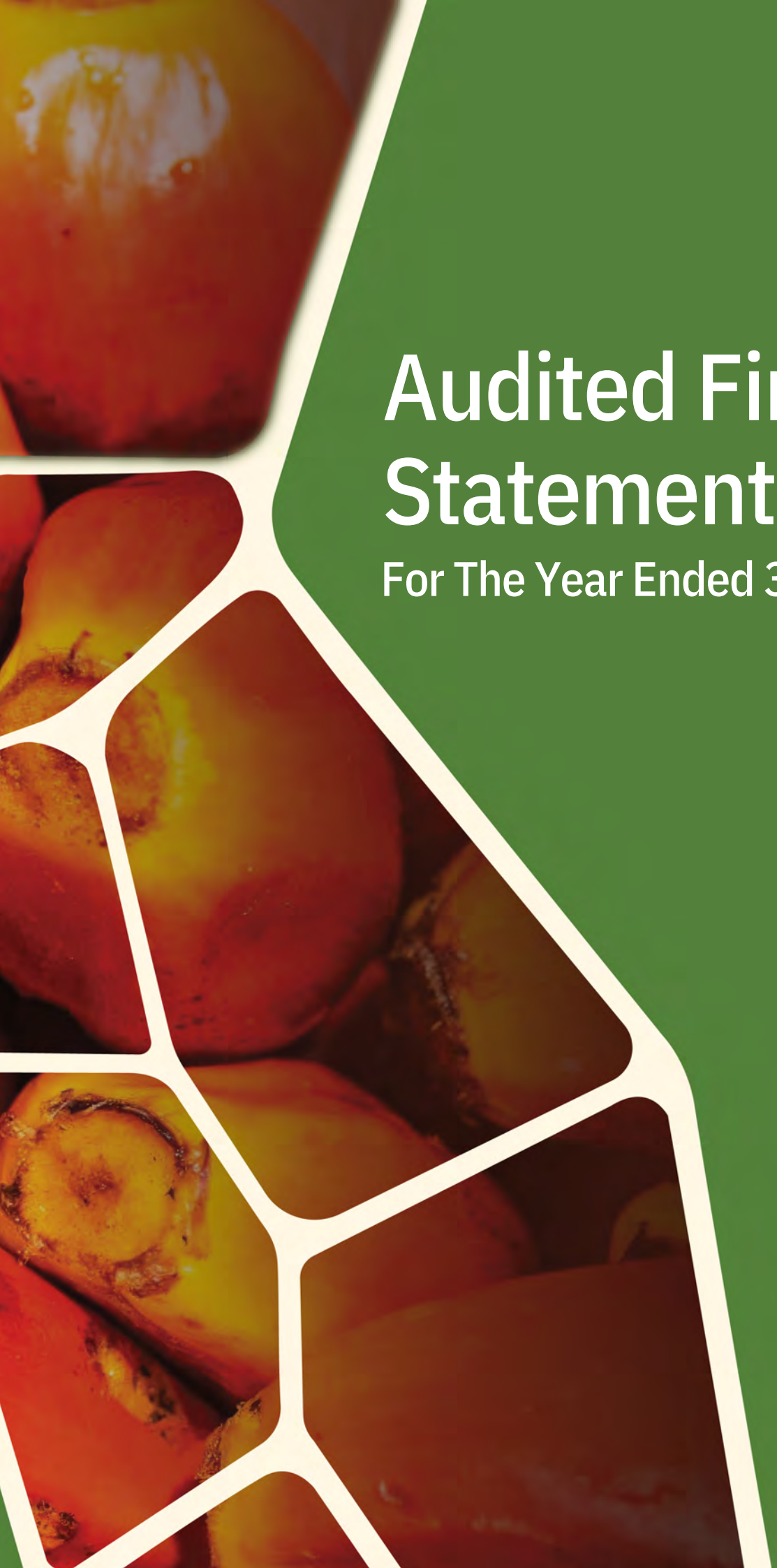


Audited Financial Statements

For The Year Ended 30 June 2026

ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)
(Registration No. CHE-111.720.599)
(Incorporated in Switzerland)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026
(In Ringgit Malaysia)

Registration No. CHE-111.720.599

ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)
(Incorporated in Switzerland)

FINANCIAL STATEMENTS

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Registration No. CHE-111.720.599

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)
(Incorporated in Switzerland)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)**, which comprise the statements of assets, liabilities and fund balances of RSPO Group and of RSPO as at 30 June 2026, and the statements of income and expenditure, statements of comprehensive income, statement of changes in equity and statements of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 5 to 61.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of RSPO Group and of RSPO as at 30 June 2026, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Responsibilities of the Board of Governors for the Financial Statements

The Board of Governors of RSPO is responsible for the preparation of financial statements of RSPO Group and of RSPO that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Board of Governors is also responsible for such internal control as the Board of Governors determines is necessary to enable the preparation of financial statements of RSPO Group and of RSPO that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of RSPO Group and of RSPO, the Board of Governors is responsible for assessing RSPO Group's and RSPO's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Governors either intends to liquidate RSPO or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of RSPO Group and RSPO as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of RSPO Group and of RSPO, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of RSPO Group's and of RSPO's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Governors.

- Conclude on the appropriateness of the Board of Governors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on RSPO Group's or RSPO's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of RSPO Group and of RSPO or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause RSPO Group and RSPO to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of RSPO Group and of RSPO, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within RSPO Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Other Matters

The financial statements of RSPO Group and of RSPO for the preceding year ended 30 June 2025 were audited by another firm whose report thereon dated 10 October 2025 expressed an unmodified opinion on those financial statements.

This report is made solely to the members of RSPO, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

DELOITTE MALAYSIA PLT (LLP0010145-LCA)
Chartered Accountants (AF 0080)

Kuala Lumpur, Malaysia
30 September 2026

ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)
(Incorporated in Switzerland)

STATEMENTS OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2026

		RSPO Group		RSPO	
		2026	2025	2026	2025
	Note	RM'000	RM'000	RM'000	RM'000
Income					
Subscription income	4	23,374	23,269	23,374	23,269
Contributions from sustainable palm oil trade	5	49,114	58,996	49,114	58,996
Trade administration fee	5	14,658	5,138	14,658	5,138
Roundtable meeting surplus	8	-	317	-	317
Interest income from fixed deposits		301	578	289	566
Net gain on other investments		1,310	3,032	1,310	3,032
Other income		189	11	189	11
		88,946	91,341	88,934	91,329
Less: Expenditure					
Staff costs	6	(38,646)	(35,914)	-	-
Management fees		-	-	(60,450)	(55,420)
Depreciation and amortisation	9	(3,548)	(2,983)	(1,353)	(473)
Other expenditure	9	(25,567)	(22,677)	(9,841)	(9,650)
Finance costs	9	(125)	(171)	-	-
Project costs	10	(17,471)	(18,192)	(17,471)	(18,192)
		(85,357)	(79,937)	(89,115)	(83,735)
Surplus/(Deficit) of income over expenditure before taxation	9	3,589	11,404	(181)	7,594
Taxation	11	(1,962)	(2,262)	(69)	(360)
Surplus/(Deficit) of income over expenditure for the year		1,627	9,142	(250)	7,234

The accompanying Notes form an integral part of the Financial Statements.

ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)
(Incorporated in Switzerland)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

	RSPO Group		RSPO	
	2026	**2025**	**2026**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Surplus/(Deficit) of income over expenditure for the year	1,627	9,142	(250)	7,234
Item that may be subsequently reclassified to profit or loss:				
Currency translation differences	(1,024)	(10,166)	(1,024)	(10,166)
Total comprehensive income/(loss) for the year	603	(1,024)	(1,274)	(2,932)

The accompanying Notes form an integral part of the Financial Statements.

