estimated useful lives of 25 years.

Immature bearer plants are not depreciated as these have yet to reach commercial production yields of fruit.

The carrying values of the bearer plants are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each reporting date and adjusted prospectively, if appropriate.

Bearer plants are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the bearer plant is included in profit or loss in the year the asset is derecognised.

2. Material accounting policy information (continued)

2.10 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2.13. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, 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.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation of property, plant and equipment begins when it is available for use and is computed on a straight-line basis over the estimated useful lives of the assets as follows:

	Number of years
Buildings	5-20
Renovations	2
Infrastructure	20
Machinery and equipment	4-20
Vehicles and heavy equipment	5-10
Furniture and fixtures	4-5

Depreciation of property, plant and equipment related to the plantations are allocated proportionately based on the area of mature and immature plantations.

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use. Accumulated cost is transferred to the related asset when the asset is completed and ready for use and is then depreciated.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable in accordance with Note 2.14.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.11 Land use rights

Land use rights are initially measured at cost. Following initial recognition, land use rights are measured at cost less accumulated amortisation and accumulated impairment losses. The land use rights are amortised on a straight-line basis according to the rights period, which are over the period of 20 to 35 years to its estimated residual value.

Hak Guna Usaha (“HGU”) or Right to Cultivate and Hak Guna Bangunan (“HGB”) or Right to Build are land rights that grant the registered holders of such rights use of the land for a period up to 35 years.

2. Material accounting policy information (continued)

2.12 Intangible assets

(a) Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

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

(b) Other intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The other intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Other intangible assets represent the cost of software, which is not an integral part of a related hardware that covers all direct cost related to the acquisition and preparation of the software for its intended use. The intangible asset is being amortised on a straight-line basis over the estimated useful life of five years from its initial use.

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

2.13 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2. Material accounting policy information (continued)

2.14 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years or longer. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.15 Plasma receivables

Plasma receivables represent loans to Plasma farmers under the Indonesian Government policy - Kredit Koperasi Primer untuk Anggota ("KKPA") scheme for the development of plasma plantations and its infrastructures, covering costs incurred for seedling, land clearing, cultivating, fertilising, maintenance and other indirect expenses. Under the KKPA scheme, when bearer plants are transferred to the Plasma farmers, plasma receivables will be recorded.

Plasma receivables are either immediately claimed from the financing banks, temporarily self-funded by the Group for those awaiting bank's funding, or shall be reimbursed by the Plasma farmers. Plasma receivables include advances to Plasma farmers for loan installments paid to banks. This account is presented at net amount after funding received from the banks. Bank financing are soft loans obtained by cooperatives whose agreements were signed by Plasma farmers and the respective bank for which the Group acts as guarantors for the loans repayment.

Costs incurred during development of the oil palm plantations and temporary funding given to the Plasma farmers for working capital purposes are included in plasma receivables in the balance sheet. The funds received from the designated banks on behalf of the Plasma farmers for the development and operations of the plantations are deducted from the plasma receivables on the balance sheet.

Plasma receivables are classified as financial assets carried at amortised cost under SFRS(I) 9 *Financial Instruments*. The accounting policy for financial instruments is set out in Note 2.17.

2. Material accounting policy information (continued)

2.16 Biological assets

Biological assets comprise fresh fruit bunches ("FFB").

Biological assets are stated at fair value less estimated costs to sell. Gains or losses arising on initial recognition of FFB at fair value less estimated costs to sell and from the changes in fair value less estimated costs to sell of FFB at each reporting date are included in profit or loss for the period in which they arise.

The fair value of the biological assets is measured by reference to projected harvest quantities and estimated index price of FFB.

In determining the projected harvest quantities, the Group considers the estimated yield of the bearer plants which is dependent on the age of the oil palm trees, the location, soil type and infrastructure.

2.17 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

(ii) Fair value through other comprehensive income ("FVOCI")

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest

2. Material accounting policy information (continued)

2.17 Financial instruments (continued)

(a) Financial assets (continued)

(ii) Fair value through other comprehensive income ("FVOCI") (continued)

calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

(i) Financial liabilities at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

(ii) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

2. Material accounting policy information (continued)

2.17 Financial instruments (continued)

(b) Financial liabilities (continued)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

(c) Derivatives

The Group uses derivative financial instruments such as cross-currency interest rate swaps and interest rate swaps to hedge its risks associated with foreign currency and interest rate fluctuations. Such derivative financial instruments are classified as financial assets or liabilities at fair value through profit or loss and are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value at each balance sheet date. The Group had applied hedge accounting on its cross-currency interest rate swaps and interest rate swaps. The accounting policy for hedge accounting is set out in Note 2.29.

Any gains or losses arising from changes in fair value on derivative financial instruments are taken to the statement of comprehensive income for the year.

2.18 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss.

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 recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.19 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, and short-term deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are not pledged as collateral and not restricted.

2.20 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted-average method. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Raw materials (comprising fertilisers and chemicals and other supplies): purchase costs; and
- Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

2. Material accounting policy information (continued)

2.20 Inventories (continued)

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost or net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated cost necessary to make the sale.

FFB are initially recognised at fair value less estimated costs to sell and subsequently at the lower of net realisable value and initial recognition value.

2.21 Leases

The Group assesses 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.

The Group applies the short-term lease recognition exemption to its short-term leases of office space and barge (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). It also applies the lease of low-value assets recognition exemption to leases of office equipment 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.

The Group's associated right-of-use assets were included within land use rights (Note 2.11).

2.22 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods 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 end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. 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.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2. Material accounting policy information (continued)

2.22 Taxes (continued)

(b) Deferred tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, 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 except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in 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 end of each reporting period.

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 other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is recognised during the measurement period or in profit or loss.

(c) Pillar Two taxes

The Group is within the scope of the OECD's BEPS Pillar Two model rules. Both Indonesia and Singapore have enacted the Global Anti-Base Erosion ("GloBE") rules, including the Multinational Top-up Tax (the equivalent of the Income Inclusion Rule) and the Domestic Top-up Tax (the equivalent of a Qualified Domestic Minimum Top-up Tax) and will be effective for financial years beginning on or after 1 January 2025.

The Group has applied the temporary exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes. The Group is currently engaged with tax specialist to assist with applying the legislation.

2. Material accounting policy information (continued)

2.22 Taxes (continued)

(d) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from and payable to, the taxation authority is presented as prepaid taxes and part of other payables in the balance sheet.

2.23 Provisions

Provisions are recognised when the Group has 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 the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where 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.

2.24 Employee benefits

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Defined benefit plans

The Group makes provisions for employee service entitlements in order to meet the minimum benefits required to be paid to qualified employees, as required under the Indonesian Labor Law No. 13/2003 and the Omnibus Law No. 11/2020. The provisions are estimated using actuarial calculations based on the report prepared by an independent firm of actuaries.

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation (derived using a discount rate based on high quality corporate bonds) at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

2. Material accounting policy information (continued)

2.24 Employee benefits (continued)

(b) Defined benefit plans (continued)

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognised as expense in profit or loss. Past service costs are recognised when plan amendment or curtailment occurs.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on high quality corporate bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognised as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognised immediately in other comprehensive income in the period in which they arise. Remeasurements are recognised in retained earnings within equity and are not reclassified to profit or loss in subsequent periods.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognised as a separate asset at fair value when and only when reimbursement is virtually certain.

2.25 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.26 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.27 Treasury shares

The Group's own equity instruments, which are reacquired ("treasury shares") are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

2. Material accounting policy information (continued)

2.28 Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and the Company if that person:

(i) Has control or joint control over the Company;

(ii) Has significant influence over the Company; or

(iii) Is a member of the key management personnel of the Group or the Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

2.29 Hedge accounting

The Group applies hedge accounting for certain hedging relationships which qualify for hedge accounting.

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;

- cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment; or

- hedges of a net investment in a foreign operation.

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which the Group 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 the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed

2. Material accounting policy information (continued)

2.29 Hedge accounting (continued)

on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The Group does not have any fair value hedges or hedges of net investment in foreign operations in 2024 and 2023.

Cash flow hedges which meet the criteria for hedge accounting are accounted for as follows:

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income in cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss.

Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as other comprehensive income are transferred to the initial carrying amount of the non-financial asset or liability.

When a cash flow hedge is discontinued, the cumulative gain or loss previously recognised in other comprehensive income will remain in the cash flow hedge reserve until the future cash flows occur if the hedged future cash flows are still expected to occur or reclassified to profit or loss immediately if the hedged future cash flows are no longer expected to occur.

3. Significant accounting judgements and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management did not make any judgements that have effect on the amounts recognised in the financial statements.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 2.12(a). As disclosed in Note 13, the recoverable amounts of the cash-generating units which goodwill have been allocated to have been determined based on fair value less cost of disposal calculations. The fair value less cost of disposal are determined based on discounted cash flow models. The recoverable amount is most sensitive to the discount rate, inflation rate and projected CPO price used in the discounted cash flow model. The key assumptions applied in the determination of the value in use including a sensitivity analysis, are disclosed and further explained in Note 13.

3. Significant accounting judgements and estimates (continued)

3.2 Key sources of estimation uncertainty (continued)

(b) Deferred tax assets

Deferred tax assets are recognised for all unused tax credits to the extent that it is probable that taxable profit will be available against which the tax credits can be utilised. Significant management estimate is required to determine the amount of deferred tax assets that can be recognised, based upon the timing and level of future taxable profits. In determining the timing and level of future taxable profits, the Group assessed the probability of expected future cash inflows based on estimated taxable profit for the next 5 years.

Details of unutilised tax losses and unused tax credits are disclosed in Note 16.

(c) Fair value of biological assets ("FFB")

Biological assets are measured at fair value less estimated costs to sell. The fair value of FFB is measured by reference to projected harvest quantities and estimated index price of FFB set by the Government of Indonesia. In determining the fair value of the FFB, the Company considers the estimated yield of the bearer plants which is dependent on the age of the oil palm tree, the location, soil type and infrastructure.

Details of assumptions used and sensitivity analysis are disclosed in Note 17 and 33(d).

4. Revenue

	Group	
	2024 IDR million	**2023 IDR million**
Disaggregation of revenue by major product:		
Crude Palm Oil ("CPO")	14,884,726	14,101,682
Palm Kernel ("PK")	1,847,313	1,341,211
Total revenue recognised at a point in time	**16,732,039**	**15,442,893**

The Group's oil palm plantations and mills are all located and operate in Indonesia to cultivate, harvest and process the fruit from the oil palm trees to produce and sell CPO and PK there. Some of our customers purchase our palm products in advance and these sales advances are recognised as revenue during the year as their orders are fulfilled.

5. Cost of sales

	Group	
	2024 IDR million	**2023 IDR million**
Cost of inventories (Note 18)	8,754,676	6,796,061
Depreciation of mature bearer plants, property, plant and equipment and amortisation of land use rights (Notes 10, 11 and 12)	881,398	812,545
Plantation costs	2,361,863	2,715,840
Milling and processing costs	377,403	399,795
Total cost of sales	**12,375,340**	**10,724,241**

6. Profit before taxation

Profit before taxation is stated after (charging)/crediting the following income and expenses:

	Group	
	2024 IDR million	2023 IDR million
Interest income		
Interest income from financial assets carried at amortised cost	170,515	175,336
Selling expenses		
Freight	(306,141)	(352,817)
Loading expense	(22,361)	(19,018)
Total selling expenses	**(328,502)**	**(371,835)**
General and administrative expenses		
Audit fees:		
- Auditor of the Company	(2,152)	(2,071)
- Affiliates of auditor of the Company	(4,943)	(4,737)
- Other auditors	(279)	(315)
Non-audit fees:		
- Other auditors	(83)	(238)
Employees' benefit expense:		
- Salaries, wages and other staff related expenses	(337,052)	(354,448)
- Defined benefit plan (Note 26)	(25,842)	(29,679)
- Defined contribution plan	(440)	(401)
Transportation	(12,295)	(11,053)
Training	(31,029)	(35,150)
Depreciation of property, plant and equipment (Note 11)	(18,762)	(17,189)
Amortisation of intangible assets (Note 13)	(9,771)	(7,967)
Maintenance	(6,772)	(6,405)
Rental	(4,537)	(3,902)
Professional fees	(11,561)	(12,175)
Insurance	(3,512)	(3,691)
Security	(1,139)	(375)
Electricity and water	(935)	(933)
Licences and taxes	(59,875)	(65,362)
Office expenses	(15,355)	(16,488)
Others	(4,353)	(10,500)
Total general and administrative expenses	**(550,687)**	**(583,079)**
Finance cost		
Interest expense and amortisation on loans and borrowings carried at amortised cost	(179,527)	(132,936)
Less: Capitalised to bearer plants (Note 10)	2,414	3,933
Total finance cost	**(177,113)**	**(129,003)**

7. Taxation

Major components of tax expense

	Group	
	2024 IDR million	**2023 IDR million**
Current income tax:		
- Current income taxation	(672,216)	(804,330)
- Underprovision in respect of previous years	(4,001)	(7,570)
Deferred income tax:		
- Origination and reversal of temporary differences	(71,068)	19,249
Withholding tax on interest income and dividend from subsidiaries	(166,845)	(138,077)
Tax expense recognised in profit or loss	**(914,130)**	**(930,728)**

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 December 2024 and 2023 are as follows:

	Group	
	2024 IDR million	**2023 IDR million**
Profit before taxation	3,649,354	3,861,896
Tax at the domestic rates applicable to profits in the countries where the Group operates	(798,986)	(845,161)
Non-deductible expenses	(27,973)	(29,280)
Income not subject to tax	39,449	59,889
Deferred tax adjustment on revaluation of mature plantation	36,565	31,532
Withholding tax on interest income and dividend from subsidiaries	(166,845)	(138,077)
Underprovision in respect of previous years	(4,001)	(7,570)
Utilisation of unrecognised/(unrecognised) deferred tax asset, net	7,146	(2,624)
Others	515	563
Tax expense recognised in profit or loss	**(914,130)**	**(930,728)**

The above reconciliation is prepared by aggregating separate reconciliation for each national jurisdiction. The corporate income tax rates applicable to the Group companies in the following countries are:

	2024	**2023**
Singapore	17%	17%
Indonesia	22%	22%

8. Earnings per share

Basic earnings per share are calculated by dividing profit net of tax attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share are calculated by dividing profit net of tax attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. No dilutive potential ordinary shares were noted for the Company as at 31 December 2024 and 2023.

