

# **BATU KAWAN BERHAD**

196501000504 (6292-U)  
(Incorporated in Malaysia)

**Interim Financial Report  
for the Third Quarter ended 30 June 2020**

Directors are pleased to announce the unaudited financial results of the Group for the third quarter ended 30 June 2020.

## Condensed Consolidated Statement of Profit or Loss For the Third Quarter ended 30 June 2020

(The figures have not been audited.)

	Individual Quarter			Cumulative Quarter		
	3 months ended			9 months ended		
	30 June			30 June		
	2020	2019	+ / (-)	2020	2019	+ / (-)
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	3,822,645	3,824,675	(0.1)	11,961,970	12,123,259	(1.3)
Operating expenses	(3,350,756)	(3,763,092)	(11.0)	(11,099,669)	(11,630,407)	(4.6)
Other operating income	105,491	53,207	98.3	222,273	297,411	(25.3)
Finance costs	(64,718)	(39,035)	65.8	(200,132)	(134,251)	49.1
Share of results of associates	2,624	2,327	12.8	44,189	4,618	856.9
Share of results of joint ventures	14,080	3,597	291.4	6,191	2,626	135.8
<b>Profit before taxation</b>	<b>529,366</b>	<b>81,679</b>	<b>548.1</b>	<b>934,822</b>	<b>663,256</b>	<b>40.9</b>
Income tax expense	(86,283)	(21,578)	299.9	(247,203)	(145,652)	69.7
<b>NET PROFIT FOR THE PERIOD</b>	<b>443,083</b>	<b>60,101</b>	<b>637.2</b>	<b>687,619</b>	<b>517,604</b>	<b>32.8</b>
Profit attributable to:						
Equity holders of the Company	212,653	50,826	318.4	332,105	266,798	24.5
Non-controlling interests	230,430	9,275	2,384.4	355,514	250,806	41.7
	443,083	60,101	637.2	687,619	517,604	32.8
Earnings per share for profit attributable to equity holders of the Company (sen)						
Basic	53.7	12.8		83.9	67.1	
Diluted	Not applicable	Not applicable		Not applicable	Not applicable	

The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Annual Report for the year ended 30 September 2019.

## Condensed Consolidated Statement of Other Comprehensive Income For the Third Quarter ended 30 June 2020

(The figures have not been audited.)

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30 June		30 June	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
<b>Net profit for the period</b>	<b>443,083</b>	<b>60,101</b>	<b>687,619</b>	<b>517,604</b>
<b>Other comprehensive income/(loss) that will be reclassified subsequently to profit or loss</b>				
Currency translation differences	321,385	74,616	177,575	66,317
Share of other comprehensive profit/ (loss) in associates	138	-	(17,599)	-
	321,523	74,616	159,976	66,317
<b>Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss</b>				
Net change in fair value of equity instruments	47,394	(31,134)	(65,476)	(632,974)
Share of other comprehensive loss in associates	(4)	-	(5,120)	-
	47,390	(31,134)	(70,596)	(632,974)
<b>Total other comprehensive income/ (loss) for the period</b>	<b>368,913</b>	<b>43,482</b>	<b>89,380</b>	<b>(566,657)</b>
<b>TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD</b>	<b>811,996</b>	<b>103,583</b>	<b>776,999</b>	<b>(49,053)</b>
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	388,377	71,732	371,176	(68)
Non-controlling interests	423,619	31,851	405,823	(48,985)
	811,996	103,583	776,999	(49,053)

The Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the Annual Report for the year ended 30 September 2019.

## Condensed Consolidated Statement of Financial Position As at 30 June 2020

(The figures have not been audited.)

	<b>At 30 June 2020</b>	<b>At 30 September 2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant & equipment	8,108,966	8,066,866
Right-of-use assets	853,650	-
Investment property	46,768	47,463
Prepaid lease payments	-	351,082
Inventories	1,095,014	1,108,296
Goodwill on consolidation	357,662	345,127
Intangible assets	21,958	22,081
Investments in associates	1,572,679	1,516,482
Investments in joint ventures	278,328	267,307
Other investments	534,910	568,733
Other receivable	258,332	247,772
Deferred tax assets	417,376	450,299
	<b>13,545,643</b>	<b>12,991,508</b>
<b>Current assets</b>		
Inventories	2,123,756	2,188,303
Biological assets	98,444	99,829
Trade and other receivables	2,167,001	2,151,467
Contract assets	14,678	14,867
Tax recoverable	73,177	114,107
Other investments	182,308	253,695
Derivative financial assets	78,405	34,013
Short term funds	1,506,190	1,659,207
Cash and cash equivalents	2,702,080	2,317,468
	<b>8,946,039</b>	<b>8,832,956</b>
<b>TOTAL ASSETS</b>	<b>22,491,682</b>	<b>21,824,464</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Report for the year ended 30 September 2019.

## Condensed Consolidated Statement of Financial Position As at 30 June 2020

(The figures have not been audited.)

	<b>At 30 June 2020</b>	<b>At 30 September 2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	1,172,438	1,412,003
Contract liabilities	101,439	93,010
Deferred income	7,918	8,196
Lease liabilities	21,461	-
Borrowings	1,461,901	1,354,002
Tax payable	40,934	41,167
Derivative financial liabilities	70,035	20,558
Dividend payable	145,281	-
	<b>3,021,407</b>	<b>2,928,936</b>
<b>Net current assets</b>	<b>5,924,632</b>	<b>5,904,020</b>
<b>Non-current liabilities</b>		
Other payables	383	383
Deferred tax liabilities	457,393	444,586
Lease liabilities	115,135	-
Deferred income	105,600	110,320
Provision for retirement benefits	581,084	550,153
Borrowings	5,625,435	5,669,833
	<b>6,885,030</b>	<b>6,775,275</b>
<b>Total liabilities</b>	<b>9,906,437</b>	<b>9,704,211</b>
<b>Net assets</b>	<b>12,585,245</b>	<b>12,120,253</b>
<b>Equity attributable to owners of the Company</b>		
Share capital	507,587	435,951
Treasury shares	(11,621)	(623,059)
Reserves	5,372,257	5,850,081
	<b>5,868,223</b>	<b>5,662,973</b>
Non-controlling interests	6,717,022	6,457,280
<b>Total equity</b>	<b>12,585,245</b>	<b>12,120,253</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>22,491,682</b>	<b>21,824,464</b>
Net assets per share attributable to equity holders of the Company (RM)	14.73	14.43

The Condensed Consolidated Statement of Financial Position should be read in conjunction with  
the Annual Report for the year ended 30 September 2019.