Registration No. CHE-111.720.599

ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)
(Incorporated in Switzerland)

STATEMENTS OF ASSETS, LIABILITIES AND FUND BALANCES
AS AT 30 JUNE 2026

		RSPO Group		RSPO	
		2026	2025	2026	2025
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current Assets					
Property, plant and equipment	12	624	1,011	-	-
Right-of-use assets	13	1,695	2,280	-	-
Intangible asset	14	15,127	15,484	15,127	15,484
Deferred tax assets	15	1,254	702	219	223
Investment in a subsidiary	16	-	-	500	500
Total Non-current Assets		18,700	19,477	15,846	16,207
Current Assets					
Membership subscription fee receivable	17	1,842	2,290	1,842	2,290
Contributions and trade administration fee receivable	18	6,834	13,511	6,834	13,511
Other receivables, deposits and prepayments	19	3,379	5,253	933	2,672
Tax recoverable		813	552	805	453
Other investments	20	45,445	46,055	45,445	46,055
Cash and bank balances	21	16,947	22,258	15,857	20,925
Total Current Assets		75,260	89,919	71,716	85,906
TOTAL ASSETS		93,960	109,396	87,562	102,113

	Note	RSPO Group 2026 RM'000	RSPO Group 2025 RM'000	RSPO 2026 RM'000	RSPO 2025 RM'000
EQUITY AND LIABILITIES					
Equity					
Members' fund		64,688	63,061	56,473	56,723
Smallholders' fund	22	6,743	8,632	6,743	8,632
Special projects' fund	23	983	1,726	983	1,726
Currency translation reserves		(2,622)	(1,598)	(2,622)	(1,598)
Total Equity		69,792	71,821	61,577	65,483
Non-current Liabilities					
Lease liabilities	24	885	943	-	-
Other payables and accruals	25	340	319	-	-
Total Non-current Liabilities		1,225	1,262	-	-
Current Liabilities					
Lease liabilities	24	759	1,162	-	-
Contract liabilities	26	10,529	11,151	10,529	11,151
Other payables and accruals	25	11,190	23,705	15,456	25,479
Tax provision		465	295	-	-
Total Current Liabilities		22,943	36,313	25,985	36,630
Total Liabilities		24,168	37,575	25,985	36,630
TOTAL EQUITY AND LIABILITIES		93,960	109,396	87,562	102,113

ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)
(Incorporated in Switzerland)

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2026

	Members' fund RM'000	Smallholders' fund (Note 22) RM'000	Special projects' fund (Note 23) RM'000	Accumulated fund RM'000	Currency translation reserves RM'000	Total equity RM'000
RSPO Group						
2026						
At beginning of the year	63,061	8,632	1,726	73,419	(1,598)	71,821
Surplus of income over expenditure for the year	1,627	-	-	1,627	-	1,627
Other comprehensive loss						
- Currency translation differences	-	-	-	-	(1,024)	(1,024)
Total comprehensive income/(loss) for the year	1,627	-	-	1,627	(1,024)	603
Project disbursements for the year	-	(1,889)	(743)	(2,632)	-	(2,632)
At end of the year	64,688	6,743	983	72,414	(2,622)	69,792

	Members' fund RM'000	Smallholders' fund (Note 22) RM'000	Special projects' fund (Note 23) RM'000	Accumulated fund RM'000	Currency translation reserves RM'000	Total equity RM'000
RSPO Group						
2025						
At beginning of the year	53,919	10,744	3,617	68,280	8,568	76,848
Surplus of income over expenditure for the year	9,142	-	-	9,142	-	9,142
Other comprehensive loss						
- Currency translation differences	-	-	-	-	(10,166)	(10,166)
Total comprehensive income/(loss) for the year	9,142	-	-	9,142	(10,166)	(1,024)
Project disbursements for the year	-	(2,112)	(1,891)	(4,003)	-	(4,003)
At end of the year	63,061	8,632	1,726	73,419	(1,598)	71,821

	Members' fund RM'000	Smallholders' fund (Note 22) RM'000	Special projects' fund (Note 23) RM'000	Accumulated fund RM'000	Currency translation reserves RM'000	Total equity RM'000
RSPO						
2026						
At beginning of the year	56,723	8,632	1,726	67,081	(1,598)	65,483
Deficit of income over expenditure for the year	(250)	-	-	(250)	-	(250)
Other comprehensive loss - Currency translation differences	-	-	-	-	(1,024)	(1,024)
Total comprehensive loss for the year	(250)	-	-	(250)	(1,024)	(1,274)
Project disbursements for the year	-	(1,889)	(743)	(2,632)	-	(2,632)
At end of the year	56,473	6,743	983	64,199	(2,622)	61,577

	Members' fund RM'000	Smallholders' fund (Note 22) RM'000	Special projects' fund (Note 23) RM'000	Accumulated fund RM'000	Currency translation reserves RM'000	Total equity RM'000
RSPO						
2025						
At beginning of the year	49,489	10,744	3,617	63,850	8,568	72,418
Surplus of income over expenditure for the year	7,234	-	-	7,234	-	7,234
Other comprehensive loss - Currency translation differences	-	-	-	-	(10,166)	(10,166)
Total comprehensive income for the year	7,234	-	-	7,234	(10,166)	(2,932)
Project disbursements for the year	-	(2,112)	(1,891)	(4,003)	-	(4,003)
At end of the year	56,723	8,632	1,726	67,081	(1,598)	65,483

The accompanying Notes form an integral part of the Financial Statements.

ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)
(Incorporated in Switzerland)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

	RSPO Group		RSPO	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
CASH FLOWS FROM/ (USED IN) OPERATING ACTIVITIES				
Surplus/(Deficit) of income over expenditure before taxation	3,589	11,404	(181)	7,594
Adjustments for:				
Depreciation of property, plant and equipment	660	999	-	-
Depreciation of right-of-use assets	1,535	1,511	-	-
Loss on disposal of property, plant and equipment	-	18	-	-
Property, plant and equipment written off	-	13	-	-
Amortisation of intangible asset	1,353	473	1,353	473
Finance costs	125	171	-	-
Unrealised foreign exchange loss	515	291	56	569
Net allowance for impairment on membership subscription receivable	139	258	139	258
Net (reversal)/allowance for impairment on contribution and trade administration fee receivable	(77)	146	(77)	146
Bad debts written off	282	143	282	143
Derecognition of intangible asset	338	-	338	-
Interest income	(301)	(578)	(289)	(566)
Net gain on other investments	(1,310)	(3,032)	(1,310)	(3,032)
Operating surplus before working capital changes and fund disbursements	6,848	11,817	311	5,585

	RSPO Group		RSPO	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Smallholders' fund disbursements	(1,889)	(2,112)	(1,889)	(2,112)
Special projects' fund disbursements	(743)	(1,891)	(743)	(1,891)
Movement in working capital:				
(Increase)/Decrease in:				
Membership subscription fee receivable	(95)	(881)	(95)	(881)
Contributions and trade administration fee receivable	6,856	(8,031)	6,858	(8,031)
Other receivables, deposits and prepayments	2,158	(2,659)	(10,011)	(14,577)
Increase/(Decrease) in:				
Contract liabilities	310	(424)	310	(424)
Other payables and accruals	(12,289)	14,721	2,347	29,458
Cash generated from/(used in) operations	1,156	10,540	(2,912)	7,127
Interest received	301	578	289	566
Income tax paid	(2,609)	(2,781)	(417)	(947)
Net cash (used in)/from operating activities	(1,152)	8,337	(3,040)	6,746

