

Farm Fresh Berhad

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

Interim Financial Report
Second quarter ended 30 September 2025

Farm Fresh Berhad

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

Condensed consolidated statement of financial position as at 30 September 2025

| | Unaudited 30.9.2025 RM'000 | Audited 31.3.2025 RM'000 |
|--|----------------------------------|--------------------------------|
| Assets | | |
| Property, plant and equipment | 576,943 | 513,490 |
| Right-of-use assets | 37,796 | 36,467 |
| Biological assets | 146,265 | 141,952 |
| Intangible assets | 111,241 | 111,126 |
| Trade and other receivables | 232 | 268 |
| Deferred tax assets | 11,138 | 9,371 |
| Total non-current assets | <u>883,615</u> | <u>812,674</u> |
| Inventories | 211,472 | 175,332 |
| Trade and other receivables | 263,239 | 206,665 |
| Current tax assets | 5,248 | 5,446 |
| Derivative financial assets | 1,602 | 86 |
| Other investments | 27,796 | 64,037 |
| Cash and cash equivalents | 81,667 | 58,785 |
| | 591,024 | 510,351 |
| Assets classified as held for sale | 20,641 | 28,144 |
| Total current assets | <u>611,665</u> | <u>538,495</u> |
| Total assets | <u>1,495,280</u> | <u>1,351,169</u> |
| Equity | | |
| Share capital | 408,789 | 404,847 |
| Reserves | 342,020 | 295,285 |
| Equity attributable to owners of the Company | 750,809 | 700,132 |
| Non-controlling interests | 29,818 | 28,107 |
| Total equity | <u>780,627</u> | <u>728,239</u> |
| Liabilities | | |
| Deferred tax liabilities | 29,357 | 24,345 |
| Deferred income | 6,979 | 6,703 |
| Loans and borrowings | 105,173 | 306,282 |
| Lease liabilities | 21,943 | 20,590 |
| Put option liability | 58,413 | 55,833 |
| Total non-current liabilities | <u>221,865</u> | <u>413,753</u> |
| Current tax liabilities | 2,432 | 1,116 |
| Deferred income | 442 | 943 |
| Derivative financial liabilities | 230 | 428 |
| Loans and borrowings | 290,018 | 91,622 |
| Lease liabilities | 8,851 | 8,389 |
| Trade and other payables | 190,815 | 106,679 |
| Total current liabilities | <u>492,788</u> | <u>209,177</u> |
| Total liabilities | <u>714,653</u> | <u>622,930</u> |
| Total equity and liabilities | <u>1,495,280</u> | <u>1,351,169</u> |
| Net assets per share attributable to owners of the Company (RM) | <u>0.40</u> | <u>0.37</u> |

Farm Fresh Berhad

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

Condensed consolidated statement of profit or loss and other comprehensive income for the second quarter ended 30 September 2025

| | Individual quarter 3 months ended | | Cumulative quarter 6 months ended | |
|---|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| | Unaudited 30.9.2025 RM'000 | Unaudited 30.9.2024 RM'000 | Unaudited 30.9.2025 RM'000 | Unaudited 30.9.2024 RM'000 |
| Revenue | 294,937 | 249,163 | 555,514 | 490,862 |
| Cost of sales | (195,899) | (165,335) | (369,996) | (334,088) |
| Gross profit | 99,038 | 83,828 | 185,518 | 156,774 |
| Other income | 2,696 | 2,040 | 3,891 | 4,847 |
| Selling and distribution expenses | (26,471) | (23,216) | (49,754) | (44,534) |
| Administrative expenses | (25,983) | (21,921) | (49,405) | (42,150) |
| Other expenses | (1,647) | (4,415) | (3,444) | (5,571) |
| Fair value loss on biological assets | (2,114) | (2,741) | (1,236) | (3,291) |
| Results from operating activities | 45,519 | 33,575 | 85,570 | 66,075 |
| Finance income | 224 | 251 | 450 | 523 |
| Finance costs | (4,012) | (4,515) | (8,244) | (8,943) |
| Net finance costs | (3,788) | (4,264) | (7,794) | (8,420) |
| Profit before tax | 41,731 | 29,311 | 77,776 | 57,655 |
| Tax expense | (3,939) | (2,339) | (6,740) | (4,172) |
| Profit after tax | 37,792 | 26,972 | 71,036 | 53,483 |
| Other comprehensive income/ (expense), net of tax Items that are or may be reclassified subsequently to profit or loss | | | | |
| Foreign currency translation difference: | (314) | (16,503) | (2,584) | (15,193) |
| Cash flow hedge | 561 | (4,689) | 1,472 | (4,689) |
| Other comprehensive income/ (expense) for the period | 247 | (21,192) | (1,112) | (19,882) |
| Total comprehensive income for the period | <u>38,039</u> | <u>5,780</u> | <u>69,924</u> | <u>33,601</u> |
| Profit attributable to: | | | | |
| Owners of the Company | 36,666 | 26,183 | 69,465 | 52,178 |
| Non-controlling interests | 1,126 | 789 | 1,571 | 1,305 |
| Profit for the period | <u>37,792</u> | <u>26,972</u> | <u>71,036</u> | <u>53,483</u> |
| Total comprehensive income attributable to: | | | | |
| Owners of the Company | 36,812 | 5,352 | 68,231 | 32,588 |
| Non-controlling interests | 1,227 | 428 | 1,693 | 1,013 |
| Total comprehensive income for the period | <u>38,039</u> | <u>5,780</u> | <u>69,924</u> | <u>33,601</u> |
| Basic earnings per ordinary share (sen) | <u>1.95</u> | <u>1.40</u> | <u>3.70</u> | <u>2.79</u> |
| Diluted earnings per ordinary share (sen) | <u>1.95</u> | <u>1.40</u> | <u>3.69</u> | <u>2.78</u> |