## Condensed Consolidated Statement of Changes in Equity For the Third Quarter ended 30 June 2020

(The figures have not been audited.)

	← Attributable to equity holders of the Company →						Non-controlling interested	Total equity	
	Share capital	Treasury shares	Capital reserve	Exchange fluctuation reserve	Fair value reserve	Retained earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			RM'000
<b>At 1 October 2019</b>	435,951	(623,059)	658,546	(24,664)	540,171	4,676,028	5,662,973	6,457,280	12,120,253
Total comprehensive income/(loss) for the period	-	-	446	77,652	(36,357)	329,435	371,176	405,823	776,999
Transactions with owners:									
Issuance of shares to non-controlling interest	-	-	-	-	-	-	-	9,116	9,116
Redemption of redeemable preference shares	-	-	22,859	-	-	(22,859)	-	-	-
Effect of changes in shareholdings in subsidiaries	-	-	1,461	2,113	877	(40,428)	(35,977)	35,977	-
Shares buy back	-	(21,265)	-	-	-	-	(21,265)	-	(21,265)
Cancellation of treasury shares	(56,045)	632,703	-	-	-	(576,658)	-	-	-
FY2019 final dividends paid by way of:									
- issuance of new shares pursuant to dividend reinvestment plan	127,681	-	-	-	-	(127,681)	-	-	-
- cash	-	-	-	-	-	(48,879)	(48,879)	-	(48,879)
Dividend payable - FY2020 interim	-	-	-	-	-	(59,805)	(59,805)	-	(59,805)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(105,698)	(105,698)
Dividends payable to non-controlling interests	-	-	-	-	-	-	-	(85,476)	(85,476)
	71,636	611,438	24,320	2,113	877	(876,310)	(165,926)	(146,081)	(312,007)
<b>At 30 June 2020</b>	507,587	(11,621)	683,312	55,101	504,691	4,129,153	5,868,223	6,717,022	12,585,245

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Report for the year ended 30 September 2019.

## Condensed Consolidated Statement of Changes in Equity For the Third Quarter ended 30 June 2020

(The figures have not been audited.)

	← Attributable to equity holders of the Company →						Non- controlling interests	Total equity	
	Share capital	Treasury shares	Capital reserve	Exchange fluctuation reserve	Fair value reserve	Retained earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			RM'000
<b>At 1 October 2018</b>	435,951	(491,740)	652,645	(42,577)	936,191	4,591,330	6,081,800	6,836,872	12,918,672
Total comprehensive income/(loss) for the period	-	-	1,000	26,762	(291,740)	263,910	(68)	(48,985)	(49,053)
Transactions with owners:									
Effect of changes in shareholdings	-	-	-	-	-	(30,820)	(30,820)	(14,014)	(44,834)
Redemption of redeemable preference shares	-	-	5,921	-	-	(5,900)	21	(21)	-
Shares buy back	-	(86,500)	-	-	-	-	(86,500)	-	(86,500)
Dividend paid - FY2018 final	-	-	-	-	-	(158,548)	(158,548)	-	(158,548)
Dividend payable - FY2019 interim	-	-	-	-	-	(59,286)	(59,286)	-	(59,286)
Dividends payable to non-controlling interests	-	-	-	-	-	-	-	(84,610)	(84,610)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(208,042)	(208,042)
	-	(86,500)	5,921	-	-	(254,554)	(335,133)	(306,687)	(641,820)
<b>At 30 June 2019</b>	435,951	(578,240)	659,566	(15,815)	644,451	4,600,686	5,746,599	6,481,200	12,227,799

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Report for the year ended 30 September 2019.

## Condensed Consolidated Statement of Cash Flows As at 30 June 2020

(The figures have not been audited.)

	<b>9 months ended 30 June</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	934,822	663,256
Adjustments for:		
Non-cash items	427,157	545,365
Non-operating items	71,800	19,487
Operating cash flows before changes in working capital	1,433,779	1,228,108
Changes in working capital		
Net change in current assets	193,382	152,708
Net change in current liabilities	(301,407)	11,973
Cash flows generated from operations	1,325,754	1,392,789
Interest received	5,307	4,607
Interest paid	(175,566)	(126,443)
Tax paid	(163,293)	(214,568)
Retirement benefits paid	(31,418)	(21,889)
<b>Net cash flows generated from operating activities</b>	<b>960,784</b>	<b>1,034,496</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(518,889)	(199,882)
Purchase of right-of-use assets	(189,745)	-
Payments of prepaid lease	-	(4,373)
Plantation development expenditure	-	(237,907)
Property development expenditure	(20,512)	(6,933)
Subsequent expenditure of an investment property	(19)	(16)
Purchase of shares in sub-subsidiaries, net of cash acquired	-	(46,320)
Subscription of shares in an associate	(41,050)	-
Subscription of shares in joint ventures	(3,294)	(5,586)
Purchase of other investments	(53,483)	(592,031)
Purchase of intangible assets	(1,616)	(2,250)
Proceeds from disposal of property, plant and equipment	4,427	4,736
Compensation from government on land acquired	1,602	49,801
Proceeds from disposal of shares in subsidiaries, net of cash disposed	-	2,673
Proceeds from disposal of other investments	128,236	622,426
Repayment from associates	1,125	2,940
Advance to joint ventures	(5,786)	(5,292)
Advance to other receivables	(18,268)	(5,947)
Decrease in short term funds	156,164	5,910
Dividends received	71,505	46,400
Interest received	59,539	49,881
<b>Net cash flows used in investing activities</b>	<b>(430,064)</b>	<b>(321,770)</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Report for the year ended 30 September 2019.



