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Anglo-Eastern Plantations PLC
30 April 2024

Anglo-Eastern Plantations Plc
("AEP", "Group" or "Company")

Final results for year ended 31 December 2023

The group comprising Anglo-Eastern Plantations Plc ("AEP") and its subsidiaries (the "Group"), is a major producer of palm oil and to a lesser extent rubber with plantations across Indonesia and Malaysia, amounting to approximately 90,500 hectares, following the sale of the three non performing plantations in South Sumatera, has today released its results for the year ended 31 December 2023.

Financial Highlights

The Group key performance indicators ("KPI") as required in accordance with the requirements of s414C, Companies Act 2006 are as follows:

Continuing operations	**2023**	2022	Change
	$m	$m	%
Revenue	**371.0**	447.6	-17%
Profit before tax:			
- before biological assets ("BA") movement	**78.7**	138.7	-43%
- after BA movement	**77.8**	132.9	-41%
Basic Earnings per ordinary share ("EPS"):			
- before BA movement	**130.24cts**	245.25cts	-47%
- after BA movement	**128.82cts**	235.74cts	-45%
Dividend (cents)	**30.0cts**	25.0cts	

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Chairman's Statement

2023 was a year of rationalisation and consolidation for the AEP Group.

On 5 July 2023 AEP announced that it had concluded the sale of the three non-performing plantations in South Sumatera for a total cash consideration of $8.5 million. While the price achieved fell short of our expectations, the positive outcome is that the Group no longer has to fund the continuing losses of the three loss making entities, as well as not having to incorporate such losses in the Group's operating results going forward. Following the disposal, AEP's landbank and planted area are at 90,500 ha (2022: 128,000 ha) and 68,948 ha (2022: 76,095 ha) respectively.

During the year, the Group made enquiries on acquisition of plantation lands but nothing materialised because of a lack of quality land or because it was excessively priced. The Group, as part of its strategy, will continue to maintain a disciplined strategy in seeking quality plantation land for expansion.

The Group consolidated its holdings in its Indonesian subsidiaries by buying back shares in nine subsidiaries from minority shareholders for a total consideration of $87.8 million. The purchases were wholly funded from the Group's own cash resources. The buyback of minority interests in these profitable subsidiaries is in line with the Group's stated strategy of consolidating AEP's holdings in these subsidiaries as reported in the 2022 Annual Report. These acquisitions are expected to enhance future earnings and maximise shareholder value as it no longer has to apportion retained profits to the minority shareholders going forward. With these acquisitions, AEP now wholly-owns all its subsidiaries in Indonesia except for two subsidiaries in Indonesia except for two.

As part of our commitment to sustainability, the Group signed three contracts with PT KIS Biofuels Indonesia to build three BioCNG plants in North Sumatera in the next two years. The construction costs estimated at $10.5 million are to be wholly funded by KIS who will retain the right to operate the plants for fifteen years under Build Own Operate Transfer ("BOOT") concept. The Compressed Natural Gas ("BioCNG") plants draw methane from our existing biogas plants, purify the methane content from 55% to 96% and compress the gas into cylinders for transport to buyers to replace their fossil fuels with this renewable BioCNG for industrial use. The Group is compensated by the sales of methane gas, together with a share of the carbon credit sold. At the end of the fifteen years, the operation and ownership of the plants will be handed over to the Group at no cost with the benefits of all the future revenue generated. The first BioCNG plant of its kind in Indonesia with a capacity to produce up to 760 MMBTU/day was built and completed in our Blankahan mill in late 2023, which we duly announced to the market on 2 February 2024. It started commercial operation in January 2024 after receiving all the safety certifications for operating. The mitigation of emission of methane gas from this plant will result in an estimated reduction of 52,000 mt of carbon dioxide per year resulting in 52,000 carbon credits generated. See https://www.esdm.go.id/id/media-center/arsip-berita/pabrik-biocng-komersial-pertama-di-indonesia-diresmikan.

There are generally some concerns among oil palm producers on the recently introduced European Union Deforestation Regulation ("EUDR"). The regulation bans imports into the EU of agricultural products that come from deforestation and illegal sources with the aim of ensuring that products consumed within the EU are not contributing to deforestation or forest degradation anywhere in the world since 2020. It applies to several commodities which includes palm oil whereby producers and traders of these commodities have to carry out due diligence throughout their supply chains before being allowed to trade these products in the EU market. In Indonesia, there are fears that this regulation will disproportionately affect oil palm smallholder and farmers which account for a significant share of the country's total palm oil production. This regulation is not expected to have any effect on AEP as we have adopted the No Deforestation, No Peat and No Exploitation ("NDPE") policy since mid-2019.

AEP's plantations in Indonesia and Malaysia are in compliance with national sustainable practices i.e. ISPO and MSPO. However, with the increasing deforestation regulations, especially from the EU, the Board has decided that it is timely in 2024 to start the process of applying for membership of the Roundtable on Sustainable Palm Oil ("RSPO"). This is AEP's commitment to a more robust and globally accepted certification for certified sustainable palm oil, which would address concerns over EUDR and other sustainability issues. AEP has this year begun the RSPO membership application process, and has appointed accredited consultants to carry out a Land Use Change Analysis ("LUCA") as a first step in the application procedure. The LUCA will cover satellite mapping, field verifications, interviews with stakeholders and surrounding communities to determine potential High Conservation Value ("HCV") and High Carbon Stock ("HCS") areas for restoration and remediation. Upon the completion of LUCA and successful application for RSPO membership, AEP will begin certifying all our facilities within a 5-year timeline. A preliminary study on RSPO gap analysis conducted by our external consultants indicated it will take a substantial amount of costs and resources, up to $18 million, to certify the entire Group and be a full member of RSPO.

Following on, I am pleased to present the operating results of the Group for the year ended 31 December 2023.

The Group's fresh fruit bunches ("FFB") production from continuing operations in 2023 reached 1.10 million mt, 2% lower than last year of 1.12 million mt, mainly due to the replanting of ageing trees. Regionally, the crop production in Bengkulu registered a sharp decline of 17% as 2,260 ha of old palms had been replanted over the last two years. will continue in 2024 with over 2,100 ha planned, of which 700 ha will be in North Sumatera and over 1,400 ha will be in the Bengkulu region. The application of fertilizers for trees earmarked for replanting is normally reduced and gradually stopped two years prior to replanting which also explains a drop in yield. Production in Kalimantan however improved by 14% as more palms reached maturity and the average bunch weight increased.

With bountiful supply of external crops from May to October 2023, FFB bought from surrounding smallholders and plasma reached 1.08 million mt, similar to 2022. However, our mill in Riau experienced a significant drop of 17% in external crop purchases as competition from small millers heats up. The number of small millers in the vicinity of where our Riau mill is situated has increased significantly over the last two years as record crude palm oil ("CPO") prices in 2022 encouraged entry of independent millers relying solely on external crops for their mill operations. Farmers enjoy better returns as small millers impose minimal or no discount on crops that are contaminated with dirt, excessive moisture, underripe or overripe fruits. The farmers also save on logistical costs as small millers are normally located nearer to them. Our MPM mill on the other hand bought 19% more external crops in 2023, compared to 2022, as the region experienced lower rainfall easing transportation of crops. Our mills processed a combined 2.16 million mt of FFB, 2% lower than last year of 2.21 million mt. CPO production was 1% lower at 449,000 mt, compared to 455,600 mt in 2022, compensated by the improved oil extraction rate ("OER") of 20.84% against 20.59% in 2022. Kernal production for 2023 stood at 103,900 mt, 2% lower than last year of 106,200 mt.

After achieving record CPO prices in 2022, prices for 2023 have been trending lower. Despite the regional conflicts in Eastern Europe and the Middle East, production of soft oil remains high resulting in a glut of soyabean and sunflower oil, the main competitors of palm oil. The weaker export and sluggish demand from China continued to be a damper for CPO. Average CPO price ex-Rotterdam for the year was therefore 29% lower at $971/mt, compared to $1,369/mt in 2022. A more detailed explanation is provided in the Strategic Report under Commodity Prices.

The Group's revenue from continuing operations was $371.0 million, 17% lower compared to $447.6 million in 2022, principally due to the lower CPO price in 2023. The operating profit for the Group from continuing operations in 2023, before biological asset ("BA") movement, was lower at $70.6 million, from $132.9 million reported in 2022. The earnings per share, before BA movement from continuing operations, decreased by 47% to 130.24cts, from 245.25cts in 2022. The Group's operating profit after BA movement from continuing operations for 2023 was at $69.7 million after a downward BA movement of $0.9 million as compared to 2022 operating profit of $127.1 million after a downward BA movement of $5.8 million.

The Group's new planting for oil palm including plasma for 2023 totalled 775 ha compared to 952 ha last year. The new planting was mostly in the Kalimantan region, where land compensation was concluded more efficiently. Replanting of some 1,074 ha of oil palms in Bengkulu was accelerated during the year to replace trees with poor yield. 227 ha was also replanted in North Sumatera. The Group plans to plant 3,000 ha of oil palm in 2024, which includes replanting of 2,100 ha in Bengkulu and North Sumatera. Plasma planting for 2024 is estimated at 270 ha. It is the intention of the Group to replant 2% to 3% of our trees each year to maintain a heathy age profile of the palms. This will also help to improve yield per planted hectare and OER to counter the rising cost of production.

The Group sold 22,900 MWh of surplus electricity from its biogas plants in 2023 compared to 23,900 MWh last year. The plants trap and purify biogas emission consisting mainly of methane from the palm oil mill effluent ("POME") and use it as fuel to generate green electricity. Methane has a higher heat-trapping potential than carbon dioxide and cutting its emission can have a positive impact on reining in global warming. The revenue from the sale of surplus electricity to the national grid in 2023 was $1.08 million (2022: $1.16 million). Constant tripping of transmission lines in the Bengkulu region, together with shutting of the plants for maintenance and downward revision of rates sold to national grid were the reasons for the poor performance in 2023. Further investment in biogas plants in Indonesia is dependent on regional demand for electricity.

The Company launched a share buyback programme in August 2023 to repurchase up to 396,360 ordinary shares representing approximately 1% of the Ordinary Shares in issue. A sum of £3.2 million has been allocated for the share buyback programme. At the close of the financial year, the Company had purchased 75,926 Ordinary Shares at a cost of £0.55 million with an average price of £7.15 per Ordinary Share, and as at 23 April 2024 the Company had purchased a total of 100,430 Ordinary Shares at a total cost of £0.7 million at an average of 713p. Treasury Shares now stands at a total of 440,330 Ordinary Shares. The aim of a share buyback programme is to return some surplus cash to its shareholders with a view to enhancing shareholder value. However, the number of shares bought back to date is very much less than the Board had expected, principally due to the lack of liquidity in AEP's shares. With this in mind the share buyback programme will not be extended beyond its expiry date of the next AGM on 24 June 2024.

In determining the level of dividends to be paid to our shareholders, the Board has taken a balanced approach to the requirement of funds in the Company for expansion in planted area as well acquisitions of land or plantations, but at the same time cognisant of shareholders' wishes to have dividends as a form of income. In light of the results achieved in the year, the Board has declared a final dividend of 15.0 cts per share, in line with our reporting currency, in respect of the year up to 31 December 2023. With an interim dividend of 15cts per share already paid, the total dividend declared for the year ended 31 December 2023 will be 30.0 cts (2022: 25.0 cts), equivalent to approximately 25% of the retained profits attributable to the Group for the year ended 31 December 2023. Going forward the Company has adopted a policy of declaring at least 25% of the retained profits attributed to the Group annually.

In the absence of any specific instructions up to the date of closing of the register on 14 June 2024, shareholders with addresses in the UK will be deemed to have elected to receive their dividends in Pounds Sterling and those with addresses outside of UK will be deemed to have elected to receive their dividends in US Dollars. Subject to the approval by shareholders at the AGM, the final dividend will be paid on 12 July 2024 to those shareholders on the register on 14 June 2024.

Proposed Companies Act Ratification

The Board has become aware of an issue concerning technical compliance with the Companies Act 2006 (the "Act"). The Act provides that a public company may, amongst other things, pay a dividend or purchase its own shares out of its distributable profits as shown in either the last accounts circulated to members or, if interim accounts are used for these purposes, interim accounts that have been filed at Companies House, which enable a reasonable judgment to be made of the profits, losses, assets, liabilities, share capital and revenues. Such interim accounts must have been filed at Companies House even if the company in question has sufficient distributable profits at the relevant time.

This issue arose because, whilst the Company had sufficient distributable profits at all relevant times, interim accounts had not been filed at Companies House prior to the declaration of the final dividend in respect of the year ended 31 December 2022 or the interim dividend in respect of the year ended 31 December 2023, together with the series of shares bought back from August 2023 to date following the announcement of the Share Buyback programme, notwithstanding that the shares bought back remained in Treasury and not cancelled. It is intended that this technical issue be ratified by a shareholder resolution, as is customary in these circumstances. Accordingly, the relevant resolution, together with explanations, will be put to shareholders at a general meeting of the Company.

If the shareholder resolution is passed, this will give the Board the necessary authorities to enter into the required waivers which will put all potentially affected recipient shareholders and the Company in the position in which they were always intended to be had the relevant actions been made in accordance with the Act, insofar as practically possible.

Neither the technical issue nor the proposed ratification has any impact on the Company's financial position.

On behalf of the Board of Directors, I would like to convey our sincere thanks to our management and employees of the Group for their dedication, loyalty, resourcefulness, commitment and contribution to the Group.

I would also like to take this opportunity to thank shareholders, business associates, government authorities and all other stakeholders for their continued confidence, understanding and support for the Group.

Mr. Jonathan Law Ngee Song
Chairman
30 April 2024

Strategic Report

Introduction
The Strategic Report has been prepared to provide shareholders with information to complement the financial statements. This report may contain forward-looking statements, which have been included by the Board in good faith based on information available up to the time of approval of this report. Such statements should be treated with caution going forward given the uncertainties inherent with the economic and business risks faced by the Group.

Business Model
The Group will continue to focus on its strength and expertise, which is planting more oil palms sustainably and production of CPO. This includes replanting low-yielding aging palms, replacing old rubber trees with palm trees and building more mills to process the FFB. The Group has, over the years, created value to shareholders through expansion in a responsible manner.

The Group remains committed to use its available resources to develop the land bank in Indonesia, together with acquisition of profitable plantations at strategic locations, as regulatory constraints permit. The Indonesian government has, in recent years, passed laws to prioritise domestic investments and to limit foreign direct investments over national interest, including a limit of 20,000 ha per province and a national total of 100,000 ha on the licensed development of oil palms for companies that are not listed in Indonesia or with less than a majority local ownership.

The Group recognises the importance of its workforce which needs to be rewarded with a fair compensation scheme based on performance, and a safe and a comfortable workplace, together with good accommodation facilities and other social benefits where necessary. At the same time, the Board actively promotes AEP's culture based on the value of integrity, teamwork and excellence. The culture is instilled throughout the workforce, including training on areas such as anti-bribery and corruption, modern slavery and an administered whistle blowing channel. The Group dismisses staff proven to have breached the value of integrity.

The Group's objectives are to provide returns to investors in the long-term from its operations as well as through the expansion of the Group's business, to foster economic progress in localities of the Group's activities and to develop the Group's operations in accordance with the best corporate social responsibility and sustainability standards.

We believe that sustainable success for the Group is best achieved by acting in the long-term interests of our shareholders, our partners and society.

Our Strategy
One of the Group's objectives is to provide an appropriate level of return to the investors and to enhance shareholder value. Profitability, to a large extent, correlated to the CPO price, which is volatile and determined by supply and demand as well as the weather. The Group believes in the long-term viability of palm oil as it can be produced more economically than other competing oils and remains the most productive source of vegetable oil in a growing population. Soybean crops would require up to ten times as much land to produce an equivalent weight of palm oil. It has been reported that one hectare of land can produce up to 4 mt of CPO, much higher than rapeseed of 0.7 mt, sunflowers of 0.6 mt or even soybeans of 0.4 mt. In this regard, palm oil is far more sustainable than other edible vegetable oils. In addition, oil palm has a long and productive biological life of 25 years compared to yearly planting for other soft oils.

The Group's strategies, therefore, focus on maximising yield per hectare above 22 mt/ha, minimum mill production efficiency of 110%, minimising production costs below $300/mt and streamlining estate management. For the year under review, the overall Indonesian continuing operations achieved a FFB yield of 20.2 mt/ha, 131% mill efficiency and production cost for our own crops of $354/mt as compared to a FFB yield of 20.6 mt/ha, 136% mill efficiency and a production cost of $349/mt in 2022. Despite stiff competition for external crops from surrounding millers, the Group is committed to purchasing more external crops from third parties at competitive, yet fair prices, to maximise the production efficiency of the mills. With higher throughput, the mills would achieve economies of scale in production. A mill is deemed to achieve 100% mill efficiency when it operates 16 hours a day for 300 days per annum.

In line with the commitment to reduce its carbon footprint, the Group plans to construct, in stages, biogas and/or BioCNG plants at all its mills. The biogas plants trap methane being the main gas emitted from the anaerobic treatment of palm mill effluents. The biogas produced is used to drive biogas engines to generate electricity to power its boilers which in turn reduces the consumption of fossil fuel. Surplus electricity generated is sold to the national grid. In a BioCNG plant, the methane captured is purified from 55% to 96% and compressed into cylinders for industrial use. With more industrial use of BioCNG, the consumption of fossil fuel is expected to reduce and progressively reduce the greenhouse gas emissions per metric ton of CPO produced in the next few years. Depending on the demand for BioCNG, the Group intends to use Empty Fruit Bunch ("EFB") as a feedstock to increase the BioCNG production. EFB is a biomass left after the palm fruitlets have been stripped for production of CPO. This is an opportunity to turn biomass waste into revenue. It is commonly accepted that failure to address growing calls to reduce greenhouse gas emissions could threaten the long-term social acceptability and profitability of a palm oil company. The Group has also set metrics and targets to lower greenhouse gas emissions over time as detailed in the Decarbonisation modelling and high-level target setting.

The Group will continue to engage and offer competitive and fair compensation to the villagers so that land can be cleared and be planted.

Non-financial and Sustainability Information Statement
The Group has complied with the requirements of Section 414CB of the Companies Act 2006 by providing a wide range of non-financial information about employees, environmental and social matters in the table below and in our website:

Non-financial matter	Policies and standards which govern our approach
Business model	Business model and strategy Principal risks and uncertainties
Environmental matters	Principal risks and uncertainties: Country, regulatory and governance practices Principal risks and uncertainties: Weather and Environmental and conservation practices Indonesian Sustainable Palm Oil Environmental, Social and Governance practices Climate-related financial disclosures - Management of Climate Risks • Climate and nature-related risks and opportunities • Climate & Nature Scenario Analysis - Decarbonisation modelling and high-level target setting - Carbon Reporting Corporate Governance: Environmental and corporate responsibility Other responsible agricultural practices and sustainable policies can be found on our website
Employees and Health & Safety	Employees: Employment policies Directors' Remuneration Report: Employees engagement Workers are protected from exposure to occupational health and safety hazards that are likely to pose immediate risk of permanent injury, illness or fatality. Proper signages are in place at relevant spots to alert employees of safety. Workshops and training sessions on occupational safety and health care are regularly conducted.
Social matters	Principal risks and uncertainties: Covid-19 and other contagious diseases AEP has established clear policies and strict protocols for the control and prevention of the spread of Covid-19 and other contagious diseases within the workplace environment. There are requirements for mask wearing, social distancing, when necessary, and sanitising of the workplace regularly. AEP also has strict procedures on testing at work and self-isolation of its employees when necessary, together with home support for the affected ones to ensure full recovery before they resumed work.
Respect for human rights	AEP has clear policies of no exploitation of its employees, including complying with paying minimum wage. It does not practise child or forced labour in line with the Modern Slavery Statement referred to on its website. In addition, a whistle blowing policy is in place to allow any employee to raise concerns about unethical, illegal or questionable practices, in full confidence, without the risk of reprisal.
Anti-corruption and anti-bribery matters	Anti-corruption and anti-bribery policies and procedures.