	RSPO Group		RSPO	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
CASH FLOWS (USED IN)/ FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment (Note 12)	(273)	(259)	-	-
Development cost of an integrated digital platform (Note 14)	(1,334)	(10,918)	(1,334)	(10,918)
Withdrawal of fixed deposits with tenure more than 3 months	-	12,473	-	12,473
Net cash (used in)/from investing activities	(1,607)	1,296	(1,334)	1,555
CASH FLOWS USED IN FINANCING ACTIVITIES				
Payments of principal portion of lease liabilities	(1,339)	(1,448)	-	-
Payment of finance costs	(125)	(171)	-	-
Net cash used in financing activities	(1,464)	(1,619)	-	-
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(4,223)	8,014	(4,374)	8,301
Effect of foreign exchange rate changes	(1,088)	(4,669)	(694)	(4,729)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	22,258	18,913	20,925	17,353
CASH AND CASH EQUIVALENTS AT END OF THE YEAR (REPRESENTING CASH AND BANK BALANCES)	16,947	22,258	15,857	20,925

Notes to the statements of cash flows:

The changes in liabilities arising from financing activities, including both cash and non-cash changes, are as follows:

	Lease liabilities	
	2026	**2025**
	RM'000	**RM'000**
RSPO Group		
At beginning of the year	2,105	3,553
Changes in financing cash flows:		
Payment of lease liabilities	(1,464)	(1,619)
Non-cash items:		
Lease addition	878	-
Finance costs	125	171
At end of the year	1,644	2,105

The accompanying Notes form an integral part of the Financial Statements.

ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)
(Incorporated in Switzerland)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

1. GENERAL INFORMATION

RSPO is a non-profit organisation registered under Swiss Law, incorporated and domiciled in Switzerland. RSPO Group refers to Roundtable on Sustainable Palm Oil (RSPO) and its subsidiaries.

The principal activity of RSPO Group is to organise programmes which involve the promotion of growth and the use of sustainable palm oil through co-operation within the supply chain and open dialogue with its stakeholders.

The principal activities of the subsidiary are shown in Note 16 to the financial statements. There have been no significant changes in the nature of these principal activities during the year.

The principal place of business of RSPO is located at Unit 13A-1, Menara Etiqa, No. 3, Jalan Bangsar Utama 1, 59000 Kuala Lumpur, Malaysia.

The financial statements of RSPO Group and of RSPO were authorised by the Board of Governors for issuance on 30 September 2026.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of RSPO Group and of RSPO have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and International Financial Reporting Standards ("IFRSs").

The financial statements are presented in Ringgit Malaysia ("RM") and all values have been rounded to the nearest thousand ("RM'000"), unless otherwise stated.

(a) **Adoption of Amendments to MFRS**

In the current year, RSPO Group and RSPO have adopted the following Amendments to MFRS issued by the Malaysian Accounting Standards Board ("MASB") that are relevant to their operations and effective for annual periods beginning on or after 1 July 2025 as follows

Amendments to MFRS 121	Lack of Exchangeability

The adoption of these Amendments to MFRS did not result in significant changes to the accounting policies of RSPO Group and of RSPO and have no significant effect on the financial performance or position of RSPO Group and of RSPO.

(b) **New MFRSs and Amendments to MFRSs in issue but not yet effective**

At the date of authorisation for issue of these financial statements, the new MFRSs and Amendments to MFRSs relevant to RSPO Group and RSPO which were in issue but not yet effective and not early adopted by RSPO Group and RSPO are as listed below:

Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments[1]
Amendments to MFRSs	Annual Improvements to MFRS Accounting Standards[1]
MFRS 18	Presentation and Disclosure in Financial Statements[2]
MFRS 19 and Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures[2]

[1] Effective for annual periods beginning on or after 1 January 2026, with earlier application permitted.

[2] Effective for annual periods beginning on or after 1 January 2027, with earlier application permitted.

The Board of Governors anticipate that the abovementioned new MFRSs and Amendments to MFRSs will be adopted in the annual financial statements of RSPO Group and of RSPO when they become effective and that the adoption of these new MFRSs and Amendments to MFRSs will have no material impact on the financial statements of RSPO Group and of RSPO in the period of initial application, except as further discussed below.

MFRS 18 *Presentation and Disclosure in Financial Statements*

The MFRS 18 *Presentation and Disclosure in Financial Statements* replaces MFRS 101 *Presentation of Financial Statements*, effective for annual periods beginning on or after 1 January 2027. The new MFRS introduces a new structure of profit or loss statement.

(i) Income and expenses are classified into three new main categories:

- Operating category which typically includes results from the main business activities;
- Investing category that presents results of investments in associates and joint ventures and other assets that generate a return largely independently of other resources; and
- Financing category that presents income and expenses from financing liabilities.

(ii) Entities are required to present two new specified subtotals: "Operating profit or loss" or "Profit or loss before financing and income taxes".

Management-defined performance measures are disclosed in a single note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.

Changes to the guidance on aggregation and disaggregation which focus on grouping items based on their shared characteristics. The adoption of MFRS 18 will have no impact on RSPO Group's and RSPO's net surplus/(deficit) but will result in the changes of presentation of income statements on the grouping of income and expenses categories, as well as additional disclosure on management-defined performance measures.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of accounting

The financial statements of RSPO Group and of RSPO have been prepared on the historical cost basis, unless otherwise indicated in the accounting policies stated below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The material accounting policy information is set out below.

3.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of RSPO and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as RSPO.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of RSPO Group are eliminated in full on consolidation. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with RSPO Group's accounting policies.

If RSPO Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interests and other components of equity while any resultant gain or loss is recognised in consolidated statement of income and expenditure. Any investment retained is recognised at fair value.

3.3 Investment in a subsidiary

In RSPO's separate financial statements, investments in a subsidiary is accounted for at cost less impairment losses, if any. On disposal of such investment, the difference between net disposal proceeds and its carrying amounts is included in statement of income and expenditure.

3.4 Intangible asset

Intangible asset of RSPO Group and RSPO comprises the cost of development of an integrated digital platform facilitating RSPO certification, trade and traceability, namely prisma. Costs that do not meet the capitalisation criterias are not capitalised and the related expenditure is reflected in the statements of income and expenditure in the period in which the expenditure is incurred.

Intangible asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Work-in-progress is not amortised as the asset is not available for use and is subjected to annual impairment assessment until it is ready for use.

The annual amortisation rates are as follows:

Integrated digital platform - Core functionalities	10 years
Integrated digital platform - Non-core functionalities	5 years

3.5 **Property, plant and equipment**

All items of property, plant and equipment are initially recorded at cost.

Property, plant and equipment are depreciated on a straight-line basis to write off the cost of the assets to their residual values over their estimated useful lives, summarised as follows:

Computers and software	3 years
Furniture and fittings	5 years
Office equipment	5 years
Renovation	2 years

3.6 **Impairment of non-financial assets**

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment loss is charged to statements of income and expenditure.

3.7 **Income recognition**

(i) Revenue from contracts with members

Revenue from contracts with members is recognised by reference to each distinct performance obligation in the contract with member. Revenue from contracts with members is measured at its transaction price, being the amount of consideration which RSPO Group and RSPO expect to be entitled in exchange for transferring promised services to a member, net of goods and service tax. Transaction price is allocated to each performance obligation on the basis of the relative standalone amount of consideration of each distinct good or services promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

Specific criteria for each of RSPO Group and RSPO activities are described below:

(a) Subscription income

RSPO Group and RSPO recognise subscription income over the duration of the respective membership period.