## Condensed Consolidated Statement of Cash Flows As at 30 June 2020

(The figures have not been audited.)

	9 months ended 30 June	
	2020 RM'000	2019 RM'000
<b>Cash flows from financing activities</b>		
Drawdown of term loans	7,301	28,814
Repayment of term loans	(26,364)	(136,118)
Lease payments	(24,314)	-
Net drawdown/(repayment) of short term borrowings	32,867	(168,712)
Dividends paid to shareholders of the Company	(48,879)	(158,548)
Dividends paid to non-controlling interests	(105,698)	(208,042)
Shares buy back	(21,265)	(86,500)
Issuance of shares to non-controlling interests	9,116	-
(Increase)/Decrease in other receivables	(1,721)	4,749
<b>Net cash flows used in financing activities</b>	<b>(178,957)</b>	<b>(724,357)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	351,763	(11,631)
Effects of exchange rate changes	35,364	12,236
Cash and cash equivalents at 1 October	2,196,611	1,472,952
<b>Cash and cash equivalents at 30 June</b>	<b>2,583,738</b>	<b>1,473,557</b>
Cash and cash equivalents at 30 June is represented by:		
Cash and cash equivalents	2,702,080	1,604,395
Borrowings - Bank overdraft	(118,342)	(130,838)
	<b>2,583,738</b>	<b>1,473,557</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Report for the year ended 30 September 2019.

## Notes to Interim Financial Report

### A. Explanatory Notes as required by Malaysian Financial Reporting Standard (“MFRS”) 134

#### A1. Statement of compliance

The interim financial report is unaudited and has been prepared in compliance with Malaysian Financial Reporting Standard (“MFRS”) 134 *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Bursa Malaysia Securities Berhad’s (“Bursa Securities”) Main Market Listing Requirements.

#### A2. Accounting policies

The Interim Financial Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 September 2019. The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the year ended 30 September 2019 except for the adoption of the following standards, interpretation and amendments to MFRSs:

#### ***MFRS, Interpretation and Amendments to MFRSs effective for annual periods beginning on or after 1 January 2019***

- MFRS 16 *Leases*
- IC Interpretation 23 *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 3 *Definition of a Business (Annual Improvements to MFRS Standards 2015 – 2017 Cycle)*
- Amendments to MFRS 9 *Prepayment Features with Negative Compensation*
- Amendments to MFRS 11 *Accounting for Acquisitions of Interests in Joint Operations (Annual Improvements to MFRS Standards 2015 – 2017 Cycle)*
- Amendments to MFRS 112 *Recognition of Deferred Tax Assets for Unrealised Losses (Annual Improvements to MFRS Standards 2015 – 2017 Cycle)*
- Amendments to MFRS 119 *Plan Amendment, Curtailment or Settlement*
- Amendments to MFRS 123 *Borrowing Costs (Annual Improvements to MFRS Standards 2015 – 2017 Cycle)*
- Amendments to MFRS 128 *Long-term Interests in Associates and Joint Ventures*

The application of the above standards has no significant effect to the financial statements of the Group except for MFRS 16 *Leases* as disclosed below:

#### **MFRS 16 Leases**

MFRS 16 replaces the guidance in MFRS 117 *Leases*, IC Interpretation 4 *Determining whether an Arrangement contains a Lease*, IC Interpretation 115 *Operating Leases - Incentives* and IC Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The Group has adopted MFRS 16 with the date of initial application of 1 October 2019. The Group elected to use the modified retrospective method and to apply a number of practical expedients as provided in MFRS 16.

Under the modified retrospective method, prior year comparative information was not restated and the cumulative effects of initial application of MFRS 16 were recognised as an adjustment to the opening balance of right-of-use (“ROU”) assets and lease liabilities as at 1 October 2019. The comparative information continued to be reported under the previous accounting policies governed under MFRS 117 and IC Interpretation 4.

As a lessor, the Group is not required to make any adjustment on transition, except for the reassessment of existing operating subleases, if any, at the date of initial application.

On adoption of MFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of MFRS 117. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as at 1 October 2019.

The associated right-of-use ("ROU") assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 1 October 2019.

The Group has elected not to recognise lease liabilities and ROU assets for short term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense in profit or loss over its lease terms.

In applying MFRS 16 for the first time, the Group has applied the following practical expedients permitted by the standard to leases previously classified as operating leases under MFRS 117:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- reliance on previous assessments on whether leases are onerous;
- the accounting for operating leases with a remaining lease term of less than 12 months as at date of initial application as short-term leases;
- the exclusion of initial direct costs for the measurement of the ROU assets at the date of initial application; and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

**Effect on adoption of MFRS 16 as at 1 October 2019**

	As previously stated	Effect on adoption of MFRS 16	As restated
<b>Assets</b>			
Property, plant and equipment	8,066,866	(480,892)	7,585,974
Prepaid lease payments	351,082	(351,082)	-
Right-of-use assets	-	976,118	976,118
Trade and other receivables	2,151,467	(342)	2,151,125
Total assets	<u>21,824,464</u>	<u>143,802</u>	<u>21,968,266</u>
<b>Liabilities</b>			
Lease liabilities (non-current)	-	119,160	119,160
Lease liabilities (current)	-	24,642	24,642
Total liabilities	<u>9,704,211</u>	<u>143,802</u>	<u>9,848,013</u>
Total equity and liabilities	<u>21,824,464</u>	<u>143,802</u>	<u>21,968,266</u>

**A3. Seasonal and cyclical operations**

The Group's plantation operations are affected by seasonal crop production, weather conditions and fluctuations in commodity prices.

**A4. Unusual items**

There were no items affecting the assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

**A5. Material changes in estimates**

There were no significant changes in the amounts of estimates reported in prior interim periods or prior financial years that have a material effect in the current interim period.