Financial Review

Performance of the business during the year

For the year ended 31 December 2023, the revenue for the Group from continuing operation was $371.0 million, 17% lower than $447.6 million reported in 2022 due primarily to the lower production and lower CPO prices.

The Group's operating profit from continuing operation for 2023, before biological asset movement, was $70.6 million, 47% lower than last year of $132.9 million. The lower operating profit was due to lower production, lower CPO prices and higher operational costs. Transport costs and wages in particular rose sharply during the year.

FFB production for continuing operations for 2023 reached 1.10 million mt, 2% lower than the 1.12 million mt produced in 2022. The yield for continuing operations from Indonesian plantations was lower at 20.2 mt/ha (2022: 20.6 mt/ha) due to lower crop production in Bengkulu and Riau plantations.

FFB bought-in from local smallholders and plasma in 2023 remain at 1.08 million mt (2022: 1.08 million mt). Our mills processed a combined 2.16 million mt of FFB, 2% lower than last year of 2.21 million mt. CPO production was 1% lower at 449,000 mt, compared to 455,600 mt in 2022, compensated by the improved OER of 20.84% against 20.59% in 2022. Kernel production for 2023 stood at 103,900 mt, 2% lower than last year of 106,200 mt.

Profit before tax and after BA movement from continuing operation for the Group was $77.8 million, 41% lower compared to a profit of $132.9 million in 2022. The BA movement was a debit of $0.9 million, compared to a debit of $5.8 million in 2022. The debit BA movement was mainly due to the lower FFB price at 31 December 2023. Net finance income recognised in the income statement increased from $4.9 million in 2022 to $8.0 million in 2023 due to higher deposits income, without interest expense. The tax expenses for 2022 was reduced by the recognition of deferred tax assets amounting to $11.2 million arising from the losses from the disposal of the South Sumatera plantations which can be utilised as a deductible expense against future profits in the Group.

The total gain on the discontinued operations was $6.6 million (2022: $5.8 million), made up of operating loss of $2.5 million (2022: $0.8 million) and reclassification of exchange reserve of $10.4 million. With the sale price of $8.5 million, there was a further write down of $1.4 million of the three plantations in South Sumatera in 2023, due to strength of the Indonesian Rupiah.

The average CPO price ex-Rotterdam for 2023 was $971/mt, 29% lower than 2022 of $1,369/mt. The ex-mill price for 2023 averaged $721/mt, 15% lower than last year of $845/mt.

Earnings per share before BA movement from continuing operations decreased by 47% to 130.24cts compared to 245.25cts in 2022. Earnings per share after BA movement from continuing operations decreased from 235.74cts to 128.82cts. Earnings per share have decreased mainly due to the decrease in profit after tax.

There was a gain of exchange in translation of foreign operations, recognised in other comprehensive income, totalling $10.2 million for 2023 against an exchange loss of $55.7 million in the previous year due to the strengthening of the Indonesian rupiah at the year end. The retirement benefits due to the employees at 31 December 2023, as calculated by a third-party actuary, increased to $11.3 million from $10.9 million last year due to additional accrual during the year.

Position of the business at the end of the year
The Group's statement of financial position remains strong, with a cash and cash equivalents balance including short-term investments (see Note v) of $167.1 million and no external borrowing at the end of 2023. All material changes in statement of financial position and cash flows are listed in the following table:

	Note	**31.12.2023 $000**	(restated) 31.12.2022 $000
Property, plant and equipment	i	**274,382**	252,414
Deferred tax assets	ii	**11,054**	12,773
Income tax liabilities	iii	**(2,951)**	(10,230)
Cash and cash equivalents	v, vi, vii	**152,984**	221,476
Short-term investments	v,vi, vii	**14,076**	55,566
Assets in disposal groups classified as held for sale	iv	**-**	9,000
Net cash generated from operating activities	v	**31,855**	120,511
Purchase of property, plant and equipment		**(33,421)**	(34,026)
Net cash used in financing activities	vii	**(115,934)**	(9,523)

i. The increase in property, plant and equipment from $252.4 million in 2022 to $274.4 million was the result of replanting activities, together with the gain in exchange in translation.

ii. The movement in deferred tax assets was due to the utilisation of the brought forward tax losses against the profit of two subsidiaries.

iii. The income tax liabilities are lower principally as a result of higher tax payment in 2023. A detailed explanation of income tax, including other taxes, is provided in note 8.

iv. The assets in disposal groups were finally sold in 2023 with a further write down of $1.4 million in 2023.

v. As at 31 December 2023, the Group had cash and cash equivalents of $153.0 million (2022: $221.5 million) and short-term investments known as fixed deposits of $14.1 million (2022: $55.6 million). The cash position, including fixed deposits, was lower in 2023 principally due to the buying out of minority interests in Indonesia at $87.8 million, together with the allocation of $4.2 million for the share buyback programme and an investment of $10.0 million in structured products. The net cash inflow from operating activities during the year was lower by 74% at $31.9 million compared to $120.5 million in 2022, mainly due to the lower profit for the year.

vi. The net cash used in financing activities during the year was higher at $115.9 million compared to $9.5 million in 2022 due to the acquisition of non-controlling interests during the year and the higher dividend paid.

Viability Statement
The viability assessment considers solvency and liquidity over a longer period than for the purposes of the going concern assessment made. Inevitably, the degree of certainty reduces over a longer period.

The Group's business activities, financial performance, corporate development and principal risks associated with the local operating environment are covered under the various sections of this strategic report. In undertaking the review of the Group's performance in 2023, the Board considered the prospects of the Company, focusing on the strategy for growth via the expansion of its planted area in tandem with forecasting demand for CPO, over one to five-year periods. The process involved a detailed review of the 2024 detailed budget and the five-year income and cash flow projection. The one-year budget has a greater level of certainty and is used to set detailed budgetary targets at all levels across the Group. It is also used by the Remuneration Committee to set targets for the annual incentive. The five-year income and cash flow projection contains less certainty of the outcome but provides a robust planning tool against which strategic decisions can be made. The Board believes that to project beyond five years has more elements of uncertainties and therefore less reliable for making informed decisions.

The Board also considered the five-year cash flow projection under various severe but plausible scenarios, including the financial impact on the Group from 50% contraction of demand for palm oil resulting from the Coronavirus pandemic or any other contagious diseases, as outlined in the Strategic Report under Going Concern, and the need to support if any financially loss-making newly matured estates, together with the projected capital expenditure. The Group also factored in the impact of the price increase of materials and fertilisers. In arriving at the conclusion that the Group has adequate resources to continue in operation and meet its liabilities in the next five years, the Board has assumed a worst-case scenario of CPO price at its lowest average of $500/mt and that demand for CPO dropped by 50%, together with a significant rise in cost of materials arising from the disruption of supply chains. The assumptions applied are linked to risk of CPO price fluctuation, risk of a substitute for oil palm and a pandemic from an infectious disease. On this basis and other matters considered and reviewed by the Board during the year, the Board has a reasonable expectation that the Group has adequate resources to continue in operation and meet its liabilities over the five years from 2024 to 2028.

Going Concern

The Directors have carried out stress tests, factoring in the identified uncertainties and risks such as commodity prices and demands post pandemic, together with the current economic issues of high inflation, rising interest rates and cost of living crisis, to ensure that the Group has adequate resources in a worst-case scenario to remain as a going concern for at least twelve months from the date of this report.

The Directors have a reasonable expectation, having made the appropriate enquiries, that the Group has sufficient cash resources to cover the Group's operating expenses for a period of at least twelve months from the date of approval of these financial statements. For these reasons, the Directors adopted a going concern basis in the preparation of the financial statements. The Directors have made this assessment after consideration of the Group's budgeted cash flows and related assumptions including appropriate stress testing of identified uncertainties, as well as impact when demand on palm oil decrease to 50%. Stress testing of other identified uncertainties and risks such as CPO prices and currency exchange rates were also undertaken.

Business Review
Indonesia
The performance of the Indonesian operations was divided into six geographical regions.

North Sumatera
FFB production in North Sumatera, which aggregates the estates of Tasik, Anak Tasik, Labuhan Bilik ("HPP"), Blankahan, Rambung, Sg Musam and Cahaya Pelita ("CPA") produced 408,900 mt in 2023 about 4% lower than last year (2022: 423,900 mt). Rainfall was normal. 227ha was replanted in Musam and CPA in 2023 with more areas earmarked for replanting in 2024. The withdrawal of fertilizers for areas meant for replanting means that these areas will most likely have lower yields. Palm losses at HPP was high due to the outbreak of *Ganoderma* affecting 10% of the trees limiting any potential yield upside. Quick replanting of dead palms ensures a steady high palm density in HPP which currently averaged 145 stand per hectare. Sub-optimal nutrient retention and absorption caused by peat soil is another factor for low bunch weight at HPP. The average annual yield for 2023 in North Sumatera decreased by 2% to 22.3 mt/ha from the previous year of 22.8 mt/ha. Although yield continued to drop in Blankahan, replanting is temporary deferred as the yield is still above 24 mt/ha due to good soil condition.

In 2023, the three mills in North Sumatera produced marginally higher CPO at 150,100 mt (2022:148,100 mt) from a throughput of 724,800 mt (2022: 738,400 mt). The Blankahan mill with lower internal and external crops purchases processed 5% less fruits in 2023 at 232,700 mt (2022: 244,500 mt), lowering the mill utilisation to 121% from 127% in the previous year. The OER in Blankahan was low due mainly to dura contamination from external crops that made almost 70% of the total crop processed, but marginally improved in 2023 to 19.1% (2022 18.9%). Dura crops with thinner mesocarp normally have an oil content of 18% or lower. The Tasik mill processed 3% marginally lower crops at 479,300 mt (2022: 493,900 mt). Although the external crop purchases increased by 7% to 154,200 mt from 144,700 mt in the previous year, it could not make up for the drop in internal crops production, reducing mill utilisation from 171% in 2022 to 166% in 2023. OER for the Tasik mill improved to 21.5% (2022: 20.6%) as new planting matured. The new HPP mill started processing small batches of in-house crops intermittently in the last quarter of 2023 as a test run. In total, it processed 12,800 mt of FFB in 2023, achieving OER of 21.6%. Commercial operation has started in January 2024 after the bacteria cultivated in the anaerobic effluent treatment plant has sufficiently build up before the whole effluent system is fully functional.

The biogas plant in Blankahan in North Sumatera did not perform up to its true potential in 2023, due to the lack of demand from the National Grid, together with the reduction in selling price. The Blankahan plant sold about 6,500 MWh (2022: 6,500 MWh) of surplus electricity, similar to 2022 but generated 4% less revenue of $339,000 (2022: $354,100). The Group has converted Blankahan biogas plant into a BioCNG plant, which next year is expected to generate better returns from sale of methane gas together with a share of carbon credit sold. However, the Tasik biogas plant was not able to sell the surplus electricity to the national grid due to the lack of demand in North and Central Sumatera. The Group has signed an agreement with KIS to convert the Tasik biogas plant to a BioCNG plant and is currently awaiting approvals from the relevant authorities.

The three plantations in North Sumatera where the cultivation rights ("HGU") were due to expire were extended by the Indonesian government from 25 to 35 years.

Bengkulu
FFB production in Bengkulu, which aggregates the estates of Puding Mas ("MPM") and Alno produced 223,800 mt (2022: 269,500 mt), 17% lower than 2022 mainly due to the reduction of matured palms as a result of replanting. As a result, matured areas were smaller by 8% in 2023 at 13,204 ha from 14,382 ha. Rainfall was lower in 2023 at 2,870 mm (2022: 3,600 mm) with three consecutive months where rainfall averaged below 65 mm per month in the second half of 2023. Tractors with attached water tank trailers were used to water newly planted trees to minimise damages from the drought. With replanting, the stand per hectare have improved to 111 stand per hectare from slightly below 100. The yield, however, was lower at 16.4 mt/ha from 18.1 mt/ha last year due to the replanting and the drought.

MPM and Sumindo mills processed a combined 633,900 mt (2022: 668,500 mt) of FFB in 2023, 5% lower than 2022 due to lower internal crop production as explained above. Even though external crop purchases increased by 8% to 394,600 mt from 365,500 mt last year, the mill utilisation was lower at 110% from 116% in the previous year. CPO production for the year was 4% lower at 129,900 mt (2022: 136,000 mt) with OER for the two mills averaged 20.5% compared to 20.3% last year. We expect further improvement in OER when the oil recovery plant, which was installed at MPM mill, is fully functional. The oil recovery plant is still at a testing stage at the time of reporting. External crops made up 62% of the throughput compared to 55% in 2022. The remaining processed crop was purchased from other group companies.

1,074 ha of palms in Bengkulu were replanted in 2023 with new generation planting materials. Dura palms formed a significant portion of the planted areas in Bengkulu. Fruits from dura palms have thin mesocarp which ultimately produce less oil hence 4,370 ha of palms would need to be replanted due to poor yield, notwithstanding that they are 16 to 18 years of age. Seedlings are sourced from reputable suppliers to ensure only Tenera palms are cultivated, hence significantly increasing productivity and land use efficiency. This is especially important considering that the oil palm is a perennial crop with a 25-year economic lifespan.

The MPM biogas plant sold over 8,000 MWh (2022: 10,500 MWh) of surplus electricity in 2023, 24% lower and generated $350,000 in revenue (2022: $474,700). The frequent tripping of the old regional power transmission lines supplying electricity to the national grid had caused frequent breakdowns in power generation at the biogas plant. The power rate was also reduced by 0.5% in 2023.

Riau
FFB production in the Riau region, comprising Bina Pitri estates, produced 123,000 mt in 2023 (2022: 135,000 mt), 9% lower than 2022. Monthly rainfalls were close to normal at 2,730 mm (2022: 2,480 mm). The yield for the year was lower at 25.6 mt/ha from last year of 28.0 mt/ha. As 79% of the palms are between the ages of 26 to 29 years, and with a declining yield, replanting is planned for 2025.

The mill purchased 17% lower external crop in 2023 at 222,600 mt compared to 268,000 mt last year, reducing the mill utilisation rate to 120% from 140% last year. The competition for external crops in Riau is extremely keen as many mini mills entered the market in early 2022 attracted by high CPO prices. Overall the CPO production was 15% lower at 65,300 mt compared to 77,200 mt in 2022. The region is contaminated by dura palms which made up 64% (2022: 66%) of the crops processed by the mill. The mill therefore had a lower OER of 18.9% from 19.2% in the previous year.

Bangka
FFB production in the Bangka region, comprising Bangka Malindo Lestari estates, produced 21,100 mt in 2023 (2022: 12,900 mt), 64% higher than 2022. The higher crop was due to a larger harvestable area and more palms having reached peak maturity. Rainfall was below optimum averaging 1,643 mm in the year with four months where rainfall fell between 26 mm to 95 mm per month compared to the average of 1,835 mm previous year. The yield increased slightly from 12.1 mt/ha to 12.3 mt/ha in 2023. The average age of palms is 5 years. With new planting in 2023 totalling 104 ha (2022: 63 ha), the total planted area, including plasma, in Bangka reached 3,203 ha (2022: 3,099 ha). We plan to plant another 150 ha in 2024.

Kalimantan
FFB production in Kalimantan which comprises the Sawit Graha Manunggal ("SGM") and Kahayan Agro Plantation ("KAP") estates was 312,800 mt in 2023 (2022: 273,800 mt), 14% higher than 2022. During the year, 519 ha of palms matured in SGM and KAP leading to its first harvest. Production in Kalimantan was higher due to a larger harvestable area as more palms reached maturity. The breeding and releasing weevils to help with pollination has reduced the extent of abnormal fruit bunches reported in the previous year. The average bunch weight was nevertheless below industrial standard due to the sandy soil at SGM but made up by the yield due to higher stand per hectare. The stand per hectare in SGM and KAP plantations averaged 145 stand and 125 stand per hectare respectively. The yield in Kalimantan increased to 20.4 mt/ha from 18.4 mt/ha last year. Rainfall in KAP was lower at 4,009 mm (2022: 4,794 mm) while at SGM, it was also lower at 2,043 mm (2022: 2,438 mm).

New planting in SGM and KAP is expected to reach 460 ha next year. The long-term prospect for Kalimantan plantations remains bright.

The purchase of external and plasma crops in SGM reached 147,100 mt in 2023 which was higher by 11% compared to 132,200 mt last year. The total external and plasma crops at the SGM mill made up 33% of the total crops processed similar to last year. With the throughput at the mill reaching 450,700 mt (2022: 402,400 mt), the mill utilisation rate increased to 156% from 140% producing 103,700 mt of CPO, 10% higher than 2022 of 94,300 mt. OER for the mill averaged 23.0% for the year compared to 23.4% last year and continues to outperform the rest of the mills in the Group.

The SGM biogas plant generated 22% more electricity in 2023 at over 8,400 MWh (2022: 6,900 MWh) worth $391,900 (2022: $331,000). The higher power generation was due to shorter downtime as there was no major overhaul of gas engine in 2023. Due to the continuous high demand for electricity in Kalimantan region, the mill is planning to add another gas engine in 2024. This is in line with the Indonesian government's objective of achieving renewal energy at 23% of total energy consumption compared to current rate of 3%.

South Sumatera - discontinued operations
FFB production in South Sumatera, which aggregates the estates of Karya Kencana ("KKST"), Empat Lawang ("ELAP") and Riau Agrindo ("RAA") produced 21,600 mt (2022: 46,300 mt), 53% lower than 2022. The Group had concluded the sale of the South Sumatera plantations in 2023. The operation was handed over fully to the new owners in September 2023 and the Group has no further control of the plantations since then.

Overall bought-in crops for the Indonesian operations in 2023, including plasma, were in line with last year at 1.08 million mt. The average OER for our mills was marginally higher at 20.8% in 2023 (2022: 20.6%).

Malaysia
FFB production in 2023 was 34% higher at 12,500 mt, compared to 9,300 mt in 2022. With the temporary lifting of employment restriction, the plantation was able to recruit additional foreign workers. However, retention of foreign workers is challenging because of competition and more lucrative offers from other industries. Experienced harvesters are normally required in our plantation when matured trees are as tall as a 7-storey building. The plantation therefore continued to experience a substantial shortage of workers which hampered not only field maintenance and application of fertilisers but harvesting, resulting in crop losses. Not many locals are prepared to work in plantations despite offering higher wages. The palms, with an average age of 26 years, faced declining yield. The stand per hectare further reduced due to the damages caused by wild elephants. The Malaysian plantation generated a loss before tax after BA movement of $0.2 million in 2023, compared to a profit before tax after BA movement of $0.3 million in 2022.

The financial performance of the various regions is reported in note 6 on segmental information.

Commodity Prices
CPO prices for 2023 was relatively flat compared to the downward price trend in 2022.