The following table reflects basic and diluted earnings per share for the years ended 31 December:

	2024	2023
Earnings per share (IDR)		
-Basic and diluted	1,319	1,412

The weighted average number of shares equals the outstanding number of shares as at year end, as there was no change in the number of issued shares during the year.

9. Investments in subsidiaries

	Company	
	2024 IDR million	2023 IDR million
Unquoted equity shares, at cost	2,368,009	2,262,670
Impairment loss	(87,910)	(84,421)
	2,280,099	2,178,249
Impairment losses		
As at 1 January	(84,421)	(81,779)
Impairment loss	(3,489)	(2,642)
As at 31 December	(87,910)	(84,421)

Impairment of PT Bumitama Energi Lestari ("BEL")

During the year, the management carried out a review on the impairment of investment in a subsidiary. As a result of the review, an impairment loss of IDR 3,489 million was recorded (2023: IDR 2,642 million) to write down the carrying value to the recoverable amount, based on the fair value of net assets held by the subsidiary.

Details of the subsidiaries are as follows:

Subsidiaries	Country of incorporation/ Principal place of business	Principal activities	Proportion of Ownership interest 2024 %	2023 %
Held by the Company:				
PT Bumitama Gunajaya Agro ("BGA")[1]	Indonesia	Investment holding and business and management consultancy services	90.00	90.00

9. Investments in subsidiaries (continued)

Subsidiaries	Country of incorporation/ Principal place of business	Principal activities	Proportion of Ownership interest 2024 %	2023 %
Held by the Company:				
PT Bumitama Energi Lestari ("BEL")[4]	Indonesia	Investment holding	99.77	99.77
PT Bumitama Oleo Sentosa ("BOS")[4]	Indonesia	Investment holding	95.00	95.00
Held via BGA:				
PT Karya Makmur Bahagia ("KMB")[1]	Indonesia	Oil palm plantation and mill	85.50	85.50
PT Windu Nabatindo Lestari ("WNL")[1]	Indonesia	Oil palm plantation and mill	81.00	81.00
PT Rohul Sawit Industri ("RSI")[1]	Indonesia	Palm oil mill	81.00	81.00
PT Bumitama Gunajaya Abadi ("BG Abadi")[1]	Indonesia	Oil palm plantation and mill	85.50	85.50
PT Windu Nabatindo Abadi ("WNA")[1]	Indonesia	Oil palm plantation and mill	85.50	85.50
PT Masuba Citra Mandiri ("MCM")[1]	Indonesia	Oil palm plantation	85.50	85.50
PT Windu Nabatindo Sejahtera ("WNS")[4]	Indonesia	Oil palm plantation	85.50	85.50
PT Agro Manunggal Sawitindo ("AMS")[1][5]	Indonesia	Oil palm plantation	87.68	87.68
PT Lestari Gemilang Intisawit ("LGI")[1][5]	Indonesia	Oil palm plantation	87.60	87.60
PT Ladang Sawit Mas ("LSM")[1][5]	Indonesia	Oil palm plantation and mill	87.73	87.73
PT Agriplus ("AGP")[2]	Indonesia	Oil palm plantation	85.50	85.50
PT Hungarindo Persada ("HPE")[2]	Indonesia	Oil palm plantation	85.50	85.50
PT Bumitama Sawit Lestari ("BSL")[1]	Indonesia	Investment holding	89.99	89.99
PT Pupuk Lapan Harsa ("PLH")[3][6]	Indonesia	Blending Fertiliser Plant	89.10	–
Held via BSL:				
PT Tanah Tani Lestari ("TTL")[1]	Indonesia	Oil palm plantation	85.50	85.50
PT Nabatindo Karya Utama ("NKU")[1]	Indonesia	Oil palm plantation	85.50	85.50
PT Andalan Sukses Makmur ("ASMR")[2][5]	Indonesia	Oil palm plantation	89.48	89.48
PT Inti Sawit Lestari ("ISL")[1][5]	Indonesia	Investment holding and business and management consultancy services	88.94	88.94
PT Sukses Manunggal Sawitindo ("SMS")[2]	Indonesia	Investment holding and business and management consultancy services	85.50	85.50
PT Langgeng Makmur Sejahtera ("LMS")[1]	Indonesia	Oil palm plantation	85.50	85.50

9. Investments in subsidiaries (continued)

Subsidiaries	Country of incorporation/ Principal place of business	Principal activities	Proportion of Ownership interest 2024 %	2023 %
Held via BSL:				
PT Investa Karya Bakti ("IKB")[4]	Indonesia	Oil palm plantation	85.50	85.50
PT Gemilang Makmur Subur ("GMS")[2]	Indonesia	Oil palm plantation	85.50	85.50
PT Sejahtera Sawit Lestari ("SSL")[2][5]	Indonesia	Oil palm plantation	89.31	89.31
PT Fajar Bumi Nabati ("FBI")[4]	Indonesia	Oil palm plantation	85.50	85.50
PT Gemilang Subur Maju ("GSM")[4]	Indonesia	Oil palm plantation	85.50	85.50
PT Damai Agro Sejahtera ("DAS")[2]	Indonesia	Oil palm plantation	85.50	85.50
Held via BSL:				
PT Hatiprima Agro ("HPA")[4]	Indonesia	Oil palm plantation	85.73	85.73
Held via AMS:				
PT Gunajaya Karya Gemilang ("GKG")[1]	Indonesia	Oil palm plantation and mill	83.30	83.30
PT Gunajaya Ketapang Sentosa ("GKS")[1]	Indonesia	Oil palm plantation	83.30	83.30
PT Karya Bakti Agro Sejahtera ("KBAS")[1]	Indonesia	Oil palm plantation and mill	83.30	83.30
Held via LGI:				
PT Agro Sejahtera Manunggal ("ASM")[1]	Indonesia	Oil palm plantation and mill	83.56	83.56
PT Karya Makmur Langgeng ("KML")[1][5]	Indonesia	Oil palm plantation	86.90	86.90
PT Nabati Agro Subur ("NAS")[4]	Indonesia	Oil palm plantation	83.22	83.22
Held via BEL:				
PT Energi Baharu Lestari ("EBL")[4]	Indonesia	Trading in edible oils and its related products	99.63	99.63
Held via ISL:				
PT Sentosa Prima Agro ("SPA")[1]	Indonesia	Oil palm plantation and mill	84.49	84.49
PT Wahana Hijau Indah ("WHI")[1][5]	Indonesia	Oil palm plantation	88.45	88.45
PT Raya Sawit Manunggal ("RSM")[1][5]	Indonesia	Oil palm plantation	88.50	88.50
Held via SMS:				
PT Gunajaya Harapan Lestari ("GHL")[2]	Indonesia	Oil palm plantation	81.22	81.22
Held via GKS:				
PT Ladang Sawit Kendawangan ("LSK")[4]	Indonesia	Oil palm plantation	79.14	79.14

9. Investments in subsidiaries (continued)

(1) Audited by member firm of Ernst & Young Global in Indonesia.

(2) Audited by KAP Anwar & Rekan.

(3) Audited by KAP Heru Satria Rukmana & Rekan.

(4) Not required to be audited by law in its country of incorporation.

(5) In 2023, the direct holding company of the subsidiaries made additional capital contribution to the subsidiary, in which, the minority interest did not undertake. Collectively, the increase in equity attributable to owners of the Company amounted to IDR 22,416 million had been recognised within the "other reserves" line in the equity.

(6) In 2024, the Group, via BGA, acquired 99% interest in PLH for a cash consideration of IDR 56,430 million.

(a) Interest in subsidiaries with material non-controlling interest ("NCI")

The Group has the following subsidiary that has NCI that is material to the Group.

Name of subsidiary	Principal place of business	Proportion of ownership interest held by NCI	Profit allocated to NCI during the reporting period IDR million	Accumulated NCI at the end of reporting period IDR million	Dividends paid to NCI IDR million
31 December 2024:					
BGA	Indonesia	10%	446,591	2,268,402	311,291
31 December 2023:					
BGA	Indonesia	10%	485,857	2,131,465	285,668

(b) Summarised financial information about subsidiary with material NCI

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiary with material NCI are as follows:

Summarised balance sheet

	BGA	
	2024 IDR million	2023 IDR million
Current		
Assets	3,505,714	3,020,167
Liabilities	(1,051,240)	(1,556,869)
Net current assets	2,454,474	1,463,298
Non-current		
Assets	16,703,827	16,475,192
Liabilities	(4,688,251)	(4,506,261)
Net non-current assets	12,015,576	11,968,931
Net assets	**14,470,050**	**13,432,229**

9. Investments in subsidiaries (continued)

(b) Summarised financial information about subsidiary with material NCI (continued)

Summarised statement of comprehensive income

	BGA	
	2024 IDR million	**2023 IDR million**
Revenue	16,732,039	15,442,893
Profit before taxation	3,581,858	3,781,203
Income tax expense	(746,101)	(789,305)
Profit after taxation	2,835,757	2,991,898
Other comprehensive income	(8,514)	(5,885)
Total comprehensive income	**2,827,243**	**2,986,013**

Other summarised information

	BGA	
	2024 IDR million	**2023 IDR million**
Net cash flows from operations	3,310,041	3,371,631
Acquisition of significant property, plant and equipment	942,661	1,157,181

(c) Acquisition of subsidiaries in 2024

In 2024, BGA, a subsidiary of the Group, acquired 99% of the total issued shares in PT Pupuk Lapan Harsa ("PLH") for a total consideration of IDR 56,430 million.

The acquisition aligns with the Group's strategy for expansion and diversification as it acquires the fertiliser facility to supplement the plantations business.

9. Investments in subsidiaries (continued)

(c) Acquisition of subsidiaries in 2024 (continued)

The provisional fair value of the identifiable assets and liabilities of the above subsidiaries as at the acquisition date were:

	Total IDR million
Property, plant and equipment (Note 11)	117,165
Land use rights (Note 12)	43,455
Intangible assets (Note 13)	316
Deferred tax assets	24
Inventories	69,696
Trade and other current assets	5,685
Cash and bank balances	14,998
Trade and other payables	(184,954)
Employee benefits liability (Note 26)	(110)
Tax payable	(9,275)
Total identifiable net assets at fair value	57,000
Non-controlling interest measured at non-controlling interest's proportionate share net identifiable assets	(570)
Consideration paid	56,430
Less: Cash and bank balances	(14,998)
Net cash outflow on acquisition	41,432

Impact of the acquisition on profit or loss

PLH was acquired near the financial year-end and the contribution to the Group is not significant. The impact to the Group's profit or loss if the business combination had taken place at the beginning of the year is not significant.

Transaction costs

Transaction costs related to the acquisition have been recognised in the "Administrative expenses" line item in the Group's profit or loss for the year ended 31 December 2024.

Provisional accounting of the acquisition of PLH

The allocation of purchase price of the acquisition of PLH in the financial year ended 31 December 2024 was provisional as the Group had sought a valuation for the acquisitions. The allocation of purchase price on acquisition will be updated accordingly.

10. Bearer plants

Bearer plants are classified into mature plantations, immature plantations and nurseries.

	Group	
	2024 **IDR million**	**2023** **IDR million**
Mature plantations		
Cost		
At 1 January	9,925,263	9,490,076
Reclassification from immature plantations	401,346	476,405
Reclassification to plasma receivables	(146,141)	(41,218)
At 31 December	**10,180,468**	**9,925,263**
Accumulated depreciation		
At 1 January	3,076,132	2,669,494
Charge for the year (Note 5)	419,447	406,638
Reclassification to plasma receivables	(78,897)	–
At 31 December	**(3,416,682)**	**(3,076,132)**
Net carrying amount	**6,763,786**	**6,849,131**
Immature plantations		
Cost		
At 1 January	1,015,564	972,305
Development costs	542,770	505,758
Reclassification from nurseries	14,094	15,519
Reclassification from plasma receivables	–	2,924
	1,572,428	1,496,506
Reclassification to mature plantations	(401,346)	(476,405)
Reclassification to plasma receivables	–	(4,537)
At 31 December	**1,171,082**	**1,015,564**
Nurseries		
Cost		
At 1 January	68,035	50,348
Development costs	38,747	44,192
Deduction	(7,691)	(10,986)
	99,091	83,554
Reclassification to immature plantations	(14,094)	(15,519)
At 31 December	**84,997**	**68,035**
Total carrying amount	**8,019,865**	**7,932,730**

Depreciation of property, plant and equipment capitalised to immature plantations for the financial year ended 31 December 2024 amounted to IDR 8,396 million (2023: IDR 4,686 million) (Note 11).