Farm Fresh Berhad

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

Condensed consolidated statement of changes in equity for the second quarter ended 30 September 2025

| | ← Attributable to owners of the Company → | | | | | | Total RM'000 | Non- controlling interests RM'000 | Total equity RM'000 |
|--|---|----------------------------------|------------------------------|---|------------------------------------|---|-----------------|--|---------------------------|
| | Share capital RM'000 | Translation reserve RM'000 | Hedging reserve RM'000 | Non-distributable Employee share-based reserve RM'000 | Put option reserve RM'000 | Distributable Retained earnings RM'000 | | | |
| At 1 April 2024 | 399,555 | 186 | -- | 5,615 | (36,955) | 298,012 | 666,413 | 26,558 | 692,971 |
| Foreign currency translation differences for foreign operations | -- | (14,901) | -- | -- | -- | -- | (14,901) | (292) | (15,193) |
| Cash flow hedge | -- | -- | (4,689) | -- | -- | -- | (4,689) | -- | (4,689) |
| Total other comprehensive expense for the period | -- | (14,901) | (4,689) | -- | -- | -- | (19,590) | (292) | (19,882) |
| Profit for the period | -- | -- | -- | -- | -- | 52,178 | 52,178 | 1,305 | 53,483 |
| Total comprehensive (expense)/income for the period | -- | (14,901) | (4,689) | -- | -- | 52,178 | 32,588 | 1,013 | 33,601 |
| <i>Contributions by and distributions to owners of the Company</i> | | | | | | | | | |
| Capital contribution by non-controlling interest | -- | -- | -- | -- | -- | -- | -- | 500 | 500 |
| Dividend payable to owners of the Company | -- | -- | -- | -- | -- | (22,480) | (22,480) | -- | (22,480) |
| Issue of shares pursuant to ESOS | 2,277 | -- | -- | (391) | -- | -- | 1,886 | -- | 1,886 |
| Share-based payment | -- | -- | -- | 862 | -- | -- | 862 | -- | 862 |
| Changes in put option liability | -- | -- | -- | -- | (1,708) | -- | (1,708) | -- | (1,708) |
| Change in ownership interests in a subsidiary | -- | -- | -- | -- | -- | 35 | 35 | 298 | 333 |
| Total transactions with owners of the Company | 2,277 | -- | -- | 471 | (1,708) | (22,445) | (21,405) | 798 | (20,607) |
| At 30 September 2024 | 401,832 | (14,715) | (4,689) | 6,086 | (38,663) | 327,745 | 677,596 | 28,369 | 705,965 |

Farm Fresh Berhad

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

Condensed consolidated statement of changes in equity for the second quarter ended 30 September 2025 (continued)