Subscription fees are due once membership application is approved. RSPO Group's and RSPO's obligation to render services to members for which RSPO Group and RSPO have received consideration in advance from members is presented as contract liabilities.

Subscription income from members is recognised on an accrual basis.

(b) Contributions and trade administration fee from sustainable palm oil trade

Contributions and trade administration fee from sustainable palm oil trade are recognised when the rights to receive payment are established.

(ii) Income from other sources - Interest income

Interest income is recognised on an accrual basis, using effective interest rate method.

(iii) Other income

Other income is recognised when the right to receive payment is established.

3.8 **Cash and cash equivalents**

For purposes of statements of cash flows, cash and cash equivalents comprise cash on hand, bank balances and deposits held at call with banks that are readily convertible within original maturities of 3 months or less to known amount of cash and which are subject to an insignificant risk of changes in value.

3.9 **Contract liabilities**

A contract liability is the obligation of RSPO Group and RSPO to transfer services to a member for which it has received consideration (or an amount of consideration is due) from the member. If a member pays consideration or RSPO Group and RSPO have a right to an amount of consideration that is unconditional before it transfers services to the member, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as income when RSPO Group and RSPO perform its obligation under the contract. Contract liability is the excess of the billings to date to the member over the cumulative income earned or recognised in statements of income and expenditure. Contract liabilities include advance payment and down payments received from members and other amounts where RSPO Group and RSPO have billed before the goods are delivered or services are provided to the members.

3.10 **Foreign currencies**

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional and presentation currency of RSPO Group and of RSPO are United States Dollar ("USD") and Ringgit Malaysia ("RM") respectively.

(ii) Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statements of income and expenditure, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

(iii) Foreign exchange gains and losses

Foreign exchange gains and losses that relate to cash and cash equivalents are presented in statements of income and expenditure within 'finance income or cost'. All other foreign exchange gains and losses are presented in statements of income and expenditure within "net foreign exchange gain/loss". Translation differences related to changes in amortised cost are recognised in statements of income and expenditure, and other changes in carrying amount are recognised in other comprehensive income.

(iv) Group entities

The results and financial position of all RSPO Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each statement of assets, liabilities and fund balances presented are translated at the closing rate at the reporting date;

(b) income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(c) all resulting exchange differences are recognised as a separate component of other comprehensive income.

3.11 **Current and deferred income tax**

Tax expense for the period comprises current and deferred income tax. The income tax expense or credit for the period is the tax payable on the current period's taxable surplus of income over expenditure based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax deficit. Tax is recognised in statements of income and expenditure, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that taxable surplus will be available against which the deductible temporary differences, unused tax deficit or unused tax credits can be utilised.

Deferred and income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same tax authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.12 **Leases**

Accounting by lessee

(i) Right-of-use ("ROU") assets

ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The estimated useful lives of the ROU assets are determined on the same basis as those of property, plant and equipment as follows:

Office buildings and office spaces	1 to 2 years

(ii) Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in RSPO Group, the lessee's incremental borrowing is used.

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

Short-term leases are leases with a lease term of 12 months or less. Low value assets comprise small Information Technology ("IT") equipment and office furniture. Payments associated with short-term leases of assets and all leases of low value assets are recognised on a straight-line basis as an expense in statements of income and expenditure.

3.13 **Financial assets**

Financial assets are recognised in the statements of assets, liabilities and fund balances when, and only when, RSPO Group or RSPO becomes a party to the contractual provisions of the financial instrument.

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

RSPO Group and RSPO determine the classification of their financial assets at initial recognition, and the categories include financial assets at amortised cost, and financial assets at FVTPL.

(i) Financial assets at amortised cost

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

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

RSPO Group's and RSPO's financial assets at amortised cost include receivables and cash and bank balances.

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

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statements of assets, liabilities and fund balances at fair value with net changes in fair value recognised in the statement of income and expenditure.

(iii) Subsequent measurement - impairment

RSPO Group and RSPO assess on a forward-looking basis the expected credit loss ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Further details are disclosed in Note 29.4.1.

(iv) Write-off

Receivables

Impairment losses on receivables are presented as net allowance for impairment on receivables within statements of income and expenditure. Subsequent recoveries of amounts previously written off are credited against the same line item.

3.14 **Financial liabilities**

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by RSPO Group that are not designated as hedging instruments in hedge relationships as defined by MFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of income and expenditure.

(ii) Other financial liabilities

Other financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

Other financial liabilities of RSPO Group comprise "Other payables and accruals" (Note 25) in the statements of assets, liabilities and fund balances.

Other financial liabilities of RSPO comprise “Lease liabilities” (Note 24) and “Other payables and accruals” (Note 25) in the statements of assets, liabilities and fund balances.

3.15 **Fair value measurement**

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

(ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

(iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, RSPO Group and RSPO determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.16 **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statements of assets, liabilities and fund balances when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3.17 **Employee benefits**

(i) Short-term employee benefits

Wages, salaries, paid annual leave and sick leave, ex-gratia, and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of RSPO Group.

(ii) Post-employment benefits

Defined contribution plans

A defined contribution plan is a pension plan under which RSPO Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods.

RSPO Group's contributions to defined contribution plans are charged to the statements of income and expenditure in the period to which they relate. Once the contributions have been paid, RSPO Group has no further payment obligations.

(iii) Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits.

3.18 **Grants**

Grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant related to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

3.19 **Critical accounting judgements and key sources of estimation uncertainty**

Estimates and judgements are continually evaluated by the Board of Governors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) **Critical judgements in applying accounting policies**

There are no critical judgements made by management in the process of applying RSPO Group's and RSPO's accounting policies that have significant effect on the amounts recognised in the financial statements.

(b) **Key sources of estimation uncertainty**

There were no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that may have significant risks of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year.

4. SUBSCRIPTION INCOME

	RSPO Group and RSPO	
	2026	**2025**
	RM'000	**RM'000**
Revenue from contracts with members:		
Subscription income from members:		
Ordinary members	21,402	21,320
Affiliate members	168	161
Supply chain associates	1,804	1,788
	23,374	23,269

Subscription income from members worldwide is recognised on a straight-line basis over the subscription period.

The number of members registered as at 30 June 2026 is 6,336 (2025: 6,163).

5. CONTRIBUTIONS AND TRADE ADMINISTRATION FEE FROM SUSTAINABLE PALM OIL TRADE

	RSPO Group and RSPO	
	2026	2025
	RM'000	RM'000
Revenue from contracts with members:		
Contributions from sustainable palm oil trade:		
Certificate trading	9,336	10,027
Segregated and mass balance trading	39,778	48,969
	49,114	58,996
Trade administration fee	14,658	5,138
	63,772	64,134

RSPO receives a contribution of USD1 per tonne from credit trades, charged to buyer of certificates. In addition, RSPO receives a contribution of USD1 per tonne from first transactions under the segregated and mass balance supply claims.

With the launch of the integrated digital platform, prisma, in prior year, trade administration fee is charged for the use of prisma.

Contributions and trade administration fee from sustainable palm oil trade is recognised at a point in time.