**A6. Issuance and repayment of debt and equity securities**

On 24 February 2020, the Company issued and allotted 7,714,894 new shares pursuant to the dividend reinvestment plan ("DRP") for the final dividend for financial year ended 30 September 2019. With the listing of the new shares pursuant to the DRP, the total enlarged number of issued shares is 443,665,894. Thereafter, on 4 June 2020, the Company cancelled its 44,130,431 treasury shares with carrying amount of RM632,703,000. With the cancellation of the treasury shares, the total reduced number of issued shares is 399,535,463. The share capital cancelled was transferred to retained earnings in accordance with the requirement of Section 127(13) and (14) of the Companies Act 2016 in Malaysia.

For the financial year to-date, there were share buybacks of 829,000 shares in the Company from the open market. The average price paid for the shares repurchased was RM13.97 per share and the total consideration paid, including transaction costs, was RM11,621,829. The shares bought back were financed by internally generated funds and held as treasury shares.

**A7. Dividends paid**

	<b>9 months ended</b>	
	<b>30 June</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Dividends proposed in financial year ("FY") 2019, paid in FY 2020:		
Final 45 sen per share single tier	176,560	-
Dividends proposed in FY 2018, paid in FY 2019:		
Final 40 sen per share single tier	-	158,548
	<u>176,560</u>	<u>158,548</u>

The Board of Directors of the Company had determined that the DRP which was approved by the shareholders of the Company at the annual general meeting of the Company held on 13 February 2018 should apply to the entire portion of the final dividend for financial year ended 30 September 2019.

The final dividend of RM176,560,000 was paid on 24 February 2020, RM127,681,000 of which was satisfied by the issuance of 7,714,894 new shares of the Company pursuant to the DRP and the balance via cash payment of RM48,879,000.

Dividends are paid on the number of outstanding shares in issue and fully paid of 392,355,969 (2019: 396,369,369).

**A8. Segment information**

Segment information is presented in respect of the Group's reportable segments which are based on the Group's management and internal reporting structure.

## a) Segment revenue and results

	Plantation	Manufacturing	Property Development	Investment Holding/ Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>9 months ended</b>						
<b>30 June 2020</b>						
Revenue						
External revenue	5,392,170	6,275,306	84,343	210,151	-	11,961,970
Inter-segment revenue	675,441	39	-	414,771	(1,090,251)	-
Total revenue	6,067,611	6,275,345	84,343	624,922	(1,090,251)	11,961,970
Results						
Operating results	562,713	371,168	23,285	153,447	(26,039)	1,084,574
Finance costs	(12,922)	(37,789)	78	(175,538)	26,039	(200,132)
Share of results of associates	7,678	1,215	1,957	33,339	-	44,189
Share of results of joint ventures	(2,704)	-	-	8,895	-	6,191
Segment results	554,765	334,594	25,320	20,143	-	934,822
Profit before taxation						934,822

	Plantation	Manufacturing	Property Development	Investment Holding/ Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>9 months ended</b>						
<b>30 June 2019</b>						
Revenue						
External revenue	4,703,553	7,045,327	121,070	253,309	-	12,123,259
Inter-segment revenue	676,140	-	-	594,208	(1,270,348)	-
Total revenue	5,379,693	7,045,327	121,070	847,517	(1,270,348)	12,123,259
Results						
Operating results	283,018	414,183	27,065	98,572	(32,575)	790,263
Finance costs	(13,146)	(42,707)	-	(110,973)	32,575	(134,251)
Share of results of associates	1,466	897	2,190	65	-	4,618
Share of results of joint ventures	1,581	-	-	1,045	-	2,626
Segment results	272,919	372,373	29,255	(11,291)	-	663,256
Profit before taxation						663,256

b) Segment assets

	Plantation	Manufacturing	Property Development	Investment Holding/ Others	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 30 June 2020</b>					
Operating assets	7,078,009	7,068,540	1,544,172	4,459,401	20,150,122
Associates	80,151	12,289	69,360	1,410,879	1,572,679
Joint ventures	152,246	-	-	126,082	278,328
Segment assets	7,310,406	7,080,829	1,613,532	5,996,362	22,001,129
Tax assets					490,553
Total assets					22,491,682
<b>At 30 September 2019</b>					
Operating assets	6,847,543	6,801,703	1,506,728	4,320,295	19,476,269
Associates	92,944	10,928	72,403	1,340,207	1,516,482
Joint ventures	152,044	-	-	115,263	267,307
Segment assets	7,092,531	6,812,631	1,579,131	5,775,765	21,260,058
Tax assets					564,406
Total assets					21,824,464

c) Segment liabilities

	Plantation	Manufacturing	Property Development	Investment Holding/ Others	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 30 June 2020</b>					
Segment liabilities	1,426,300	2,323,707	122,055	5,390,767	9,262,829
Tax liabilities					498,327
Dividend payable					145,281
Total liabilities					9,906,437
<b>At 30 September 2019</b>					
Segment liabilities	1,553,599	2,164,235	119,719	5,380,905	9,218,458
Tax liabilities					485,753
Total liabilities					9,704,211

**A9. Material events subsequent to end of period**

In the interval between the end of the reporting period and the date of this report, no material events have arisen which have not been reflected in the interim report except for the following:

On 23 July 2020, a fire broke out at one of the facilities in an oleochemical sub-subsidiary, Palm-Oleo Klang Sdn Bhd ("POK") and had caused disruption to the production in POK. However, this disruption is mitigated by diverting production shortages to other manufacturing sites to meet customers' requirements.

All losses arising from this fire incident including business interruptions are expected to be recovered through insurance. Therefore, the management does not expect this fire incident to have any material impact to the performance of the Group.

**A10. Changes in composition of the Group**

There were no changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings and discontinued operations during the current quarter review except for the following:

On 18 May 2020, the Company's sub-subsidiary, Equatorial Palm Oil plc ("EPO") entered into a Share Purchase Agreement to dispose 50% equity interest in Liberian Palm Developments Limited ("LPD") held by its wholly-owned subsidiary, Equatorial Biofuels (Guernsey) Limited to KLK Ago Plantations Pte Ltd ("KLKAP"), a wholly-owned subsidiary of Kuala Lumpur Kepong Berhad ("KLKB"), and transfer an outstanding debt of USD6.3 million in EPO owed by LPD to KLKAP. The consideration for the disposal of shares and transfer of debt was GBP1.