| | ← Attributable to owners of the Company → | | | | | | Total RM'000 | Non- controlling interests RM'000 | Total equity RM'000 |
|--|---|----------------------------------|------------------------------|---|------------------------------------|---|-----------------|--|---------------------------|
| | Share capital RM'000 | Translation reserve RM'000 | Hedging reserve RM'000 | Non-distributable Employee share-based reserve RM'000 | Put option reserve RM'000 | Distributable Retained earnings RM'000 | | | |
| At 1 April 2025 | 404,847 | (18,352) | (429) | 6,686 | (55,833) | 363,213 | 700,132 | 28,107 | 728,239 |
| Foreign currency translation differences for foreign operations | -- | (2,706) | -- | -- | -- | -- | (2,706) | 122 | (2,584) |
| Cash flow hedge | -- | -- | 1,472 | -- | -- | -- | 1,472 | -- | 1,472 |
| Total other comprehensive (expense)/ income for the period | -- | (2,706) | 1,472 | -- | -- | -- | (1,234) | 122 | (1,112) |
| Profit for the period | -- | -- | -- | -- | -- | 69,465 | 69,465 | 1,571 | 71,036 |
| Total comprehensive (expense)/income for the period | -- | (2,706) | 1,472 | -- | -- | 69,465 | 68,231 | 1,693 | 69,924 |
| <i>Contributions by and distributions to owners of the Company</i> | | | | | | | | | |
| Dividend payable to owners of the Company | -- | -- | -- | -- | -- | (18,775) | (18,775) | -- | (18,775) |
| Issue of shares pursuant to ESOS | 3,942 | -- | -- | (675) | -- | -- | 3,267 | -- | 3,267 |
| Share-based payment | -- | -- | -- | 544 | -- | -- | 544 | -- | 544 |
| Changes in put option liability | -- | -- | -- | -- | (2,580) | -- | (2,580) | -- | (2,580) |
| Change in ownership interests in a subsidiary | -- | -- | -- | -- | -- | (10) | (10) | 18 | 8 |
| Total transactions with owners of the Company | 3,942 | -- | -- | (131) | (2,580) | (18,785) | (17,554) | 18 | (17,536) |
| At 30 September 2025 | 408,789 | (21,058) | 1,043 | 6,555 | (58,413) | 413,893 | 750,809 | 29,818 | 780,627 |

Farm Fresh Berhad

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

Condensed consolidated statement of cash flows for the second quarter ended 30 September 2025

| | 6 months ended | |
|---|----------------------------------|----------------------------------|
| | Unaudited 30.9.2025 RM'000 | Unaudited 30.9.2024 RM'000 |
| Cash flows from operating activities | | |
| Profit before tax | 77,776 | 57,655 |
| Adjustments for: | | |
| Depreciation and amortisation: | | |
| - property, plant and equipment | 26,570 | 22,749 |
| - right-of-use assets | 5,666 | 4,799 |
| - intangible assets | 357 | 135 |
| Finance income | (450) | (523) |
| Finance costs | 8,244 | 8,943 |
| Equity settled share based payment | 544 | 953 |
| Impairment loss on trade receivables | 1,390 | 768 |
| Write off of: | | |
| - property, plant and equipment | 236 | 108 |
| - obsolete and slow-moving inventories | 215 | 71 |
| Loss on disposal of property, plant and equipment | 58 | 232 |
| Gain on disposal of assets classified as held for sale | (1,884) | -- |
| Gain on derecognition of lease | (55) | (27) |
| Amortisation of deferred income | (220) | (135) |
| Loss arising from changes in fair value of dairy cows and goats | 1,236 | 3,291 |
| Fair value loss/(gain) on: | | |
| - Derivative financial instruments | 85 | (1,184) |
| - Other investments | (610) | (1,387) |
| Distribution income from money market investments | (149) | (795) |
| Unrealised loss on foreign exchange | 36 | 1,634 |
| Operating profit before changes in working capital | 119,045 | 97,287 |
| Change in inventories | (35,581) | (17,619) |
| Change in trade and other receivables | (57,926) | (4,464) |
| Change in trade and other payables | 59,577 | 26,793 |
| Cash generated from operations | 85,115 | 101,997 |
| Interest received | 450 | 523 |
| Tax paid | (2,367) | (2,030) |
| Net cash from operating activities | 83,198 | 100,490 |
| Cash flows from investing activities | | |
| Acquisition of: | | |
| - property, plant and equipment | (87,449) | (53,068) |
| - biological assets | (17,833) | (9,248) |
| - intangible assets | (514) | (280) |
| Net withdrawal from other investments | 37,000 | 3,500 |
| Proceeds from disposal of: | | |
| - property, plant and equipment | 735 | 1,688 |
| - biological assets | 11,406 | 2,405 |
| - assets classified as held for sale | 8,776 | -- |
| Net cash used in investing activities | (47,879) | (55,003) |

Condensed consolidated statement of cash flows for the second quarter ended 30 September 2025
(continued)

| | 6 months ended | |
|---|----------------------------------|----------------------------------|
| | Unaudited 30.9.2025 RM'000 | Unaudited 30.9.2024 RM'000 |
| Cash flows from financing activities | | |
| Interest paid | (7,375) | (8,234) |
| Proceeds from shares issued | 3,266 | 1,886 |
| Repayment of term loans | (334) | (315) |
| Net proceeds/(payment) from: | | |
| - bankers' acceptances | 291 | 12,553 |
| - short-term financing | 679 | (962) |
| Repayment of hire purchase liabilities | (3,195) | (3,721) |
| Repayment of lease liabilities | (5,836) | (4,931) |
| Capital contributed by a non-controlling shareholder | 8 | 833 |
| Net cash used in financing activities | <u>(12,496)</u> | <u>(2,891)</u> |
| Exchange difference on translation of the financial statements of foreign operation | 59 | (3,918) |
| Net increase in cash and cash equivalents | 22,882 | 38,678 |
| Cash and cash equivalents at 1 April | <u>58,785</u> | <u>58,167</u> |
| Cash and cash equivalents at 30 September | <u><u>81,667</u></u> | <u><u>96,845</u></u> |