Borrowing costs capitalised to immature plantations for the financial year ended 31 December 2024 amounted to IDR 2,414 million (2023: IDR 3,933 million) (Note 6).

The cash outflow on additions in bearer plants amounted to IDR 463,543 million (2023: IDR 456,511 million).

Total nucleus planted area for the year ended 31 December 2024 accounted for approximately 124 thousand hectares (2023: 131 thousand hectares).

11. Property, plant and equipment

Group	Buildings IDR million	Renovation IDR million	Infrastructure IDR million	Machinery and equipment IDR million	Vehicles and heavy equipment IDR million	Furniture and fixtures IDR million	Assets under construction IDR million	Total IDR million
Cost								
At 1 January 2023	2,032,497	2,551	1,198,005	2,948,426	807,468	215,139	221,748	7,425,834
Additions (Note 21(c))	90,437	–	117,052	193,731	88,902	36,980	634,206	1,161,308
Disposals	(5,366)	–	(728)	(10,071)	(7,886)	(14)	(545)	(24,610)
Reclassifications	178,675	–	154,523	38,561	304	26	(372,089)	–
At 31 December 2023 and 1 January 2024	2,296,243	2,551	1,468,852	3,170,647	888,788	252,131	483,320	8,562,532
Additions (Note 21(c))	109,169	60	142,243	386,436	60,602	42,369	204,836	945,715
Disposals	(6,189)	–	(633)	(365)	(13,598)	(54)	(21)	(20,860)
Acquisition of a subsidiary (Note 9(c))	71,287	–	–	33,018	3,253	2,976	6,631	117,165
Reclassifications	137,377	–	68,733	257,608	239	262	(464,219)	–
At 31 December 2024	2,607,887	2,611	1,679,195	3,847,344	939,284	297,684	230,547	9,604,552
Accumulated depreciation and impairment								
At 1 January 2023	820,358	2,551	378,632	1,019,884	488,105	147,685	–	2,857,215
Charge for the year	121,254	–	67,298	183,363	81,518	24,917	–	478,350
Disposals	(4,965)	–	(392)	(8,558)	(6,640)	(5)	–	(20,560)
At 31 December 2023 and 1 January 2024	936,647	2,551	445,538	1,194,689	562,983	172,597	–	3,315,005
Charge for the year	137,465	12	87,954	217,864	83,971	31,063	–	558,329
Disposals	(4,557)	–	(196)	(142)	(13,471)	(36)	–	(18,402)
At 31 December 2024	1,069,555	2,563	533,296	1,412,411	633,483	203,624	–	3,854,932
Net carrying amount								
At 31 December 2023	1,359,596	–	1,023,314	1,975,958	325,805	79,534	483,320	5,247,527
At 31 December 2024	**1,538,332**	**48**	**1,145,899**	**2,434,933**	**305,801**	**94,060**	**230,547**	**5,749,620**

Notes to the Financial Statements

For the financial year ended 31 December 2024

11. Property, plant and equipment (continued)

Company	Renovation IDR million	Furniture and fixtures IDR million	Vehicles and heavy equipment IDR million	Total IDR million
Cost				
At 1 January 2023, 31 December 2023 and 1 January 2024	2,551	387	4,468	7,406
Additions	60	14	522	596
At 31 December 2024	2,611	401	4,990	8,002
Accumulated depreciation				
At 1 January 2023	2,551	274	4,026	6,851
Charge for the year	–	72	442	514
At 31 December 2023 and 1 January 2024	2,551	346	4,468	7,365
Charge for the year	12	28	17	57
At 31 December 2024	2,563	374	4,485	7,422
Net carrying amount				
At 31 December 2023	–	41	–	41
At 31 December 2024	**48**	**27**	**505**	**580**

Depreciation

Depreciation of property, plant and equipment was charged and allocated as follows:

	Group	
	2024 IDR million	2023 IDR million
Cost of sales (Note 5)	445,575	389,531
General and administrative expenses (Note 6)	18,762	17,189
Immature plantations (Note 10)	8,396	4,686
Plasma receivables	77,048	59,345
Other expenses	8,548	7,600
Total depreciation	**558,329**	**478,351**

12. Land use rights

	Group 2024 IDR million	Group 2023 IDR million
Cost		
At 1 January	1,182,022	1,149,701
Additions	62,591	32,321
Acquisition of a subsidiary (Note 9(c))	43,455	–
At 31 December	1,288,068	1,182,022
Accumulated amortisation		
At 1 January	136,115	116,718
Amortisation for the year (Note 5)	19,397	19,397
At 31 December	155,512	136,115
Net carrying amount	**1,132,556**	**1,045,907**
Amounts to be amortised:		
– Not later than one year	19,397	19,397
– Later than one year but not later than five years	77,588	77,588
– Later than five years	1,035,571	948,922
	1,132,556	**1,045,907**

Land use rights represent the cost of rights to use the land for agriculture purposes that are held by the Group. The cost of land use rights include all costs associated with the legal transfer or renewal of the titles of land use rights such as legal fees, land survey and re-measurement fees, taxes and other related expenses. Land use rights are amortised on a straight-line basis over their terms of 20 to 35 years. The terms can be extended up to a period of 35 years from the initial recognition subject to agreement with the Government of Indonesia.

As at 31 December 2024, the land use rights have remaining tenure ranging from 6 years to 27 years (2023: 7 years to 28 years).

During the financial year, amortisation of land use rights allocated to cost of sales and other expenses amounts to IDR 16,376 million (2023: IDR 16,376 million) and IDR 3,021 million (2023: IDR 3,021 million), respectively.

The cash outflow on additions in land use rights amounted to IDR 62,591 million (2023: IDR 32,321 million).

13. Intangible assets

Group	Goodwill IDR million	Software IDR million	Total IDR million
Cost			
At 1 January 2023	174,464	65,731	240,195
Additions	–	13,064	13,064
At 31 December 2023 and 1 January 2024	174,464	78,795	253,259
Additions	–	12,414	12,414
Acquisition from a subsidiary (Note 9(c))	–	316	316
At 31 December 2024	174,464	91,525	265,989
Accumulated amortisation and impairment losses			
At 1 January 2023	6,563	39,556	46,119
Amortisation for the year (Note 6)	–	7,967	7,967
At 31 December 2023 and 1 January 2024	6,563	47,523	54,086
Amortisation for the year (Note 6)	–	9,771	9,771
At 31 December 2024	6,563	57,294	63,857
Net carrying amount			
At 31 December 2023	167,901	31,272	199,173
At 31 December 2024	**167,901**	**34,231**	**202,132**

Goodwill

Impairment testing of goodwill

Goodwill arising from business combinations is allocated to the individual cash-generating units ("CGU") for the purpose of impairment testing. The CGUs relating to the goodwill as at 31 December are as follows:

	Group	
	2024 IDR million	2023 IDR million
Carrying values:		
- KMB	22,885	22,885
- LGI	48,809	48,809
- NKU	96,207	96,207
	167,901	**167,901**

13. Intangible assets (continued)

<u>Goodwill</u> (continued)

<u>Impairment testing of goodwill (continued)</u>

The recoverable amounts of the CGUs have been determined based on fair value less cost of disposal ("FVLCOD") calculations using cash flow projections from financial budgets approved by Management. The calculations were based on the following key assumptions:

	2024	2023
Discount rate	11.11%	12.17% - 12.95%
Inflation rate	2.8% - 3.3%	2.4% – 2.5%
Projected CPO price ($^{IDR}/_{Kg}$)	12,899 – 13,255	11,840 – 12,328

The FVLCOD calculations applied a discounted cash flow model using cash flow projections and projected CPO price of IDR 12,899 – IDR 13,255 (2023: of IDR 11,840 – IDR 12,328) per kg. The cash flows calculated is based on a professional valuer's judgement with reference to monetary policy report published by Bank Indonesia, International Monetary Fund data and World Economic Outlook database.

<u>Key assumptions used in FVLCOD calculations</u>

The calculations of FVLCOD are most sensitive to the following assumptions:

Discount rate – The discount rate applied to the cash flow projection is post-tax derived from the weighted average cost of capital of the oil palm plantation sectors on the assumption that funds are available at the prevailing rates and will continue to be available throughout the forecast period.

Inflation rate – The inflation rate is based on the Economist Intelligence Unit and International Monetary Fund data.

Projected CPO price – The CPO price was based on the international market price retrieved from Economist Intelligence Unit, Malaysian Palm Oil Board, World Bank and local market price retrieved from Badan Pengawas Perdagangan Berjangka Komoditi ("Bappebti").

Based on the above analysis, management has assessed that the goodwill is not impaired as at 31 December 2024 and 2023.

<u>Sensitivity to changes in assumptions</u>

Changes to the assumptions used by management to determine the recoverable amounts may have an impact on the results of the assessment. Management is of the opinion that no reasonably possible change in any of the key assumptions stated above would cause the carrying amount of the goodwill of each CGU, to materially exceed their recoverable amount.

<u>Software</u>

Software represents the cost of software that covers all direct cost related to the acquisition and preparation of the software for its intended use which is not part of an integral part of hardware. Amortisation of software is recognised in the "General and administrative expenses" line item in the consolidated income statement.

14. Plasma receivables

Plasma receivables represent costs incurred for plasma plantations development which are financed by the Group and will be repaid using the investment credit given to plasma farmers by banks or reimbursed directly by the plasma farmers. Plasma receivables also include advances to plasma farmers for payments of loan installments to the banks.

The Group develops plasma plantations under the "Kredit Koperasi Primer untuk Anggota" ("KKPA") scheme. Plasma plantations development is financed through investment credit from banks. Under the KKPA scheme, investment credit agreement is signed by plasma farmers through cooperative (*Koperasi Unit Desa*/KUD) acting as their representative and the Group acting as guarantors for the loan repayments.

As the guarantors for the loan repayments, the Group will deduct the plasma farmers' sales of FFB based on bank loan installments until the plasma farmers' loans to the bank are fully paid. The amount deducted will be paid by the Group as the plasma farmers' loan installments to the bank. Deficits from the difference between deductions from sales of FFB with bank loan installments must be paid by the Group as guarantors for the loan repayments and are recorded as plasma receivables until reimbursed by plasma farmers.

Plasma receivables bear interest at rates determined based on negotiation between the Group and the Cooperatives.

The net cash inflows on decrease in plasma receivables amounted to IDR 848,351 million (2023: IDR 305,693 million).

As of 31 December 2024, the Company has developed plasma plantations through bank partnerships covering a total area of 62,613 hectares (2023: 56,549 hectares).

Details of plasma receivables are as follows:

	Group	
	2024 **IDR million**	**2023** **IDR million**
As at 1 January	1,624,112	1,827,630
Collections, net of additional development cost	(441,857)	(279,677)
Financing from banks	(572,440)	(322,946)
Advances to plasma farmers	242,995	356,274
Reclassification from bearer plants	67,244	42,831
As at 31 December	**920,054**	**1,624,112**
Less: Current portion of plasma receivables	(112,886)	(632,706)
Non-current portion of plasma receivables	**807,168**	**991,406**

15. Due from subsidiaries

	Company	
	2024 **IDR million**	**2023** **IDR million**
Loans to subsidiaries	**3,662,036**	**4,226,143**

Loans to subsidiaries are non-trade, unsecured and bear interest at rates ranging from 1.30% to 3.55% (2023: 3.55%) plus Secured Overnight Financing Rate ("SOFR") and Credit Adjustment Spread ("CAS") per annum.

Included in the amounts due from subsidiaries of IDR 1,099 billion (2023: IDR 1,268 billion) are equity in nature for which settlement are not planned and at the option of the subsidiaries. The amounts are, in substance, a part of the Company's net investments in the subsidiaries. These amounts are denominated in USD.

16. Deferred tax

Deferred tax as at 31 December relates to the following:

	Group			
	Consolidated balance sheet		Consolidated income statement	
	2024 IDR million	2023 IDR million	2024 IDR million	2023 IDR million
Deferred tax assets:				
Property, plant and equipment	326	331	(5)	(54)
Unutilised tax losses	55,502	53,278	2,224	10,961
Bearer plants	123,203	145,452	(22,249)	3,150
Remeasurement on defined benefit plan	5,465	3,064	–	–
Gross deferred tax assets	**184,496**	**202,125**	**(20,030)**	**14,057**
Deferred tax liabilities:				
Property, plant and equipment	(36,983)	(41,160)	4,177	(6,190)
Bearer plants	(161,945)	(145,381)	(16,564)	(8,443)
Biological assets	(86,295)	(45,657)	(40,638)	17,839
Fair value adjustments on acquisition of subsidiaries	(32,267)	(34,254)	1,987	1,986
Gross deferred tax liabilities	**(317,490)**	**(266,452)**	**(51,038)**	**5,192**
Net deferred tax liabilities	(132,994)	(64,327)		
Deferred tax expenses			(71,068)	19,249
Presented in balance sheet				
Deferred tax assets	75,590	118,810		
Deferred tax liabilities	(208,584)	(183,137)		
Gross deferred tax assets	**(132,994)**	**(64,327)**		

16. Deferred tax (continued)

Unrecognised tax losses and tax credits

At the end of reporting period, the Group has unutilised tax losses and tax credits, after applying the statutory tax rate, will give rise to approximately IDR 107 billion and IDR 134 billion (2023: IDR 114 billion and IDR 171 billion) respectively, that are available for offset against future taxable profits of the Group's subsidiaries in which these arose, for which no deferred tax asset is recognised due to the uncertainty of its recoverability. The use of these tax losses and tax credits are subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

If the Group was able to recognise all unrecognised unutilised tax losses and tax credits, profit would increase by the same amount of the unutilised tax losses and tax credits as described above. Under Indonesian taxation laws, tax losses may be carried forward for a period of 5 years.