Following the completion of disposal on 11 June 2020, LPD is now a wholly-owned subsidiary of KLKB.

The disposal will not have any material effect on the share capital and shareholdings of KLKB's substantial shareholders, the net assets and the gearing of the Group nor the earnings of the Group for the financial year ending 30 September 2020.

#### A11. Changes in contingent liabilities and contingent assets

There were no material changes in the contingent liabilities or contingent assets since the last annual financial statements for the year ended 30 September 2019.

#### A12. Capital commitments

At the end of the reporting period/year, the Group's capital commitments were as follows:

	<b>At 30 June 2020 RM'000</b>	<b>At 30 September 2019 RM'000</b>
<b>Capital expenditure</b>		
Approved and contracted	207,405	364,210
Approved but not contracted	587,516	894,065
	<u>794,921</u>	<u>1,258,275</u>
<b>Acquisition of shares in a sub-subsidiary</b>		
Approved and contracted	<u>307,395</u>	-
<b>Joint venture</b>		
Share of capital commitment of a joint venture	<u>34,068</u>	<u>79,427</u>

#### A13. Significant Related Party Transactions

The significant related party transactions set out below were carried out in the normal course of business and on terms and conditions not more materially different from those obtainable in transactions with unrelated parties.

	<b>Cumulative Quarter 9 months ended 30 June</b>	
	<b>2020 RM'000</b>	<b>2019 RM'000</b>
a) Transactions with associates and joint ventures:		
Sales of goods	205,934	169,715
Purchase of goods	880,222	767,019
Service charges paid	2,090	2,053
Research and development services paid	<u>10,302</u>	<u>9,916</u>

	<b>Cumulative Quarter</b>	
	<b>9 months ended</b>	
	<b>30 June</b>	
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
b) Transactions with companies in which certain Directors are common directors and/or have direct or deemed interest:		
<b>Sales of goods</b>		
Chlor-Al Chemical Pte Ltd	5,822	4,323
Siam Taiko Marketing Co Ltd	1,618	1,771
Taiko Acid Works Sdn Bhd	4,401	-
Taiko Marketing (S) Pte Ltd	2,149	2,505
Taiko Marketing Sdn Bhd	166,734	192,924
<b>Storage tanks rental received</b>		
Taiko Marketing Sdn Bhd	3,024	3,092
<b>Purchases of goods</b>		
Borneo Taiko Clay Sdn Bhd	3,516	3,262
Bukit Katho Estate Sdn Bhd	3,555	2,729
Kampar Rubber & Tin Co Sdn Bhd	3,987	3,926
Kekal & Deras Sdn Bhd	1,301	1,110
Ladang Tai Tak (Kota Tinggi) Sdn Bhd	-	1,886
Malay Rubber Plantations (M) Sdn Bhd	4,720	4,157
PT Agro Makmur Abadi	46,141	38,122
PT Bumi Karyatama Raharja	579	1,837
PT Java Taiko Mineralindo	2,659	-
PT Safari Riau	23,484	13,505
Taiko Acid Works Sdn Bhd	491	2,116
Taiko Clay Marketing Sdn Bhd	1,532	1,946
Taiko Drum Industries Sdn Bhd	1,268	2,480
Taiko Marketing (S) Pte Ltd	4,462	22,866
Taiko Marketing Sdn Bhd	22,781	32,358
<b>Freight income:</b>		
Chlor-Al Chemical Pte Ltd	-	459
Taiko Marketing Sdn Bhd	-	248
<b>Management fees paid</b>		
Farming Management Services Pty Ltd	1,751	-
<b>Aircraft operating expenses and management services paid</b>		
Smooth Route Sdn Bhd	1,527	1,748
<b>Supply of contract labours and engineering works:</b>		
K7 Engineering Sdn Bhd	-	1,566
<b>IT services</b>		
E-Komoditi Sdn Bhd	479	1,824
c) Transactions between subsidiaries and their non-controlling interests:		
<b>Sales of goods</b>		
Mitsubishi Corporation	43,293	31,504
Mitsui & Co Ltd	154,918	202,086
<b>Purchases of goods</b>		
Mitsubishi Gas Chemical Singapore Pte Ltd	8,614	12,462
PT Eka Dura Indonesia	12,507	-
PT Tanjung Bina Lestari	882	18,379
PT Tanjung Sarana Lestari	1,108,741	961,615



**B. Explanatory Notes as required by the Bursa Securities' Listing Requirements**

**B1. Detailed analysis of performance**

**3<sup>rd</sup> Quarter FY2020 vs 3<sup>rd</sup> Quarter FY2019**

	<b>Quarter Ended</b>		<b>Changes</b> %
	<b>30 June</b>		
	<b>2020</b>	<b>2019</b>	
	<b>RM'000</b>	<b>RM'000</b>	
Revenue	3,822,645	3,824,675	(0.1)
Segment results:			
Plantation	230,342	40,429	469.7
Manufacturing	119,144	126,579	(5.9)
Property development	7,631	11,014	(30.7)
Investment holding/Others	172,249	(96,343)	278.8
Profit before taxation	529,366	81,679	548.1

The Group's revenue for the current quarter was marginally lower at RM3,822.65 million (3Q2019: RM3,824.68 million) while the Group's profit before taxation was significantly higher by 548.1% to RM529.37 million (3Q2019: RM81.68 million) due mainly to RM223.00 million (3Q2019: RM32.03 million unrealised gain) unrealised foreign currency exchange translation gains on bank and inter-company loans with the significant appreciation of Indonesian Rupiah against USD and RM. Last year's third quarter's profit was arrived at after recognition of RM145.32 million provision for impairment of an estate in Liberia.