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

| | 6 months ended | |
|--------------------------------|----------------------------------|----------------------------------|
| | Unaudited 30.9.2025 RM'000 | Unaudited 30.9.2024 RM'000 |
| Cash and cash equivalents: | | |
| - cash and bank balances | 75,281 | 95,488 |
| - deposits with licensed banks | 6,386 | 1,357 |
| | <u>81,667</u> | <u>96,845</u> |

Farm Fresh Berhad

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

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

A1. Basis of preparation

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

This condensed consolidated interim financial report should be read in conjunction with the audited consolidated financial statements for the year ended 31 March 2025 and the accompanying notes attached to the interim financial report.

A2. Material accounting policies

The accounting policies applied by the Group in this interim financial report are the same as those applied by the Group in its audited consolidated financial statements for the year ended 31 March 2025.

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

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

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

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

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

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

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

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

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

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

A3. Auditors' report

The audited consolidated financial statements for the financial year ended 31 March 2025 was not subject to any qualifications.

A4. Seasonal or cyclical factors

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

A5. Unusual items

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

A6. Changes in estimates

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

A7. Debt and equity securities

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

A8. Dividends paid

On 24 July 2025, the Board of Directors declared a final single-tier dividend of 1.00 sen per ordinary share totaling RM18.8 million for the financial year ended 31 March 2025. It was paid on 17 October 2025 to shareholders whose names appeared in the Record of Depositors of the Company at the close of business on 3 October 2025. The dividend was accounted for in equity as an appropriation of retained earnings in current quarter under review.

A9. Property, plant and equipment

The Group acquired property, plant and equipment amounting to RM93.1 million during the financial period under review.

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

A10. Impairment losses

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

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

A11. Segment information

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

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

The other overseas operations are not material for disclosure and have been included as part of the Malaysia's operations for the financial period.

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

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

| Individual quarter (3 months) | Malaysia's Operation RM'000 | Australia's Operation RM'000 | Intra-group Adjustments RM'000 | Total RM'000 |
|-------------------------------|-----------------------------------|------------------------------------|--------------------------------------|-----------------|
| 1.7.2025 to 30.9.2025 | | | | |
| External revenue | 278,597 | 16,340 | -- | 294,937 |
| Inter-segment revenue | 49,865 | 37,997 | (87,862) | -- |
| Segment profit before tax | <u>41,542</u> | <u>29</u> | <u>160</u> | <u>41,731</u> |
| 1.7.2024 to 30.9.2024 | | | | |
| External revenue | 223,790 | 25,373 | -- | 249,163 |
| Inter-segment revenue | 45,616 | 46,359 | (91,975) | -- |
| Segment profit before tax | <u>29,403</u> | <u>1,168</u> | <u>(1,260)</u> | <u>29,311</u> |
| Cumulative quarter (6 months) | Malaysia's Operation RM'000 | Australia's Operation RM'000 | Intra-group Adjustments RM'000 | Total RM'000 |
| 1.4.2025 to 30.9.2025 | | | | |
| External revenue | 520,537 | 34,977 | -- | 555,514 |
| Inter-segment revenue | 96,341 | 69,964 | (166,305) | -- |
| Segment profit before tax | <u>81,086</u> | <u>(3,379)</u> | <u>69</u> | <u>77,776</u> |
| 1.4.2024 to 30.9.2024 | | | | |
| External revenue | 427,301 | 63,561 | -- | 490,862 |
| Inter-segment revenue | 81,089 | 70,587 | (151,676) | -- |
| Segment profit before tax | <u>58,371</u> | <u>310</u> | <u>(1,026)</u> | <u>57,655</u> |

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

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

The Company, had on 23 October 2025 completed the incorporation of Farm Fresh (Cambodia) Co., Ltd. in Cambodia.

The Company has issued RM125.0 million in nominal value of Sukuk Wakalah (“New Sukuk Wakalah”) under the Sukuk Wakalah Programme on 10 October 2025.

The New Sukuk Wakalah has a tenure of five (5) years and will mature on 10 October 2030.

A13. Changes in the composition of the Group

The Company, had on 3 July 2025 incorporated a new subsidiary, namely Farm Fresh Borneo Sdn Bhd.

The Provenance Creamery Pte. Ltd. (“TPC”), had on 5 August 2025 issued additional 7,500 ordinary shares to the Company and 2,500 ordinary shares to a new shareholder. Accordingly, the Group’s shareholding in TPC decreased from 100% to 75%.