The CPO price ex-Rotterdam started the year at a high at $1,060/mt (2022: $1,350/mt). It hit a high of $1,100/mt in January before trending downwards to a low of $860/mt in late May 2023. It recovered somewhat to end the year at $945/mt. Ex-Rotterdam price averaged $971/mt for the year, 29% lower than last year (2022: $1,369/mt). Our average ex-mill price for 2023 was at $721/mt, 15% lower than last year of $845/mt. Ex-mill prices are lower than ex-

ex-mill price for 2023 was at $721/mt, 15% lower than last year of $845/mt. Ex-mill prices are lower than ex-Rotterdam prices due to logistic, insurance costs, Indonesian levies and taxes.

The regional conflicts and wars, together with the cost-of-living crisis and the lingering effects of the Covid-19 pandemic have created economic uncertainty which has impacted heavily on the global economy.

The weak global economy, the glut of competing vegetable oils and oversupply of soybeans from South America and soft demand from key importers like India and China have made it challenging for palm oil in 2023.

In 2023 producers in Ukraine aggressively sold and export their sunflower oil which increased significantly over the previous year, with EU as the main buyers despite the on-going conflicts and logistical disruptions. Sunflower oil is finding its way to EU through land and river Danube given the risks of shipment through the Black Sea grain corridor. With Brazil already producing massive amounts of soybeans annually, it was also reported their farmers are expected to plant more soybeans in the next crop season, switching from corn. Producers find corn prices unattractive relative to soybeans. A majority of the soybeans produced is destined for the China market, the second largest consumer of CPO. Unless the consumption of vegetable oils in China picks up strongly, a weaker demand for CPO is expected.

Like other commodities, the prices of competing soft oils relative to CPO price is a key to demand. With the abundance of soft oils, the CPO discount to sunflower and soya-oil have narrowed significantly and therefore CPO has lost its attractiveness particularly for markets that are sensitive to prices.

In the coming months, CPO prices are expected to be volatile due to the effects of El Niño on crop production, especially in the second of 2024, together with the higher uptake of CPO in Indonesia because of the National biodiesel mandate.

Over a period of ten years, CPO price has touched a monthly average low of $472/mt in November 2018 and a monthly average high of $1,857/mt in March 2022. The monthly average price over the ten years was about $828/mt.

Rubber prices averaged $1,297/mt for 2023 (2022: $1,431/mt), 9% lower in 2023. Our small area of 258 ha of mature rubber contributed a revenue of $0.5 million in 2023 (2022: $0.6 million). With the continuing low prices for rubber, it has been decided to replace the rubber with oil palm in 2024.

Estate Development

In 2023, the Group opened up new land and planted 775 ha (2022: 952 ha) of oil palm mainly in Kalimantan and Bangka. With the disposal of the South Sumatera plantations, planted area including the smallholder cooperative scheme, known as Plasma, reduced by 9% to 68,948 ha (2022: 76,095 ha). Another 1,301 ha was replanted in North Sumatera and Bengkulu. In 2024, the Group plans to plant 3,000 ha of oil palm which includes replanting of 2,120 ha in North Sumatera and Bengkulu. Opening of new land for planting can be cumbersome and requires written approval from local authorities, submission of environment impact assessments and meetings with local communities. All new plantings are carried out following the High Carbon Stock Approach ("HCSA") guidelines and are verified by accredited consultants.

Throughout the plantations, old quarters for workers were progressively modernised in 2023 at a cost of $2.3 million. Another $3.1 million is budgeted for 2024 for renovations and refurbishments to provide better comfort for workers. Following our discussion with the relevant authorities to speed up electrification of remote locations, where our plantations are located, the Group spent $156,400 to connect 288 houses with electricity. In 2024, $1.5 million is allocated to provide electricity to more than a thousand homes.

The construction of the seventh mill in HPP, North Sumatera was finally completed in the fourth quarter of 2023 at a cost of $22.5 million following a lengthy delay caused by the unfortunate explosion of one of the anaerobic tanks during construction which resulted in work having to be suspended, pending the completion of an investigation and clearance from the authorities before work can be resumed. The contractor has compensated the families of the deceased and the families have waived any future claim against AEP. The mill has started processing small batches of in-house crops to test various equipment. The start-up of the effluent treatment plant requires controlled feeding of small amount of palm oil mill effluent ("POME") to cultivate the anaerobic bacteria in the anaerobic tank digesters. When the effluent treatment plant is fully operational, the mill will go into full production including intake of external FFBs. The effluent treatment in HPP is unique compared to the other mills as lagoons to hold the effluents are not permitted in HPP due to the risks of contamination by seepage of effluents into ground water. Effluents are therefore stored in tanks which need better treatment and control due to limited storage capacity.

The Environmental Impact Assessment ("EIA") for the proposed new mill in KAP in Kalimantan has been completed and submitted to the Ministry for Environment and Forestry for approval. The process for approval can be tedious and likely to take some time due to strict new regulations issued by the Indonesian government. We are following up with the relevant authorities and making every effort to speed up the approval so that earthworks can begin. The earthworks will be substantial and costly involving levelling terrain to create flat areas for the site. The KAP estate is located in a very hilly area with deep ravines and the choice of sites for the mill is limited. The mill, with a planned capacity of 45 mt/hr will be sufficient to process all the crops from KAP plantation. The mill is projected to start in the first half of 2024 at a cost $15.3 million.

During the year, the Group purchased 23 units of dump trucks costing $713,000 to improve transportation and delivery of FFB in our plantations as well as to the mills. An additional sum of $377,000 has been allocated in 2024 for the same purpose. This is necessary amidst rising logistic cost as independent transport companies especially in Kalimantan and Bengkulu cannot supply adequate trucks to transport our harvest as many trucks especially in Kalimantan are diverted to carry coal which pay better transport rates. In addition, the Group spent $1.2 million to improve the field roads and connectivity between estates and mills by building new bridges. The Group has budgeted to spend a further $3.1 million in 2024 to improve and maintain our roads for better connectivity.

In Bina Pitri mill, three old and worn-out vertical sterilisers/pressure vessels have been replaced with better designed units requiring new foundations. The fourth unit in Bina Pitri mill is being replaced in the second quarter of 2024. The total cost of replacement will be in the region of $600,000. In Sumindo mill, four units of old sterilizers were completely replaced at a cost of $510,000.

In 2023, SGM mill processed in excess of 450,000 mt of FFB. Additional features were added to ensure the smooth running of the milling process without disruption. The sterilizer station will be extended with two additional units of vertical sterilizers complete with FFB feeding and discharge conveyors at a cost of $750,000 on top of four existing units. The project is expected to be completed by the second quarter of 2024. An additional oil storage tank with a capacity of 4,000 mt was added at a cost of $275,000 in addition to the present four units to increase storage capacity to 17,000 mt. This is to ensure that SGM has sufficient storage in the event of delays in the collection by tanker ships caused by bad weather.

At Tasik mill, the railway tracks and the marshalling system for the cages were upgraded at a cost of $200,000. In the coming year, Tasik mill will install a new boiler with superheaters of 45,000 kg/hr at an estimate cost of $1.2 million.

The corroded roofings and structures to both factory buildings in MPM and Bina Pitri mills were replaced for $370,000. MPM mill also spent reconstruction cost of $150,000 to fix a hill slope next to the mill, damaged by landslide during heavy rainfall in 2023. One unit of horizontal sterilizer was replaced at MPM mill costing $145,000 while another boiler is currently being refurbished and upgraded by adding superheaters to enhance its performance at a cost of $350,000, to be completed by the second quarter of 2024.

The oil recovery system installed at MPM mill is having some problems and is only partially operating. While the decanter is operating well to remove some of the solids in the sludge, the membrane system chokes frequently during operation. The contractor will introduce a high-speed separator to improve the performance.

Two of our mills namely SGM and HPP, which use river barges to transport their CPO, are required by the government authorities to build their own jetties. The mills currently use government owned jetties and the Group can only use them on a temporary basis as they are meant for public use. Jetties are used to connect the shore and deep water for the purpose of docking of river barge to facilitate loading of CPO. The Group is targeting to acquire suitable land next to the rivers to construct two jetties in 2024 which is expected to cost $1.7 million.

On behalf of the Board
Dato' John Lim Ewe Chuan
Executive Director
30 April 2024

Directors' Responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with UK adopted international accounting standards and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with UK adopted International Accounting Standards ("IAS") and have elected to prepare the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) ("UK GAAP"). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss for the Group for that period.

In preparing these financial statements, the Directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business; and
- prepare a Directors' Report, a Strategic Report and Directors' Remuneration Report which comply with the requirements of the Companies Act 2006.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for ensuring that the annual report and accounts, taken as a whole, are fair, balanced, and understandable and provides the information necessary for shareholders to assess the group's performance, business model and strategy.

Website publication

The Directors are responsible for ensuring the annual report and the financial statements are made available on a

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with the legislation in the UK governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Directors' responsibilities pursuant to Disclosure and Transparency Rules 4 ("DTR4")
The Directors confirm to the best of their knowledge:

- The financial statements have been prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group.
- The annual report includes a fair review of the development and performance of the business and the financial position of the Group and Company, together with a description of the principal risks and uncertainties that they face.

On behalf of the Board
Dato' John Lim Ewe Chuan
Executive Director
30 April 2024

Consolidated Income Statement
For the year ended 31 December 2023

			2023			(Restated) 2022#	
	Note	**Result before BA movement***	**BA movement**	**Total**	Result before BA movement*	BA movement	Total
		$000	**$000**	**$000**	$000	$000	$000
Continuing operations							
Revenue	3	**370,962**	**-**	**370,962**	447,619	-	447,619
Cost of sales		**(291,553)**	**(875)**	**(292,428)**	(304,424)	(5,792)	(310,216)
Gross profit		**79,409**	**(875)**	**78,534**	143,195	(5,792)	137,403
Administration expenses		**(8,867)**	**-**	**(8,867)**	(10,293)	-	(10,293)
Gain / (loss) arising from fair value	30	**45**	**-**	**45**	(7)	-	(7)
Operating profit		**70,587**	**(875)**	**69,712**	132,895	(5,792)	127,103
Exchange gains		**164**	**-**	**164**	991	-	991
Finance income	4	**7,977**	**-**	**7,977**	4,859	-	4,859
Finance expense	4	**(45)**	**-**	**(45)**	(12)	-	(12)
Profit before tax	5	**78,683**	**(875)**	**77,808**	138,733	(5,792)	132,941
Tax expense	8	**(20,364)**	**194**	**(20,170)**	(21,054)	1,276	(19,778)
Profit for the year from continuing operations		**58,319**	**(681)**	**57,638**	117,679	(4,516)	113,163
Gain / (Loss) on discontinued operations, net of tax	9	**6,611**	**(87)**	**6,524**	(5,684)	(139)	(5,823)
		64,930	**(768)**	**64,162**	111,995	(4,655)	107,340
Profit for the year attributable to:							
- Owners of the parent		**55,414**	**(644)**	**54,770**	92,820	(3,904)	88,916
- Non-controlling interests		**9,516**	**(124)**	**9,392**	19,175	(751)	18,424
		64,930	**(768)**	**64,162**	111,995	(4,655)	107,340
Profit for the year from continuing operations attributable to:							
- Owners of the parent		**51,524**	**(561)**	**50,963**	97,209	(3,772)	93,437
- Non-controlling interests		**6,795**	**(120)**	**6,675**	20,470	(744)	19,726

- Non-controlling interests		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
		58,319	**(681)**	**57,638**	117,679	(4,516)	113,163
Earnings per share attributable to the owners of the parent during the year							
Profit							
- basic and diluted	10			**138.44cts**			224.33cts
Profit from continuing operations							
- basic and diluted	10			**128.82cts**			235.74cts

* The column represents the IFRS figures and the result before BA movement. This Alternative Performance Measure ("APM") reflects the Group's results before the movement in fair value of biological assets been applied. We have opted to additionally disclose APM as management do not use the fair value of BA movement in assessing business performance.

The details of prior year restatement are disclosed in note 32.

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2023

	2023 $000	(Restated) 2022# $000
Profit for the year	**64,162**	107,340
Other comprehensive income / (expenses):		
Items may be reclassified to profit or loss:		
Profit / (loss) on exchange translation of foreign operations	**10,182**	(55,659)
Recycling of foreign exchange on disposal	**(10,431)**	-
Net other comprehensive income / (expenses) may be reclassified to profit or loss	**(249)**	(55,659)
Items not to be reclassified to profit or loss:		
Remeasurement of retirement benefits plan, net of tax	**(375)**	177
Net other comprehensive (expenses) / income not being reclassified to profit or loss	**(375)**	177
Total other comprehensive income / (expenses) for the year, net of tax	**(642)**	(55,482)
Total comprehensive income for the year	**63,538**	51,858
Total comprehensive income for the year attributable to:		
- Owners of the parent	**54,850**	43,072
- Non-controlling interests	**8,958**	8,786
	63,538	51,858

The details of prior year restatement are disclosed in note 32.

Consolidated Statement of Financial Position
As at 31 December 2023
Company Number: 1884630

	Note	31.12.2023 $000	(Restated) 31.12.2022# $000
Non-current assets			
Property, plant and equipment	12	**274,382**	252,414
Investments	30	**10,035**	42
Receivables	13	**20,306**	18,963

	Note	2023	2022
Receivables	13	**20,306**	18,963
Deferred tax assets	14	**11,054**	12,773
		315,777	284,192
Current assets			
Inventories	15	**16,684**	19,590
Income tax receivables	8	**19,169**	4,122
Other tax receivable	8	**40,575**	37,576
Biological assets	16	**5,419**	6,161
Trade and other receivables	17	**10,689**	3,468
Short-term investments	18	**14,076**	55,566
Cash and cash equivalents	18	**152,984**	221,476
		259,596	347,959
Assets in disposal groups classified as held for sale	9	**-**	9,000
		259,596	356,959
Current liabilities			
Trade and other payables	19	**(27,456)**	(33,966)
Income tax liabilities	8	**(2,951)**	(10,230)
Other tax liabilities	8	**(1,184)**	(1,221)
Dividend payables		**(41)**	(32)
Lease liabilities	20	**(300)**	(73)
		(31,932)	(45,522)
Net current assets		**227,664**	311,437
Non-current liabilities			
Deferred tax liabilities	14	**(762)**	(747)
Retirement benefits - net liabilities	21	**(11,298)**	(10,874)
Lease liabilities	20	**(709)**	(31)
		(12,769)	(11,652)
Net assets		**530,672**	583,977
Issued capital and reserves attributable to owners of the parent			
Share capital	22	**15,504**	15,504
Treasury shares	22	**(1,847)**	(1,171)
Share premium		**23,935**	23,935
Capital redemption reserve		**1,087**	1,087
Exchange reserves		**(341,639)**	(289,434)
Retained earnings		**826,656**	722,191
		523,696	472,112
Non-controlling interests		**6,976**	111,865
Total equity		**530,672**	583,977

The details of prior year restatement are disclosed in note 32.

Consolidated Statement of Changes in Equity
For the year ended 31 December 2023

	Note	Share capital $000	Treasury shares $000	Share premium $000	Capital redemption reserve $000	Exchange reserves $000	Retained earnings $000
Balance at 31 December 2021		15,504	(1,171)	23,935	1,087	(241,907)	642,582
Items of other comprehensive (expenses) /							

	Note						
income							
-Remeasurement of retirement benefit plan, net of tax	21	-	-	-	-	-	14
-Loss on exchange translation of foreign operations		-	-	-	-	(45,988)	
Total other comprehensive (expenses) / income		-	-	-	-	(45,988)	14
Profit for the year		-	-	-	-	-	88,91
Total comprehensive (expenses) / income for the year		-	-	-	-	(45,988)	89,06
Acquisition of non-controlling interests	31	-	-	-	-	(1,539)	(7,469
Dividends paid		-	-	-	-	-	(1,982
Balance at 31 December 2022		**15,504**	**(1,171)**	**23,935**	**1,087**	**(289,434)**	**722,19**
Items of other comprehensive income / (expenses)							
-Remeasurement of retirement benefit plan, net of tax	**21**	**-**	**-**	**-**	**-**	**-**	**(374**
- Recycling of foreign exchange on disposal						**(8,307)**	
-Gain on exchange translation of foreign operations		**-**	**-**	**-**	**-**	**8,491**	
Total other comprehensive income / (expenses)		**-**	**-**	**-**	**-**	**184**	**(374**
Profit for the year		**-**	**-**	**-**	**-**	**-**	**54,77**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**184**	**54,39**
Acquisition of non-controlling interests	**31**	**-**	**-**	**-**	**-**	**(52,389)**	**65,92**
Share buy back		**-**	**(676)**	**-**	**-**	**-**	
Dividends paid		**-**	**-**	**-**	**-**	**-**	**(15,854**
Balance at 31 December 2023		**15,504**	**(1,847)**	**23,935**	**1,087**	**(341,639)**	**826,65**

Consolidated Statement of Cash Flows
For the year ended 31 December 2023

	Note	2023 $000	2022 $000
Cash flows from operating activities			
Profit before tax from continuing operations		**77,808**	132,941
Adjustments for:			
BA movement		**875**	5,792
Gain on disposal of property, plant and equipment		**(49)**	(91)
Depreciation		**16,400**	16,724
Retirement benefit provisions		**2,581**	1,157
Net finance income		**(7,932)**	(4,847)
Unrealised gain in foreign exchange		**(164)**	(991)
(Gain) / loss arising from fair value		**(45)**	7
Property, plant and equipment written off		**191**	134
Impairment losses		**35**	617
Provision for expected credit loss		**331**	1,665
Operating cash flows before changes in working capital		**90,031**	153,108
Decrease / (Increase) in inventories		**3,405**	(6,291)
Increase in non-current, trade and other receivables		**(8,520)**	(896)
(Decrease) / Increase in trade and other payables		**(6,939)**	4,028
Cash inflows from operations		**77,977**	149,949
Retirement benefits paid		**(1,206)**	(612)
Overseas tax paid		**(43,108)**	(27,495)
Operating cash flows from continuing operations		**33,663**	121,842
Operating cash flows used in discontinued operations		**(1,808)**	(1,331)
Net cash generated from operating activities		**31,855**	120,511

Investing activities			
Property, plant and equipment			
- purchases		**(33,421)**	(34,026)
- sales		**315**	111
Interest received		**7,977**	4,859
Increase in receivables from cooperatives under plasma scheme		**(4,894)**	(4,513)
Repayment from cooperatives under plasma scheme		**1,921**	1,943
Investment in investment portfolio		**(9,948)**	-
Disposal of subsidiaries		**8,500**	-
Placement of fixed deposits with original maturity of more than three months		**(14,076)**	(55,566)
Withdrawal of fixed deposits with original maturity of more than three months		**55,566**	1,439
Cash generated from / (used in) investing activities from continuing operations		**11,940**	(85,753)
Cash used in investing activities from discontinued operations		**(1,786)**	(1,865)
Net cash generated from / (used in) investing activities		**10,154**	(87,618)
Financing activities			
Dividends paid to the holders of the parent		**(15,845)**	(1,975)
Dividends paid to non-controlling interests		**(12,505)**	(2,174)
Repayment of lease liabilities - principal		**(243)**	(220)
Repayment of lease liabilities - interest		**(45)**	(12)
Acquisition of non-controlling interests		**(86,620)**	(5,142)
Share buy back		**(676)**	-
Cash used in financing activities from continuing operations		**(115,934)**	(9,523)
Cash used in financing activities from discontinued operations		**-**	-
Net cash used in financing activities		**(115,934)**	(9,523)
Net (decrease) / increase in cash and cash equivalents		**(73,925)**	23,370
Cash and cash equivalents			
At beginning of year		**221,476**	218,249
Exchange gains / (losses)		**5,433**	(20,143)
At end of year		**152,984**	221,476
Comprising:			
Cash at end of year	18	**152,984**	221,476

Notes

1 **Basis of preparation**

AEP is a company incorporated in the UK under the Companies Act 2006 and is listed on the London Stock Exchange. The registered office of AEP is located at Quadrant House, 6th Floor, 4 Thomas More Square, London E1W 1YW, UK. The principal activity of the Group is plantation agriculture, mainly in the cultivation of oil palm in Indonesia and Malaysia, of which Indonesia is the principal place of business.