6. STAFF COSTS

	RSPO Group	
	2026	2025
	RM'000	RM'000
Wages, salaries and ex-gratia	31,453	30,334
Defined contribution plan	2,999	2,696
Other employee benefits and compensations	4,194	2,884
	38,646	35,914

7. BOARD OF GOVERNORS' AND OTHER KEY MANAGEMENT PERSONNELS' REMUNERATIONS

	RSPO Group	
	2026 RM'000	2025 RM'000
Executive:		
Salaries and ex-gratia	7,511	6,693
Defined contribution plan	769	641
	8,280	7,334

There is no remuneration paid or payable to the Board of Governors of RSPO Group and of RSPO. The expenses reimbursed to the Board of Governors of RSPO Group and of RSPO during the current year are RM264,000 (2025: RM183,000).

Key management personnels are those persons having authority and responsibility for planning, directing and controlling the activities of RSPO Group, directly or indirectly, including any member of Board of Directors of RSPO Secretariat Sdn. Bhd. (whether executive or otherwise) and Chief Executive Officer of RSPO Group.

8. ROUNDTABLE MEETINGS (DEFICIT)/SURPLUS

During the year, 1 Roundtable event was held by RSPO (2025: 1).

	RSPO Group and RSPO	
	2026 RM'000	2025 RM'000
Annual Roundtable meeting:		
Collections and sponsorships	3,391	3,648
Expenses	(4,239)	(3,331)
	(848)	317

9. SURPLUS/(DEFICIT) OF INCOME OVER EXPENDITURE BEFORE TAXATION

Surplus/(Deficit) of income over expenditure before taxation is arrived at after charging/(crediting):

	RSPO Group		RSPO	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Amortisation of intangible asset (Note 14)	1,353	473	1,353	473
Auditors' remuneration	220	270	130	172
Bad debts written off	282	143	282	143
Consultancy fees	9,911	9,463	406	1,299
Depreciation of property, plant and equipment (Note 12)	660	999	-	-
Depreciation of right-of-use assets (Note 13)	1,535	1,511	-	-
Finance costs (Note 24)	125	171	-	-
Net allowance for impairment on membership subscription receivable (Note 17)	139	258	139	258
Net (reversal)/allowance for impairment on contribution and trade administration fee receivable (Note 18)	(77)	146	(77)	146
Realised foreign exchange loss/(gain)	720	(349)	752	214
Short-term leases	394	284	-	-
Unrealised foreign exchange loss	515	291	56	569

10. PROJECT COSTS

	RSPO Group and RSPO	
	2026	**2025**
	RM'000	**RM'000**
Assurance	4,989	4,046
Standards and sustainability	3,529	2,902
Communication	1,621	1,531
Market transformation	2,525	4,016
Technical and smallholder	2,494	3,178
Strategic and secretariat projects	2,313	2,519
	17,471	18,192

Project costs related to expenditure incurred to organise programmes for the promotion of growth and the use of sustainable palm oil.

11. TAXATION

	RSPO Group		RSPO	
	2026	**2025**	**2026**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current tax:				
- Current year	2,157	1,703	65	129
- Under provision in prior years	357	262	-	195
	2,514	1,965	65	324
Deferred tax (Note 15):				
- Current year	(146)	234	4	24
- (Over)/Under provision in prior years	(406)	63	-	12
	(552)	297	4	36
Tax expense	1,962	2,262	69	360

A reconciliation of tax expense/(credit) applicable to surplus/(deficit) of income over expenditure before taxation at Malaysian tax rate for associations to tax expense at the effective tax rate of RSPO Group and of RSPO are as follows:

	RSPO Group		RSPO	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Surplus/(Deficit) of income over expenditure before taxation	3,589	11,404	(181)	7,594
Tax calculated at Malaysian tax rate for associations of 25% (2025: 26%)	897	2,965	(45)	1,974
Income not subject to tax	(21,597)	(23,346)	(21,594)	(23,346)
Expenses not deductible for tax purposes	22,316	22,236	21,724	21,545
Foreign tax expense	411	213	-	-
Effects of scale tax rates	(16)	(131)	(16)	(20)
(Over)/Under provision of deferred tax in prior years	(406)	63	-	12
Under provision of current tax in prior years	357	262	-	195
Tax expense	1,962	2,262	69	360

Domestic income tax is calculated at Malaysian tax rate for associations of 25% (2025: 26%) of the estimated assessable surplus for the year. The deferred tax computation is based on this rate.

12. PROPERTY, PLANT AND EQUIPMENT

RSPO Group	Computers and software RM'000	Furniture and fittings RM'000	Office equipment RM'000	Renovation RM'000	Total RM'000
Cost					
At beginning of the previous year	1,819	456	487	1,975	4,737
Additions	173	20	21	45	259
Disposals	-	(5)	(18)	-	(23)
Write-off	(63)	-	-	-	(63)
At end of the previous year/ At beginning of the year	1,929	471	490	2,020	4,910
Additions	206	3	45	19	273
At end of the year	2,135	474	535	2,039	5,183

RSPO Group	Computers and software RM'000	Furniture and fittings RM'000	Office equipment RM'000	Renovation RM'000	Total RM'000
Accumulated depreciation					
At beginning of the previous year	1,430	228	185	1,112	2,955
Charge for the year	265	72	76	586	999
Disposals	-	(5)	-	-	(5)
Write-off	(50)	-	-	-	(50)
At end of the previous year/ At beginning of the year	1,645	295	261	1,698	3,899
Charge for the year	224	43	73	320	660
At end of the year	1,869	338	334	2,018	4,559
Net carrying amount					
At end of the previous year	284	176	229	322	1,011
At end of the year	266	136	201	21	624

13. RIGHT-OF-USE ASSETS ("ROU assets")

RSPO Group as a lessee

RSPO Group leases several office buildings and office spaces for period between 1 to 3 years (2025: 1 to 2 years). The lease agreement has an extension option.

Lease terms on the rental contracts are negotiated on an individual basis and contain various terms and conditions. The rental contracts do not impose any covenants.

RSPO Group	Office buildings and office spaces RM'000
Cost	
At beginning of the previous year/At end of the previous year/ At beginning of the year	8,157
Lease additions	950
Derecognition of expired right-of-use assets	(1,880)
At end of the year	7,227
Accumulated depreciation	
At beginning of previous year	4,366
Charge for the year	1,511
At end of the previous year/At beginning of the year	5,877
Charge for the year	1,535
Derecognition of expired right-of-use assets	(1,880)
At end of the year	5,532
Net carrying amount	
At end of the previous year	2,280
At end of the year	1,695

Depreciation of ROU assets is recognised in statements of income and expenditure.

14. INTANGIBLE ASSET

RSPO Group and RSPO	Integrated digital platform RM'000	Work-in-progress RM'000	Total RM'000
Cost			
At beginning of the previous year	-	5,039	5,039
Additions	-	10,918	10,918
Reclassification	10,826	(10,826)	-
At end of the previous year/ At beginning of the year	10,826	5,131	15,957
Additions	-	1,334	1,334
Derecognition	-	(338)	(338)
At end of the year	10,826	6,127	16,953
Accumulated amortisation			
At beginning of the previous year	-	-	-
Charge for the year	473	-	473
At end of the previous year/ At beginning of the year	473	-	473
Charge for the year	1,353	-	1,353
At end of the year	1,826	-	1,826
Net carrying amount			
At end of the previous year	10,353	5,131	15,484
At end of the year	9,000	6,127	15,127

The intangible asset pertained to the development of prisma, an integrated digital platform designed to enhance trade compliance and meet current and emerging global sustainability regulations.

The work-in-progress referred to the on-going development for the integrated digital platform as at the reporting date. Work-in-progress is not amortised as the asset is not available for use but subjected to annual impairment assessment.