The incorporation and dilution above did not have material impact to the Group during the financial period under review.

A14. Fair value information

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

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

| | Fair value of financial instruments carried at fair value | | Fair value of financial instruments not carried at fair value | Total fair value | Carrying amount |
|---|---|-------------------|---|------------------|------------------|
| | Level 2 RM’000 | Level 3 RM’000 | Level 3 RM’000 | | |
| 30.9.2025 | | | | | |
| Financial assets | | | | | |
| Derivatives designated as cash flow hedge | | | | | |
| - Forward exchange contracts | 1,602 | -- | -- | 1,602 | 1,602 |
| Other investments | 27,796 | -- | -- | 27,796 | 27,796 |
| | <u>29,398</u> | <u>--</u> | <u>--</u> | <u>29,398</u> | <u>29,398</u> |
| Financial liabilities | | | | | |
| Derivatives designated as cash flow hedge | | | | | |
| - Commodity future contracts | (230) | -- | -- | (230) | (230) |
| Hire purchase liabilities | -- | -- | (5,620) | (5,620) | (5,508) |
| Term loans | -- | -- | (27,579) | (27,579) | (27,710) |
| Sukuk | -- | -- | (303,458) | (303,458) | (303,458) |
| Put option liability | -- | (58,413) | -- | (58,413) | (58,413) |
| | <u>(230)</u> | <u>(58,413)</u> | <u>(336,657)</u> | <u>(395,300)</u> | <u>(395,319)</u> |

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

A14. Fair value information (continued)

| | Fair value of financial instruments carried at fair value | | Fair value of financial instruments not carried at fair value | Total fair value | Carrying amount |
|--|---|-------------------|---|------------------|------------------|
| | Level 2 RM'000 | Level 3 RM'000 | Level 3 RM'000 | RM'000 | RM'000 |
| 31.3.2025 | | | | | |
| Financial assets | | | | | |
| Derivatives at fair value through profit or loss | | | | | |
| - Interest rate swap | 86 | -- | -- | 86 | 86 |
| Other investments | 64,037 | -- | -- | 64,037 | 64,037 |
| | <u>64,123</u> | <u>--</u> | <u>--</u> | <u>64,123</u> | <u>64,123</u> |
| Financial liabilities | | | | | |
| Derivatives designated as cash flow hedge | | | | | |
| - Forward exchange contracts | (260) | -- | -- | (260) | (260) |
| - Commodity future contracts | (168) | -- | -- | (168) | (168) |
| Hire purchase liabilities | -- | -- | (8,886) | (8,886) | (8,743) |
| Term loans | -- | -- | (28,196) | (28,196) | (28,125) |
| Sukuk | -- | -- | (303,405) | (303,405) | (303,405) |
| Put option liability | -- | (55,833) | -- | (55,833) | (55,833) |
| | <u>(428)</u> | <u>(55,833)</u> | <u>(340,487)</u> | <u>(396,748)</u> | <u>(396,534)</u> |

A15. Contingent liabilities

There were no material changes in contingent liabilities arising since the last audited consolidated financial statements for the financial year ended 31 March 2025.

A16. Capital commitments

| | Unaudited 30.9.2025 RM'000 | Audited 31.3.2025 RM'000 |
|---|----------------------------------|--------------------------------|
| Contracted but not provided for: | | |
| Plant and equipment | 21,549 | 13,683 |
| Intangible assets | 158 | 385 |
| | <u>21,707</u> | <u>14,068</u> |

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

B1. Review of performance

Current quarter against corresponding quarter (Q2'26 vs Q2'25)

| | Individual quarter 3 months ended | | Changes % |
|--|--------------------------------------|---------------------|--------------|
| | 30.9.2025 RM'000 | 30.9.2024 RM'000 | |
| Revenue | 294,937 | 249,163 | 18.4 |
| Gross profit | 99,038 | 83,828 | 18.1 |
| Operating profit | 45,519 | 33,575 | 35.6 |
| Profit before tax | 41,731 | 29,311 | 42.4 |
| Profit after tax | 37,792 | 26,972 | 40.1 |
| Profit attributable to owners of the Company ("PATAMI") | <u>36,666</u> | <u>26,183</u> | <u>40.0</u> |

The Group's revenue increased by 18.4% or RM45.8 million as compared to the corresponding period, mainly attributable to the increase in Malaysian revenue due to higher school milk and mini market sales, as well as higher sales in Philippines and exports to Cambodia, as well as positive sales contribution from launching of new products. The increase is partly offset by a decrease in Australian revenue due to lower external sales from Goulburn Valley Creamery Pty Ltd.

The Group's gross profit increased by 18.1% or RM15.2 million while the gross profit margin remained unchanged at 33.6%.