The financial information does not constitute the company's statutory accounts for the years ended 31 December 2023 or 2022. Statutory accounts for the years ended 31 December 2023 and 31 December 2022 have been reported on by the Independent Auditor. The Independent Auditor's Reports on the Annual Report and Financial Statements for the years ended 31 December 2023 and 31 December 2022 were unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

Statutory accounts for the year ended 31 December 2022 have been filed with the Registrar of Companies. The statutory accounts for the year ended 31 December 2023 will be delivered to the Registrar in due course.

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented.

Basis of preparation
The consolidated financial statements have been prepared in accordance with UK adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The consolidated financial statements have been prepared on a historical cost basis, except for the following items:

- Biological assets (note 16)

- Retirement benefits (note 21)
- Investments (note 30)

The Directors have carried out stress tests, factoring in the identified uncertainties and risks such as commodity prices and demands post pandemic, together with the current economic issues of high inflation, rising interest rates and cost of living crisis, to ensure that the Group has adequate resources in a worst-case scenario to remain as a going concern for at least twelve months from the date of this report.

The Directors have a reasonable expectation, having made the appropriate enquiries, that the Group has sufficient cash resources to cover the Group's operating expenses for a period of at least twelve months from the date of approval of these financial statements. For these reasons, the Directors adopted a going concern basis in the preparation of the financial statements. The Directors have made this assessment after consideration of the Group's budgeted cash flows and related assumptions including appropriate stress testing of identified uncertainties, specifically on the potential shut down of the entire operations from three to twelve months if all the plantations are infected with an infectious disease as well as the impact on the demand for palm oil with decreases of 50%. Stress testing of other identified uncertainties and risks such as commodity prices and currency exchange rates were also undertaken.

Changes in accounting standards

(a) New standards, interpretations and amendments effective for the first time for the accounting periods beginning on or after 1 January 2023 in these financial statements in the current year

- IFRS 17 Insurance Contracts
- IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2, amendment related to Disclosure of Accounting Policies
- IAS 8 Accounting policies, Changes in Accounting Estimates and Errors, amendment related to Definition of Accounting Estimates
- IAS 12 Income Taxes, amendment related to International Tax Reform - Pillar Two Model Rules

(b) New standards, interpretations and amendments not yet effective.

The following new standards, interpretations and amendments are effective for future periods (as indicated) and have not been applied in these financial statements:

- IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures, amendment related to Supplier Finance Arrangements (1 January 2024, not yet adopted).
- IFRS 16 Leases, amendment related to Lease Liability in a Sale and Leaseback (1 January 2024, not yet adopted)
- IAS 1 Presentation of Financial Statements, amendment related to Classification of Liabilities as Current or Non-Current (1 January 2024, not yet adopted).
- IAS 1 Presentation of Financial Statements, amendment related to Non-current Liabilities with Covenants (1 January 2024, not yet adopted).
- IAS 21 The Effects of Changes in Foreign Exchange Rates, amendment related to Lack of Exchangeability (1 January 2025, not yet adopted).

None of the above new standards, interpretations and amendments are expected to have a material effect on the Group's future financial statements.

2 Accounting policies

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. The Company controls a subsidiary if all three of the following elements are present; power over the subsidiary, exposure to variable returns from the subsidiary, and the ability of the investor to use its power to affect those variable returns. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date control ceases. In respect of cooperatives under the Plasma scheme, the Group has not consolidated these results on the basis that all key decisions are made by the cooperative and the Company has no voting rights therefore does not have control over those entities.

(b) Business combinations

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the consolidated statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. Acquisitions of entities that comprise principally land with no active plantation business do not represent business combinations, in such cases, the amount paid for each acquisition is allocated between the identifiable assets/liabilities at the acquisition date.

(c) Foreign currency

The individual financial statements of each subsidiary are presented in the currency of the country in which it operates (its functional currency), being the currency in which the majority of their transactions are denominated, with the exception of the Company and its UK subsidiaries which are presented in US Dollar. The presentation currency for the consolidated financial statements is also US Dollar, chosen because, as internationally traded commodities, the price of the bulk of the Group's products are ultimately linked to the US Dollar.

On consolidation, the results of overseas operations are translated into US Dollar at average exchange rates for the year unless exchange rates fluctuate significantly in which case the actual rate is used. All assets and liabilities of overseas operations are translated at the rate ruling at the balance sheet date. Exchange differences arising on re-translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised directly in equity (the "exchange reserves"). Exchange differences recognised in the income statement of Group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the overseas operation concerned are reclassified to the exchange reserves if the item is denominated in the presentational currency of the Group or of the overseas operation concerned.

On disposal of a foreign operation, the cumulative exchange differences recognised in the exchange

On disposal of a foreign operation, the cumulative exchange differences recognised in the exchange reserves relating to that operation up to the date of disposal are transferred to the income statement as part of the profit or loss on disposal.

All other exchange profits or losses are credited or charged to the income statement.

(d) *Revenue recognition*
The Group derives its revenue from the sale of CPO, palm kernel, FFB, shell nut, biomass products, biogas products and rubber slab. Revenue for CPO, palm kernel, FFB, shell nut, biomass and biogas products are recorded net of sales, including export taxes and recognised when the customer has taken delivery of the goods. The collection/delivery of the goods will not take place until the goods are paid for. Sales of rubber slab are recognised on signing of the sales contract, this being the point at which control is transferred to the buyer.

The transacted price for each product is based on the market price or predetermined monthly contract value. There is no right of return nor warranty provided to the customers on the sale of products and services rendered.

Advance receipts represent the Group's obligation to transfer goods to a customer for which the Group has received consideration but the goods have yet to be delivered to/collected by the customer.

(e) *Tax*
UK and foreign corporation tax are provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The directors consider that the carrying amount of tax receivables approximates its fair value.

(f) *Dividends*
Equity dividends are recognised when they become legally payable. The Company may pay an interim dividend each year. The final dividend becomes legally payable when approved by the shareholders at the next annual general meeting.

(g) *Property, plant and equipment*
Plantations comprise of the cost of planting and development of oil palm and other plantation crops. Costs of new planting and development of plantation crops are capitalised from the stage of land clearing up to the stage of maturity. The costs of immature plantations consist mainly of the accumulated cost of land clearing, planting, fertilising and maintaining the plantation and other indirect overhead costs up to the time the trees are harvestable and to the extent appropriate. Oil palm plantations are considered mature within three to four years after planting and generating average annual CPO of four to six metric tons per hectare. Immature plantations are not depreciated.

The Indonesian authorities have granted certain land exploitation rights and operating permits for the estates. The land rights are usually renewed without significant cost subject to compliance with the laws and regulations of Indonesia therefore, the Group has classified the land rights as leasehold land. The leasehold land is recognised at cost initially and is not depreciated except the leasehold land in Malaysia which is depreciated over the term of the lease as its renewal cannot be guaranteed. Costs include the initial cost of obtaining the location permits and subsequent payments to compensate existing land owners plus any legal costs incurred to acquire the necessary land exploitation rights.

Construction in progress is stated at cost. The accumulated costs will be reclassified to the appropriate class of assets when construction is completed and the asset is ready for its intended use. Construction in progress is also not depreciated until such time when the asset is available for use.

Plantations, buildings and oil mills are depreciated using the straight-line method. The yearly rates of depreciation are as follows:

Leasehold land in Malaysia - over the term of the lease
Plantations - 5% per annum
Buildings - 5% to 10% per annum
Oil Mill - 5% per annum
Estate plant, equipment & vehicle - 12.5% to 50% per annum
Office plant, equipment & vehicle - 25% to 50% per annum

(h) *Leases*
Land rights are recognised at historical cost without depreciation at the balance sheet date except for leasehold land in Malaysia where it is recognised at historical cost and depreciated over the term of the lease.

(i) *Inventories*
Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. In the case of processed produce for sale which comprises palm oil and kernel, cost represents the monthly weighted-average cost of production and appropriate production overheads. Estate and mill consumables are valued on a weighted average cost basis. Fresh fruit bunches are measured on initial recognition at fair value less costs to sell at the point of harvest, as this is considered to reflect its cost at that date.

(j) *Financial assets*
The Group classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Group's accounting policy for each category is as follows:

Fair value through profit or loss
Investments which are held for strategic gain are carried in the statement of financial position at fair value with changes in fair value recognised in the consolidated statement of income statement in gain or loss arising from fair value.

Amortised cost
The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position. All the Group's receivables and loans are non-derivative financial assets with cash flows that are solely payments of principal and interest.

They are recognised at fair value at inception and subsequently at amortised cost as this is what the Group considers to be most representative of the business model for these assets.

Cash and cash equivalents consist of cash in hand and short-term deposits at banks with an original maturity not exceeding three months. Bank overdrafts are shown within loans and borrowings under current liabilities on the statement of financial position.

The Group considers a trade receivable or other receivable as credit impaired when one or more events that have a detrimental impact on the estimated cash flow have occurred. Trade and other receivables are written off when there is no expectation of recovery based on the assessment performed. If the receivables are subsequently recovered, these are recognised in income statement.

The Group use three categories for those receivables which reflect their credit risk and how the loss provision is determined for those categories. These include trade receivables using the simplified approach and debt instruments at amortised costs other than trade receivables and financial guarantee contracts using the three-stage approach.

(k) Financial liabilities

All the Group's financial liabilities are non-derivative financial liabilities.

Trade and other payables are shown at fair value at recognition and subsequently at amortised cost.

(l) Deferred tax

The Group recognises deferred tax liabilities arising from taxable temporary differences on investments in subsidiaries, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is possible that taxable profit will be available against which the difference can be utilised.

(m) Retirement benefits

Defined contribution schemes

Contributions to defined contribution pension schemes are charged to the consolidated income statement in the year to which they relate.

Defined benefit schemes

The Group operates a number of defined benefit schemes in respect of its Indonesian operations. The schemes' surpluses and deficits are measured at:

- The fair value of plan assets at the reporting date; less
- Plan liabilities calculated using the projected unit credit method discounted to its present value using yields available on Indonesian Government bonds that have maturity dates approximating to the terms of the liabilities; plus
- Past service costs; less
- The effect of minimum funding requirements agreed with scheme trustees.

Remeasurements of the net defined benefit obligation are recognised in other comprehensive income. The remeasurements include:

- Actuarial gains and losses;
- Return on plan assets (interest exclusive); and
- Any asset ceiling effects (interest inclusive).

Service costs are recognised in the income statement and include current and past service costs as well as gains and losses on curtailments.

Net interest expense / (income) is recognised in the income statement, and is calculated by applying the discount rate used to measure the defined benefit obligation / (asset) at the beginning of the annual period to the balance of the net defined benefit obligation / (asset), considering the effects of contributions and benefit payments during the period.

Gains or losses arising from changes to scheme benefits or scheme curtailment are recognised immediately in the income statement. Settlements of defined benefit schemes are recognised in the period in which the settlement occurs.

(n) Financial guarantee contracts

Where the Company and its subsidiaries enter into financial guarantee contracts and guarantee the indebtedness of other companies within the Group and/or third party entities, these are accounted for under IFRS 9. The details of financial guarantee contracts are disclosed in note 26.

(o) Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Judgements

- Assessment of de-facto control of cooperatives under Plasma scheme (see note 2(a) and note 28).
- Classification of land as leasehold with no depreciation charged (see note 12).
- Classification of assets as held for sale and discontinued operations (see note 9).
- Expected credit losses ("ECL") on amounts due from cooperatives under Plasma scheme - determination of possible outcomes and their weighted probability (see note 13).
- Carrying value of income tax receivables - determination of historic recovery rates (see note 8).
- Income taxes and deferred tax - provisions for income taxes in various jurisdictions (see note 8 and note 14).
- Recognition of deferred tax on losses - estimate of future profitability of respective entities (see note 14).

Estimates and assumptions

- Impairment of plantation assets - determination of the discount rate and other assumptions (see note 12).
- Valuation of biological assets - oil content of FFB (note 16)
- Retirement benefits - actuarial assumptions (see note 21).

Fair value measurement - a number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

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

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures the following assets at fair value:

- Biological assets (note 16).
- Investment (note 30).

The Group measures the following assets at amortised cost, however disclosure of fair value is given in accordance with IFRS7 and IFRS 13:

- Non-current receivables due from non-controlling interests (note 13).
- Non-current receivables due from cooperatives under Plasma scheme (note 13).

For more detailed information in relation to the fair value measurement of the items above, please refer to the applicable notes.

3 Revenue

Disaggregation of Revenue

The Group has disaggregated revenue into various categories in the following table which is intended to:

- depict how the nature, amount and uncertainty of revenue and cash flows are affected by timing of revenue recognition; and
- enable users to understand the relationship with revenue segment information provided in note 6.

There is no right of return and warranty provided to the customers on the sale of products and services rendered. All revenue in the table below is recognised at a point in time.

Year to 31 December 2023	CPO, palm kernel and FFB	Rubber	Shell nut	Biomass products	Biogas products	Others	Total
	$000	$000	$000	$000	$000	$000	$000
Contract counterparties							
Government	**-**	**-**	**-**	**-**	**1,081**	**-**	**1,081**
Non-government							
- Wholesalers	**363,967**	**529**	**4,844**	**-**	**-**	**541**	**369,881**
	363,967	**529**	**4,844**	**-**	**1,081**	**541**	**370,962**
Timing of transfer of goods							
Delivery to customer premises	**6,784**	**529**	**-**	**-**	**-**	**-**	**7,313**
Delivery to port of departure	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Customer collect from our mills / estates	**357,183**	**-**	**4,844**	**-**	**-**	**-**	**362,027**
Upon generation / others	**-**	**-**	**-**	**-**	**1,081**	**541**	**1,622**
	363,967	**529**	**4,844**	**-**	**1,081**	**541**	**370,962**

Year to 31 December 2022							
Contract counterparties							
Government	-	-	-	-	1,160	-	1,160
Non-government							
- Wholesalers	437,247	630	5,438	24	-	3,120	446,459
	437,247	630	5,438	24	1,160	3,120	447,619
Timing of transfer of goods							
Delivery to customer premises	5,359	630	-	-	-	-	5,989
Delivery to port of departure	-	-	-	24	-	-	24
Customer collect from our mills / estates	431,888	-	5,438	-	-	-	437,326
Upon generation / others	-	-	-	-	1,160	3,120	4,280
	437,247	630	5,438	24	1,160	3,120	447,619

4 Finance income and expense

	2023 $000	2022 $000
Finance income		
Interest receivable on:		
Credit bank balances and time deposits	**7,977**	4,859
Finance expense		
Interest payable on:		
Interest expense on lease liabilities (note 20)	**(45)**	(12)
Net finance income recognised in income statement	**7,932**	4,847

5 Expenses by nature

	2023 $000	2022 $000
Expenses by nature:		
Purchase of FFB	**160,692**	182,715
Depreciation (note 12):		
- continuing operations	**16,400**	16,724
- discontinued operations	**-**	-
	16,400	16,724
Impairment losses (note 12):		
- continuing operations	**35**	617
- discontinued operations	**-**	-
	35	617
Impairment loss on adjustments to fair value of assets held for sale	**1,376**	5,034
Provision / (Reversal) for expected credit loss (note 17):		
- continuing operations	**331**	1,665
- discontinued operations	**7**	(91)
	338	1,574
Exchange gains	**(163)**	(994)
Legal and professional fees	**1,426**	1,289
Staff costs (note 7)	**64,823**	62,390
Remuneration received by the Group's auditor or associates of the Group's auditor:		
- Audit of parent company	**5**	5
- Audit of consolidated financial statements	**299**	205
- Audit related assurance service	**10**	9
- Audit of UK subsidiaries	**13**	13
Total audit services	**327**	232
Audit of overseas subsidiaries		
- Malaysia	**22**	22
- Indonesia	**152**	147
Total audit services	**174**	169
Total auditor's remuneration	**501**	401

6 Segment information

Description of the types of products and services from which each reportable segment derives its revenues
In the opinion of the Directors, the operations of the Group comprise one class of business which is the cultivation of plantation in Indonesia and Malaysia. From the cultivation of plantation, the Group produced the crude palm oil and associated products such as palm kernel, shell nut, biomass products, biogas products and rubber.

Factors that management used to identify reportable segments in the Group
The reportable segments in the Group are strategic business units based on the geographical spread. Operating segments are consistent with the internal reporting provided to the Board of Directors. The Board of Directors is responsible for allocating resources and assessing the performance of the operating segments. The Board decision is implemented by the Management Committee, that is made up of a Group Chief Operating Officer and Group Accountant in Malaysia, the President Director, the Chief Operating Officer, Finance Director and the Engineering Director in Indonesia.

Measurement of operating segment profit or loss, assets and liabilities
The Group evaluates segmental performance on the basis of profit or loss before tax calculated in accordance with IFRS but excluding BA movement.

Inter-segment transactions are made based on terms mutually agreed by the parties to maximise the utilisation of Group's resources at a rate acceptable to local tax authorities. This policy was applied consistently throughout the current and prior period.

The Group's assets are allocated to segments based on geographical location.