Unrecognised temporary differences relating to investments in subsidiaries

At the end of the reporting period, no deferred tax liability (2023: Nil) has been recognised for taxes that would be payable on the undistributed earnings of certain of the Group's subsidiaries as the Group has determined that undistributed earnings of its subsidiaries will not be distributed in the foreseeable future.

Such temporary differences for which no deferred tax liability has been recognised aggregate to approximately IDR 19,388,209 million (2023: IDR 18,190,492 million). The deferred tax liability is estimated to be IDR 1,938,821 million (2023: IDR 1,819,049 million).

17. Biological assets

	Group	
	2024 IDR million	**2023 IDR million**
Biological assets	**392,248**	**207,530**

For the year ended 31 December 2024, the Group recognised fair value gain of IDR 184,718 million (2023: fair value loss of IDR 81,088 million).

The following table shows the impact on the fair value measurement of assets that are sensitive to changes in market price that reflect reasonably possible alternative assumptions. The positive and negative effects are approximately the same.

	Increase/ (decrease)	**Changes in fair values IDR million**
2024		
Index price	+10%	53,650
	-10%	(53,650)
2023		
Index price	+10%	33,607
	-10%	(33,607)

18. Inventories

	Group	
	2024 IDR million	2023 IDR million
Balance sheet:		
At lower of cost and net realisable value		
Finished goods:		
CPO	535,499	727,711
PK	32,153	59,143
	567,652	786,854
Consumables:		
Fertilisers and chemicals	338,425	515,400
Spare parts and other consumables	335,086	284,978
	673,511	800,378
Total inventories	**1,241,163**	**1,587,232**
Income statement:		
Inventories recognised as an expense in cost of sales (Note 5)	8,754,676	6,796,061

19. Trade and other receivables

	Group		Company	
	2024 IDR million	2023 IDR million	2024 IDR million	2023 IDR million
Trade receivables	691,134	461,903	–	–
Other receivables	28,562	23,653	763	299
Total trade and other receivables	719,696	485,556	763	299
Due from subsidiaries (Note 15)	–	–	2,563,425	2,958,300
Due from related companies (Note 20)	50	50	–	–
Plasma receivables (Note 14)	920,054	1,624,112	–	–
Cash and short-term deposits (Note21(a))	1,705,322	374,050	989,343	18,749
Total financial assets carried at amortised cost	**3,345,122**	**2,483,768**	**3,553,531**	**2,977,348**

19. Trade and other receivables (continued)

Trade receivables

Trade receivables are non-interest bearing and are generally on less than 30 days' credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition. They are not secured by any collateral or credit enhancement.

There is no expected credit loss provided as at the end of each reporting period.

Other receivables

Other receivables are non-trade related, non-interest bearing, unsecured, repayable upon demand and are to be settled in cash.

20. Due from related companies

Due from related companies are non-trade related, non-interest bearing, unsecured, repayable upon demand and are to be settled in cash. All amounts due from related companies are denominated in IDR.

21. Cash and short-term deposits

(a) Cash and short-term deposits

	Group		Company	
	2024 IDR million	2023 IDR million	2024 IDR million	2023 IDR million
Cash at bank and on hand	362,441	172,281	27,704	18,749
Time deposits	1,342,881	201,769	961,639	–
Total cash and cash equivalents	**1,705,322**	**374,050**	**989,343**	**18,749**

Cash at bank earns interest at floating rates based on daily bank deposit rate. Time deposits are made for varying periods of not more than three months depending on the immediate cash requirements of the Group and earn interests ranging from 3.0% to 6.9% for IDR denominated time deposits and 4.65% to 5.55% for USD denominated time deposits (2023: 3.0% to 6.8% for IDR denominated time deposits, no USD denominated time deposits in 2023) per annum.

Cash and short-term deposits denominated in foreign currencies at 31 December are as follows:

	Group		Company	
	2024 IDR million	2023 IDR million	2024 IDR million	2023 IDR million
USD	54,480	48,809	-	-
SGD	7,300	4,334	7,300	4,334

21. Cash and short-term deposits (continued)

(b) Cash flow from operating activities

	Group	
	2024 IDR million	2023 IDR million
Profit before taxation	3,649,354	3,861,896
Adjustments:		
Depreciation and amortisation	916,788	843,901
Employee defined benefits paid	(24,306)	(35,456)
Finance cost	177,113	129,003
Interest income	(170,515)	(175,336)
Post employment benefits	25,842	29,679
Unrealised foreign exchange loss/(gain)	170,953	(128,684)
Fair value changes in biological assets	(184,718)	81,088
Operating cash flows before working capital changes	4,560,511	4,606,091
Increase in trade and other receivables	(232,492)	(271,267)
Decrease in inventories	415,766	739,974
(Increase)/decrease in prepaid taxes	(405,135)	158,154
(Increase)/decrease in prepayment and advances	(5,247)	39,453
Decrease/(increase) in deferred charges	1,132	(348)
Increase/(decrease) in trade and other payables	58,155	(283,484)
Decrease in accrued operating expenses	(88,274)	(98,963)
Increase/(decrease) in other taxes payable	55,178	(80,242)
Increase/(decrease) in sales advances	3,650	(341,988)
Cash flows generated from operations	4,363,244	4,467,380
Income tax paid	(1,098,581)	(1,190,578)
Net cash flows generated from operating activities	**3,264,663**	**3,276,802**

(c) Notes to the consolidated statement of cash flows

During the financial year, the total net purchases of property, plant and equipment amounted to IDR 943,256 million (2023: IDR 1,157,258 million) which represents total additions in property, plant and equipment of IDR 945,715 million (2023: IDR 1,161,308 million), net of proceeds received from the disposals of property, plant and equipment.

22. Loans and borrowings

	Maturity date	Group		Company	
		2024 IDR million	2023 IDR million	2024 IDR million	2023 IDR million
Current:					
IDR revolving loan facilities	May-July 2024	–	499,833	–	–
USD term loan facilities	March 2024	–	770,800	–	770,800
Non-current:					
USD term loan facilities	February 2029	1,050,530	–	1,050,530	–
IDR term loan facilities	February 2029	700,000	–	–	–
Less:					
Issuance costs		2,029	2,029	2,029	2,029
Accumulated amortisation		(1,904)	(1,722)	(1,904)	(1,722)
		125	307	125	307
Loans and borrowings, net		**1,750,405**	**1,270,326**	**1,050,405**	**770,493**

During FY2024, the Group repaid its previous USD Term Loan Facility ("TLF") amounting to USD 50 million and IDR Revolving Credit Facility ("RCF") amounting to IDR 500 billion. These were refinanced with a new USD TLF of USD 65 million and an IDR TLF of IDR 700 billion. The new TLF has a 5-year tenure and is classified under non-current liabilities.

The Company and the Group have bilateral revolving facility agreements and term loan facility agreements with several banks in Singapore and Indonesia. Bilateral revolving facility agreements were entered in USD and IDR currencies with an aggregate principal amount of up to USD 225 million (2023: USD 225 million) and IDR 250 billion (2023: IDR 450 billion), respectively. Aggregate principal amount for term loan facility agreements are up to USD 65 million (2023: USD 240 million) and IDR 700 billion (2023: Nil).

As at 31 December 2024, the Group and the Company had outstanding balance of USD 65 million (equivalent to approximately IDR 1,050,530 million) (2023: USD 50 million (equivalent to approximately IDR 770,800 million)) and the Group had outstanding balance of IDR 700,000 million (FY2023: nil).

There is no outstanding balance on the revolving loan facility as at 31 December 2024 (2023: IDR 499,833 million). The Group's loans and borrowing bear interest at average interest rate of 6.58% per annum.

22. Loans and borrowings (continued)

A reconciliation of liabilities arising from the Group's and the Company's financing activities is as follows:

				Non-cash changes			
	2023 IDR million	Cash inflows IDR million	Cash outflows IDR million	Foreign exchange IDR million	Amortisation of issuance costs IDR million	Other IDR million	2024 IDR million
Loans and borrowings:							
- current	1,270,326	–	(1,380,300)	109,772	202	–	–
- non-current	–	1,813,025	–	(62,745)	125	–	1,750,405
	1,270,326	**1,813,025**	**(1,380,300)**	**47,027**	**327**	**–**	**1,750,405**
Islamic medium-term notes (Note 25)							
- non-current	1,336,482	–	–	109,806	114	–	1,446,402
	1,336,482	**–**	**–**	**109,806**	**114**	**–**	**1,446,402**

				Non-cash changes			
	2022 IDR million	Cash inflows IDR million	Cash outflows IDR million	Foreign exchange IDR million	Amortisation of issuance costs IDR million	Other IDR million	2023 IDR million
Loans and borrowings:							
- current	78,655	500,000	(1,112,481)	(15,103)	1,562	1,817,693	1,270,326
- non-current	1,854,834	266,256	(276,606)	(26,791)	–	(1,817,693)	–
	1,933,489	**766,256**	**(1,389,087)**	**(41,894)**	**1,562**	**–**	**1,270,326**
Islamic medium-term notes (Note 25)							
- non-current	1,421,992	–	–	(85,613)	103	–	1,336,482
	1,421,992	**–**	**–**	**(85,613)**	**103**	**–**	**1,336,482**

The "other" column relates to reclassification of current and non-current portion of loans and borrowings due to passage of time and extension of the maturity date of the facility agreements.

23. Trade and other payables

	Group		Company	
	2024 IDR million	2023 IDR million	2024 IDR million	2023 IDR million
Trade payables	394,798	148,727	–	–
Other payables	24,043	27,266	285	1,327
Total trade and other payables	418,841	175,993	285	1,327
Loans and borrowings (Note 22)	1,750,405	1,270,326	1,050,405	770,493
Accrued operating expenses (Note 24)	283,745	258,406	37,093	29,857
Islamic medium-term notes (Note 25)	1,446,402	1,336,482	1,446,402	1,336,482
Total financial liabilities carried at amortised cost	**3,899,393**	**3,041,207**	**2,534,185**	**2,138,159**

Trade and other payables

These amounts are non-interest bearing. Trade payables are normally settled within 30 to 90 days from date of invoice while other payables have an average term of 1 month.

24. Accrued operating expenses

	Group		Company	
	2024 IDR million	2023 IDR million	2024 IDR million	2023 IDR million
Accrued salaries and wages	188,414	170,465	1,131	1,135
Accrued interests	34,466	29,046	30,504	25,353
Professional fees	4,911	2,219	1,713	728
Accrued expenses	48,798	48,926	–	–
Others	7,156	7,750	3,745	2,641
Total accrued operating expenses	**283,745**	**258,406**	**37,093**	**29,857**

25. Islamic medium-term notes

On 10 January 2014, the Group and the Company were granted approval by the Securities Commission of Malaysia to establish a Ringgit-denominated Islamic Medium-Term Note ("IMTN") Programme ("Programme") of up to MYR 2.0 billion under the laws of Malaysia.

The tenure of the Programme shall be up to fifteen years from the date of the first issuance. Under the Programme, the Group may issue IMTN from time to time in Malaysian Ringgit in various amounts and tenures of more than a year and up to a maximum tenure of fifteen years as determined by the Group and the Company, provided always that the maturity of the IMTN shall not exceed the tenure of the Programme.

25. Islamic medium- term notes (continued)

The first issuance amounting to MYR 500 million was completed on 18 March 2014 with 5-year tenure and coupon of 5.25% per annum.

The second issuance amounting to MYR 500 million was completed on 2 September 2014 with 5-year tenure and coupon of 5.00% per annum.

The Company had repaid the first and second issuance on 18 March 2019 and 2 September 2019, respectively.

The third issuance amounting to MYR 300 million was completed on 22 July 2019 with 5-year tenure and coupon of 4.10% per annum. On 27 July 2022, the Group had fully redeemed the IMTN tranche 3 ahead its maturity.

The fourth issuance amounting to MYR 400 million was completed on 22 July 2019 with 7-year tenure and coupon of 4.20% per annum.

The IMTNs are unsecured and not listed on any stock exchange.

The carrying amount of the IMTNs as at end of the reporting period is as follows:

			Group and Company	
	Maturity date	Distribution rate (per annum)	2024 IDR million	2023 IDR million
Fourth issuance	22 July 2026	4.20%	1,446,651	1,336,828
Less:				
Issuance costs			838	799
Accumulated amortisation			(589)	(453)
			249	346
Islamic medium-term notes, net			**1,446,402**	**1,336,482**

26. Employee benefits liability

Defined benefit plans

The Group recognised post-employment benefits for all its permanent employees in Indonesia pursuant to Indonesian Labor Law No. 13/2003 which were still in effect. Effective 2 February 2021, the Group applies the Government Regulation Number 35 Year 2021 (PP 35/2021), implementing the provisions of Article 81 and Article 185 (b) of Omnibus Law No. 11/2020 on Job Creation. The Group has also set-up plan assets. The provision for post-employment benefits is based on the calculation of an independent actuary, using the "Projected Unit Credit" method.