15. DEFERRED TAX ASSETS

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of assets, liabilities and fund balances:

	RSPO Group		RSPO	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Deferred tax assets	1,254	702	219	223
At beginning of the year	702	999	223	259
Recognised in statements of income and expenditure (Note 11):				
- Property, plant and equipment	42	316	(32)	-
- Intangible asset	-	(25)	-	(25)
- Other payables, accruals and contract liabilities	510	(588)	28	(11)
	552	(297)	(4)	(36)
At end of the year	1,254	702	219	223

Deferred tax assets provided in the financial statements are in respect of the tax effects on the following:

	RSPO Group		RSPO	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Deferred tax assets (before offsetting):				
- Other payables, accruals and contract liabilities	1,528	1,018	251	223
Offsetting	(274)	(316)	(32)	-
Deferred tax assets (after offsetting)	1,254	702	219	223
Deferred tax liabilities (before offsetting):				
- Property, plant and equipment	(274)	(316)	(32)	-
Offsetting	274	316	32	-
Deferred tax liabilities (after offsetting)	-	-	-	-

16. INVESTMENT IN A SUBSIDIARY

	RSPO	
	2026 RM'000	**2025 RM'000**
Unquoted shares, at cost	500	500

The details of the subsidiary are as follows:

Company name	**Country of incorporation**	**Effective ownership interest**		**Principal activities**
		2026 %	**2025 %**	
RSPO Secretariat Sdn. Bhd. ("RSPOSSB") *	Malaysia	100	100	To provide administration, secretariat, staff secondment and other related services to RSPO.

* The subsidiary is audited by Deloitte Malaysia PLT.

Subsidiaries of RSPO Secretariat Sdn. Bhd.

Company name	**Country of incorporation**	**Effective ownership interest**		**Principal activities**
		2026 %	**2025 %**	
RSPO Secretariat North America LLC **	United States of America	100	100	To provide administration, secretariat, staff secondment and other related services to RSPOSSB.
PT RSPO Secretariat Indonesia ***	Indonesia	99.6	99.6	To provide administration, secretariat, staff, secondment and other related services to RSPOSSB.

** A limited liability company formed under the Limited Liability Company Law of the state of New York. There is no audit requirement for the subsidiary in the country of incorporation.

*** A limited liability company formed under the Law of the Republic of Indonesia. There is no audit requirement for the subsidiary in the country of incorporation.

17. MEMBERSHIP SUBSCRIPTION FEE RECEIVABLE

	RSPO Group and RSPO	
	2026	2025
	RM'000	RM'000
Membership subscription fee receivable	2,160	2,756
Less: Impairment on receivables	(318)	(466)
	1,842	2,290

Membership subscription fee receivable using simplified approach

The reconciliations of the loss allowance for membership subscription fee receivable as at reporting dates are as follows:

	RSPO Group and RSPO	
	2026	2025
	RM'000	RM'000
At beginning of the year	466	485
Recognised in statements of income and expenditure	139	258
Loss allowance written off	(287)	(277)
At end of the year	318	466

The following table contains an analysis of the credit risk exposure of membership subscription fee receivable for which an ECL is recognised. The gross carrying amount of membership subscription fee receivable below also represents RSPO Group's maximum credit risk.

RSPO Group and RSPO	Expected loss rate %	Gross carrying amount RM'000	Loss allowance RM'000	Net carrying amount RM'000
2026				
Current - 30 days	-	860	-	860
31 - 60 days past due	-	399	-	399
61 - 180 days past due	-	583	-	583
181 - 365 days past due	100	204	(204)	-
More than 365 days past due	100	114	(114)	-
		2,160	(318)	1,842
2025				
Current - 30 days	-	1,324	-	1,324
31 - 60 days past due	-	511	-	511
61 - 180 days past due	12	515	(60)	455
181 - 365 days past due	100	340	(340)	-
More than 365 days past due	100	66	(66)	-
		2,756	(466)	2,290

18. CONTRIBUTIONS AND TRADE ADMINISTRATION FEE RECEIVABLE

	RSPO Group and RSPO	
	2026 RM'000	2025 RM'000
Contributions and trade administration fee receivable	6,903	13,657
Less: Impairment on receivables	(69)	(146)
	6,834	13,511

Contributions and trade administration fee receivable using simplified approach

The reconciliations of the loss allowance for contributions and trade administration fee receivable as at reporting dates are as follows:

	RSPO Group and RSPO	
	2026 RM'000	2025 RM'000
At beginning of the year	146	-
Recognised in statements of income and expenditure	(77)	146
At end of the year	69	146

The following table contains an analysis of the credit risk exposure of contributions and trade administration fee receivable for which an ECL is recognised. The gross carrying amount of transaction fee from sustainable palm oil trade receivable below also represent RSPO Group's maximum credit risk.

RSPO Group and RSPO	Expected loss rate %	Gross carrying amount RM'000	Loss allowance RM'000	Net carrying amount RM'000
2026				
Current - 30 days	1	6,543	(65)	6,478
31 - 60 days past due	1	160	(2)	158
61 - 180 days past due	1	181	(2)	179
181 - 365 days past due	1	19	-	19
		6,903	(69)	6,834
2025				
Current - 30 days	1	10,336	(105)	10,231
31 - 60 days past due	1	1,041	(10)	1,031
61 - 180 days past due	1	2,280	(31)	2,249
		13,657	(146)	13,511

19. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	RSPO Group		RSPO	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Other receivables	890	179	714	148
Deposits	809	806	-	-
	1,699	985	714	148
Prepayments	1,680	4,268	219	2,524
	3,379	5,253	933	2,672

ECL assessment on other receivables using general 3-stage approach

Other receivables are assessed for ECL using general 3-stage approach. The balances are deemed recoverable and performing, as there is no indication of increase in credit risk of these balances.

At end of the reporting period, none of the other receivables and deposits of RSPO Group and RSPO respectively were past due or impaired (2025: Nil).

20. OTHER INVESTMENTS

	RSPO Group and RSPO	
	2026 RM'000	2025 RM'000
Financial assets designated at fair value through profit or loss ("FVTPL")		
At fair value:		
- Quoted equity securities	5,123	4,843
- Quoted debt instruments	35,900	35,487
- Money market funds	3,169	5,700
- Foreign exchange forward contracts	33	(85)
- Uninvested cash at bank	1,220	110
	45,445	46,055

Other investments consist of short-term investments that are invested into money market instruments managed by a licensed fund management company.

Debt instruments at fair value through profit or loss include investments in quoted corporate bonds. Fair values of these debt instruments are determined by reference to published price quotations in an active market.

21. CASH AND BANK BALANCES

The currency exposure profiles of cash and bank balances are as follows:

	RSPO Group		RSPO	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Ringgit Malaysia	1,365	1,497	970	880
United States Dollar	14,661	19,768	14,550	19,463
Euro	355	715	337	582
Colombian Peso	152	119	-	-
Indonesian Rupiah	139	89	-	-
Chinese Yuan	165	25	-	-
Others	110	45	-	-
	16,947	22,258	15,857	20,925

Bank balances at the end of the year consist of deposits held at call with licensed banks and short-term deposits with maturity periods ranging from 2 to 7 days and earn interest at the effective interest rates ranging from 1.35% to 2.74% per annum.

22. SMALLHOLDERS' FUND

The purpose of the Smallholders' Fund is to support smallholders to be RSPO certified.

	RSPO Group and RSPO	
	2026 RM'000	2025 RM'000
At beginning of the year	8,632	10,744
Less: Project disbursements paid for the year	(1,889)	(2,112)
At end of the year	6,743	8,632

No allocation was made to the Smallholders' Fund during the year (2025: none).