	North Sumatera $000	Bengkulu $000	Riau $000	Bangka $000	Kalimantan $000	Total Indonesia $000	Malaysia $000
2023							
Total sales revenue (all external)							
- CPO, palm kernel and FFB	**120,788**	**100,998**	**53,193**	**3,315**	**83,630**	**361,924**	**2,043**
- Rubber	**529**	**-**	**-**	**-**	**-**	**529**	**-**
- Shell nut	**2,013**	**1,299**	**1,479**	**-**	**53**	**4,844**	**-**
- Biomass products	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- Biogas products	**339**	**350**	**-**	**-**	**392**	**1,081**	**-**
- Others	**369**	**49**	**-**	**33**	**54**	**505**	**14**
Total revenue	**124,038**	**102,696**	**54,672**	**3,348**	**84,129**	**368,883**	**2,057**
Profit / (loss) before tax	**31,960**	**15,718**	**13,606**	**(95)**	**19,676**	**80,865**	**(896)**
BA movement	**(84)**	**(355)**	**(174)**	**5**	**(273)**	**(881)**	**6**
Profit / (loss) for the year before tax per consolidated income statement	**31,876**	**15,363**	**13,432**	**(90)**	**19,403**	**79,984**	**(890)**
Interest income	**4,392**	**2,358**	**1,106**	**1**	**47**	**7,904**	**69**
Interest expense	**(26)**	**-**	**-**	**-**	**-**	**(26)**	**(11)**
Depreciation	**(5,139)**	**(3,561)**	**(854)**	**(488)**	**(6,131)**	**(16,173)**	**(203)**
Impairment losses	**-**	**-**	**-**	**-**	**-**	**-**	**(35)**
(Provision) / Reversal for expected credit loss	**(17)**	**57**	**-**	**-**	**(387)**	**(347)**	**-**
Inter-segment transactions	**(1,011)**	**(2,310)**	**(6,815)**	**(358)**	**3,464**	**(7,030)**	**533**
Inter-segmental revenue	**33,790**	**5,296**	**-**	**-**	**10,947**	**50,033**	**-**
Tax (expense) / credit	**(6,114)**	**(2,619)**	**(1,368)**	**68**	**(4,921)**	**(14,954)**	**17**
Total assets	**231,839**	**107,389**	**51,568**	**18,951**	**149,629**	**559,376**	**10,519**
Non-current assets	**85,235**	**48,846**	**8,196**	**16,648**	**107,574**	**266,499**	**7,542**
Non-current assets - additions	**9,792**	**10,612**	**1,100**	**1,945**	**10,041**	**33,490**	**496**

	North Sumatera $000	Bengkulu $000	Riau $000	Bangka $000	Kalimantan $000	Total Indonesia $000	Malaysia $000
2022 (restated)							
Total sales revenue (all external)							
- CPO, palm kernel and FFB	146,044	124,480	77,688	2,554	84,198	434,964	2,283
- Rubber	630	-	-	-	-	630	-
- Shell nut	2,056	1,197	2,067	-	118	5,438	-
- Biomass products	24	-	-	-	-	24	-
- Biogas products	354	475	-	-	331	1,160	-
- Others	141	-	2,662	33	264	3,100	20
Total revenue	149,249	126,152	82,417	2,587	84,911	445,316	2,303
Profit / (loss) before tax	51,210	35,809	26,166	433	29,079	142,697	(721)
BA movement	(1,845)	(1,571)	(846)	(106)	(1,354)	(5,722)	(70)
Profit / (loss) for the year before tax per consolidated income statement	49,365	34,238	25,320	327	27,725	136,975	(791)
Interest income	3,149	1,321	320	-	31	4,821	38
Interest expense	(5)	-	-	-	-	(5)	(7)
Depreciation	(5,295)	(3,942)	(813)	(374)	(5,922)	(16,346)	(378)
Impairment losses	-	-	-	-	(185)	(185)	(432)
(Provision) / Reversal for expected credit loss	(169)	(57)	-	-	12	(214)	-
Inter-segment transactions	4,654	(1,927)	(551)	(291)	(1,960)	(75)	589
Inter-segmental revenue	44,080	2,711	-	-	9,628	56,419	-
Tax (expense) / credit	(10,535)	(7,262)	4,697	(26)	(5,414)	(18,540)	(98)
Total assets	259,604	138,272	61,895	17,469	139,914	617,154	11,540
Non-current assets	79,119	41,193	7,820	14,901	101,780	244,813	7601
Non-current assets - additions	15,007	7,283	709	1,788	9,376	34,163	107

* South Sumatera represents the operations which have been discontinued and have therefore been separated from the continuing operations. The details of discontinued operations for South Sumatera are disclosed in note 9.

Below is an analysis of revenue from the Group's top 4 customers, incorporating all those contributing greater than 10% of the Group's external revenue in accordance with the requirements of IFRS 8. In year 2023, revenue from top 4 customers of the Indonesian segment represents approximately $194.2m (2022: $263.0m) of the Group's total revenue for continuing operations. Although Customer 1 to 4 made up over 10% of the Group's total revenue, there was no over reliance on these Customers as tenders were performed on a weekly basis involving numerous other potential customers. Three of the top four customers were the same as in the prior year.

	North Sumatera $000	Bengkulu $000	Riau $000	Bangka $000	Kalimantan $000	Total Indonesia $000	Malaysia $000	UK $000
2023								
Customer 1	**-**	**15,001**	**25,203**	**-**	**24,565**	**64,769**	**-**	**-**
Customer 2	**-**	**53,607**	**-**	**-**	**-**	**53,607**	**-**	**-**
Customer 3	**41,735**	**1,362**	**-**	**-**	**-**	**43,097**	**-**	**-**
Customer 4	**32,738**	**-**	**-**	**-**	**-**	**32,738**	**-**	**-**
	74,473	**69,970**	**25,203**	**-**	**24,565**	**194,211**	**-**	**-**
2022								
Customer 1	8,694	46,280	30,750	-	60,630	146,354	-	-
Customer 2	51,854	4,039	-	-	-	55,893	-	-
Customer 3	-	33,151	-	-	-	33,151	-	-
Customer 4	27,583	-	-	-	-	27,583	-	-
	88,131	83,470	30,750	-	60,630	262,981	-	-
	%	%	%	%	%	%	%	%
2023								
Customer 1	**-**	**4.0**	**6.8**	**-**	**6.6**	**17.4**	**-**	**-**
Customer 2	**-**	**14.5**	**-**	**-**	**-**	**14.5**	**-**	**-**
Customer 3	**11.3**	**0.4**	**-**	**-**	**-**	**11.7**	**-**	**-**
Customer 4	**8.8**	**-**	**-**	**-**	**-**	**8.8**	**-**	**-**
	20.1	**18.9**	**6.8**	**-**	**6.6**	**52.4**	**-**	**-**
2022								
Customer 1	1.9	10.3	6.9	-	13.5	32.6	-	-
Customer 2	11.6	0.9	-	-	-	12.5	-	-
Customer 3	-	7.4	-	-	-	7.4	-	-
Customer 4	6.2	-	-	-	-	6.2	-	-
	19.7	18.6	6.9	-	13.5	58.7	-	-

Save for a small amount of rubber, all the Group's operations are devoted to oil palm. The Group's report is by geographical area, as each area tends to have different agricultural conditions.

7 Employees' and Directors' remuneration

	2023 Number	2022 Number
Average numbers employed (primarily overseas) during the year:		
- full time	**7,515**	7,873
- part-time field workers*	**7,812**	8,384
	15,327	16,257

* Part-time field workers headcounts based on full time equivalent of 8 hours per day are 5,156 (2022: 6,657).

	2023 $000	2022 $000
Staff costs (including Directors and discontinued operations) comprise:		
Wages and salaries	**57,173**	55,775
Social security costs	**4,058**	3,826
Retirement benefit costs		
- United Kingdom	**-**	-
- Indonesia (note 21)	**3,543**	2,736
- Malaysia	**49**	53
	64,823	62,390

	2023 $000	2022 $000
Directors' emoluments	**321**	194

	2023 $000	2022 $000
Remuneration expense for key management personnel comprise:		
Short-term employee benefits	**2,170**	1,656
Post-employment benefits	**-**	-
	2,170	1,656

The Executive Director, Non-Executive Directors and senior management (general managers and above) are considered to be the key management personnel.

8 Tax expense

	2023 $000	(Restated) 2022 $000
Foreign corporation tax - current year	**17,760**	29,727
Foreign corporation tax - prior year	**308**	7
Deferred tax adjustment - origination and reversal of temporary differences (note 14)	**2,049**	(10,851)
Deferred tax - prior year (note 14)	**53**	895
Total tax charge for year	**20,170**	19,778

Corporation tax rate in Indonesia is at 22% (2022: 22%) whereas Malaysia is at 24% (2022: 24%). The standard rate of corporation tax in the UK for the current year is 23.5% (2022: 19%). The Group's charge for the year differs from the standard Indonesian rate of corporation tax as explained below:

	2023 $000	(Restated) 2022 $000
Profit before tax from continuing operations	**77,808**	132,941
Profit before tax multiplied by standard rate of Indonesia corporation tax of 22% (2022: 22%)	**17,118**	29,247
Effects of:		
Irrecoverable withholding tax	**5,183**	1,205
Group accounting adjustments not subject to tax	**(391)**	(11,920)
Expenses not allowable for tax	**970**	1,213
Deferred tax assets not recognised	**84**	69
Income not subject to tax	**(1,737)**	(1,063)
Under provision of prior year income tax	**308**	7
Utilisation of tax losses not previously recognised	**(1,418)**	125
Under provision of prior year deferred tax	**53**	895
Total tax charge for year	**20,170**	19,778

The above reconciliation has been prepared by reference to the Indonesian tax rate rather than the UK tax rate as, in accordance with IAS 12, this is the applicable tax rate that provides the most meaningful information, given this is the country in which the majority of tax arises.

The tax receivables represent the corporate income tax ("CIT") and value added tax ("VAT") that have yet to be refunded by the Indonesia tax authority. The tax receivables relating to CIT arose due to over payment of tax. The tax receivables relating to VAT arose because the majority of the Groups' CPO was sold to bonded zones which do not attract output VAT and thus the input VAT incurred is claimable. Upon submission of a tax return (for CIT) or a request letter (for VAT refund), a tax audit will be conducted by the tax authority and whilst every effort is made to resolve this quickly, the process can sometimes take more than 12 months.

The breakdown of the tax receivables and tax liabilities is as follows:

	2023 $000	2022 $000
Tax Receivables		
Income tax	**19,169**	4,122
Other taxes	**40,575**	37,576
	59,744	41,698
Tax Liabilities		
Income tax	**(2,951)**	(10,230)
Other taxes	**(1,184)**	(1,221)
	(4,135)	(11,451)

9 Assets held for sale and discontinued operations

PT Riau Agrindo Agung, PT Karya Kencana Sentosa Tiga and PT Empat Lawang Agro Perkasa ("South Sumatera Plantations"), subsidiaries of the Group, had on 5 July 2023, completed the disposal of its entire 100% equity interest to Mrs Lina (also known as Liena Efendy) and Miss Lenny Nurimba for a total cash consideration of $8,500,000.

The entire operations of the disposal group are presented within the South Sumatera operating segment disclosed in Note 7 and represent a separate geographical area of operations. The activities for the financial year ended 31 December 2023 and 31 December 2022 have been classified as discontinued operations in the consolidated income statement as a single line.

The post-tax loss on disposal of discontinued operations was determined as follows:

	Note	**2023** Result before BA movement $000	BA movement $000	Total $000	2022 Result before BA movement $000	BA movement $000	Total $000
Discontinued operations							

Revenue	6	**3,932**	**-**	**3,932**	9,306	-	9,306
Cost of sales		**(5,707)**	**(111)**	**(5,818)**	(10,389)	(178)	(10,567)
Gross loss		**(1,775)**	**(111)**	**(1,886)**	(1,083)	(178)	(1,261)
Administration expenses		**(56)**	**-**	**(56)**	(120)	-	(120)
Impairment loss	12	**-**	**-**	**-**	-	-	-
(Provision) / Reversal for expected credit loss	17	**(7)**	**-**	**(7)**	91	-	91
Operating loss		**(1,838)**	**(111)**	**(1,949)**	(1,112)	(178)	(1,290)
Exchange (loss) / gains		**(1)**	**-**	**(1)**	3	-	3
Finance income		**3**	**-**	**3**	4	-	4
Finance expense		**-**	**-**	**-**	-	-	-
Loss before tax	5	**(1,836)**	**(111)**	**(1,947)**	(1,105)	(178)	(1,283)
Tax (expense) / credit		**(608)**	**24**	**(584)**	455	39	494
Loss for the year from discontinued operations		**(2,444)**	**(87)**	**(2,531)**	(650)	(139)	(789)
Impairment loss on adjustment to fair value		**(1,376)**	**-**	**(1,376)**	(5,034)	-	(5,034)
Recycling of foreign exchange on disposal		**10,431**	**-**	**10,431**	-	-	-
		6,611	**(87)**	**6,524**	(5,684)	(139)	(5,823)
Attributable to:							
- Owners of the parent		**3,890**	**(83)**	**3,807**	(4,389)	(132)	(4,521)
- Non-controlling interests		**2,721**	**(4)**	**2,717**	(1,295)	(7)	(1,302)
		6,611	**(87)**	**6,524**	(5,684)	(139)	(5,823)
Earnings per share attributable to the owners of the parent during the year							
- Basic and diluted EPS before BA movement				**9.83cts**			(11.07)cts
- Basic and diluted EPS after BA movement				**9.62cts**			(11.41)cts

Statement of cash flows

The statement of cash flows includes the following amounts relating to discontinued operations:

	2023	2022
	$000	$000
Operating activities	**(1,808)**	(1,332)
Investing activities	**(1,786)**	(1,865)
Financing activities	**-**	-
Net decrease in cash and cash equivalents from discontinued operations	**(3,594)**	(3,197)

The following major classes of assets relating to the discontinued operations have been classified as held for sale in the consolidated statement of financial position before their respective dates of disposal and on 31 December 2022:

	2023	2022
	$000	$000
Property, plant and equipment	**26,017**	25,512
Impairment loss on adjustment to fair value	**(26,017)**	(24,547)
Property, plant and equipment net of impairment losses	**-**	965
Non-current receivables	**5,763**	**4,128**
Impairment loss on adjustment to fair value	**(230)**	**-**
Non-current receivables net of impairment losses	**5,533**	4,128
Deferred tax assets	**2,821**	3,306
Inventories	**108**	213
Income tax receivable	**35**	49
Biological assets	**-**	107
Trade and other receivables	**3**	232
Exchange differences	**-**	-
Total assets held for sale	**8,500**	9,000

An accumulated impairment loss of $26,247,000 (2022: $24,547,000) on the measurement of the disposal group to fair value less cost to sell has been recognised and was included in discontinued operations. The difference of impairment loss was due to exchange in translation and further impairment of $1,376,000 in 2023 (2022: $5,034,000). The fair value is based on the actual selling price. They are categorised as level 3 non-recurring fair value measurements. The fair value measurement is based on the above items' highest and best recurring fair value measurements. The fair value measurement is based on the above items' highest and best uses, which do not differ from their actual use.

Details of the assets, liabilities and net cashflow arising from the disposal of the subsidiaries are as follows:

	$000
Consideration received	8,500
Property, plant and equipment net of impairment losses	-
Non-current receivables	5,533
Deferred tax assets	2,821
Inventories	108
Income tax receivable	35
Trade and other receivables	3
Net assets disposed	8,500
Gain before reclassification adjustment	-
Recycling of foreign exchange on disposal	10,431
Gain on disposal of the subsidiaries	10,431
Consideration received	8,500
Less: cash and cash equivalent in the subsidiaries	-
Net cash inflow from disposal of subsidiaries	8,500

10 Earnings per ordinary share ("EPS")

	2023 $000	(Restated) 2022 $000
Total operations		
Profit for the year attributable to owners of the Company before BA movement	55,414	92,820
BA movement	(644)	(3,904)
Earnings used in basic and diluted EPS	54,770	88,916
Continuing operations		
Profit for the year attributable to owners of the Company before BA movement	51,524	97,209
BA movement	(561)	(3,772)
Earnings used in basic and diluted EPS	50,936	93,437
Discontinued operations		
Loss for the year attributable to owners of the Company before BA movement	3,890	(4,389)
BA movement	(83)	(132)
Earnings used in basic and diluted EPS	3,807	(4,521)

	Number '000	Number '000
Weighted average number of shares in issue in the year		
- used in basic EPS	39,560	39,636
- dilutive effect of outstanding share options	-	-
- used in diluted EPS	39,560	39,636
Total operations		
- Basic and diluted EPS before BA movement	140.07cts	234.18cts
- Basic and diluted EPS after BA movement	138.44cts	224.33cts
Continuing operations		
- Basic and diluted EPS before BA movement	130.24cts	245.25cts
- Basic and diluted EPS after BA movement	128.82cts	235.74cts
Discontinued operations		
- Basic and diluted EPS before BA movement	9.83cts	(11.07)cts
- Basic and diluted EPS after BA movement	9.62cts	(11.41)cts

11 Dividends

	2023 $000	2022 $000
Paid during the year		
Final dividend of 25.0cts per ordinary share for the year ended 31 December 2022 (2021: 5.0cts)	9,909	1,982
Interim dividend of 15.0cts per ordinary share for the year ended 31 December 2023	5,945	-
Proposed final dividend of 15.0cts per ordinary share for the year ended 31 December 2023 (2022: 25.0cts)	5,930	9,909

The proposed dividend for 2023 is subject to shareholders' approval at the forthcoming annual general meeting and has not been included as a liability in these financial statements.

The final dividend of 25.0cts in respect of the year ended 31 December 2022 and the interim dividend of 15.0cts in respect of the year ended 31 December 2023, both paid in 2023, were paid not in accordance with the Companies Act 2006 as the required interim accounts were not filed at Companies House at the relevant time.

12 Property, plant and equipment

	Plantations $000	Mill $000	Leasehold land $000	Buildings $000	Estate plant, equipment & vehicle $000	Office plant, equipment & vehicle $000	Right-of-use assets* $000	Construction in progress $000	Total $000
Cost									
At 1 January 2022	193,866	79,657	52,485	60,863	15,847	1,962	959	5,708	411,347
Exchange translations	(18,178)	(7,626)	(4,563)	(5,731)	(1,500)	(163)	(76)	(1,264)	(39,101)
Reclassification	-	(31)	-	2,191	31	-	-	(2,191)	-
Additions	-	4,430	1,889	156	2,397	210	-	14,733	23,815
Development costs capitalised	10,455	-	-	-	-	-	-	-	10,455
Disposal / Written off	(697)	(597)	(8)	(217)	(666)	(83)	-	-	(2,268)
At 31 December 2022	**185,446**	**75,833**	**49,803**	**57,262**	**16,109**	**1,926**	**883**	**16,986**	**404,248**
Exchange translations	**3,062**	**1,506**	**345**	**1,036**	**209**	**(1)**	**(5)**	**302**	**6,454**
Reclassification	**-**	**25**	**-**	**5,531**	**3**	**(9)**	**-**	**(5,550)**	**-**
Additions	**4,430**	**5,935**	**2,159**	**419**	**1,580**	**439**	**1,160**	**9,862**	**25,984**
Development costs capitalised	**7,545**	**-**	**819**	**-**	**3**	**-**	**-**	**-**	**8,367**
Disposals / Written off	**(1,717)**	**(1,799)**	**(3)**	**(277)**	**(642)**	**(234)**	**(466)**	**-**	**(5,138)**
At 31 December 2023	**198,766**	**81,500**	**53,123**	**63,971**	**17,262**	**2,121**	**1,572**	**21,600**	**439,915**
Accumulated depreciation and impairment									
At 1 January 2022	75,114	31,749	3,746	25,746	12,507	1,144	809	-	150,815
Exchange translations	(7,002)	(3,146)	(240)	(2,522)	(1,144)	(84)	(70)	-	(14,208)
Reclassification	-	(31)	-	-	31	-	-	-	-
Charge for the year	8,168	3,933	118	3,107	1,146	108	144	-	16,724
Impairment losses	-	-	185	-	432	-	-	-	617
Disposal / Written off	(674)	(577)	-	(164)	(619)	(80)	-	-	(2,114)
At 31 December 2022	**75,606**	**31,928**	**3,809**	**26,167**	**12,353**	**1,088**	**883**	**-**	**151,834**
Exchange translations	**860**	**628**	**(113)**	**442**	**139**	**(11)**	**-**	**-**	**1,945**
Reclassification	**-**	**8**	**-**	**-**	**(8)**	**-**	**-**	**-**	**-**
Charge for the year	**7,593**	**4,009**	**114**	**3,066**	**1,313**	**112**	**193**	**-**	**16,400**
Impairment losses	**-**	**-**	**-**	**-**	**35**	**-**	**-**	**-**	**35**
Disposal / Written off	**(1,525)**	**(1,693)**	**-**	**(164)**	**(614)**	**(219)**	**(466)**	**-**	**(4,681)**
At 31 December 2023	**82,534**	**34,880**	**3,810**	**29,511**	**13,218**	**970**	**610**	**-**	**165,533**
Carrying amount									
At 31 December 2021	118,752	47,908	48,739	35,117	3,340	818	150	5,708	260,532
At 31 December 2022	109,840	43,905	45,994	31,095	3,756	838	-	16,986	252,414
At 31 December 2023	**116,232**	**46,620**	**49,313**	**34,460**	**4,044**	**1,151**	**962**	**21,600**	**274,382**

*Right-of-use assets had been disclosed in note 20.