Excluding the above foreign currency exchange impact and provision for impairment of an estate, the Group's profit for the current quarter increased by 52.5% to RM297.36 million (3Q2019: RM194.97 million). Comments on the respective business segments are as follows:

**Plantation's** profit was significantly higher by 469.7% to RM230.34 million (3Q2019: RM40.43 million) with 14.9% higher revenue of RM1,582.79 million (3Q2019: RM1,377.97 million). The current quarter's profit was contributed by stronger CPO and PK prices, coupled with lower CPO production cost from 5.6% increase in FFB production to 1.04 million mt (3Q2019: 982,637 mt) and higher contributions from processing and trading operations.

**Manufacturing** reported 5.9% lower profit of RM119.14 million (3Q2019: RM126.58 million) with 6.8% drop in revenue to RM2,172.97 million (3Q2019: RM2,330.22 million).

The Oleochemical division registered a higher current quarter's profit of RM101.93 million (3Q2019: RM96.29 million) due to higher unrealised gain arising from fair value changes on outstanding derivatives contracts which amounted to RM19.97 million (3Q2019: RM15.28 million unrealised loss). Europe operations had shown stronger performance while Malaysia and China operations reported lower profits with higher raw material costs. The Industrial Chemical division posted a 59.9% lower profit at RM11.60 million (3Q2019: RM28.90 million) impacted by lower selling prices and sales volume.

**Property Development** recorded a 30.7% lower profit of RM7.63 million (3Q2019: RM11.01 million) with 67.4% lower revenue of RM15.13 million (3Q2019: RM46.46 million).

**Investment holdings/Others'** result mainly accounted for RM204.61 million (3Q2019: RM30.63 million gain) foreign currency exchange translation gain on inter-company loans denominated in foreign currencies. Last year's third quarter had accounted for impairment of an estate in Liberia amounted to RM145.32 million.

**Todate 3<sup>rd</sup> Quarter FY 2020 vs Todate 3<sup>rd</sup> Quarter FY 2019**

	<b>Todate Ended</b>		<b>Changes %</b>
	<b>30 June</b>		
	<b>2020</b>	<b>2019</b>	
	<b>RM'000</b>	<b>RM'000</b>	
Revenue	11,961,970	12,123,259	(1.3)
Segment results:			
Plantation	554,765	272,919	103.3
Manufacturing	334,594	372,373	(10.1)
Property development	25,320	29,255	(13.5)
Investment holding/Others	20,143	(11,291)	278.4
Profit before taxation	934,822	663,256	40.9

The Group's nine months profit before taxation was 40.9% higher at RM934.82 million (Todate 3Q2019: RM663.26 million) with slight decline of 1.3% in revenue to RM11,961.97 million (Todate 3Q2019: RM12,123.26 million). Profit for the period under review was aided by RM60.55 million (Todate 3Q2019: RM73.29 million gain) unrealised foreign currency exchange translation gains on bank and inter-company loans. Last year's nine months profit had accounted for RM145.32 million provision for impairment of an estate in Liberia. Comments on the respective business segments are as follows:

**Plantation's** profit was 103.3% higher at RM554.77 million (Todate 3Q2019: RM272.92 million) while revenue was 14.6% higher at RM5,392.17 million (Todate 3Q2019: RM4,703.55 million) contributed by stronger CPO and PK selling prices, coupled with RM7.74 million unrealised gain (Todate 3Q2019: RM18.05 million unrealised loss) on valuation of unharvested FFB despite a 4.5% decrease in FFB production to 3.00 million mt (Todate 3Q2019: 3.14 million mt).

**Manufacturing** reported a 10.1% lower profit of RM334.59 million (Todate 3Q2019: RM372.3 million) with 10.9% lower revenue at RM6,275.31 million (Todate 3Q2019: RM7,045.33 million).

The Oleochemical division registered a 2.2% lower profit of RM275.67 million (Todate 3Q2019: RM281.76million) from lower sales volumes. Europe operations had shown stronger performance while Malaysia and China operations reported lower profits. The Industrial Chemical division posted a 40.2% lower profit of RM52.00 million (Todate 3Q2019: RM87.00 million) impacted by lower selling prices and sales volume.

**Property Development** reported a 13.5% decrease in profit to RM25.32 million (Todate 3Q2019: RM29.26 million) with 30.3% lower revenue of RM84.34 million (Todate 3Q2019: RM121.07 million).

**Investment holdings/Others'** result accounted for RM62.25 million (Todate 3Q2019: RM63.08 million unrealised gain) unrealised foreign currency exchange translation gains on inter-company loans denominated in foreign currencies and Farming sector's loss at RM9.21 million (Todate 3Q2019: RM35.77 million profit) due to last season's poor crop yields from a lower cropped area which was affected by poor rainfall conditions. Last year's nine months profit recognised RM145.32 million impairment of an estate in Liberia.

**B2. Comparison of current quarter's results to the preceding quarter**  
**3<sup>rd</sup> Quarter FY2020 vs 2<sup>nd</sup> Quarter FY2020**

	Quarter Ended		Changes %
	30 June 2020 RM'000	31 March 2020 RM'000	
Revenue	3,822,645	3,933,221	(2.8)
Segment results:			
Plantation	230,342	154,685	48.9
Manufacturing	119,144	116,491	2.3
Property development	7,631	4,114	85.5
Investment holding/Others	172,249	(163,586)	205.3
Profit before taxation	529,366	111,704	373.9

For the current quarter, the Group's profit before taxation was significantly higher by 373.9% at RM529.37 million as compared to RM111.70 million reported in the preceding quarter with 2.8% lower revenue at RM3,822.65 million (2Q2020: RM3,933.22 million) due mainly to RM232.00 million (2Q2020: RM201.30 million unrealised loss) unrealised foreign currency exchange translation gains on bank and inter-company loans with the significant appreciation of Indonesian Rupiah against USD and RM. Excluding the foreign exchange impact, the Group's third quarter profit decreased by 5.0% to RM297.36 million (2Q2020: RM313.00 million). Comments on the respective business segments are as follows:

Despite weaker CPO and PK prices, **Plantation** recorded 48.9% higher profit of RM230.34 million (2Q2020: RM154.69 million) from higher CPO sales volume, lower CPO production cost due to 11.3% increase in FFB production to 1.04 mt (2Q2020: 923,163 mt) and accounted for RM27.44 million (2Q2020: RM32.77 million unrealised loss) unrealised foreign currency exchange translation gain on an Indonesian subsidiary's USD loan.