Consequently, the Group's operating profit rose by 35.6% or RM11.9 million and profit before tax increased by 42.4% or RM12.4 million respectively, primarily driven by the aforementioned increase in gross margin. Apart from that, the increase in operating profit was also contributed by a one-off gain of RM1.9 million from the disposal of Australia farm assets classified as held for sale.

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

B1. Review of performance (continued)

Current financial period against corresponding financial period (FY'26 vs FY'25)

| | Cumulative quarter 6 months ended | | Changes % |
|--|--------------------------------------|---------------------|--------------|
| | 30.9.2025 RM'000 | 30.9.2024 RM'000 | |
| Revenue | 555,514 | 490,862 | 13.2 |
| Gross profit | 185,518 | 156,774 | 18.3 |
| Operating profit | 85,570 | 66,075 | 29.5 |
| Profit before tax | 77,776 | 57,655 | 34.9 |
| Profit after tax | 71,036 | 53,483 | 32.8 |
| Profit attributable to owners of the Company ("PATAMI") | <u>69,465</u> | <u>52,178</u> | <u>33.1</u> |

The Group's revenue increased by 13.2% or RM64.7 million as compared to the corresponding financial period, mainly attributable to the increase in Malaysian revenue by 21.8% or RM93.2 million underpinned by positive sales contribution from launching of new products, coupled with higher school milk sales and increased sales from mini market, e-commerce as well as higher sales in Philippines and exports to Cambodia . However, Australian revenue decreased by 45.0% or RM28.5 million due to lower external sales from Goulburn Valley Creamery Pty Ltd.

The Group's posted a gross profit of RM185.5 million, up by 18.3% or RM28.7 million from the same period last year, while gross profit margin improved from 31.9% to 33.4% in the current financial period.

Consequently, the Group's operating profit rose by 29.5% or RM19.5 million while profit before tax increased by 34.9% or RM20.1 million respectively, mainly due to the increase in gross margin, which was partially offset by higher distribution costs which are in line with higher school milk sales as well as higher administrative costs, including salary and depreciation costs with the addition of the CPG ice cream operations and increase of Inside Scoop outlets. The increase in costs was partially offset by lower fair value loss on valuation of biological assets of RM1.2 million as compared to RM3.3 million in the corresponding period.

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

B2. Comparison with immediate preceding quarter (Q2'26 vs Q1'26)

| | Current quarter 30.9.2025 RM'000 | Preceding quarter 30.6.2025 RM'000 | Changes % |
|--|---|---|--------------|
| Revenue | 294,937 | 260,577 | 13.2 |
| Gross profit | 99,038 | 86,480 | 14.5 |
| Operating profit | 45,519 | 40,051 | 13.7 |
| Profit before tax | 41,731 | 36,045 | 15.8 |
| Profit after tax | 37,792 | 33,244 | 13.7 |
| Profit attributable to owners of the Company ("PATAMI") | <u>36,666</u> | <u>32,799</u> | <u>11.8</u> |

The Group's revenue increased by 13.2% or RM34.4 million as compared to the preceding quarter, largely driven by the increase in school milk sales in the current quarter, as compared to the lower delivery during the school holiday in the previous quarter. The increase is further contributed by positive sales contribution from launching of new products, along with higher sales in Philippines and exports to Cambodia.

The Group's gross profit increased by 14.5% or RM12.6 million as compared to the preceding period in line with higher sales while the gross profit margin remained stable at 33.6%.

The operating profit increased by 13.7% or RM5.5 million and profit before tax increased by RM5.7 million or 15.8% respectively mainly due to the aforementioned increase in gross profit, which was partially offset by higher fair value loss on valuation of biological assets of RM2.1 million (as compared to the fair value gain on biological assets of RM0.9 million in the preceding quarter).

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

B3. Prospects for the Group

Prospects

The Group has recorded another strong quarter recording significant growth in both revenue and profitability, further encapsulating the progress that we have made in both our category expansion and regional expansion.

Our consumer-packaged goods (CPG) ice cream has shown continued growth since the launch in August 2024. We have invested in another two ice cream lines at our Taiping plant, which has increased our capacity to about 300,000 pieces per day.

Our choco malt product in powder format, launched in July 2024 has gained further traction in the market, together with our full cream milk powder, butter and cultured milk, launched in October 2024, February 2025 and April 2025 respectively.

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

We have also continued our growth momentum in Philippines, where we have commenced our factory operations in end-September 2024 and selling our UHT products and milk powder products in the modern trade outlets and HORECA customers in the Greater Manila market.

We have also started to export our dairy products to Cambodia in end-August 2025, with revenue increasing significantly during the quarter. Our products are now available in major modern trade outlets in Phnom Penh, as well as penetrating into major coffee outlets and into general trade with our UHT products. We are now working with our local partners in Cambodia towards securing a location for our factory and farm with the support of the Cambodian government.