The average capitalisation rate was 0% (2022: 0%) as there were no borrowing cost in 2023 and 2022. The estates included $nil (2022: $nil) of interest and $412,000 (2022: $1,198,000) of overheads capitalised during the year in respect of expenditure on estates under development.

The Indonesian authorities have granted certain land exploitation rights and operating permits for the estates. In the case of established estates in North Sumatera, these rights and permits expire between 2024 and 2058 with rights of renewal thereafter. As of estates in Bengkulu land titles were issued between 1994 and 2016 and the titles expire between 2028 and 2051 with rights of renewal thereafter for two consecutive periods of 25 and 35 years respectively. In Riau, land titles were issued in 2003 and expire in 2033 with rights of renewal thereafter. In Kalimantan, land titles were issued between 2015 and 2020 and expire between 2049 and 2054 with rights of renewal thereafter. In Bangka, land titles were issued in 2018 and expire in 2053. The rights and permits for South Sumatera plantations were renewed in 2020 and the South Sumatera operations had disposed in 2023.

Subject to compliance with the laws and regulations of Indonesia, land rights are usually renewed. The cost of renewing the land rights is not significant. On the basis that the Group has an indefinite right to renew, leasehold land is not depreciated except leasehold land in Malaysia. The land title of the estate in Malaysia is a long-term lease expiring in 2084.

An impairment loss of $35,000 (2022: $432,000) related to estate plant, equipment and vehicle in Malaysia was provided in 2023 as the recoverable amounts based on its value-in-use were lower than the carrying amounts and the reason of acquisition of the plant and equipment was for corporate social responsibility purposes. The recoverable amounts are $nil (2022: $nil) as the subsidiary in Malaysia is making loss.

Impairment for land and plantations is measured by comparing its carrying amount with its recoverable amount, which is the higher of the fair value less cost to sell and its value in use. The impairment assessment is performed against the combined cost of land and plantations for each estate which represents the cash generating unit ("CGU"). Recoverable amount is, in most cases, based on value in use calculations as, due to the nature of the cashflows, this will be higher than fair value less costs to sell. Where this has been determined not to be the case, fair value less costs to sell have also been considered.

No impairment has been recognised in 2023 in respect of land and plantations. In 2022, an impairment loss of $185,000 has been recognised against one CGU due to additional expenditure recognised in the year above its recoverable amount. The total value of the Group's land and plantations for continuing operations which is carried at its recoverable amount is $44,401,000 (2022: $41,158,000).

The value in use, computed by the professional valuer MBPRU using a discounted cash flow ("DCF") model, is the net present value of the projected future cash flows over the expected 20-year economic life of the asset discounted at 13.5% (2022: 15.4%). Projected future cash flows are calculated based on historical data, industry performance, economic conditions and any other readily available information including the impact of climate change. The compliance with changing regulations, changes in buyer preferences, development of new products and use of lower emission sources of energy will affect the FFB production, CPO price and its growth. Heavy rainfall & flooding, droughts and fires will have an effect on company specific risk within the calculation of our discount rate as well as potential impacts on the ability of our plants to produce FFB. Pests & disease will impact the upkeeping cost.

The key assumptions have been identified as the CPO CIF-Rotterdam price, the pre-tax discount rate and the inflation rate. Based on sensitivity analysis performed, there are no reasonably possible changes in these assumptions which would have a material impact on impairment.

13 Receivables: non-current

	2023		2022	
	Book value	**Fair value**	Book value	Fair value
	$000	**$000**	$000	$000
Due from non-controlling interests	**-**	**-**	1,549	797
Due from cooperatives under Plasma scheme	**20,306**	**14,757**	17,414	11,729
	20,306	**14,757**	18,963	12,526

In 2022, the non-controlling parties in PT Sawit Graha Manunggal and PT Kahayan Agro Plantation have acquired their interests on deferred terms (see note 27, Credit risk).

Plasma scheme is an initiative by the Indonesian Government that mandated plantation owners to allocate a percentage of their land acquired to the surrounding community and to further provide financial and technical assistance to cultivate oil palm on that land to improve the income and welfare of the community or cooperatives. During the year, certain subsidiary companies have funded plasma with a cumulative gross amount before ECL for $20,788,000 (2022: $17,489,000) which is recoverable from the cooperatives, the details with ECL are disclosed in note 17.

The fair values disclosed above are for disclosure purposes and all non-current receivables are classified as Level 3 in the fair value hierarchy.

The valuation techniques and significant unobservable inputs used in determining the fair value measurement of non-current receivables, as well as the inter-relationship between key unobservable inputs and fair value, are set out in the table below:

Item	**Valuation approach**	**Inputs used**	**Inter-relationship between key unobservable inputs and fair value**

Due from non-controlling interests	Based on cash flows discounted using current lending rate of 6% (2022: 6%).	Discount rate	The higher the discount rate, the lower the fair value.
Due from cooperatives under Plasma scheme	Based on cash flows discounted using an estimated current lending rate of 10.25% (2022: 8.50%).	Discount rate	The higher the discount rate, the lower the fair value.

14 Deferred tax

The movement on the deferred tax account as shown below:

	2023 $000	(Restated)2022 $000
At 1 January	**12,026**	2,994
Recognised in income statement from continuing operations	**(2,102)**	9,956
Recognised in other comprehensive income	**93**	(41)
Exchange differences	**275**	(883)
At 31 December	**10,292**	12,026

The most significant movement in deferred tax was due to the utilisation of some of the losses against taxable profits during the year.

The deferred tax assets were not recognised in FY2022 because of the understanding that generally capital losses cannot be utilised to offset against future trading profit. Following the finalisation of the 2022 accounts and through further research, the Group identified a provision in the Indonesian tax law which allows capital losses from trading assets to be offset against future trading profit.

The deferred tax asset and liability, together with the amounts recognised in income statement and other comprehensive income are detailed as follows:

	Asset $000	Liability $000	Net $000	(Charged)/ credited to income statement $000	(Charged)/ credited to equity $000
2023					
Impairment of land	**167**	**-**	**167**	**-**	**-**
Retirement benefits	**1,920**	**-**	**1,920**	**305**	**93**
BA movement	**-**	**(1,193)**	**(1,193)**	**192**	**-**
Unutilised tax losses	**10,331**	**-**	**10,331**	**(2,262)**	**-**
Unremitted earnings	**-**	**(567)**	**(567)**	**-**	**-**
Other temporary differences	**-**	**(366)**	**(366)**	**(337)**	**-**
Tax assets / (liabilities)	**12,418**	**(2,126)**	**10,292**	**(2,102)**	**93**
Set off of tax	**(1,364)**	**1,364**	**-**	**-**	**-**
Net tax assets / (liabilities)	**11,054**	**(762)**	**10,292**	**(2,102)**	**93**
2022 (restated)					
Impairment of land	164	-	164	41	-
Retirement benefits	1,495	-	1,495	(591)	(41)
BA movement	-	(1,356)	(1,356)	1,276	-
Unutilised tax losses	12,317	-	12,317	9,506	-
Unremitted earnings	-	(331)	(331)	-	-
Other temporary differences	-	(263)	(263)	(276)	-
Tax assets / (liabilities)	13,976	(1,950)	12,026	9,956	(41)
Set off of tax	(1,203)	1,203	-	-	-
Net tax assets / (liabilities)	12,773	(747)	12,026	9,956	(41)

	2023 $000	2022 $000
A deferred tax asset has not been recognised for the following items:		
Unutilised tax losses	**21,206**	19,995

The Group had recognised tax assets arising from the unutilised tax losses of certain subsidiaries as the Group believes that the tax assets of these subsidiaries can be realised in the future periods based on their budget, as their respective plantation assets becoming more mature and historically resulting in the companies becoming profitable. However, the Group does not recognise the tax losses in certain companies within the Group as tax assets in UK and Malaysia as the future recoverability of losses of these companies cannot be certain and insufficient forecast future taxable profits. The time limit on utilisation of tax losses is subject to the tax laws in various countries. As of 31 December 2023, the relevant time limits are 5 years in Indonesia, 7 years in Malaysia and unlimited in UK. At 31 December 2023, all unutilised tax losses were recognised in Indonesia. The unutilised tax losses will expire as per below:

Year	$000
2025	332
2027	349
2028	9,650
	10,331

At the balance sheet date, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised was $857,457,000 (2022: $843,983,000). No liability has been recognised in respect of these differences because either the Group is in a position to control the timing of the reversal of the temporary differences and does not expect such a reversal to occur in the foreseeable future, or such a reversal would not give rise to an additional tax liability. The deferred tax liability on unremitted earnings recognised at the balance sheet date was related to the estimated dividend declared for 2023 by the subsidiaries.

15 Inventories

	2023 $000	2022 $000
Estate and mill consumables	**9,443**	10,719
Processed produce for sale	**7,241**	8,871
	16,684	19,590

The movement on the inventories as shown below:

	2023 $000	2022 $000
As at 1 Jan	**19,590**	14,316
(Charge to) / reversal from income statement	**(3,543)**	7,226
Reversal / (Provision) of inventory write-down	**210**	(217)
Exchange different	**80**	(1,735)
	16,684	19,590

16 Biological assets

	2023 $000	2022 $000
At 1 January	**6,161**	12,803
Fair value loss recognised in the income statement for continuing operations	**(875)**	(5,792)
Fair value gain recognised in the income statement for discontinued operations	**-**	-
Exchange translations	**133**	(850)
At 31 December	**5,419**	6,161

The valuation of the unharvested FFB was carried out internally for each plantation of the Group. It involved an estimation of the oil-content of unharvested FFB at balance sheet date multiplied by the sum of average FFB selling price less average harvesting cost of the last month prior to the balance sheet date. The oil-content was derived from the computation of the percentage of growth based on the data extracted from the research reference "The Reflection of Moisture Content on Palm Oil Development during the Ripening Process of Fresh Fruits" multiplied with the estimated FFB harvested one month after the balance sheet date. Climate change on the weather will impact the levels and quality of production of FFB, so this has been taken into consideration when determining the fair value of biological assets.

The fair value of biological assets is classified as Level 3 in the fair value hierarchy. During the year, all of the opening balance of biological assets was harvested while all of the closing balance arose in the year due to movements in fair value less costs to sell. The gain or loss recognised in the income statement represents the net movement in the fair value of biological assets during the year.

The valuation techniques and significant unobservable inputs used in determining the fair value measurement of biological assets, as well as the inter-relationship between key unobservable inputs and fair value, are set out in the table below:

Item	**Valuation approach**	**Inputs used**	**Inter-relationship between key unobservable inputs and fair value**
Biological assets - Unharvested produce	Based on FFB weight multiplied by the sum of FFB selling price less harvesting cost	FFB weight FFB selling price Harvesting cost	The higher the weight, the higher the fair value The higher the selling price, the higher the fair value The higher the harvesting cost, the lower the fair value

The key assumptions are considered to be the computation of oil content of FFB based on research studies, selling price less harvesting costs and FFB production and a decrease of 1% in any of these would result in an $54,000 decrease in the valuation.

17 Trade and other receivables

	2023 $000	2022 $000
Trade receivables	**1,040**	461
Other receivables	**4,752**	1,750
Prepayments and accrued income	**4,897**	1,257
	10,689	3,468

The carrying amount of trade and other receivables classified as amortised cost approximates fair value.

Trade receivables

The Group applies the IFRS 9 simplified approach to measure ECL using a lifetime ECL provision for trade

The Group applies the IFRS 9 simplified approach to measure ECL using a lifetime ECL provision for trade receivables. To measure ECL on a collective basis, trade receivables are grouped based on similar credit risk and age.

The expected loss rate is based on a combination of the Group's historical credit losses experienced over the 5-year period prior to the year end and forward-looking information on macroeconomic factors affecting the Group's customers. The ECL has been calculated at 1% on trade receivables balances.

Other receivables
The Group assesses the ECL associated with its debt instruments carried at amortised cost on a forward-looking basis using the three stage approach. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group considers the probability of default upon initial recognition of an asset and whether there has been significant increase in credit risk on an on-going basis at each reporting date. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Group considers available, reasonable and supportable forward-looking information, such as:

- internal credit rating;
- external credit rating (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligation;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; and
- significant changes in the expected performance or behaviour of the debtor, including changes in the payment status of the debtor.

There has not been a significant increase in credit risk since initial recognition on any of the group's financial assets therefore 12-month ECL have continued to be recognised on all balances other than trade receivables which are discussed above.

Due from cooperatives under Plasma scheme
The Group assesses the ECL on amounts due from cooperatives under Plasma scheme by considering various probability weighted outcomes. The three possible outcomes are considered to be:

- recovery is limited to the value of the land and bearer plants on which the plantation is situated;
- recovery is limited to the future cashflows of the cooperative, being the FFB revenue less development costs; and
- recovery in full via bank financing obtained by the cooperative.

Movements on the Group's loss provision on current and non-current other receivables and financial guarantee contracts are as follows:

	2023	2022
	$000	$000
At 1 January	**1,622**	180
Loss provision during the year	**331**	1,665
Written off during the year	**(1,441)**	(215)
Exchange difference	**(4)**	(8)
At 31 December	**508**	1,622

At 31 December 2023, the expected loss provision for receivables and financial guarantee contracts is as follows:

	Gross carrying amount $000	Loss provision $000	Net carrying amount $000
2023			
Trade receivable	**1,051**	**(11)**	**1,040**
Other receivables (note 17)	**4,758**	**(6)**	**4,752**
Receivables: non-current (note 13)			
- Due from non-controlling interests	**-**	**-**	**-**
- Due from cooperatives under Plasma scheme	**20,788**	**(482)**	**20,306**
	26,597	**(499)**	**26,098**
Financial guarantee contracts (note 26)	**-**	**(9)**	**(9)**
	26,597	**(508)**	**26,089**

	Gross carrying amount $000	Loss provision $000	Net carrying amount $000
2022			
Trade receivables	466	(5)	461
Other receivables (note 17)	1,756	(6)	1,750
Receivables: non-current (note 13)			
- Due from non-controlling interests	3,063	(1,514)	1,549
- Due from cooperatives under Plasma scheme	17,489	(75)	17,414
	22,774	(1,600)	21,174
Financial guarantee contracts (note 26)	-	(22)	(22)
	22,774	(1,622)	21,152

18 Notes supporting statement of cash flows

Cash and cash equivalents for purposes of the statement of cash flows comprised:

	2023	2022
	$000	$000
Cash at bank available on demand	**92,682**	47,658
Short-term deposits	**60,289**	173,802
Cash in hand	**13**	16
As reported in statement of financial position	[illegible]	[illegible]

As reported in statement of financial position	**152,984**	221,476
Short-term investments	**14,076**	55,566
	167,060	277,042

The short-term investments refer to the deposits with a licensed bank with maturity of over three months.

Significant non-cash transactions from investing activities are as follows:

	2023 **$000**	2022 $000
Property, plant and equipment purchased but not yet paid at year end	**53**	466
Repayment of amounts due from cooperatives under the plasma scheme through the purchase of FFB	**6,776**	7,401

Non-cash transactions from financing activities are shown in the reconciliation of liabilities from financing transactions as follows:

	Non-current lease liabilities $000	**Current lease liabilities $000**	**Total $000**
At 1 January 2023	**(31)**	**(73)**	**(104)**
Cash Flows	**-**	**288**	**288**
Non-cash flows			
- Effect of foreign exchange	**1**	**3**	**4**
- New lease	**(709)**	**(443)**	**(1,152)**
- Lease liabilities classified as non-current at 31 December 2022 becoming current during 2023	**30**	**(30)**	**-**
- Interest accruing during the year	**-**	**(45)**	**(45)**
- Write off	**-**	**-**	**-**
	(709)	**(300)**	**(1,009)**

	Non-current lease liabilities $000	Current lease liabilities $000	Total $000
At 1 January 2022	(110)	(240)	(350)
Cash Flows	-	231	231
Non-cash flows			
- Effect of foreign exchange	6	21	27
- New lease	-	-	-
- Lease liabilities classified as non-current at 31 December 2021 becoming current during 2022	73	(73)	-
- Interest accruing during the year	-	(12)	(12)
- Write off	-	-	-
	(31)	(73)	(104)

19 Trade and other payables

	2023 **$000**	2022 $000
Trade payables	**9,572**	11,487
Other payables	**1,041**	3,321
Advance receipts	**6,666**	9,424
Accruals	**10,177**	9,734
	27,456	33,966

The carrying amount of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value. Advance receipts from customers are expected to be recognised in full as revenue in the subsequent year. The advance receipts at 31 December 2022 have been recognised in revenue in the current period.

20 Leases

	2023 **$000**	2022 $000
Lease liabilities analysed as:		
Non-current	**(709)**	(31)
Current	**(300)**	(73)
	(1,009)	(104)

The weighted average incremental borrowing rate per annum was 7.3% (2022: 5.5%).

Maturity analysis for the lease liabilities has been given in note 27.

Amounts recognised in income statement:

	2023 $000	2022 $000
Depreciation expense on right-of-use assets (note 12)	**(193)**	(144)
Interest expense on lease liabilities	**(45)**	(12)
Expense relating to short-term leases	**(269)**	(352)
Expense relating to leases of low value assets	**(4)**	(4)
	(511)	(512)

At 31 December 2023, the Group was committed to $0.01 million (2022: $0.01 million) for short-term leases.

All the leases are fixed payments. The total cash outflow for leases amount to $0.56 million (2022: $0.59 million).

The Group leases a piece of land and office under the right-of-use assets. The remaining lease term is between 1 to 5 years. (2022: 1 to 4 years). On expiry the Group has the options to renew based on mutually agreed future rental. The right-of-use assets is classified as part of property, plant and equipment in note 12.

Right-of-Use assets

	Land $000	**Building $000**	**Total $000**
At 1 January 2023	**-**	**-**	**-**
Additions	**-**	**1,160**	**1,160**
Amortisation	**-**	**(193)**	**(193)**
Impairment losses	**-**	**-**	**-**
Effect of foreign exchange	**-**	**(5)**	**(5)**
At 31 December 2023	**-**	**962**	**962**

	Land $000	Building $000	Total $000
At 1 January 2022	-	150	150
Additions	-	-	-
Amortisation	-	(144)	(144)
Impairment losses	-	-	-
Effect of foreign exchange	-	(6)	(6)
At 31 December 2022	-	-	-

Lease liabilities

	Land $000	**Building $000**	**Total $000**
At 1 January 2023	**(104)**	**-**	**(104)**
Additions	**-**	**(1,152)**	**(1,152)**
Interest expense	**(3)**	**(42)**	**(45)**
Lease payments	**73**	**215**	**288**
Effect of foreign exchange	**4**	**-**	**4**
At 31 December 2023	**(30)**	**(979)**	**(1,009)**

	Land $000	Building $000	Total $000
At 1 January 2022	(183)	(167)	(350)
Additions	-	-	-
Interest expense	(8)	(4)	(12)
Lease payments	76	155	231
Effect of foreign exchange	11	16	27
At 31 December 2022	(104)	-	(104)

The tables above do not include the leasehold land which is classified as a right of use asset presented in note 12.