**Manufacturing's** profit was 2.3% higher at RM119.14 million (2Q2020: RM116.49 million) with a 4.8% higher revenue of RM2,172.97 million (2Q2020: RM2,073.85 million).

The Oleochemical division recorded a higher profit of RM101.93 million (2Q2020: RM96.32 million) contributed by higher sales volume and RM19.96 million unrealised gain (2Q2020: RM16.48 million loss) arising from changes in fair value on outstanding derivatives contracts. The Industrial Chemical division posted a 42.9% lower profit at RM11.60 million (2Q2020: RM20.30 million) due to lower sales volume and higher production cost.

**Property Development** recorded a 85.5% reduction in profit to RM7.63 million (2Q2020: RM4.11 million) from 10.9% lower revenue of RM15.13 million (2Q2020: RM16.99 million).

**Investment holdings/Others'** result mainly accounted for RM204.61 million (2Q2020: RM166.51 million unrealised loss) unrealised foreign currency exchange translation gains on inter-company loans denominated in foreign currencies.

### B3. Current year's prospects

In view of improved CPO prices, profit for the Group's Plantation segment is expected to be higher for the financial year 2020.

Both the Group's Oleochemical and Industrial Chemical divisions have seen a recovery of demand and therefore anticipate their profits to remain satisfactory for the financial year 2020.

Overall, the Group expects profit to improve for the financial year 2020 in spite of uncertainties of the COVID-19 pandemic.

### B4. Variance of actual profit from forecast profit

The Group did not issue any forecast profit or profit guarantee during the current financial year to-date.

### B5. Income tax expense

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30 June		30 June	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Current tax expenses				
Malaysian taxation	32,519	37,557	90,346	100,044
Overseas taxation	36,867	16,097	110,893	79,795
	<u>69,386</u>	<u>53,654</u>	<u>201,239</u>	<u>179,839</u>
(Over)/Under provision of taxation in respect of previous years				
Malaysian taxation	(2,961)	(15,529)	(6,877)	(15,767)
Overseas taxation	2,895	1,158	(42)	5,055
	<u>(66)</u>	<u>(14,371)</u>	<u>(6,919)</u>	<u>(10,712)</u>
Deferred tax				
Origination and reversal of temporary differences	10,842	(20,928)	1,669	(22,551)
Relating to changes in tax rates	(411)	3	38,182	(968)
Under provision in respect of previous years	6,532	3,220	13,032	44
	<u>16,963</u>	<u>(17,705)</u>	<u>52,883</u>	<u>(23,475)</u>
	<u>86,283</u>	<u>21,578</u>	<u>247,203</u>	<u>145,652</u>

## Reconciliation of effective taxation

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30 June		30 June	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	529,366	81,679	934,822	663,256
Taxation at Malaysia income tax rate of 24% (FY2019: 24%)	127,048	19,604	224,357	159,182
Effect of difference tax rates in foreign jurisdiction	(7,792)	(5,395)	(16,463)	(17,357)
Withholding tax on foreign dividend and interest income	6,026	5,845	17,691	19,116
Expenses not deductible for tax purposes	(22,299)	50,948	57,257	100,446
Tax exempt and non-taxable income	(23,731)	(36,051)	(65,800)	(90,994)
Tax incentives	(815)	(203)	(2,517)	(2,426)
Deferred tax assets not recognised during the period	3,985	476	4,118	1,777
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(1,398)	(1,665)	(9,044)	(15,590)
Tax effect on associates' and joint ventures' results	(4,009)	(1,421)	(12,091)	(1,738)
Recognition of deferred tax (liabilities)/assets not taken up previously	1,285	-	1,285	-
Over provision of previous years tax expenses	(66)	(14,371)	(6,919)	(10,712)
Under provision of previous years deferred tax	6,532	3,220	13,032	44
Effect of changes in tax rates on deferred tax	(411)	-	38,182	-
Others	1,928	591	4,115	3,904
Tax expense	86,283	21,578	247,203	145,652

Effect of changes in tax rates on deferred tax of RM38.18 million resulted from the reversal of deferred tax assets as a result of the Indonesian corporate tax rate reducing from 25% to 22%. These deferred tax assets were largely derived from revaluation of bearer plants in financial year 2016.

### B6. Status of corporate proposals

There were no corporate proposals announced.

**B7. Group borrowings**

As at the end of the reporting period, the Group's borrowings were as follows:

	At 30 June 2020								
	Long Term		Short Term		Total Borrowings				
	Foreign Denomination	RM Denomination	Foreign Denomination	RM Denomination	Foreign Denomination	RM Denomination			
	'000	RM'000	'000	RM'000	'000	RM'000			
<u>Secured</u>									
Term Loans	Euro	5,128	24,699	Euro	1,244	5,993	Euro	6,372	30,692
Bankers' acceptance		-	-		-	4,376		-	4,376
<u>Unsecured</u>									
Bank overdraft		-	-	Euro	24,571	118,342	Euro	24,571	118,342
Revolving credit		-	-	Euro	10,000	48,164	Euro	10,000	48,164
		-	-	Rp	85,389,758	25,788	Rp	85,389,758	25,788
		-	-	GBP	46,000	244,591	GBP	46,000	244,591
		-	-	AUD	10,000	29,597	AUD	10,000	29,597
Trade financing		-	-	USD	63,908	273,975	USD	63,908	273,975
		-	-	Rmb	35,000	21,238	Rmb	35,000	21,238
		-	-		-	280,335		-	280,335
Term loans	USD	71,500	307,857	USD	3,500	15,117	USD	75,000	322,974
	Euro	40,000	192,879	Euro	33,500	161,501	Euro	73,500	354,380
Bankers' acceptance		-	-		-	232,884		-	232,884
Islamic medium term notes		-	5,100,000		-	-		-	5,100,000
<b>Total</b>		-	5,625,435		-	1,461,901		-	7,087,336