	RSPO Group and RSPO 2026 RM'000	2025 RM'000
Commitments due to be disbursed:		
Within 1 year	2,046	3,202
Later than 1 year but not later than 3 years	-	987
	2,046	4,189

This relates to projects that were approved under RSPO Smallholders' Fund.

23. SPECIAL PROJECTS' FUND

	RSPO Group and RSPO 2026 RM'000	2025 RM'000
At beginning of the year	1,726	3,617
Less: Project disbursements for the year		
- Outreach to Intermediary Organisations	(743)	(1,891)
At end of the year	983	1,726

No allocation was made to the Special Projects' Fund during the year (2025: none). Allocation to the fund can be varied at the discretion of the Board of Governors and its utilisation is subject to the approval of the Board of Governors.

	RSPO Group and RSPO 2026 RM'000	2025 RM'000
Commitments due to be disbursed:		
Within 1 year		
- Yayasan Setara Jambi	-	324
- Outreach to Intermediary Organisations	384	114
Later than 1 year not more than 3 years		
- Outreach to Intermediary Organisations	225	381
	609	819

24. LEASE LIABILITIES

	RSPO Group	
	2026	**2025**
	RM'000	**RM'000**
Current	759	1,162
Non-current	885	943
	1,644	2,105

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	RSPO Group	
	2026	**2025**
	RM'000	**RM'000**
At beginning of the year	2,105	3,553
Lease addition	878	-
Finance costs (Note 9)	125	171
Payments of principal and finance costs	(1,464)	(1,619)
At end of the year	1,644	2,105

	RSPO Group	
	2026	**2025**
	RM'000	**RM'000**
Maturity analysis of lease liabilities:		
- not later than 1 year	759	1,162
- more than 1 year less than 2 years	622	943
- later than 2 years	263	-
	1,644	2,105

Total cash outflows for leases during the current year for RSPO Group amounted to RM1,464,000 (2025: RM1,619,000).

The weighted average lessee's incremental borrowing rate applied to the lease liabilities for the current year is 5.8% (2025: 5.8%).

RSPO Group has elected not to recognise a lease liability for short-term leases (leases of expected term of 12 months or less) and for leases of low-value assets. Payments made under such leases are expensed on a straight-line basis.

The expenses relating to payments not included in the measurement of the lease liabilities are disclosed in statements of income and expenditure.

25. OTHER PAYABLES AND ACCRUALS

	RSPO Group		RSPO	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Non-current				
Provision for restoration cost	340	319	-	-
Current				
Project costs payables	2,740	4,148	2,740	4,148
Amount due to a subsidiary	-	-	11,345	7,739
Certificate trade payables	671	12,503	671	12,503
Other payables	1,897	2,282	530	955
Other accruals	5,882	4,772	170	134
	11,190	23,705	15,456	25,479
Total other payables and accruals	11,530	24,024	15,456	25,479

Amount due to a subsidiary is unsecured, interest free and repayable on demand.

26. CONTRACT LIABILITIES

	RSPO Group and RSPO	
	2026	2025
	RM'000	RM'000
Current		
Deferred subscription income (a)	10,228	10,988
Prepaid membership fees (b)	301	163
	10,529	11,151

Significant changes in contract liabilities during the year are as follows:

	RSPO Group and RSPO	
	2026	2025
	RM'000	RM'000
At beginning of the year	11,151	11,211
Income recognised that was included in the contract liability balance at beginning of the year	(10,850)	(11,048)
Increase from cash received or due, excluding amounts recognised as income during the year	10,228	10,988
At end of the year	10,529	11,151

(a) Deferred subscription income represents the unrecognised income as at the end of the reporting period.

(b) Prepaid membership fees represent the unrecognised income as at the end of the reporting period whereby RSPO Group and RSPO receive the advance payments from new membership applicants.

All contracts are for periods of one year or less. As permitted under MFRS 15, RSPO Group applied the practical expedient in MFRS 15 and did not disclose information about recognising performance obligations that have original expected duration of one year or less.

27. RSPO SECRETARIAT SDN. BHD. OVERSEAS ESTABLISHMENTS

RSPO Secretariat Sdn. Bhd. ("RSPOSSB") has overseas establishments in United Kingdom, China, Colombia and the Netherlands.

Total expenditure, excluding gain or loss from unrealised foreign exchange differences, incurred by the overseas establishments during the year are as follows:

	RSPO Group	
	2026	**2025**
	RM'000	**RM'000**
UK Establishment (United Kingdom)	1,389	1,388
Beijing Representative Office (China)	1,729	1,684
Colombia Branch Office (Colombia)	2,646	2,223
Netherlands Branch Office (Netherlands)	2,637	2,659
	8,401	7,954

Included in the total expenditure of RSPOSSB overseas establishments are total staff costs amounting to RM7,654,000 (2025: RM7,402,000).

28. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party disclosures stated elsewhere in the financial statements, set out below are other significant related party transactions.

	RSPO Group and RSPO	
	2026	2025
	RM'000	RM'000
Expenses for provision of services by a subsidiary:		
- Management fees	60,450	55,420

The related party transactions are in the normal course of business at the terms mutually agreed between all parties.

29. FINANCIAL INSTRUMENTS

29.1 Capital risk management

The primary objective of RSPO Group's and of RSPO's capital management is to ensure that RSPO Group and RSPO maintain a strong credit rating and healthy capital ratios in order to support their business.

The capital structure of RSPO Group and of RSPO consist of equity of RSPO Group and of RSPO (comprising fund balances as disclosed in the statements of changes in equity). RSPO Group and RSPO manage their capital structure and make adjustments to it, in light of changes in economic conditions. RSPO Group and RSPO are not subject to any externally imposed capital requirements.

29.2 Material accounting policy information

Details of the material accounting policy information and methods adopted (including criteria for recognition, the bases of measurement, and the bases for recognition of income and expenditures) for each class of financial instruments are disclosed in Note 3.

29.3 **Categories of financial instruments**

The table below provides an analysis of financial instruments as at year end categorised as financial assets and financial liabilities.

RSPO Group	Amortised costs RM'000	Fair value through profit or loss RM'000	Total RM'000
2026			
Financial assets			
Membership subscription fee receivable	1,842	-	1,842
Contributions and trade administration fee receivable	6,834	-	6,834
Other receivables and deposits	1,699	-	1,699
Other investments	-	45,445	45,445
Cash and bank balances	16,947	-	16,947
Financial liabilities			
Lease liabilities	1,644	-	1,644
Other payables and accruals	11,530	-	11,530
2025			
Financial assets			
Membership subscription fee receivable	2,290	-	2,290
Contributions and trade administration fee receivable	13,511	-	13,511
Other receivables and deposits	985	-	985
Other investments	-	46,055	46,055
Cash and bank balances	22,258	-	22,258
Financial liabilities			
Lease liabilities	2,105	-	2,105
Other payables and accruals	24,024	-	24,024

RSPO	Amortised costs RM'000	Fair value through profit or loss RM'000	Total RM'000
2026			
Financial assets			
Membership subscription fee receivable	1,842	-	1,842
Contributions and trade administration fee receivable	6,834	-	6,834
Other receivables and deposits	714	-	714
Other investments	-	45,445	45,445
Cash and bank balances	15,857	-	15,857
Financial liabilities			
Other payables and accruals	15,456	-	15,456
2025			
Financial assets			
Membership subscription fee receivable	2,290	-	2,290
Contributions and trade administration fee receivable	13,511	-	13,511
Other receivables and deposits	148	-	148
Other investments	-	46,055	46,055
Cash and bank balances	20,925	-	20,925
Financial liabilities			
Other payables and accruals	25,479	-	25,479

29.4 **Financial risk management**

The operations of RSPO Group and RSPO are subject to various risks, which include credit risk, liquidity risk, cash flow risk and foreign currency risk, in connection with their use or holding of financial instruments. Information on the management of the related exposures are detailed below:

29.4.1 **Credit risk management**

Financial assets that are primarily exposed to credit risk are receivables.