26. Employee benefits liability (continued)

Defined benefit plans (continued)

The principal assumptions used in determining the provision for post-employment benefits are as follows:

	Group	
	2024	**2023**
Normal Pension Age	55 years	55 years
Salary Increment Rate per annum	4.0% – 5.0%	2.3% – 3.5%
Discount Rate per annum	6.6% – 7.1%	6.5% – 7.0%
Mortality Rate	Indonesia – IV	Indonesia – IV
Resignation Level per annum	4% of 18 – 30 years	4% of 18 – 30 years

The estimated liability for post-employment benefits as at balance sheet date is as follows:

	Group	
	2024 IDR million	**2023 IDR million**
Present value of defined benefit obligation	152,977	136,587
Fair value of plan assets	(24,691)	(20,753)
Acquisition of a subsidiary (Note 9)	110	–
Net liability arising from defined benefit obligation	**128,396**	**115,834**

Remeasurement on defined benefit plans recognised in other comprehensive income are as follows:

	Group	
	2024 IDR million	**2023 IDR million**
Actuarial loss arising from changes in financial assumptions	10,916	7,545
Deferred tax effect from actuarial changes	(2,402)	(1,660)
Actuarial loss arising from changes in financial assumptions	**8,514**	**5,885**

Changes in the present value of defined benefit obligations are as follows:

As at 1 January	136,587	135,864
Interest cost	9,228	9,441
Current service cost	40,038	36,516
Actuarial gain arising from changes in assumptions	(11,513)	(8,231)
Past service cost	-	37
Benefits paid	(21,363)	(37,330)
As at 31 December	**152,977**	**136,587**

26. Employee benefits liability (continued)

Defined benefit plans (continued)

Changes in the fair value of plan assets are as follows:

	Group	
	2024 IDR million	**2023 IDR million**
As at 1 January	20,753	21,797
Expected return on plan assets	1,435	1,610
Contribution during the year	22,000	35,212
Benefits paid	(19,057)	(37,086)
Actuarial loss on plan assets	(440)	(780)
As at 31 December	**24,691**	**20,753**

The allocation of the plan assets by each classes as at the end of the reporting period comprise the following:

	Group	
	2024	**2023**
Interest-bearing cash/bank deposits	80%	80%
Debt instruments:		
Bank Indonesia Certificates	0%	0%
Indonesia Government Bonds	20%	20%

All debt instruments held have quoted prices in active market. The remaining plan assets do not have quoted market prices in active market.

The following table summarises the components of net post-employment benefits expense recognised in profit or loss as follows:

	Group	
	2024 IDR million	**2023 IDR million**
Current service cost	40,038	36,516
Interest cost on defined benefit obligation	9,228	9,441
Expected return on plan assets	(1,435)	(1,610)
Interest of effect of assets ceiling	4	–
Actuarial gain charged to profit/loss	(21,993)	(14,995)
Past service cost	–	327
Post-employment benefits expense (Note 6)	**25,842**	**29,679**

Post-employment benefits expense is recognised in the "General and administrative expenses" line item in the consolidated income statement.

26. Employee benefits liability (continued)

Defined benefit plans (continued)

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming if all other assumptions were held constant:

	Sensitivity analysis	
	Increase/ (decrease)	Changes in present value of defined benefit obligation IDR million
2024		
Discount rates	+1%	(7,672)
	–1%	8,605
Salary increment rate per annum	+1%	7,784
	–1%	(7,033)
2023		
Discount rates	+1%	(7,147)
	–1%	7,999
Salary increment rate per annum	+1%	7,263
	–1%	(6,580)

The Group has no specific matching strategies between the retirement plan assets and the defined benefit obligation under the retirement plans.

The average duration of the defined benefit obligation at the end of the reporting period is 9.08 years (2023: 8.86 years).

Shown below is the maturity analysis of the undiscounted benefit payments:

	Group	
	2024 IDR million	2023 IDR million
Not later than one year	64,274	3,851
Later than one year but not later than five years	269,996	302,860
Later than five years	1,291,042	1,082,072
Total	**1,625,312**	**1,388,783**

27. Derivative financial assets/liabilities

Cross-currency swaps and Interest rate swaps

The Company has entered into cross-currency swap agreements with financial institutions to swap its Ringgit-denominated IMTN indebtedness (Note 25) into USD liabilities. Based on the agreements, the financial institutions will swap the principal as well as the profit distribution amounts of the Company's IMTN from Malaysian Ringgit into United States Dollar. In 2020, the Company also entered into interest rate swap agreements with financial institutions to swap its floating interest rate of term loan facilities into fixed interest rate. Cash flow hedge accounting has been applied to these cross-currency swap and interest rate swap agreements as they have been assessed by management to be effective hedging instruments. The interest rate swap matured as the Group re-financed the term loans.

For the financial year ended 31 December 2024, fair value loss of IDR 30,809 million (2023: fair value loss of IDR 79,594 million) had been included in other comprehensive income in respect of these contracts.

	Group and Company			
	2024		2023	
	Contract/ Notional Amount MYR million	Assets/ (Liabilities) IDR million	Contract/ Notional Amount MYR million	Assets/ (Liabilities) IDR million
Cross-currency swaps	400	(59,087)	400	(75,095)

	Group and Company			
	2024		2023	
	Contract/ Notional Amount USD million	Assets/ (Liabilities) IDR million	Contract/ Notional Amount USD million	Assets/ (Liabilities) IDR million
Interest rate swaps	–	–	50	9,123

28. Share capital and treasury shares

	Group and Company			
	2024		2023	
	No. of shares	IDR million	No. of shares	IDR million
Issued and fully paid ordinary shares				
As at 1 January and 31 December	1,757,531,844	1,807,045	1,757,531,844	1,807,045

28. Share capital and treasury shares (continued)

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

	Group and Company			
	2024		2023	
	No. of shares	IDR million	No. of shares	IDR million
Treasury shares as at 31 December	23,387,800	161,366	23,387,800	161,366

During the financial year, the Company did not purchase any ordinary shares (2023: Nil) from the public to hold as treasury shares. Treasury shares relate to ordinary shares of the Company that is held by the Company.

29. Other reserves

Other reserves comprise:

	Group		Company	
	2024 IDR million	2023 IDR million	2024 IDR million	2023 IDR million
Discount received on acquisition of non-controlling interest	(150,814)	(150,814)	–	–
Fair value reserve from derivative financial instruments	56,940	87,749	56,940	87,749
	(93,874)	(63,065)	56,940	87,749

The discount received on acquisition of non-controlling interest represents the difference between the consideration paid/(received) and the carrying value of the additional/(reduction in) interest acquired/(disposed).

Fair value reserve from derivative financial instruments resulted from mark-to-market cross-currency swap and interest rate swap.

30. Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of companies in the Group whose functional currencies are different from that of the Group's presentation currency.

31. Related party transactions

(a) Sale and purchase of goods and services and other transactions

In addition to the related party transactions disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group	
	2024 IDR million	**2023 IDR million**
Rental to related parties	11,170	11,039
Sales of barge and tugboat	7,300	–

The Group has entered into office premise lease agreements with Mr. Gunardi Hariyanto Lim and Goldwood Investments Ltd for an amount of IDR 4,450 million for the year ended 31 December 2024 (2023: IDR 4,493 million).

The Group has also entered into barge lease agreement with PT Lima Srikandi Jaya ("LSJ"), a related party, amounting to IDR 6,720 million for the year ended 31 December 2024 (2023: IDR 6,546 million) as well as sales of barge and tugboat to LSJ amounting to IDR 7,300 million in 2024.

(b) Compensation of key management personnel

	Group	
	2024 IDR million	**2023 IDR million**
Directors' fee	4,786	4,821
Short-term employee benefits	135,258	139,035
	140,044	143,856
Comprise amounts paid/payable to:		
Directors of the Company	65,249	67,509
Other key management personnel	74,795	76,347
	140,044	143,856

Key management personnel are directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

32. Contingencies and commitments

(a) Contingent liabilities

In relation to agreements between some local banks and several cooperatives, certain subsidiaries act as guarantors of plasma credits until full settlement of the outstanding credits.

As at 31 December 2024, these credits are secured by land certificates held by the plasma farmers who participate in the plasma programme and certain subsidiaries' corporate guarantees of IDR 1,466,594 million (2023: IDR 1,137,148 million). The harvested FFB will be sold to the Group and repayment of the credit facilities are through deduction of plasma farmers' sales of FFB to the Group (Note 14).

(b) Leases – as lessee

The short-term leases (Note 31(a)) recognised as an expense in the Group's profit or loss for the financial year ended 31 December 2024 amounted to IDR 11,170 million (2023: IDR 11,039 million).

(c) Capital commitments

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	2024 **IDR million**	**2023** **IDR million**
Capital commitment in respect of property, plant and equipment	136,855	177,841

Capital commitments comprise amounts related to committed cost for new mills construction, land clearing, infrastructures and construction of employees' houses and offices.

33. Fair value of assets and liabilities

(a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

33. Fair value of assets and liabilities (continued)

(b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

Group	Quoted prices in active markets for identical instruments (Level 1) IDR million	Significant other observable inputs (Level 2) IDR million	Significant unobservable inputs (Level 3) IDR million	Total IDR million
2024				
Asset measured at fair value				
Non-financial assets:				
Biological assets	–	–	392,248	392,248
Liabilities measured at fair value				
Financial Liabilities:				
Derivative financial liabilities	–	59,087	–	59,087
2023				
Asset measured at fair value				
Non-financial assets: Biological assets	–	–	207,530	207,530
Financial assets:				
Derivative financial assets	–	9,123	–	9,123
Liabilities measured at fair value				
Financial Liabilities:				
Derivative financial liabilities	–	75,095	–	75,095

33. Fair value of assets and liabilities (continued)

(b) Assets and liabilities measured at fair value (continued)

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period: (continued)

Company	Quoted prices in active markets for identical instruments (Level 1) IDR million	Significant other observable inputs (Level 2) IDR million	Significant unobservable inputs (Level 3) IDR million	Total IDR million
2024				
Assets measured at fair value				
Financial liabilities:				
Derivative financial liabilities	–	59,087	–	59,087
2023				
Assets measured at fair value				
Financial assets:				
Derivative financial assets	–	9,123	–	9,123
Liabilities measured at fair value				
Financial liabilities:				
Derivative financial liabilities	–	75,095	–	75,095

33. Fair value of assets and liabilities (continued)

(c) Level 2 fair value measurements

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

Derivative financial instruments

Cross-currency swap contracts and interest rate swaps are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate curves.

(d) Level 3 fair value measurements

Information about significant unobservable inputs used in Level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value IDR million	Valuation techniques	Unobservable inputs	Value
2024				
Recurring fair value measurements				
Biological assets	392,248	Income approach	Projected harvest quantities	151,842 Tonnes
			Average market price of FFB as at 31 December	3,533 IDR/kg
2023				
Recurring fair value measurements				
Biological assets	207,530	Income approach	Projected harvest quantities	141,410 Tonnes
			Average market price of FFB as at 31 December	2,377 IDR/kg

For biological assets, a significant increase/(decrease) in the market price of FFB and projected harvest quantities would result in a significantly higher/(lower) fair value measurement.

33. Fair value of assets and liabilities (continued)

(d) Level 3 fair value measurements (continued)

Movements in Level 3 assets measured at fair value

The movements in biological assets measured at fair value are disclosed in Note 17.

Valuation policies and procedures

To determine the fair value of biological assets, the corporate finance team obtained the projected harvest quantities and the market price of the FFB from the physical census reports and from the publicly available index price set by the local government, net of estimated cost to sell.

Significant changes in fair value measurements from period to period are evaluated by the corporate finance team for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

(e) Assets and liabilities not carried at fair value but for which fair value is disclosed

The following table shows an analysis of the assets and liabilities not measured at fair value but for which fair value is disclosed:

	Fair value measurements at the end of the reporting period using				
Group and Company	**Quoted prices in active market for identical instruments (Level 1) IDR million**	**Significant other observable inputs (Level 2) IDR million**	**Significant unobservable inputs (Level 3) IDR million**	**Total IDR million**	**Carrying Amount IDR million**
2024					
Liabilities					
Islamic medium-term notes	–	1,453,507	–	1,453,507	1,446,402
2023					
Liabilities					
Islamic medium-term notes	–	1,341,932	–	1,341,932	1,336,482

Determination of fair value of Islamic medium-term notes

The fair value as disclosed in the table above is estimated by reference to the latest transacted prices at the end of the reporting period.

34. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, market risk (including foreign currency risk and commodity price risk), credit risk and liquidity risk. The board of directors reviews and agrees policies and procedures for the management of these risks and provides independent oversight to the effectiveness of the risk management process. It is, and has been, throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from time deposits and loans and borrowings, which bear interest at floating rates.

The Group's and the Company's policy is to manage interest cost by switching to lower rate of loans and borrowings whenever the opportunity arises.

<u>Sensitivity analysis for interest rate risk</u>

At the balance sheet date, if interest rates had been 2% (2023: 2%) lower/higher with all other variables held constant, the Group's profit before taxation would have been IDR 2,334 million (2023: IDR 660 million) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings.

<u>Cash flow hedges</u>

The Group manages its interest rate risk arising from its term loan facilities by entering into interest rate swaps to swap from floating interest rates to fixed interest rates.