Taking stock of our progress to-date, we are optimistic of our performance in FY2026.

We will also continue to drive our ESG agenda in the coming year. Our biogas plant has been completed and commissioned in April 2024, and once fully operational, is targeted to have a reduction of 9,800 tonnes carbon dioxide equivalent (tCO₂e) per annum and a targeted displacement or reduction of diesel usage of 670,000 litres per annum. Our Milk on Tap initiative, selling fresh milk sold in reusable glass bottles has been successfully expanded to 29 locations in Jaya Grocer and Jom Cha outlets across Peninsular Malaysia.

| |
|--|
| Registration Number: 201001010221 (894851-U) |
|--|

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

B4. Profit forecast

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

B5. Tax expense

Income tax expenses on continuing operations comprise the following:

| | Individual quarter 3 months ended | | Cumulative quarter 6 months ended | |
|----------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| | Unaudited 30.9.2025 RM'000 | Unaudited 30.9.2024 RM'000 | Unaudited 30.9.2025 RM'000 | Unaudited 30.9.2024 RM'000 |
| Tax expense | 2,102 | 940 | 3,883 | 1,836 |
| Deferred tax expense | 1,837 | 1,399 | 2,857 | 2,336 |
| | <u>3,939</u> | <u>2,339</u> | <u>6,740</u> | <u>4,172</u> |

B6. Status of corporate proposals

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

| |
|--|
| Registration Number: 201001010221 (894851-U) |
|--|

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

B7. Utilisation of proceeds from the Public Issue

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

| Details of use of proceeds | Estimated timeframe for the use of proceeds | Initial proposed utilization ⁽¹⁾ | Revised proposed utilization | Actual utilization to 30.9.2025 | Balance to be utilised |
|--|--|---|------------------------------|---------------------------------|------------------------|
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| 1. Capital expenditure of our Group | | | | | |
| - <i>Establishment of a new manufacturing hub, a new dairy farm and integrated processing facility in Malaysia</i> | Within 24 months | 131,237 | 132,455 ⁽²⁾ | (101,760) | 30,695 |
| - <i>Regional expansion outside of Malaysia</i> | Within 24 months | 40,000 | 40,000 | (38,853) | 1,147 |
| - <i>Expansion of our production facility in Australia</i> | Within 18 months | 4,851 | 4,851 | (4,851) | -- |
| 2. Working capital | Within 12 months | 40,789 | 40,789 | (40,789) | -- |
| 3. Estimated listing expenses | Within 3 months | 20,200 | 18,982 | (18,982) ⁽²⁾ | -- |
| 4. Acquisition of TISSB | On the date of completion of the SSA and SPA (as defined herein) | 63,912 | 63,912 | (63,912) | -- |
| | | 300,989 | 300,989 | (269,147) | 31,842 |

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

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

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

B8. Loans and borrowings

| | Unaudited 30.9.2025 RM'000 | Audited 31.3.2025 RM'000 |
|---------------------------|----------------------------------|--------------------------------|
| Non-current | | |
| <i>Unsecured</i> | | |
| Sukuk | 100,000 | 300,000 |
| <i>Secured</i> | | |
| Hire purchase liabilities | 1,623 | 2,481 |
| Term loans | 3,550 | 3,801 |
| | <u>105,173</u> | <u>306,282</u> |
| Current | | |
| <i>Unsecured</i> | | |
| Sukuk | 203,458 | 3,405 |
| <i>Secured</i> | | |
| Hire purchase liabilities | 3,885 | 6,262 |
| Short term financing | 711 | 27 |
| Term loans | 24,160 | 24,324 |
| Bankers' acceptances | 57,804 | 57,604 |
| | <u>290,018</u> | <u>91,622</u> |
| | <u><u>395,191</u></u> | <u><u>397,904</u></u> |

The loans and borrowings of the Group are denominated in MYR, except for term loans of RM26.38 million (31.3.2025: RM26.46 million), hire purchase liabilities of RM3.94 million (31.3.2025: RM6.45 million), bankers' acceptances of RM13.37 million (31.3.2025: RM17.94 million) and short term financing of RM0.71 million (31.3.2025: RM0.03 million) which are denominated in AUD.

B9. Material litigations

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

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

The Group has lodged an appeal against the decision and is currently waiting for the court to set a hearing for the appeal. As such, in the Directors' opinion, disclosure of any further information about the above matter would be prejudicial to the interests of the Group.