	At 30 June 2019								
	Long Term		Short Term		Total Borrowings				
	Foreign Denomination	RM Denomination	Foreign Denomination	RM Denomination	Foreign Denomination	RM Denomination			
	'000	RM'000	'000	RM'000	'000	RM'000			
<u>Secured</u>									
Term Loans	Euro	7,300	34,324	Euro	308	1,448	Euro	7,608	35,772
<u>Unsecured</u>									
Bank overdraft		-	-	Euro	27,824	130,838	Euro	27,824	130,838
Revolving credit		-	-	Euro	30,000	141,069	Euro	30,000	141,069
		-	-	Rp	72,790,504	21,306	Rp	72,790,504	21,306
		-	-	Rmb	78,000	46,979	Rmb	78,000	46,979
		-	-	GBP	6,500	34,126	GBP	6,500	34,126
Trade financing		-	-	USD	40,760	168,543	USD	40,760	168,543
		-	-		-	53,790		-	53,790
Term loans	USD	45,000	186,258		-	-	USD	45,000	186,258
	Euro	50,000	235,264	Euro	15,500	72,937	Euro	65,500	308,201
Export credit refinancing		-	-		-	20,215		-	20,215
Bankers' acceptance		-	-		-	290,676		-	290,676
Islamic medium term notes		-	3,100,000		-	-		-	3,100,000
<b>Total</b>		-	3,555,846		-	981,927		-	4,537,773

Exchange Rates Applied	At 30 June	
	2020	2019
USD / RM	4.2870	4.1350
Euro / RM	4.8164	4.7023
Rp1,000/RM	0.3020	0.2927
RMB/RM	0.6068	0.6023
GBP/RM	5.3172	5.2502
AUD/RM	2.9597	2.9032

**B8. Derivative financial instruments**

The Group has entered into forward foreign exchange contracts as hedges for committed sales and purchases denominated in foreign currencies. The hedging of the foreign currencies is to minimise the exposure of the Group to fluctuations in foreign exchange on receipts and payments.

The commodity future contracts are entered into with the objective of managing and hedging the Group's exposure to the adverse price movements in the vegetable oil commodities.

As at 30 June 2020, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

	<b>Contract / Notional value Net long/(short) RM'000</b>	<b>Fair value Net gains/(losses) RM'000</b>
a) Forward foreign exchange contracts:		
- Less than 1 year	(1,290,335)	3,194
- 1 year to 3 years	-	-
- More than 3 years	-	-
	-	-
b) Commodity futures contracts:		
- Less than 1 year	(123,568)	5,175
- 1 year to 3 years	-	-
- More than 3 years	-	-
	-	-

Derivative financial instruments are recognised at fair value on contract dates and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss from the re-measurement is recognised in profit or loss.

For the current quarter ended 30 June 2020, there have been no significant changes to the Group's exposure to credit risk, market risk and liquidity risk from the previous financial year. Since the previous financial year, there have been no changes to the Group's risk management objectives, policies and processes.

**B9. Fair value changes of financial liabilities**

The Group does not have any financial liabilities which are measured at fair value through profit or loss except for derivative financial instruments.

**B10. Material Litigation**

There was no pending material litigation as at the date of this report.

**B11. Dividend**

a) The Directors do not recommend the payment of any dividend for the quarter ended 30 June 2020.

An interim single tier dividend of 15 sen per share (2019: 15 sen per share) was declared by the Directors on 27 May 2020 and was paid on 6 August 2020.

b) Total dividend for the current financial year to-date is single tier dividend of 15 sen per share (2019: 15 sen per share).

**B12. Earnings Per Share**

*Basic earnings per share*

The earnings per share is calculated by dividing the net profit for the period attributable to equity holders of the Company by the weighted average number of shares of the Company in issue during the period.

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>3 months ended</u>		<u>9 months ended</u>	
	<u>30 June</u>		<u>30 June</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Net profit for the period attributable to equity holders of the Company (RM'000)	212,653	50,826	332,105	266,798
Weighted average number of shares ('000)	395,708	397,371	395,708	397,371
Earnings per share (sen)	53.7	12.8	83.9	67.1

**B13. Audit report of preceding annual financial statements**

The auditors' report on the financial statements for the year ended 30 September 2019 was not subject to any qualifications.



**B14. Condensed Consolidated Statement of Profit or Loss**

Profit before taxation for the period is arrived at after charging/(crediting) the following items:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>3 months ended</u>		<u>9 months ended</u>	
	<u>30 June</u>		<u>30 June</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Interest income	(28,910)	(17,903)	(97,598)	(57,711)
Dividend income	(16,223)	(45,347)	(30,701)	(57,021)
Other income	(105,491)	(53,207)	(222,273)	(297,411)
Interest expense	64,718	39,035	200,132	134,251
Depreciation and amortisation	164,676	152,251	487,726	447,642
Provision for and write-off of receivables	3,797	1,703	6,697	5,153
Provision for and write-off of inventories	848	5,673	20,125	30,019
(Surplus)/Deficit on disposal of quoted or unquoted investment	(627)	(32)	(656)	1,029
Surplus on disposal of land	(88)	(743)	(866)	(1,927)
Surplus arising from government acquisition of land	(1,152)	(610)	(1,152)	(48,700)
Surplus on disposal of a subsidiary company	-	(210)	-	(210)
Impairment of assets	-	145,970	-	145,970
Foreign exchange gain	(207,790)	(42,773)	(63,633)	(74,726)
(Gain)/Loss on derivatives	(34,398)	21,635	33,859	594
Exceptional items	-	-	-	-

By Order of the Board  
GOH SWEE ENG  
YAP MIOU KIEN  
CHIEW CINDY  
Company Secretaries

19 August 2020