21 Retirement benefits

The Group provides Post-Employment Benefit plans to its employees in Indonesia in accordance with Job Creation Law No.11/2020, Government Regulation No.35/2021 effective since February 2021 and Collective Labour Agreements. These are defined benefit plans and provide lump sum benefits to employees on retirement, death, disability and voluntary resignation. There is no requirement for the Group to advance fund these benefits.

The Group has set up a separate fund with PT Asuransi Allianz Life Indonesia to fund the Post-Employment Benefit plan obligation for Staff employees. The assets in the fund can only be used to pay the employees' benefits.

Defined contribution plan managed by Dana Pension Lembaga Keuangan AIA Financial ("DPLK AIAF") and allocated to the individual participants. From 2020 onwards, these employees will receive the higher of the benefit from DPLK AIAF and the Post-Employment Benefit plan. The DPLK AIAF plan covers a smaller proportion of the overall Post-Employment Benefit obligation.

The Group provides other long-term employee benefits in the form of Long Service Awards for Staff and Non-Staff employees in Indonesia. The Long Service Awards are for amounts of up to 2 months of basic salary, paid on completion of 10 or 20 years' continuous service (Staff) and on completion of 25, 30, 35, and 40 years' continuous service (Non-Staff). These benefits are unfunded.

The defined benefit plans are valued by an actuary at the end of each financial year. The major assumptions used by the actuary were:

	2023	2022
Rate of increase in wages	**8.0%**	8.0%
Discount rate	**6.8%**	7.3%
Mortality rate*	**100%TMI4**	100% TMI4
Disability rate	**10%TMI4**	10% TMI4

*Mortality Table used in this calculation is Tabel Mortalita Indonesia IV (TMI IV) which was released in December 2019. This is the latest table which reflects the mortality rate of Indonesia's population. The mortality rate in the table differs by age and gender.

	2023 **$000**	2022 $000
Service cost		
Current service cost	**1,539**	1,522
Past service cost	**375**	-
Adjustment due to change in attribution method	**-**	(1,556)
Cost of termination	**-**	780
Net interest expense	**616**	687
Remeasurements on net defined benefit liability	**51**	(26)
Total employee benefits expense	**2,581**	1,407

The reconciliation on the remeasurement of retirement benefit plan as shown below:

	2023 **$000**	2022 $000
Included in other comprehensive income:		
Continuing operations	**375**	147
Discontinued operations	**-**	30
Remeasurement of retirement benefit plan, net of tax recognised in other comprehensive income	**375**	177
Included in other comprehensive income:		
Remeasurement of retirement benefit plan	**468**	225
Deferred tax on retirement benefits	**(93)**	(48)
Remeasurement of retirement benefit plan, net of tax recognised in other comprehensive income	**375**	177

(i) Reconciliation of defined benefit obligation and fair value of scheme assets including discontinued operations

	Defined benefit obligation			Fair value of scheme assets			Ne
	Funded scheme $000	Unfunded scheme $000	Total $000	Funded scheme $000	Unfunded scheme $000	Total $000	Funde schem $0(
At 1 January 2022	(4,569)	(8,177)	(12,746)	1,247	-	1,247	(3,3
Service cost - current	(377)	(1,145)	(1,522)	-	-	-	(3
Service cost - past	-	-	-	-	-	-	

Service cost - past							
Adjustment due to change in attribution method	444	1,112	1,556	-	-	-	4
Cost of termination	-	(780)	(780)	-	-	-	
Interest (cost) / income	(272)	(507)	(779)	92	-	92	(18
Remeasurements on net defined benefit liability	-	26	26	-	-	-	
Included in income statement	(205)	(1,294)	(1,499)	92	-	92	(1
Remeasurement gain / (loss)							
Actuarial gain / (loss) from:							
Adjustments (experience)	89	428	517	-	-	-	
Financial assumptions	(72)	(172)	(244)	-	-	-	(
Return on plan assets (exclude interest)	-	-	-	(48)	-	(48)	(
Included in other comprehensive income	17	256	273	(48)	-	(48)	(
Effect of movements in exchange rates	429	803	1,232	(135)	-	(135)	2
Employer contribution	-	-	-	317	-	317	3
Benefits paid	117	314	431	(38)	-	(38)	
Other movements	546	1,117	1,663	144	-	144	6
At 31 December 2022	(4,211)	(8,098)	(12,309)	1,435	-	1,435	(2,7

	Defined benefit obligation			Fair value of scheme assets			Ne
	Funded scheme $000	Unfunded scheme $000	Total $000	Funded scheme $000	Unfunded scheme $000	Total $000	Funde schen $0
At 1 January 2023	**(4,211)**	**(8,098)**	**(12,309)**	**1,435**	**-**	**1,435**	**(2,7**
Service cost - current	**(722)**	**(817)**	**(1,539)**	**-**	**-**	**-**	**(7**
Service cost - past	**(373)**	**(2)**	**(375)**	**-**	**-**	**-**	**(3**
Adjustment due to change in attribution method	**(2,114)**	**2,114**	**-**	**-**	**-**	**-**	**(2,1**
Interest (cost) / income	**(370)**	**(351)**	**(721)**	**105**	**-**	**105**	**(2**
Remeasurements on net defined benefit liability	**-**	**(51)**	**(51)**	**-**	**-**	**-**	
Included in income statement	**(3,579)**	**893**	**(2,686)**	**105**	**-**	**105**	**(3,4**
Remeasurement (loss) / gain							
Actuarial (loss) / gain from:							
Adjustments (experience)	**(179)**	**197**	**18**	**-**	**-**	**-**	**(1**
Financial assumptions	**(242)**	**(232)**	**(474)**	**-**	**-**	**-**	**(2**
Return on plan assets (exclude interest)	**-**	**-**	**-**	**(12)**	**-**	**(12)**	**(**
Included in other comprehensive income	**(421)**	**(35)**	**(456)**	**(12)**	**-**	**(12)**	**(4**
Effect of movements in exchange rates	**(53)**	**(193)**	**(246)**	**26**	**-**	**26**	**(**
Employer contribution	**-**	**-**	**-**	**742**	**-**	**742**	**7**
Benefits paid	**689**	**324**	**1,013**	**(516)**	**-**	**(516)**	**1**
Cost of termination - payment	**-**	**1,956**	**1,956**	**-**	**-**	**-**	
Cost of termination	**196**	**(546)**	**(350)**	**-**	**-**	**-**	**1**
Other movements	**832**	**1,541**	**2,373**	**252**	**-**	**252**	**1,0**
At 31 December 2023	**(7,379)**	**(5,699)**	**(13,078)**	**1,780**	**-**	**1,780**	**(5,5**

(ii) Disaggregation of defined benefit scheme assets

The fair value of the funded assets is analysed as follows:

	2023	2022
	$000	$000

Bonds		
- Government bonds	**1,090**	556
- Corporate bonds	**-**	-
	1,090	556
Cash / deposits	**690**	879
	1,780	1,435

None of the plan assets are invested in the Group's own financial instruments, property or other assets used by the Group. All plan assets invested in bonds which have a quoted market price in an active market.

(iii) Defined benefit obligation - sensitivity analysis

The following table exhibits the sensitivity of the Group's retirement benefits to the fluctuation in the discount rate, wages and mortality rate:

	Reasonably Possible Change	Defined benefit obligation Increase $000	Decrease $000
Discount rate	**(+ / - 1%)**	**(984)**	**1,112**
Growth in wages	**(+ / - 1%)**	**1,142**	**(1,029)**

The weighted average duration of the defined benefit obligation is 8.78 years (2022: 8.85 years).

The total contribution paid into the defined contribution plan in 2023 amounted to $227,000 (2022: $223,000). The Group expects to pay contributions of $495,000 to the funded plans in 2024. For the unfunded plans, the Group pays the benefits directly to the individuals; the Group expects to make direct benefit payments of $653,000 for defined benefit plan and $235,000 for defined contribution plan in 2024.

22 Share capital and treasury shares

	Authorised Number	Issued and fully paid Number	Authorised £000	Issued and fully paid £000	Authorised $000	Issued and fully paid $000
Ordinary shares of 25p each						
Beginning and end of year	**60,000,000**	**39,976,272**	**15,000**	**9,994**	**23,865**	**15,504**

Treasury shares:	**2023 Number**	2022 Number	**Cost 2023 $'000**	Cost 2022 $'000
Beginning of year	**339,900**	339,900	**(1,171)**	(1,171)
Share buy back	**75,926**	-	**(676)**	-
End of year	**415,826**	339,900	**(1,847)**	(1,171)

Market value of treasury shares:	$'000
Beginning of year (800.0p/share)	3,274
End of year (670.0p/share)	**3,551**

75,926 treasury share was purchased in 2023 (2022: Nil).

All fully paid ordinary shares have full voting rights, as well as to receive the distribution of dividends and repayment of capital upon winding up of company.

23 Ultimate controlling shareholder

At 31 December 2023, Genton International Limited ("Genton"), a company registered in Hong Kong, held 20,247,814 (2022: 20,247,814) shares of the Company representing 51.2% (2022: 51.1%) of the issued share capital of the Company. Together with other deemed interested parties, Genton's shareholding totals 20,551,914 or 52.0%. The ultimate beneficial shareholders of Genton International Limited are vested in the estates of Madam Lim with the application for probate in progress.

24 Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

An office premises lease agreement was entered with Infra Sari Sdn Bhd, a company controlled by the late Madam Lim Siew Kim. The rental paid during the year was $246,317 (2022: $339,140). There was no balance outstanding at the year end (2022: Nil). This has been classified as a long term lease as the premises are renovated since 2023 and therefore lease payments have been offset in lease liabilities from September 2023.

In 2021, a land lease agreement was entered with Hana Bestari Sdn Bhd, company controlled by the late Madam Lim Siew Kim. The rental paid during the year was $75,415 (2022: $78,405). There was no balance outstanding at the year end.

In 2023, the final dividend paid to Genton International Limited, a company controlled by the late Madam Lim Siew Kim, was $5,061,954 for the year ended 31 December 2022 (2022: $1,012,391 for the year ended 31 December 2021) and an interim dividend was paid to Genton International Limited was $3,037,172 for the year ended 31 December 2023. The final dividend paid to other companies controlled by the late Madam Lim Siew Kim was $76,025 for the year ended 31 December 2022 (2022: $15,205 for the year ended 31 December 2021). There was no balance outstanding at the year end (2022: Nil). The interim dividend paid to other companies controlled by the late Madam Lim Siew Kim was $45,615 for the year ended 31 December 2023.

In March 2023, Dato' John Lim purchased 15,894 of the Company's ordinary shares at averaged price of £7.97.

25 Reserves

Nature and purpose of each reserve:

Share capital	Amount of shares subscribed at nominal value.
Share premium	Amount subscribed for share capital in excess of nominal value.
Capital redemption reserve	Amounts transferred from share capital on redemption of issued shares.
Treasury shares	Cost of own shares held in treasury.
Revaluation reserves	Gains/losses arising on the revaluation of the Group's property, net of tax.
Exchange reserves	Gains/losses arising from translating the net assets of overseas operations into US Dollar.
Retained earnings	Cumulative net gains and losses recognised in the consolidated income statement.

26 Guarantees and other financial commitments

	2023	2022
	$000	$000
Capital commitments at 31 December		
Contracted but not provided - normal estate operations	**282**	1,310
Contracted but not provided - mill development	**23**	16,058
Authorised but not contracted - plantation and mill development	**34,143**	28,558

A subsidiary company, PT Sawit Graha Manunggal ("SGM") has provided a corporate guarantee to Koperasi Bartim Sawit Sejahtera ("KBSS"), a party under Plasma scheme as disclosed in note 13, in relation to a loan taken by KBSS from PT Bank Mandiri (Persero) Tbk. of Rp226.02 billion ($14.7million) (2022: Rp226.02 billion, $14.4 million). The corporate guarantee remains until the loan is fully settled by 23 December 2027. The HGU (land usage right) that belongs to the Plasma scheme is currently held under SGMs master title. An application to separate the HGU was submitted to the Land Office and the land and its plantation with a total carrying amount of $13.5 million as at 31 December 2023 (31 December 2022: $11.1 million) will be pledged to the bank as security once the title separation approval is obtained. In addition, the terms and conditions of the loan agreement also require KBSS to sell all its FFB produce to SGM and the plantation estate is to be managed by SGM. In view of these, the Group exposure to this contingent liability is minimised.

On 3 February 2017, a subsidiary company, PT Alno Agro Utama and Koperasi Perkebunan Plasma Maju Sejahtera ("KPPM") signed a Refinancing Agreement with PT Bank Syariah Mandiri ("BSM") to fund its plasma development. The Agreement provides a loan of Rp 8.75 billion ($0.6 million) (2022: Rp8.75 billion, $0.6 million), with 10 (Ten) years maturity period effective from 24 July 2017 with an interest rate of 13.25% per annum and in 2021 decreased to 12.5% per annum. This loan is collateralized by 125.4 hectares of KPPMs land located in Desa Serami Baru, Kecamatan Malin Deman, Kabupaten Mukomuko, Bengkulu and its plantation with a carrying amount of $0.6 million as at 31 December 2023 (31 December 2022: $0.6 million) as security under the agreement while the Company provides corporate guarantee amounting to Rp 8.75 billion ($0.6 million).

The Group's loss provision on these financial guarantee contracts was $9,000 (2022: $22,000). The details of the ECL were disclosed in note 17.

27 Disclosure of financial instruments and other risks

The Group's principal financial instruments comprised investment, cash, short and long-term bank loans, trade receivables excluding prepayments and payables excluding advance receipts and receivables from local partners in respect of their investments.

The Group's accounting classification of each class of financial asset and liability at 31 December 2023 and 2022 were:

	Fair value through profit and loss $000	**Financial assets at amortised cost $000**	**Financial liabilities at amortised cost $000**	**Total carrying value $000**
2023				
Investment	**10,035**	**-**	**-**	**10,035**
Non-current receivables	**-**	**20,306**	**-**	**20,306**
Trade and other receivables	**-**	**5,792**	**-**	**5,792**
Short-term investments	**-**	**14,076**	**-**	**14,076**
Cash and cash equivalent	**-**	**152,984**	**-**	**152,984**
Trade and other payables	**-**	**-**	**(20,790)**	**(20,790)**
	10,035	**193,158**	**(20,790)**	**182,403**

	Fair value through profit and loss **$000**	Financial assets at amortised cost $000	Financial liabilities at amortised cost $000	Total carrying value $000
2022				
Investment	42	-	-	42
Non-current receivables	**-**	18,963	-	18,963
Trade and other receivables	**-**	2.211	-	2.211

Short-term investments	-	55,566	-	55,566
Cash and cash equivalent	-	221,476	-	221,476
Trade and other payables	-	-	(24,542)	(24,542)
	42	298,216	(24,542)	273,716

Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, trade and other receivables, trade and other payables, borrowings due within one year and non-current receivables.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, trade and other payables approximates their fair value. The non-current receivables were measured at cost less ECL however disclosure of fair value has been given in note 13 for comparison purposes.

Please refer to the applicable notes for details of the fair value hierarchy, valuation techniques, and significant unobservable inputs related to determining the fair value of the following items:

- Non-current receivables (note 13); and

The principal financial risks to which the Group is exposed are:

- commodity selling price changes; and
- exchange movements;

which, in turn, can affect financial instruments and/or operating performance.

The Company does not hedge any of its risks. Its trade credit risks are low. Financial assets or liabilities that are held at fair value through the profit or loss include investment to generate higher return.

The Board is directly responsible for setting policies in relation to financial risk management and monitors the levels of the main risks through review of regular operational reports.

Commodity selling prices

The Group does not normally contract to sell produce more than one month ahead.

Currency risk

Most of the Group's operations are in Indonesia. The Company and Group accounts are prepared in US Dollar which is not the functional currency of the operating subsidiaries. The Group does not hedge its net investment in its overseas subsidiaries and is therefore exposed to a currency risk on that investment. The historical cost of investment (including intercompany loans) by the parent in its subsidiaries amounted to $29,309,000 (2022: $50,746,000), while the statement of financial position value of the Group's share of underlying assets at 31 December 2023 amounted to $523,696,000 (2022: $472,112,000).

All the Group's sales are made in local currency and any trade receivables are therefore denominated in local currency. No hedging is therefore necessary.

Selling prices of the Group's produce are directly related to the US Dollar denominated world prices. Appreciation of local currencies, therefore, reduces profits and cash flow of the Indonesian and Malaysian subsidiaries in US Dollar terms and vice versa.

There are no borrowings in the Group and therefore there is no longer any currency risk for the Group in respect of this. The average interest rate on local currency deposits was 0.19% higher (2022: 0.88% higher) than on US Dollar deposits. The unmatched balance at 31 December 2023 was represented by the $6,844,000 shown in the table below (2022: $13,142,000).

The table below shows the net monetary assets and liabilities of the Group as at 31 December 2023 and 2022 that were not denominated in the operating or functional currency of the operating unit involved.

	Net foreign currency assets/(liabilities)		
	US Dollar	**Sterling**	**Total**
Functional currency of Group operation	**$000**	**$000**	**$000**
2023			
Rupiah	**6,538**	**-**	**6,538**
US Dollar	**-**	**990**	**990**
Ringgit	**306**	**-**	**306**
Total	**6,844**	**990**	**7,834**
2022			
Rupiah	12,976	-	12,976
US Dollar	-	355	355
Ringgit	166	-	166
Total	13,142	355	13,497

The following table summarises the sensitivity of the Group's financial assets and financial liabilities to foreign exchange risk. The impact on profit before tax and equity if Ringgit or Rupiah strengthen or weaken by 10% against US Dollar:

		2023			2022	
	Carrying Amount US$ $000	**-10% in Rp : $ and RM : $ $000**	**+10% in Rp : $ and RM : $ $000**	Carrying Amount US$ $000	-10% in Rp : $ and RM : $ $000	+10% in Rp : $ and RM : $ $000
Financial Assets						
Non-current receivables	**20,306**	**(1,846)**	**2,256**	18,963	(1,583)	1,935
Trade and other receivables	**5,792**	**(206)**	**252**	2,211	(196)	239
Short-term investments	**14,076**	**(1,280)**	**1,564**	55,566	(5,051)	6,174
Cash and cash equivalents	**152,984**	**(13,763)**	**16,822**	221,476	(20,047)	24,502

Financial Liabilities						
Trade and other payables	**(20,790)**	**1,800**	**(2,200)**	(24,542)	2,142	(2,618)
Total (decrease) / increase		**(15,295)**	**18,694**		(24,735)	30,232

Liquidity risk
Profitability of new sizable plantations normally requires a period of between six and seven years before cash flow turns positive. Because oil palms do not begin yielding significantly until four years after planting, this development period and the cash requirement is affected by changes in commodity prices.

The Group attempts to ensure that it is likely to have either self-generated funds or further loan/equity capital to complete its development plans and to meet loan repayments. Long-term forecasts are updated twice a year for review by the Board. In the event that falling commodity prices reduce self-generated funds below expectations and to a level where Group resources may be insufficient, further new planting may be restricted. Consideration is given to the funds required to bring existing immature plantings to maturity.

The Group's trade and tax payables are all due for settlement within a year. At 31 December 2023, the Group had no external loans and facilities.