The terms (notional amount and timing) of the interest rate swaps were negotiated to match the terms of the term loan facilities. The hedge ratio (the ratio between the notional amount of the interest rate swaps to the amount of the term loan facilities being hedged) was determined to be 1:1. Accordingly, the hedges were assessed to be highly effective.

There were no expected sources of ineffectiveness on the Group's hedges as the critical terms of the derivatives match exactly with the term of the hegded item.

The interest rate swap matured as the Group re-financed the term loans.

34. Financial risk management objectives and policies (continued)

(a) Interest rate risk (continued)

Cash flow hedges (continued)

The effects of applying hedge accounting for its interest rate swaps on the Group's balance sheet and profit or loss are as follows:

Cash flow hedge **Hedged item**	**2023** **USD floating rate term loan facilities**
Line item in the balance sheet that includes the hedged item	Current loans and borrowings
Carrying amount of hedged item	IDR 770,493 million
Balances in the cash flow hedge reserve	IDR 9,123 million
Hedging instrument	Receive variable/pay fixed interest rate swap
Line item in the balance sheet that includes the hedging instrument	Derivative financial assets
Maturity dates	13 March 2024
Notional amount	USD 50 million
Hedging loss for the period recognised in OCI	IDR 58,433 million
Weighted average hedged rate at maturity date	**2.0625**

(b) Foreign currency risk

The Group has transactional currency exposures arising from purchases that are denominated in a currency other than the respective functional currency of the Group's entities, Indonesian Rupiah ("IDR"). The foreign currencies in which these transactions are denominated are mainly United States Dollars ("USD") and Singapore Dollars ("SGD"). The Group does not consider foreign exchange risk from SGD to be significant to the Group.

As at 31 December 2024, the Group's costs denominated in foreign currencies amounted to approximately 0.68% (2023: 0.24%).

34. Financial risk management objectives and policies (continued)

(b) Foreign currency risk (continued)

The Group is exposed to currency translation risk arising from its financial assets and liabilities including its IMTN that are denominated in currencies other than the respective functional currencies of the companies in the Group.

It is the Group's policy not to enter into forward currency contracts until a firm commitment is in place. The Group's policy is to negotiate the terms of the forward currency contracts to match the terms of the firm commitment to maximise hedge effectiveness. As at the respective balance sheet date, the Group did not enter into any forward currency contracts to hedge its foreign currency exposures for sales and purchases.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's increase/(decrease) in profit before taxation to a reasonably possible change in the USD exchange rates against the respective functional currencies of the companies in the Group, with all other variables held constant.

	Group	
	2024 Profit before taxation IDR million	**2023 Profit before taxation IDR million**
IDR/USD		
- Strengthened by 5%	2,724	2,440
- Weakened by 5%	(2,724)	(2,440)

Cash flow hedges

The Group manages its foreign currency risk arising from its expected redemption of Ringgit-denominated IMTN by entering into cross-currency swap to swap into USD liabilities.

The terms (notional amount and timing) of the cross-currency swaps have been negotiated to match the terms of the IMTN. The hedge ratio (the ratio between the notional amount of the cross-currency swaps to the amount of the IMTN being hedged) is determined to be 1:1. Accordingly, the hedges are assessed to be highly effective.

There were no expected sources of ineffectiveness on the Group's hedges as the critical terms of the derivatives match exactly with the terms of the hedged item.

34. Financial risk management objectives and policies (continued)

(b) Foreign currency risk (continued)

Cash flow hedges (continued)

The effects of applying hedge accounting for expected future redemption of Ringgit-denominated IMTN on the Group's balance sheet and profit or loss are as follows:

Cash flow hedge	**2024**
Hedged item	**Islamic Medium Term Notes**
Carrying amount of hedged item	IDR 1,446,402 million
Balances in the cash flow hedge reserve	IDR 56,940 million
Hedging instrument	Cross-currency swap contracts
Line item in the balance sheet that includes the hedging instrument	Derivative financial liabilities
Maturity dates	22 July 2026
Notional amount	MYR 400 million
Hedging loss for the period recognised in OCI	IDR 21,686 million
Weighted average hedged MYR/USD rate at maturity date	**4.1370**

Cash flow hedge	**2023**
Hedged item	**Islamic Medium Term Notes**
Carrying amount of hedged item	IDR 1,336,482 million
Balances in the cash flow hedge reserve	IDR 78,626 million
Hedging instrument	Cross-currency swap contracts
Line item in the balance sheet that includes the hedging instrument	Derivative financial liabilities
Maturity dates	22 July 2026
Notional amount	MYR 400 million
Hedging loss for the period recognised in OCI	IDR 21,161 million
Weighted average hedged MYR/USD rate at maturity date	**4.1370**

(c) Commodity price risk

The Group's exposure to commodity price risk arises primarily from its purchases of raw materials and sales of palm-based products. Prices of raw materials and palm-based products may fluctuate significantly depending on the market situation and factors such as weather, government policy, level of demand and supply in the market and the global economic environment. During periods of unfavourable price volatility, the Group may enter into forward physical contracts with the suppliers and customers or use commodity futures, options and swap contracts in the conduct of business to manage the price risk.

Sensitivity analysis for commodity price risk

During the reporting period, had the average selling prices of palm-based products been 10% higher/lower, ceteris paribus, profit before taxation for the financial year ended 31 December 2024 would have been IDR 1,673,204 million (2023: IDR 1,544,289 million) higher/lower.

34. Financial risk management objectives and policies (continued)

(d) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables.

The Group only trades with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The Group conducts business by the requirement of payment in advance, cash on delivery terms or may grant customers credit terms, where appropriate.

For other financial assets (including cash and short-term deposits), the Group and the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forward-looking information which includes the following indicators:

– credit rating of the counterparty;

– significant actual or expected adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;

– significant increases in credit risk on other financial instruments of the counterparty; and

– significant changes in the actual or expected performance of the counterparty, including changes in the payment status and changes in the operating results of the counterparty.

The Group determined that its financial assets are credit-impaired when:

– there is significant difficulty of the issuer or the counterparty;

– there is a breach of contract, such as a default or past due event;

– it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation; and

– there is a disappearance of an active market for that financial asset because of financial difficulty.

Regardless of the above, the Group provides ECL on its financial assets by applying the default risk rating of the counterparties based on external benchmarks. As the Group's exposure to creditors is monitored on an ongoing basis, the Group has determined that the ECL on trade and other receivables (including plasma receivables) is insignificant.

34. Financial risk management objectives and policies (continued)

(d) Credit risk (continued)

Exposure to credit risk

At the balance sheet date, the Group's maximum exposure to credit risk is represented by:

- The carrying amount of each class of financial assets recognised in the balance sheets; and
- The nominal amount of financial guarantees provided by the Group for repayment of plasma farmers' loans to the banks (Note 32(a)).

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring individual customers' outstanding balances on an ongoing basis.

As at 31 December 2024, approximately 94.4% (2023: 99.7%) of the Group's trade receivables were due from 3 major customers in 2024 (2023: 3 major customers) who are multi-industry conglomerates.

The Group's customers are concentrated in Indonesia.

Information on major customers

Revenues from 2 major customers (2023: 2 major customers) contribute approximately 78.1% (2023: 79.5%) of the Group's total revenues for the year ended 31 December 2024.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are due from creditworthy debtors with good payment record with the Group. Cash and short-term deposits that are neither past due nor impaired are placed with or entered into with reputable financial institutions.

(e) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting obligations associated with financial liabilities.

The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

As at 31 December 2024, the Group and Company does not have loans and borrowings that will mature in less than one year based on the carrying amounts reflected in the financial statements (2023: 48.7% of the Group's and Company's total debt).

Analysis of financial instruments by remaining contractual maturities

The following table summarises the Group's and the Company's financial assets and financial liabilities at the balance sheet date based on contractual undiscounted repayment obligations.

34. Financial risk management objectives and policies (continued)

(e) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities (continued)

	1 year or less IDR million	More than 1 year to 5 years IDR million	More than 5 years IDR million	Total IDR million
Group				
2024				
Financial assets:				
Derivative financial assets:				
- Cross-currency swaps (gross receipts)	60,757	1,480,383	–	1,541,140
- Cross-currency swaps (gross payments)	(47,999)	(1,589,446)	–	(1,637,445)
Trade and other receivables	719,696	–	–	719,696
Due from related companies	50	–	–	50
Plasma receivables	112,886	807,168	–	920,054
Cash and short-term deposits	1,705,322	–	–	1,705,322
Total undiscounted financial assets	2,550,712	698,105	–	3,248,817
Financial liabilities:				
Loans and borrowings	107,646	2,086,935	–	2,194,581
Islamic medium-term notes	60,757	1,480,383	–	1,541,140
Trade and other payables	418,841	–	–	418,841
Accrued operating expenses	283,745	–	–	283,745
Total undiscounted financial liabilities	870,989	3,567,318	–	4,438,307
Total net undiscounted financial assets/(liabilities)	**1,679,723**	**(2,869,213)**	**–**	**(1,189,490)**
Group				
2023				
Financial assets:				
Derivative financial assets:				
- Cross-currency swaps (gross receipts)	56,303	1,424,270	–	1,480,573
- Cross-currency swaps (gross payments)	(45,909)	(1,561,991)	–	(1,607,900)
- Interest rate swaps (gross receipts)	10,898	–	–	10,898
- Interest rate swaps (gross payments)	(3,180)	–	–	(3,180)
Trade and other receivables	485,556	–	–	485,556
Due from related companies	50	–	–	50
Plasma receivables	632,706	991,406	–	1,624,112
Cash and short-term deposits	374,050	–	–	374,050
Total undiscounted financial assets	1,510,474	853,685	–	2,364,159
Financial liabilities:				
Loans and borrowings	1,295,750	–	–	1,295,750
Islamic medium-term notes	56,303	1,424,270	–	1,480,573
Trade and other payables	175,993	–	–	175,993
Accrued operating expenses	258,406	–	–	258,406
Total undiscounted financial liabilities	1,786,452	1,424,270	–	3,210,722
Total net undiscounted financial assets/(liabilities)	**(275,978)**	**(570,585)**	**–**	**(846,563)**

34. Financial risk management objectives and policies (continued)

(e) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities (continued)

	1 year or less IDR million	More than 1 year to 5 years IDR million	More than 5 years IDR million	Total IDR million
Company				
2024				
Financial assets:				
Due from subsidiaries	157,989	2,710,753	–	2,868,742
Trade and other receivable	763	–	–	763
Derivative financial assets				
- Cross-currency swaps (gross receipts)	60,757	1,480,383	–	1,541,140
- Cross-currency swaps (gross payments)	(47,999)	(1,589,446)	–	(1,637,445)
Cash and short-term deposits	989,343	–	–	989,343
Total undiscounted financial assets	1,160,853	2,601,690	–	3,762,543
Financial liabilities:				
Trade and other payables	285	–	–	285
Loans and borrowings	58,646	1,233,894	–	1,292,540
Islamic medium-term notes	60,757	1,480,383	–	1,541,140
Accrued operating expenses	37,093	–	–	37,093
Total undiscounted financial liabilities	156,781	2,714,277	–	2,871,058
Total net undiscounted financial (liabilities)/assets	**1,004,072**	**(112,587)**	**–**	**891,485**
Company				
2023				
Financial assets:				
Due from subsidiaries	285,461	3,225,125	–	3,510,586
Trade and other receivable	299	–	–	299
Derivative financial assets				
- Cross-currency swaps (gross receipts)	56,303	1,424,270	–	1,480,573
- Cross-currency swaps (gross payments)	(45,909)	(1,561,991)	–	(1,607,900)
- Interest rate swaps (gross receipts)	10,898	–	–	10,898
- Interest rate swaps (gross payments)	(3,180)	–	–	(3,180)
Cash and short-term deposits	18,749	–	–	18,749
Total undiscounted financial assets	322,621	3,087,404	–	3,410,025
Financial liabilities:				
Trade and other payables	1,327	–	–	1,327
Loans and borrowings	781,366	–	–	781,366
Islamic medium-term notes	56,303	1,424,270	–	1,480,573
Accrued operating expenses	29,857	–	–	29,857
Total undiscounted financial liabilities	868,853	1,424,270	–	2,293,123
Total net undiscounted financial liabilities)/assets	**(546,232)**	**1,663,134**	**–**	**1,116,902**

35. Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits to other stakeholders.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2024 and 2023.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital. The Group's policy is to maintain the gearing ratio within the range of gearing ratios of leading companies in similar industry in order to secure access to finance at a reasonable cost. The Group includes within net debt, loans and borrowings, Islamic medium-term notes, less cash and short-term deposits. Capital includes equity attributable to the owners of the Company.

The Group's net debt to adjusted equity ratio at the end of the financial years ended 31 December 2024 and 2023 are as follows:

	Group	
	2024 IDR million	**2023 IDR million**
Loans and borrowings (Note 22)	1,750,405	1,270,326
Islamic medium-term notes (Note 25)	1,446,402	1,336,482
Less:		
Cash and short-term deposits (Note 21(a))	(1,705,322)	(374,050)
Net debt	**1,491,485**	**2,232,758**
Equity attributable to owners of the Company	**14,216,727**	**13,305,828**
Gearing ratio	**10.5%**	**16.8%**

The Group monitors its key financial ratios that form part of its obligations under its loans and borrowings and Islamic medium term notes covenants to ensure compliance with them.