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

B10. Proposed Dividends

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

B11. Earnings per share (“EPS”)

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

| | Individual quarter 3 months ended | | Cumulative quarter 6 months ended | |
|---|--------------------------------------|------------------------|--------------------------------------|------------------------|
| | Unaudited 30.9.2025 | Unaudited 30.9.2024 | Unaudited 30.9.2025 | Unaudited 30.9.2024 |
| Net profit attributable to the owners of the Company (RM'000) | 36,666 | 26,183 | 69,465 | 52,178 |
| Weighted average number of ordinary shares in issue | <u>1,876,513,503</u> | <u>1,872,803,782</u> | <u>1,876,513,503</u> | <u>1,872,803,782</u> |
| Basic EPS (sen) | <u>1.95</u> | <u>1.40</u> | <u>3.70</u> | <u>2.79</u> |

Diluted earnings per ordinary share

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

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

| | Individual quarter 3 months ended | | Cumulative quarter 6 months ended | |
|---|--------------------------------------|------------------------|--------------------------------------|------------------------|
| | Unaudited 30.9.2025 | Unaudited 30.9.2024 | Unaudited 30.9.2025 | Unaudited 30.9.2024 |
| Net profit attributable to the owners of the Company (RM'000) | 36,666 | 26,183 | 69,465 | 52,178 |
| Weighted average number of ordinary shares in issue | <u>1,876,513,503</u> | <u>1,872,803,782</u> | <u>1,876,513,503</u> | <u>1,872,803,782</u> |
| Effect of share option in issue | <u>6,858,322</u> | <u>3,846,650</u> | <u>6,360,666</u> | <u>3,014,563</u> |
| Total weighted average number of ordinary shares | <u>1,883,371,825</u> | <u>1,876,650,432</u> | <u>1,882,874,169</u> | <u>1,875,818,345</u> |
| Diluted EPS (sen) | <u>1.95</u> | <u>1.40</u> | <u>3.69</u> | <u>2.78</u> |

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

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

B12. Revenue

| | Individual quarter 3 months ended | | Cumulative quarter 6 months ended | |
|--|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| | Unaudited 30.9.2025 RM'000 | Unaudited 30.9.2024 RM'000 | Unaudited 30.9.2025 RM'000 | Unaudited 30.9.2024 RM'000 |
| Revenue from contracts with customers | | | | |
| - At a point in time | 294,772 | 249,043 | 555,187 | 490,597 |
| - Over time | 165 | 120 | 327 | 265 |
| | <u>294,937</u> | <u>249,163</u> | <u>555,514</u> | <u>490,862</u> |

B13. Profit before tax

| | Individual quarter 3 months ended | | Cumulative quarter 6 months ended | |
|---|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| | Unaudited 30.9.2025 RM'000 | Unaudited 30.9.2024 RM'000 | Unaudited 30.9.2025 RM'000 | Unaudited 30.9.2024 RM'000 |
| Profit for the period is arrived at after charging/(crediting) | | | | |
| Depreciation and amortisation: | | | | |
| - property, plant and equipment | 13,486 | 11,629 | 26,570 | 22,749 |
| - right-of-use assets | 2,846 | 2,455 | 5,666 | 4,799 |
| - intangible assets | 208 | 68 | 357 | 135 |
| Equity settled share-based payment | 181 | 710 | 544 | 953 |
| Impairment loss of trade receivables | 766 | 382 | 1,390 | 768 |
| Write off of: | | | | |
| - property, plant and equipment | 168 | 62 | 236 | 108 |
| - obsolete and slow-moving inventories | 63 | 41 | 215 | 71 |
| Loss on disposal of property, plant and equipment | 144 | 176 | 58 | 232 |
| Gain on disposal of assets classified as held for sale | (1,884) | -- | (1,884) | -- |
| Amortisation of deferred income | (110) | (67) | (220) | (135) |
| Loss arising from changes in fair value of dairy cows and goats | 2,114 | 2,741 | 1,236 | 3,291 |
| Fair value loss/(gain) on: | | | | |
| - Derivative financial instruments | 28 | (42) | 85 | (1,184) |
| - Other investments | (233) | (822) | (610) | (1,387) |
| Distribution income from money market investments | (55) | (370) | (149) | (795) |
| Realised gain on derivative financial instruments | -- | (2,001) | -- | (2,001) |
| Realised loss on foreign exchange | 31 | 756 | 308 | 879 |
| Unrealised loss on foreign exchange | 14 | 1,690 | 36 | 1,634 |
| Personnel expenses (including key management personnel): | | | | |
| - Contribution to state plans | 2,394 | 1,958 | 4,514 | 3,778 |
| - Wages, salaries and others | 31,892 | 26,767 | 61,369 | 51,601 |
| Rental income from subleasing of property | (60) | (203) | (135) | (529) |
| Expenses relating to short-term leases | 1,434 | 1,562 | 2,723 | 2,964 |
| Expenses relating to leases of low-value assets | 173 | 97 | 399 | 248 |