The following table sets out the undiscounted contractual cashflows of financial liabilities:

	Less than 1 year $000	Between 1 and 2 years $000	Between 2 and 5 years $000	More than 5 years $000	Total $000
At 31 December 2023					
Trade and other payables	**(10,613)**	**-**	**-**	**-**	**(10,613)**
Accruals	**(10,177)**	**-**	**-**	**-**	**(10,177)**
Lease liabilities	**(364)**	**(333)**	**(453)**	**-**	**(1,150)**
	(21,154)	**(333)**	**(453)**	**-**	**(21,940)**
Financial guarantee contracts provided to Plasma					
- loan repayment by Plasma	**(366)**	**(379)**	**(202)**	**-**	**(947)**
	(21,520)	**(712)**	**(655)**	**-**	**(22,887)**
At 31 December 2022					
Trade and other payables	(14,808)	-	-	-	(14,808)
Accruals	(9,734)	-	-	-	(9,734)
Lease liabilities	(76)	(32)	-	-	(108)
	(24,618)	(32)	-	-	(24,650)
Financial guarantee contracts provided to Plasma					
- loan repayment by Plasma	(1,238)	(677)	(251)	-	(2,166)
	(25,856)	(709)	(251)	-	(26,816)

The figures for trade and other payables exclude accruals and advance receipts.

The Group does not face a significant liquidity risk with regard to its financial liabilities.

Interest rate risk
The Group's surplus cash is subject to variable interest rates. The Group had net cash throughout 2023. A 1% change in the deposit interest rate would not have a significant impact on the Group's reported results as shown in the table below.

	2023			2022		
	Carrying amount $000	**-1% in interest rate $000**	**+1% in interest rate $000**	Carrying amount $000	-1% in interest rate $000	+1% in interest rate $000
Financial Assets						
Short-term investments	**14,076**	**(208)**	**74**	55,566	(811)	300
Cash and cash equivalents	**152,984**	**(1,407)**	**1,543**	221,476	(1,904)	2,422
Total (decrease) / increase		**(1,615)**	**1,617**		(2,715)	2,722

There is no policy to hedge interest rates, partly because of the net cash position and the net interest income position of the Group.

Interest rate profiles of the Group's financial assets (comprising non-current receivables, trade and other receivables, cash and cash equivalent and short-term investments) at 31 December were:

	Total $000	**Fixed rate $000**	**Variable rate $000**	**No interest $000**
2023				
Sterling	**1,313**	**-**	**62**	**1,251**
US Dollar	**10,657**	**-**	**3,056**	**7,601**
Rupiah	**178,540**	**-**	**156,274**	**22,266**
Ringgit	**2,648**	**-**	**2,338**	**310**
Total	**193,158**	**-**	**161,730**	**31,428**
2022				
Sterling	658	-	56	602

Sterling	[illegible]	-	[illegible]	[illegible]
US Dollar	15,181	1,549	9,341	4,291
Rupiah	278,685	-	259,439	19,246
Ringgit	3,692	-	3,370	322
Total	298,216	1,549	272,206	24,461

Long-term receivables before ECL of $nil (2022: $3,063,000) comprise US Dollar denominated amounts due from non-controlling interests as described in note 13 on which interest is due at a fixed rate of 6%.

Average US Dollar deposit rate in 2023 was 4.30% (2022: 2.75%) and Rupiah deposit rate was 4.49% (2022: 3.63%).

Interest rate profiles of the Group's financial liabilities (comprising other payables excluding advance receipts) at 31 December were:

	Total $000	Fixed rate $000	Variable rate $000	No interest $000
2023				
Sterling	**-**	**-**	**-**	**-**
US Dollar	**(852)**	**-**	**-**	**(852)**
Rupiah	**(19,734)**	**-**	**-**	**(19,734)**
Ringgit	**(204)**	**-**	**-**	**(204)**
Total	**(20,790)**	**-**	**-**	**(20,790)**
2022				
Sterling	-	-	-	-
US Dollar	(841)	-	-	(841)
Rupiah	(23,500)	-	-	(23,500)
Ringgit	(201)	-	-	(201)
Total	(24,542)	-	-	(24,542)

Weighted average interest rate on variable rate borrowings was nil in 2023 (2022: nil).

Credit risk

The Group has two types of financial assets that are subject to the ECL model:

- trade receivables for sales of goods and services; and
- current and non-current receivables carried at amortised cost.

The Group also has financial guarantee contracts for which the ECL model is also applicable.

While cash and cash equivalents are also subject to the impairment requirements as set out in IFRS 9, there is no impairment loss identified given the financial strength of the financial institutions in which the Group have a relationship with. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. The Group has taken necessary steps and precautions in minimising the credit risk by lodging cash and cash equivalents only with reputable licensed banks, and particularly in Indonesia, independently rated banks with a minimum rating of "A". The cash and cash equivalents are in US dollars, Rupiah, Ringgit and Sterling according to the requirements of the Group. The list of the principal banks used by the Group is given on the inside of the back cover of this report.

The Group use three categories for those receivables which reflect their credit risk and how the loss provision is determined for those categories.

(i) Trade receivables using the simplified approach

The Group applies the simplified approach under IFRS 9 to measure ECL, which uses a lifetime expected loss provision for all trade receivables. To measure the expected losses, trade receivables have been grouped based on shared credit risk characteristics and days past due.

The expected loss rates are based on historical payment profiles of sales and the corresponding historical credit losses experienced during these periods. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors (such as palm product prices and crude oil price) affecting the ability of the customers to settle the receivables. The historical loss rates will be adjusted based on the expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

In determining the expected loss rates, the Group also takes into consideration the collateral or payments received in advance, as set out below:

Receivables are generally collected within the credit term and therefore there is minimal exposure to doubtful debts. Upfront payments are also collected for certain sales made by the Group's subsidiaries in Indonesia.

The Group's maximum exposure to credit risk and loss provision recognised as at 31 December 2023 is disclosed in note 17. The ECL has been calculated at 1% on trade receivables balances while the remaining amount in which no ECL provision was recognised is deemed to be recoverable, with low probability of default. Default is defined by the management as the non-repayment of the balance.

(ii) Debt instruments at amortised costs other than trade receivables using the three-stage approach

All of the Group's debt instruments at amortised costs other than trade receivables are considered to have a low credit risk, except amount due from cooperatives under Plasma scheme are considered to have higher credit risk, as these were considered to be performing, have low risks of default and historically there were minimal instances where contractual cash flow obligations have not been met. There has not been a significant increase in credit risk since initial recognition.

The 12-month ECL has been calculated at 1% on the majority of balances (unless it has been considered there to be no ECL), with the exception of amounts due from cooperatives under Plasma scheme where the ECL is largely calculated, having considered various probability weighted outcomes, as being the balance of the receivable in excess of the value of the associated land and plantation assets on which the Plasma land resides which effectively would be returned to the Company if the receivable is not repaid.

The maximum exposure to credit risks for debt instruments at amortised cost other than trade receivables are represented by the carrying amounts recognised in the statements of financial position.

(iii) Financial guarantee contracts using the three-stage approach

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued. Accordingly,12-month ECL have been recognised at 1% on the financial guarantee contracts and disclosed in note 26.

Information regarding other non-current assets and trade and other receivables is disclosed in notes 13 and 17 respectively. Amounts receivable from local partners before ECL, amounting to $nil (2022: $3,063,000), in relation to their investments in operating subsidiaries are secured on those investments and are repayable from their share of dividends from those subsidiaries.

Amounts receivable due from cooperatives under Plasma scheme, as disclosed in note 13, are unsecured and are to be repaid from FFB supplied by the cooperatives. The provision of ECL for amounts receivable due from cooperatives under Plasma scheme had been disclosed in note 17.

Deposits with banks and other financial institutions and investment securities are placed, or entered into, with reputable financial institutions or companies with high credit ratings and no history of default.

As the Group does not hold any collateral, the maximum exposure to credit risk for each class of financial instrument is the carrying amount presented on the statement of financial position, except in the case of the financial guarantee contracts offered by two subsidiaries to cooperatives in order for them to obtain bank loans in 2013 and 2017, which are not held on the statement of financial position of the Group. See note 26.

Capital
The Group defines its Capital as Share capital and Reserves, shown in the statement of financial position as "Issued capital attributable to owners of the parent" and amounting to $523,696,000 at 31 December 2023 (2022: $472,112,000).

Group policy presently attempts to fund development from self-generated funds and loans and not from the issue of new share capital. At 31 December 2023, the Group had no borrowings (2022: nil) but, depending on market conditions, the Board is prepared for the Group to have net borrowings.

Plantation industry risk
Please refer to principal and emerging risks and uncertainties in the Strategic Report.

28 Subsidiary companies

The principal subsidiaries of the Company all of which have been included in these consolidated financial statements are as follows:

Name	Country of incorporation and principal place of business	Proportion of ownership interest at 31 December		Non-controlling interests ownership / voting interest at 31 December	
		2023	2022	**2023**	2022
Principal sub-holding company					
Anglo-Indonesian Oil Palms Limited***	United Kingdom	**100%**	100%	**-**	-
Management company					
Anglo-Eastern Plantations Management Sdn Bhd***	Malaysia	**100%**	100%	**-**	-
PT Anglo-Eastern Plantations Management Indonesia	Indonesia	**100%**	100%	**-**	-
Operating companies					
Anglo-Eastern Plantations (M) Sdn Bhd***	Malaysia	**55%**	55%	**45%**	45%
All For You Sdn Bhd	Malaysia	**100%**	100%	**-**	-
PT Alno Agro Utama*	Indonesia	**100%**	90%	**-**	10%
PT Anak Tasik	Indonesia	**100%**	100%	**-**	-
PT Bangka Malindo Lestari	Indonesia	**95%**	95%	**5%**	5%
PT Bina Pitri Jaya*	Indonesia	**100%**	80%	**-**	20%
PT Cahaya Pelita Andhika	Indonesia	**100%**	100%	**-**	-
PT Empat Lawang Agro Perkasa**	Indonesia	**-**	80%	**-**	20%
PT Hijau Pryan Perdana*	Indonesia	**100%**	80%	**-**	20%
PT Kahayan Agro Plantation*	Indonesia	**99.5%**	78%	**0.5%**	22%
PT Karya Kencana Sentosa Tiga**	Indonesia	**-**	81%	**-**	19%
PT Mitra Puding Mas*	Indonesia	**100%**	90%	**-**	10%
PT Musam Utjing*	Indonesia	**100%**	75%	**-**	25%
PT Riau Agrindo Agung**	Indonesia	**-**	76%	**-**	24%
PT Sawit Graha Manunggal*	Indonesia	**100%**	86%	**-**	14%
PT Simpang Ampat	Indonesia	**100%**	100%	**-**	-
PT Tasik Raja*	Indonesia	**100%**	80%	**-**	20%
PT United Kingdom Indonesia Plantations*	Indonesia	**100%**	75%	**-**	25%
Dormant companies					
The Ampat (Sumatra) Rubber Estate (1913) Limited	United Kingdom	**100%**	100%	**-**	-
Gadek Indonesia (1975) Limited	United Kingdom	**100%**	100%	**-**	-
Mergerset (1980) Limited	United Kingdom	**100%**	100%	**-**	-
Musam Indonesia Limited	United Kingdom	**100%**	100%	**-**	-
Indopalm Services Limited***	United Kingdom	**100%**	100%	**-**	-

*The Group purchased most of the shares of the non-controlling interest during the year. Hence, the Company's effective ownership has increased.

**The decrease in the Company's effective ownership of these subsidiaries is due to the disposal of three subsidiaries during the year.

*** Direct subsidiaries of the Company

The principal United Kingdom sub-holding company, and UK dormant companies are registered in England and Wales. The Malaysian operating companies and management company are incorporated in Malaysia. The Indonesian operating companies and management company are incorporated in Indonesia. The principal activity of the operating companies is plantation agriculture. The registered office of the principal subsidiaries is disclosed below:

Subsidiaries by country	**Registered address**
UK registered subsidiaries	Quadrant House, 6th Floor 4 Thomas More Square London E1W 1YW United Kingdom
Malaysia registered subsidiaries	7th Floor, Wisma Equity 150 Jalan Ampang 50450 Kuala Lumpur Malaysia
Indonesia registered subsidiaries	Sinar Mas Land Plaza, 3rd Floor #301, Jl. Pangeran Diponegoro No. 18 Kelurahan Madras Hulu, Kecamatan Medan Polonia Medan 20152, North Sumatera Indonesia

29 Non-controlling interests

In 2023, none of the subsidiaries which have non-controlling interests ("NCI") contributed more than 10% of the Group's total assets.

In 2022, the Group identified subsidiaries with material NCI based on the total assets in relation to the Group. A subsidiary's NCI is material if the subsidiary contributed more than 10% of the Group's total assets. The subsidiaries identified and their summarised financial information, before intra-group eliminations, are presented below:

Entity	PT Tasik Raja	PT Mitra Puding Mas	PT Alno Agro Utama	PT Bina Pitri Jaya
NCI percentage	20%	10%	10%	20%
Summarised income statement				
For the year ended 31 December	2022	2022	2022	2022
	$000	$000	$000	$000
Revenue	98,634	52,774	82,196	77,688
Profit after tax	20,520	9,965	16,142	19,309
Other comprehensive income / (expense)	(17,198)	(9,075)	(9,752)	(16,980)
Total comprehensive income	3,322	890	6,390	2,329
Profit allocated to NCI	4,104	997	1,614	3,862
Other comprehensive (expenses) / income allocated to NCI	(3,440)	(908)	(975)	(3,396)
Total comprehensive income allocated to NCI	664	89	639	466
Dividends paid to NCI	570	372	247	621
Summarised statement of financial position				
As at 31 December	2022	2022	2022	2022
	$000	$000	$000	$000
Non-current assets	79,864	41,958	48,883	105,308
Current assets	79,622	46,189	50,828	46,071
Non-current liabilities	(704)	(1,116)	(2,280)	(1,077)
Current liabilities	(12,273)	(5,010)	(5,442)	(6,007)
Net assets	146,509	82,021	91,989	144,295
Accumulated NCI	29,302	8,202	9,199	28,859
Summarised cash flows				
For the year ended 31 December	2022	2022	2022	2022
	$000	$000	$000	$000
Cash flows from operating activities	16,391	8,357	14,688	100,500

Cash flows used in investing activities	(2,373)	(8,645)	(14,328)	(75,523)
Cash flows (used in) / from financing activities	(19,623)	17,369	(2,468)	(2,620)
Net cash (outflows) / inflows	(5,605)	17,081	(2,108)	22,357

30 Investment

The movement of the fair value through profit and loss investment as following:

	2023 $000	2022 $000
1 January	**42**	49
Exchange differences	**-**	-
Additions	**9,948**	-
Change in fair value recognised in profit and loss	**45**	(7)
31 December	**10,035**	42

Fair value through profit and loss financial assets includes the following:

	2023 $000	2022 $000
Quoted:		
Equity securities - United Kingdom	**27**	42
Unquoted:		
Investment portfolio - Luxembourg	**10,008**	-
	10,035	42

Financial assets measured at fair value through profit and loss include the Group's strategic to aim for higher return. During the year, the Board allocated $10,000,000 to a fund manager to invest in structured products. These structured products are nevertheless capital protected as the Board exercised prudence, amidst generally low risk appetite. Out of the $10,000,000 allocated, the fund manager had invested of $9,948,000 in FY2023.

Fair value through profit and loss financial assets are denominated in the following currencies:

	2023 $000	2022 $000
Currency		
Sterling	**27**	42
US Dollar	**10,008**	-
	10,035	42

The fair value of investment for quoted equity securities is classified as Level 1 in the fair value hierarchy and fair value of investment for unquoted investment portfolio is classified as Level 2.

The valuation inputs for quoted equity securities are obtained from the active market while for unquoted investment portfolio is obtained from the custodian bank. Where this value is below the amount initially invested, the fair value has been determined to be the cost of the investment due to protected capital arrangements in place.

31 Acquisition of non-controlling interests

In June 2023, the Group acquired some additional 0.4% and 4.5% interest in the voting shares of PT Sawit Graha Manunggal ("SGM") and PT Kahayan Agro Plantation ("KAP"), respectively, increasing the Group ownership interest to almost 100% with a consideration of $2.6 million.

In July 2023, the Group also completed the acquisition of 25% of the issued share capital of PT United Kingdom Indonesia Plantations and the 10% of the issued share capital of PT Mitra Puding Mas, from PT. Canadianty Corporindo, the minority shareholder in Indonesia, for a total cash consideration of $25.2million, increasing the Group ownership interest to 100%.

In November 2023, the Group also completed the acquisition of 20% of the issued share capital of PT Tasik Raja, PT Hijau Pryan Perdana, PT Bina Pitri Jaya, the 10% of the issued share capital of PT Alno Agro Utama and the 25% of the issued share capital of PT Musam Utjing, from PT Marison Nauli Ventura, the minority shareholder in Indonesia, for a total cash consideration of $60 million, increasing the Group ownership interest to 100%.

The following is the schedule of additional interest:

	2023 $000
Consideration paid to non-controlling shareholders	**87,808**
Carrying value of the additional interest	**(99,493)**
Difference recognised in retained earnings	**(11,686)**

Difference recognised in retained earnings (11,686)

The total consideration of $86.6 million was in cash with the remaining $1.2 million being offset against an existing loan.

Acquisition of additional interest in RAA, KKST, ELAP, CPA and SGM in 2022.

On 10 October 2022, the Group acquired an additional 10% interest in the voting shares of CPA, increasing its ownership interest from 90% to 100%. At the same financial year on 30 November 2022, the Group also acquired an additional 5% interest in the voting shares of RAA, KKST, ELAP and SGM, increasing its ownership interest between 86% and 100%. Total consideration of $5,883,000 was paid to the non-controlling shareholders. The carrying value of the net assets of RAA, KKST, ELAP, CPA and SGM was $63,270,000. Following is the schedule of additional interest acquired in RAA, KKST, ELAP, CPA and SGM:

	2022 $000
Consideration paid to non-controlling shareholders	5,833
Carrying value of the additional interest	3,175
Difference recognised in retained earnings	9,008

32 Prior year restatement

The deferred tax assets were not recognised in FY2022 because of the understanding that generally capital losses cannot be utilised to offset against future trading profit. Following the finalisation of the 2022 accounts and through further research, the Group identified a provision in the Indonesian tax law which allows capital losses from trading assets to be offset against future trading profit.

The effects of the restatements are summarised as follows:

	2022 $000
Impact on consolidated income statement	
Profit for the year	95,657
Effect of change in restatement:	
Tax expense	11,683
	11,683
Profit for the year after restatement	107,340

The effect of the prior year adjustments had a positive impact on the earnings per share before BA of 23.39cts and a positive impact on the earnings per share after BA of 23.40cts for the year to 31 December 2022.

	2022 $000
Impact on consolidated statement of comprehensive income	
Other comprehensive expenses for the year before restatement	(54,798)
Effect of change in restatement:	
Gain on exchange translation of foreign operations	(684)
	(684)
Other comprehensive income for the year after restatement	(55,482)

The following table summarises the impact of this prior year restatement on the Consolidated Statement of Financial Position:

Impact on consolidated statement of financial position	Balance as reported 31 December 2022 $000	Effect of restatement $000	Restated balance at 31 December 2022 $000
Deferred tax assets	1,832	10,941	12,773
Deferred tax liabilities	(805)	58	(747)
Exchange reserves	(288,891)	(543)	(289,434)
Retained earnings	712,919	9,272	722,191
Non-controlling interests	109,595	2,270	111,865

33 Events after the reporting period

There were no events after the reporting period which would be required to be disclosed in these financial statements.

Note: The information communicated in this announcement is inside information for the purposes of Article 7 of Market Abuse Regulation 596/2014.

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