36. Dividends

	Group and Company	
	2024 IDR million	2023 IDR million
Declared and paid during the financial year:		
Dividend on ordinary shares:		
- Final exempt (one-tier) dividend for 2023: SGD 0.0363 (2022: SGD 0.0442) per share	747,600	853,645
- Special exempt (one-tier) dividend for 2023: SGD 0.0192 (2022: SGD 0.0213) per share	395,425	410,592
- Interim tax exempt (one-tier) dividend for 2024: SGD 0.012 (2023: SGD 0.0125) per share	246,794	244,593
	1,389,819	**1,508,830**

The Directors have recommended for the Company to pay a final tax-exempt dividend of SGD 0.0544 per ordinary share in respect of the financial year ended 31 December 2024. The payment of the dividend will be subject to the approval by shareholders at the forthcoming Annual General Meeting.

37. Authorisation of financial statements for issue

The financial statements for the years ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on 25 March 2025.

Shareholders' Information

AS AT 14 MARCH 2025

Class of shares	**:**	**Ordinary Shares**
Issued and fully paid-up capital (including Treasury Shares and subsidiary holdings)	:	S$255,242,545
Issued and fully paid-up capital (excluding Treasury Shares and subsidiary holdings)	:	S$239,066,772
Number of shares issued (including Treasury Shares and subsidiary holdings)	:	1,757,531,844
Number of shares issued (excluding Treasury Shares and subsidiary holdings)	:	1,734,144,044
Number/Percentage of Treasury Shares	:	23,387,800 (1.35%)
Number/Percentage of Subsidiary Holdings	:	Nil (0%)
Voting rights (excluding Treasury Shares and subsidiary holdings)	:	One vote for per share

Distribution of Shareholdings

Size of Shareholding			**No. of Shareholders**	**%**	**No. of Shares**	**%**
1	-	99	7	0.44	154	0.00
100	-	1,000	224	14.12	172,946	0.01
1,001	-	10,000	756	47.64	4,488,087	0.26
10,001	-	1,000,000	572	36.04	33,445,187	1.93
1,000,001		and above	28	1.76	1,696,037,670	97.80
			1,587	100.00	1,734,144,044	100.00

Twenty Largest Shareholders

No.	**Name of Shareholders**	**No. of Shares**	**%**
1.	Wellpoint Pacific Holdings Ltd	749,157,774	43.20
2.	Oakridge Investments Pte Ltd	535,050,070	30.85
3.	DBS Nominees Pte Ltd	189,519,008	10.93
4.	Raffles Nominees (Pte) Limited	46,862,175	2.70
5.	Citibank Nominees Singapore Pte Ltd	35,203,902	2.03
6.	United Overseas Bank Nominees Pte Ltd	24,778,600	1.43
7.	Lynwood Capital Resources Pte Ltd	21,622,000	1.25
8.	DBSN Services Pte Ltd	16,557,862	0.95
9.	HSBC (Singapore) Nominees Pte Ltd	15,473,532	0.89
10.	Kong Goon Siong or Kong Goon Khing	8,550,000	0.49
11.	UOB Kay Hian Pte Ltd	6,871,000	0.40
12.	OCBC Securities Private Ltd	6,522,400	0.38
13.	Phillip Securities Pte Ltd	6,227,497	0.36
14.	ABN Amro Clearing Bank N.V.	6,191,800	0.36
15.	DBS Vickers Securities (S) Pte Ltd	4,760,500	0.27
16.	Maybank Securities Pte. Ltd.	3,459,100	0.20
17.	CGS International Securities Singapore Pte Ltd	2,189,900	0.13
18.	BPSS Nominees Singapore (Pte.) Ltd.	2,188,300	0.13
19.	Morgan Stanley Asia (S) Securities Pte Ltd	2,139,500	0.12
20.	Christine Tay Han Hui	2,000,000	0.12
	Total	1,685,324,920	97.19

Shareholders' Information

Substantial Shareholders

(As recorded in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest	
Substantial Shareholders	**Number of Shares**	**%[1]**	**Number of Shares**	**%[1]**
Wellpoint Pacific Holdings Ltd[2][4]	906,557,774	52.277	-	-
Lim Hariyanto Wijaya Sarwono[2]	-	-	906,557,774	52.277
Lim Gunawan Hariyanto[2]	-	-	906,557,774	52.277
Fortune Corp Limited[2]	-	-	906,557,774	52.277
Fortune Holdings Limited[2]	-	-	906,557,774	52.277
Oakridge Investments Pte Ltd[3]	535,050,070	30.854	-	-
IOI Corporation Berhad[3]	-	-	556,672,070	32.101
Progressive Holdings Sdn Bhd[3]	-	-	556,672,070	32.101
Dato' Lee Yeow Chor[3]	-	-	556,672,070	32.101
Lee Yeow Seng[3]	-	-	556,672,070	32.101

Notes:

(1) Percentages are based on the issued share capital of the Company of 1,734,144,044 Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.

(2) Each of Dr. Lim Hariyanto Wijaya Sarwono and Mr. Lim Gunawan Hariyanto is deemed to be interested in the Shares held by Wellpoint Pacific Holdings Ltd, a wholly owned subsidiary of Fortune Holdings Limited, by virtue of their joint interest in Fortune Corp Limited, which is vested with the power to manage the voting rights of the shares of Wellpoint Pacific Holdings Ltd owned by Fortune Holdings Limited. Fortune Holdings Limited is in turn deemed to be interested in the Shares held by Wellpoint Pacific Holdings Ltd by virtue of its 100% shareholding interest in Wellpoint Pacific Holdings Ltd. Mr. Lim Gunawan Hariyanto, Executive Chairman and CEO of the Company, is the son of Dr. Lim Hariyanto Wijaya Sarwono.

(3) Dato' Lee Yeow Chor, a non-executive director of the Company, is presently the Group Managing Director and Chief Executive of IOI Corporation Berhad, the sole shareholder of Oleander Capital Resources Pte Ltd. Dato' Lee Yeow Chor and Lee Yeow Seng are immediate family members and are deemed to be interested in the Shares held by Oakridge Investments Pte Ltd (535,050,070 Shares) and Lynwood Capital Resources Pte Ltd (21,622,000 Shares), each a subsidiary of IOI Corporation Berhad, by virtue of their collective 100% shareholding interest in Progressive Holdings Sdn Bhd through intermediate entities.

(4) Includes 157,400,000 Shares which are held through bank nominees.

Shareholdings held in the hands of public

Based on information available and to the best knowledge of the Company, as at 14 March 2025, approximately 15.608% of the issued ordinary shares of the Company is held by the public. The Company is therefore in compliance with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of BUMITAMA AGRI LTD. (the **"Company"**) will be held at Pan Pacific Singapore, Ocean 2-3, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595 on Monday, 28 April 2025 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2024 together with the Auditors' Report thereon.

(Resolution 1)

2. To declare a final dividend of S$0.0544 per ordinary share (one-tier tax exempt) for the financial year ended 31 December 2024 (2023: final dividend of S$0.0363 and special dividend of S$0.0192).

(Resolution 2)

3. To re-elect the following directors of the Company retiring pursuant to Regulations 91 and 97 of the Company's Constitution:

Mr. Lim Gunawan Hariyanto (retiring under Regulation 91) **(Resolution 3)**
Mr. Lawrence Lua Gek Pong (retiring under Regulation 91) **(Resolution 4)**
Ms. Ng Yi Wayn (retiring under Regulation 97) **(Resolution 5)**

Mr. Lawrence Lua Gek Pong will, upon re-election as a director of the Company, remain as a Chairman of the Remuneration Committee and a member of the Audit Committee, the Governance & Nominating Committee and the Conflicts Resolution & Enterprise Risk Management Committee. Mr. Lawrence Lua Gek Pong will be considered independent for the purpose of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Ms. Ng Yi Wayn will, upon re-election as a director of the Company, remain as a Chairman of the Governance & Nominating Committee, and a member of the Remuneration Committee and the Conflicts Resolution & Enterprise Risk Management Committee.
[See Explanatory Note (i)]

4. To approve the payment of directors' fees of S$416,000 for the financial year ending 31 December 2025, to be paid quarterly in arrears (2024: S$403,833).

(Resolution 6)

5. To re-appoint Ernst & Young LLP as the Company's auditors and to authorise the directors to fix their remuneration.

(Resolution 7)

6. To transact any other ordinary business which may be transacted at an annual general meeting of the Company.

AS SPECIAL BUSINESS

To consider, and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without modifications:

7. RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS WITH IOI CORPORATION BERHAD AND ITS ASSOCIATES

That for the purposes of Chapter 9 ("**Chapter 9**") of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"):

(a) approval be and is hereby given for the renewal of the mandate for the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9 of the Listing Manual of the SGX-ST), or any of them, to enter into any of the transactions falling within the types of interested person transactions, the particulars of which are as set out in Annexure I to the Appendix dated 11 April 2025 to the Annual Report (the **"Appendix**"), with any party who is named in Annexure I to the Appendix, provided that such interested person transactions are carried out in the normal course of business, at arm's length and on normal commercial terms and in accordance with the guidelines of the Company for such interested person transactions as set out in Annexure I to the Appendix (the "**Shareholders' Mandate for IOI Transactions**");

(b) the Shareholders' Mandate for IOI Transactions shall, unless revoked or varied by the Company in a general meeting, continue in force until the date that the next annual general meeting of the Company is held or is required by law or the Constitution of the Company to be held, whichever is earlier;

(c) the Audit Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of the procedures described in Annexure I to the Appendix and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 which may be prescribed by the SGX-ST from time to time; and

(d) authority be given to the directors of the Company to complete and do all such acts and things (including executing all such documents as may be required) as they, or each of them, may consider necessary, desirable or expedient to give effect to the Shareholders' Mandate for IOI Transactions and/or this resolution as they may think fit.

[See Explanatory Note (ii)] **(Resolution 8)**

8. **SHARE ISSUE MANDATE**

That pursuant to Section 161 of the Companies Act 1967 of Singapore (the "**Companies Act**"), the Constitution of the Company and in accordance with Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), approval be and is hereby given to the directors of the Company to issue:

(a) shares in the capital of the Company (whether by way of rights, bonus or otherwise); or

(b) convertible securities; or

(c) additional convertible securities arising from adjustments made to the exercise price or conversion price and, where appropriate, the number of company warrants or other convertible securities previously issued in the event of a rights issue, bonus issue or subdivision or consolidation of shares pursuant to Rule 829 of the Listing Manual of the SGX-ST, notwithstanding that the general mandate may have ceased to be in force at the time the securities are issued, provided that the adjustment does not give the holder a benefit that a shareholder does not receive; or

(d) shares arising from the conversion of convertible securities, notwithstanding that the general mandate may have ceased to be in force at the time the shares are to be issued,

at any time and upon such terms and conditions and for such purposes as the directors of the Company may in their absolute discretion deem fit provided that:

(i) the aggregate number of shares and convertible securities that may be issued shall not be more than 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, or such other limit as may be prescribed by the SGX-ST, as at the date this resolution is passed;

(ii) the aggregate number of shares and convertible securities that may be issued other than on a pro-rata basis to existing shareholders shall not be more than 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, or such other limit as may be prescribed by the SGX-ST, as at the date this resolution is passed;

(iii) for the purpose of determining the aggregate number of shares and convertible securities that may be issued under sub-paragraphs (i) and (ii) above, the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at the date this resolution is passed shall be calculated after adjusting for: (1) new shares arising from the conversion or exercise of convertible securities; (2) new shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and (3) any subsequent bonus issue, consolidation or subdivision of the Company's shares, provided that any adjustments made under sub-paragraphs (1) and (2) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting as at the date this resolution is passed; and

(iv) unless earlier revoked or varied by the Company in a general meeting, such authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company ("**AGM**") or the date by which the next AGM is required by law or the Constitution of the Company to be held, whichever is earlier.