Measurement of ECL

(i) Membership subscription fee receivable and contributions and trade administration fee receivable using simplified approach.

The expected loss rates are based on the payment profiles of income over a period of 12 months before reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the members to settle the receivables. No significant changes to estimation techniques or assumptions were made during the reporting period.

(ii) Non-trade receivables using general 3-stage approach

RSPO Group uses three categories for non-trade receivables which reflect their credit risk and how the loss allowance is determined for each of those categories. A summary of the assumptions underpinning RSPO Group's ECL model is as follows:

Category	**RSPO Group's definition of category**	**Basis for recognising ECL**
Performing	Debtors have a low risk of default and a strong capacity to meet contractual cash flows	12-month ECL
Under performing	Debtors for which there is a significant increase in credit risk	Lifetime ECL
Non-performing	Interest and/or principal-repayments are 90 days past due or there is evidence indicating the asset is credit impaired	Lifetime ECL (credit-impaired)
Write-off	There is evidence indicating that there is no reasonable expectation of recovery based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount	Asset is written off

Based on the above, loss allowance is measured on either 12-month ECL or lifetime ECL using a PD x LGD x EAD methodology as follows:

- PD ("probability of default") - the likelihood that the debtor would not be able to repay during the contractual period;

- LGD ("loss given default") - the percentage of contractual cash flows that will not be collected if default happens; and

- EAD ("exposure at default") - the outstanding amount that is exposed to default risk.

In deriving the PD and LGD, RSPO Group and RSPO consider historical data by each debtor by category and adjusts for forward-looking macroeconomic data. Loss allowance is measured at a probability weighted amount that reflects the possibility that a credit loss occurs and the possibility that no credit loss occurs. No significant changes to estimation techniques or assumptions were made during the reporting period.

Maximum exposure to credit risk

(i) Membership subscription fee receivable and contributions and trade administration fee receivable.

Loss allowance recognised as at 30 June 2026 on membership subscription fee receivable of RSPO Group and of RSPO is RM318,000 (2025: RM466,000) as disclosed in Note 17.

Loss allowance recognised as at 30 June 2026 on contributions and trade administration fee receivable of RSPO Group and of RSPO is RM69,000 (2025: RM146,000) as disclosed in Note 18.

The remaining amounts not provided are deemed recoverable, with low probability of default.

(ii) Non-trade receivables

The maximum exposure to credit risk for other receivables is represented by the carrying amount recognised in the statements of assets, liabilities and fund balances. As at 30 June 2026 and 30 June 2025, RSPO Group and RSPO did not recognise any loss allowance on other receivables.

29.4.2 **Liquidity risk management**

RSPO Group's and RSPO's exposure to liquidity risk arises mainly from general funding and business activities.

RSPO Group and RSPO practice prudent liquidity risk management by maintaining sufficient cash and bank balances.

The table below analyses the financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

	Less than 1 year RM'000	More than 1 year RM'000	Total RM'000
RSPO Group			
2026			
Other payables and accruals	11,190	340	11,530
Lease liabilities	759	885	1,644
2025			
Other payables and accruals	23,705	319	24,024
Lease liabilities	1,244	966	2,210
RSPO			
2026			
Other payables and accruals	15,456	-	15,464
2025			
Other payables and accruals	25,479	-	25,479

29.4.3 **Cash flow risk management**

RSPO Group and RSPO review their cash flow position regularly to manage its exposure to fluctuations in future cash flows associated with its monetary financial instruments.

29.4.4 **Foreign currency risk management**

RSPO Group and RSPO have transactional currency exposures arising from income or expenses that are denominated in a currency other than the respective functional currencies of RSPO Group and of RSPO entities, primarily Euro ("EUR"). Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level. RSPO Group and RSPO do not hedge these exposures. However, the Board of Governors via the Finance Committee keeps this policy under review.

The net unhedged financial assets and financial liabilities of RSPO Group and of RSPO that are not denominated in their functional currencies are as follows:

	RSPO Group	
	2026	**2025**
	RM'000	**RM'000**
Financial assets		
EUR	2,491	3,448
Financial liabilities		
EUR	948	205

	RSPO	
	2026	**2025**
	RM'000	**RM'000**
Financial assets		
EUR	2,593	3,375
Financial liabilities		
EUR	547	170

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of RSPO Group's and of RSPO's pre-tax surplus/(deficit) of income over expenditure to a reasonably possible change in the foreign exchange rates against the functional currency of RSPO Group and of RSPO, with all other variables held constant.

		RSPO Group Surplus/(Deficit)	
		2026	**2025**
		RM'000	**RM.000**
EUR/USD	- strengthened 1% (2025: 1%)	15	31
	- weakened 1% (2025: 1%)	(15)	(31)

		RSPO Surplus/(Deficit)	
		2026	**2025**
		RM'000	**RM.000**
EUR/USD	- strengthened 1% (2025: 1%)	21	31
	- weakened 1% (2025: 1%)	(21)	(31)

29.5 **Fair values of financial instruments**

The methodologies used in arriving at the fair values of the principal financial assets and financial liabilities of RSPO Group and of RSPO are as follows:

- **Cash and cash equivalents, membership subscription fee receivable, contributions and trade administration fee receivable, other receivables, deposits, other payables, accruals, intercompany indebtedness and short-term lease liabilities:** The carrying amounts are considered to approximate the fair values as they are either within the normal credit terms or they have short-term maturity period.

- **Other investments:** The fair values of other investments have been determined by reference to the net assets value of the funds at the end of the reporting period as quoted by the licensed fund management companies.

- **Long-term other payables, accruals and lease liabilities:** The fair values of long-term other payables and lease liabilities are determined by estimating future cash flows and discounting the future cash flows using an interest rate which takes into consideration RSPO Group's and RSPO's incremental borrowing rate at year end for similar types of debt arrangements.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of RSPO Group's and of RSPO's financial instruments that is carried at fair value as at 30 June 2026 and 30 June 2025:

		Fair value of financial instruments carried at fair value		
	Carrying amount RM'000	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**
RSPO Group and RSPO				
2026				
Financial asset				
Other investments	45,445	45,445	-	-
2025				
Financial asset				
Other investments	46,055	46,055	-	-

There is no transfer within the fair value measurement hierarchy during the year.

30. RECLASSIFICATION OF COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation. The reclassifications have been made to enhance the comparability of the financial statements and do not affect the previously reported net current assets, total equity, profit or loss, or net cash flows of RSPO Group and of RSPO.

Registration No. CHE-111.720.599

ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)
(Incorporated in Switzerland)

STATEMENT BY CHIEF EXECUTIVE OFFICER

I, **JOSEPH JAYAN D'CRUZ**, representing **ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO)**, do hereby state that the accompanying financial statements give a true and fair view of the financial position of RSPO Group and of RSPO as at 30 June 2026, and of their financial performance and their cash flows for the year ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Signed on behalf of the Board of Governors of
ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO),

_____
JOSEPH JAYAN D'CRUZ
Chief Executive Officer

Kuala Lumpur, Malaysia
30 September 2026