[See Explanatory Note (iii)]

(Resolution 9)

9. **RENEWAL OF THE SHARE BUYBACK MANDATE**

That:

(a) for the purposes of the Companies Act 1967 of Singapore (the "**Companies Act**") and the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the directors of the Company be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire the issued ordinary shares fully paid in the capital of the Company (the "**Shares**") not exceeding in aggregate the Prescribed Limit (as hereafter defined) during the Relevant Period (as hereafter defined), at such price(s) as may be determined by the directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) on-market purchases transacted through the SGX-ST's trading system or on another stock exchange on which the issuer's equity securities are listed ("**Market Acquisitions**"); or

(ii) off-market acquisitions in accordance with an equal access scheme as defined in Section 76C of the Companies Act ("**Off-Market Acquisitions**"),

and otherwise in accordance with all other provisions of the Constitution of the Company, the Companies Act and the Listing Manual of the SGX-ST as may for the time being be applicable (the "**Share Buyback Mandate**");

Notice of Annual General Meeting

9. RENEWAL OF THE SHARE BUYBACK MANDATE (CONTINUED)

(b) the authority conferred on the directors of the Company pursuant to the Share Buyback Mandate may be exercised by the directors of the Company at any time and from time to time during the period commencing from the passing of this resolution and expiring on the earliest of:

(i) the date on which the next annual general meeting of the Company ("**AGM**") is held or is required by law or the Constitution of the Company to be held, whichever is earlier;

(ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated; or

(iii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked by the shareholders of the Company in a general meeting;

(c) in this resolution:

"Prescribed Limit" means that number of issued Shares representing 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the passing of this resolution unless: (i) the Company has, at any time during the Relevant Period, reduced its share capital by a special resolution under Section 78C of the Companies Act; or (ii) the court has, at any time during the Relevant Period, made an order under Section 78I of the Companies Act confirming the reduction of share capital of the Company, in which event, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be taken to be the total number of issued Shares (excluding treasury shares and subsidiary holdings) as altered;

"Relevant Period" means the period commencing from the date on which the AGM at which this resolution is passed is held and expiring on the date on which the next AGM is held or is required by law or the Constitution of the Company to be held, whichever is earlier, after the date of this resolution; and

"Maximum Price" in relation to a Share to be purchased or acquired, means an amount (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a Market Acquisition: 105% of the Average Closing Price;

(ii) in the case of an Off-Market Acquisition pursuant to an equal access scheme: 120% of the Average Closing Price, where:

"Average Closing Price" means the average of the closing market prices of the Shares over the last five market days, on which transactions in the Shares were recorded, immediately preceding the day of the Market Acquisition or, as the case may be, the day of the making of the offer pursuant to the Off-Market Acquisition, and deemed to be adjusted for any corporate action that occurs during such five-market day period and the day on which the purchases are made; and

"day of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Acquisition; and

(d) any of the directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this resolution.
[See Explanatory Note (iv)]

(Resolution 10)

By Order of the Board

Low Mei Mei, Maureen
Ha Mui Ling
Company Secretaries

Singapore, 11 April 2025

Notice of Annual General Meeting

Explanatory Notes on Resolutions to be passed:

(i) Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, further information on Mr. Lim Gunawan Hariyanto, Mr. Lawrence Lua Gek Pong and Ms. Ng Yi Wayn is set out in the Corporate Governance Report titled "Additional Information on Directors seeking re-election pursuant to Rule 720(6) of the Listing Manual of the SGX-ST" on pages 46 to 47 of the Annual Report.

(ii) The Ordinary Resolution 8 proposed in item 7 above, if passed, will renew the Shareholders' Mandate for IOI Transactions to authorise the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9 of the Listing Manual of the SGX-ST), or any of them, to enter into any of the mandated transactions with any party who is named in Annexure I to the Appendix dated 11 April 2025 to the Annual Report, and will empower the directors of the Company to do all acts necessary to give effect to the Shareholders' Mandate for IOI Transactions and/or Ordinary Resolution 8. Such authority will, unless previously revoked or varied by the Company in a general meeting, continue in force until the date that the next AGM is held or is required by law or the Constitution of the Company to be held, whichever is earlier. Information relating to this proposed resolution is set out in the Appendix dated 11 April 2025 to the Annual Report.

(iii) The Ordinary Resolution 9 proposed in item 8 above, if passed, will empower the directors of the Company from the date of this AGM until the date of the next AGM, to allot and issue shares and convertible securities in the Company up to an aggregate amount not exceeding fifty percent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company, of which the aggregate number up to twenty percent (20%) may be issued other than on a pro-rata basis.

(iv) The Ordinary Resolution 10 proposed in item 9 above, if passed, will empower the directors of the Company from the date of this AGM until the next AGM to repurchase fully-paid ordinary shares of the Company by way of market acquisitions or off-market acquisitions of up to ten percent (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any as at that date) in the capital of the Company at such price(s) as may be determined by the directors of the Company from time to time up to the Maximum Price. Information relating to this proposed resolution is set out in the Appendix dated 11 April 2025 to the Annual Report.

Notes:

1. The members of the Company are invited to **attend physically** the AGM. **There will be no option for shareholders to participate virtually.** Printed copies of this Notice of AGM will be sent to members and will also be available on the Company's website at the URL https://bumitama-agri.com/ and SGXNet at the URL https://www.sgx.com/securities/company-announcements.

2. Members (including Central Provident Fund Investment Scheme members ("**CPF Investors**") and/or Supplementary Retirement Scheme investors ("**SRS Investors**")) may participate in the AGM by:

    (a) attending the AGM in person;

    (b) raising questions at the AGM or submitting questions in advance of the AGM; and/ or

    (c) voting at the AGM

        (i) by themselves personally; or

        (ii) through their duly appointed proxy(ies).

    CPF Investors or SRS Investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **10.00 a.m. on 16 April 2025**, being seven (7) working days prior to the date of the AGM.

    Please bring along your NRIC/passport for registration on the day of the AGM so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process. If any member feels unwell prior to the AGM, they are advised not to attend the AGM and are strongly encouraged to exercise social responsibility to rest at home and consider appointing a proxy(ies) to attend the AGM.

3. A member who is not a *Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.

    Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.

Notes (Continued)

4. A member who is a *Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   *A Relevant intermediary is:

   (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

   (b) a capital markets services license holder who provides custodial services under the Securities and Futures Act 2001 and holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

5. A member (whether individual or corporate) can appoint the Chairman of the AGM as his/her/its proxy **but** this is not **mandatory.**

   If a member wishes to appoint the Chairman of the AGM as proxy, such member (whether individual or corporate) shall give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the AGM as proxy. If no specific direction is given as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

6. The proxy form must be submitted to the Company in the following manner:

   (a) by posting a physical copy to the registered office address of the Company at 10 Anson Road, #11-19 International Plaza, Singapore 079903, or

   (b) by sending a scanned PDF copy via email to the Company at *register@bumitama-agri.com.*

   in either case, by **25 April 2025, 10.00 a.m**., being no later than seventy-two (72) hours before the time fixed for the AGM. A member who wishes to submit a proxy form must complete and sign the proxy form before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

   The instrument appointing a proxy(ies) must be signed by the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. Where the instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

   The Company shall be entitled to reject the instrument of proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the instrument of proxy (such as in the case where the appointer submits more than one (1) instrument of proxy).

   In the case of a member whose shares are entered against his/her name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore Statutes), the Company may reject any instrument of proxy lodged if such member, being the appointer, is not shown to have any shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time set for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

7. Members may raise questions at the AGM or submit questions related to the resolutions to be tabled for approval at the AGM, in advance of the AGM. For members who would like to submit questions in advance of the AGM, they may do so by **18 April 2025, 10.00 a.m.**:

   (a) by posting a physical copy to the registered office address of the Company at 10 Anson Road, #11-19 International Plaza, Singapore 079903, or

   (b) by sending an email to the Company at *investor.relations@bumitama-agri.com.*

   Members submitting questions are requested to state: (a) their full name; and (b) the member's identification/ registration number, failing which the Company shall be entitled to regard the submission as invalid. The Company will publish its responses to the substantial and relevant questions submitted by members prior to the abovementioned deadline by 23 April 2025, 10.00 a.m. which is at least 48 hours prior to the closing date and time for the lodgement of the proxy forms.

8. For questions received after 18 April 2025, the Company will endeavour to address all substantial and relevant questions submitted by members prior to or during the AGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed. The Company will publish the responses to such questions together with the minutes of the AGM on SGXNet and the Company's website within one (1) month after the date of the AGM.

Personal data privacy:

By submitting an instrument appointing the proxy(ies) to vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) for the appointment of the proxy(ies) (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

IMPORTANT

1. A relevant intermediary may appoint more than two (2) proxies to attend the AGM (as defined below) and vote (please see Note 3 for the definition of "**Relevant Intermediary**").
2. An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investor**") (as may be applicable) may attend and cast his vote(s) at the AGM in person. CPF and SRS Investors who are unable to attend the AGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the AGM to act as their proxy by 16 April 2025, being seven (7) working days prior to the date of the AGM, in which case, the CPF Investors and SRS Investors shall be precluded from attending the AGM.
3. This Proxy Form is not valid for use by CPF Investors and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

BUMITAMA AGRI LTD.

(Incorporated in Singapore)
(Co. Reg. No: 200516741R)

PROXY FORM

(Please see notes overleaf before completing this Form)

*I/We ____________________________________ NRIC/Passport/Co. Registration No. ______________________________________

of____

being *a member/members of **BUMITAMA AGRI LTD.** (the "**Company**"), hereby appoint

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**(%)**
Address			

and/or (delete as appropriate)

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**(%)**
Address			

or failing the person, or either or both of the persons referred to above, the Chairman of the Annual General Meeting ("**AGM**") as *my/our *proxy/proxies to attend, speak or vote on *my/our behalf at the AGM of the Company to be held at Pan Pacific Singapore, Ocean 2-3, Level 2, 7 Raffles Boulevard, Marina Square, Singapore 039595, on Monday, 28 April 2025 at 10.00 a.m. and at any adjournment thereof.

*I/We have directed *my/our proxy/proxies to vote for or against the resolutions to be proposed at the AGM as indicated hereunder. If no specific directions are given as to voting or abstentions from voting, the *proxy/proxies may vote or abstain from voting at *his/their discretion, as *he/they will on any other matters arising at the AGM and/or at any adjournment thereof. In the event that the Chairman of the AGM is appointed as proxy and no specific directions are given as to voting or abstentions from voting in respect of a resolution, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.
**delete as applicable*

(Please indicate your vote "For" or "Against" or "Abstain" with a tick [✓] within the box provided.)

No.	Resolutions relating to:	For	Against	Abstain
1	Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2024			
2	Payment of final dividend			
3	Re-election of Mr. Lim Gunawan Hariyanto as Director			
4	Re-election of Mr. Lawrence Lua Gek Pong as Director			
5	Re-election of Ms. Ng Yi Wayn as Director			
6	Approval of Directors' fees amounting to S$416,000 for the financial year ending 31 December 2025			
7	Re-appointment of Ernst & Young LLP as Auditors			
8	Renewal of Shareholders' Mandate for Interested Person Transactions with IOI Corporation Berhad and its Associates			
9	Share Issue Mandate			
10	Renewal of Share Buyback Mandate			

Voting would be conducted by poll. Please indicate your vote "For" or "Against" or "Abstain" with a tick [✓] within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing the proxy(ies) not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

Dated this ________________ day of __________________ 2025

Total number of Shares held

____
Signature of Shareholder(s)/
and Common Seal of Corporate Shareholder
IMPORTANT: PLEASE READ THE NOTES OVERLEAF

NOTES

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of shares. If you have shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
2. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.

   Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.
3. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   The proxy need not be a member of the Company. Please note that if any of your shareholdings are not specified in the list provided by the intermediary to the Company, the Company may have the sole discretion to disallow the said participation of the said proxy at the forthcoming AGM.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967:

   (a) a banking corporation licensed under the Banking Act 1970 or its wholly-owned subsidiary who provides nominee services and holds shares in that capacity;
   (b) a capital markets services licence holder who provides custodial services under the Securities and Futures Act 2001 and holds shares in that capacity; or
   (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. A member (whether individual or corporate) can appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory.

1st fold here

Affix
postage
stamp

Bumitama Agri Ltd.
10 Anson Road
#11-19 International Plaza
Singapore 079903

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5. The instrument appointing a proxy(ies) must be signed by the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. Where the instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore.
7. The proxy form must be deposited to the Company in the following matter:
   (a) by posting a physical copy to the registered office address of the Company at 10 Anson Road #11-19, International Plaza, Singapore 079903; or
   (b) by sending a scanned PDF copy via email to the Company at *register@bumitama-agri.com*

   in either case, by **25 April 2025, 10.00 a.m.**, being no later than seventy-two (72) hours before the time appointed for the AGM.

   A Member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
8. Completion and return of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 11 April 2025.

GENERAL

The Company shall be entitled to reject the instrument appointing a proxy(ies) and/or representative(s) if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the aforesaid instrument. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy(ies) and/or representative(s) lodged if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

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Corporate Information

BOARD OF DIRECTORS

Executive:
Lim Gunawan Hariyanto
(Executive Chairman and Chief Executive Officer)

Lim Christina Hariyanto
(Executive Director)

Non-Executive & Non-Independent:
Dato' Lee Yeow Chor

Independent:
Lim Hung Siang
(Lead Independent Director)

Lawrence Lua Gek Pong

Witjaksana Darmosarkoro

Ng Yi Wayn

AUDIT COMMITTEE

Lim Hung Siang
(Chairman)

Lawrence Lua Gek Pong

Witjaksana Darmosarkoro

GOVERNANCE & NOMINATING COMMITTEE

Ng Yi Wayn
(Chairman)

Lim Hung Siang

Lawrence Lua Gek Pong

Witjaksana Darmosarkoro

REMUNERATION COMMITTEE

Lawrence Lua Gek Pong
(Chairman)

Lim Hung Siang

Ng Yi Wayn

CONFLICTS RESOLUTION & ENTERPRISE RISK MANAGEMENT COMMITTEE

Witjaksana Darmosarkoro
(Chairman)

Lawrence Lua Gek Pong

Lim Hung Siang

Ng Yi Wayn

COMPANY SECRETARIES

Low Mei Mei, Maureen, ACS

Ha Mui Ling, ACS

REGISTERED OFFICE

10 Anson Road
#11-19 International Plaza
Singapore 079903
Tel: (65) 6222 1332
Fax: (65) 6222 1336
www.bumitama-agri.com

SHARE REGISTRARS

B.A.C.S. Private Limited
77 Robinson Road
#06-03
Robinson 77
Singapore 068896

AUDITOR

Ernst & Young LLP
One Raffles Quay
North Tower Level 18
Singapore 048583

PARTNER-IN-CHARGE

Toong Weng Sum, Vincent
(with effect from the financial year ended 2021)

INVESTOR RELATIONS

Christina Lim
clim@bumitama-agri.com

Michael Kesuma
mkesuma@bumitama-agri.com

Bumitama Agri Ltd.

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