



PINEHILL PACIFIC BERHAD

(Company No.: 000222-D)

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

	Note	CURRENT QUARTER 3 Months Ended		CUMULATIVE QUARTER 9 Months Ended	
		31/03/2019	31/03/2018	31/03/2019	31/03/2018
		RM'000	RM'000 Restated	RM'000	RM'000 Restated
Revenue	9	4,043	4,967	13,790	19,565
Cost of sales		(8,235)	(8,202)	(25,349)	(25,868)
Gross profit		(4,192)	(3,235)	(11,559)	(6,303)
Distribution costs		(87)	(87)	(286)	(308)
Administration expenses		(1,949)	(1,637)	(5,927)	(5,602)
Other operating income		63	28	134	37
Profit/(Loss) before interest & tax		(6,165)	(4,931)	(17,638)	(12,176)
Finance costs		(2,196)	(2,095)	(6,687)	(6,373)
Finance income		2	1	2	3
Profit/(Loss) before tax	9	(8,359)	(7,025)	(24,323)	(18,546)
Taxation	20	54	(13)	54	(13)
Profit/(Loss) for the period		<u>(8,305)</u>	<u>(7,038)</u>	<u>(24,269)</u>	<u>(18,559)</u>
Profit/(Loss) for the period attributable to:					
Owners of the parent		(7,495)	(6,315)	(21,830)	(16,359)
Non-controlling interests		(810)	(723)	(2,439)	(2,200)
		<u>(8,305)</u>	<u>(7,038)</u>	<u>(24,269)</u>	<u>(18,559)</u>
Earning/(loss) per share, attributable to owners of the parent (sen):	29				
Basic		(5.00)	(4.22)	(14.57)	(10.92)

The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.



PINEHILL PACIFIC BERHAD

(Company No.: 000222-D)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2019

	CURRENT QUARTER 3 Months Ended		CUMULATIVE QUARTER 9 Months Ended	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
	RM'000	RM'000 Restated	RM'000	RM'000 Restated
Profit/(Loss) for the period	(8,305)	(7,038)	(24,269)	(18,559)
Currency translation difference arising from consolidation (equity portion)	152	(3,532)	(6,910)	(10,000)
Total comprehensive income/(expense) for the period	<u>(8,153)</u>	<u>(10,570)</u>	<u>(31,179)</u>	<u>(28,559)</u>
Total comprehensive income/(expense) attributable to:				
Owners of the parent	(7,329)	(10,570)	(25,611)	(26,509)
Non-controlling interests	(824)	-	(5,568)	(2,050)
	<u>(8,153)</u>	<u>(10,570)</u>	<u>(31,179)</u>	<u>(28,559)</u>

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.



PINEHILL PACIFIC BERHAD

(Company No.: 000222-D)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2019

	Note	Unaudited as at 31/03/19 RM'000	Audited as at 30/06/18 RM'000 Restated	As at 01/01/17 RM'000 Restated
<u>ASSETS</u>				
Non-current assets				
Property, plant and equipment	9	230,642	242,333	266,578
Land use rights		19,636	19,547	22,492
Biological assets - Bearer Plants		100,192	105,276	137,243
		350,470	367,156	426,313
Current assets				
Inventories		530	840	1,091
Produce growing on bearer plants		392	603	955
Trade receivables		567	564	943
Other current assets		396	389	2,297
Cash and bank balances		1,064	1,910	4,305
		2,949	4,306	9,591
TOTAL ASSETS		353,419	371,462	435,904
<u>EQUITY AND LIABILITIES</u>				
Equity attributable to owners of the parent				
Share capital		74,902	74,902	74,902
Revaluation reserve		257,771	257,771	257,771
Exchange reserve		6,452	5,063	20,383
Retained earnings		(269,384)	(247,611)	(211,989)
		69,741	90,125	141,067
Non-controlling interests		(9,216)	(6,560)	(1,598)
Total equity		60,525	83,565	139,469
Non-current liabilities				
Long-term borrowings		160	247	416
Deferred tax liabilities		59,696	59,696	68,780
Amount due to a former Corporate Shareholder		26,660	26,660	26,660
Amount due to a Director		7,632	7,632	7,557
		94,148	94,235	103,413
Current liabilities				
Trade and other payables		48,515	43,736	47,098
Short-term borrowings		126,799	126,281	125,515
Current tax payable		22,745	22,999	19,844
Amount due to Directors		687	646	565
		198,746	193,662	193,022
Total liabilities		292,894	287,897	296,435
TOTAL EQUITY AND LIABILITIES		353,419	371,462	435,904
Net assets per share attributable to owners of the parent (RM)		0.47	0.60	0.94

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.



PINEHILL PACIFIC BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2019

	<----- Equity Attributable to Owners of the Parent ----->						
	<u>Share Capital</u> RM'000	<u>Revaluation Reserve</u> RM'000	<u>Exchange Reserve</u> RM'000	<u>Retained Earnings</u> RM'000	<u>Total</u> RM'000	<u>Non-controlling Interests</u> RM'000	<u>Total Equity</u> RM'000
At 1 January 2018, as previously reported	74,902	257,771	10,233	(231,816)	111,090	(3,684)	107,406
Effect of change in accounting policy (see Note 2)	-	-	-	590	590	36	626
At 1 January 2018, as restated	74,902	257,771	10,233	(231,226)	111,680	(3,648)	108,032
Total comprehensive (expense)/income for the period	-	-	(3,781)	(38,158)	(41,939)	(5,568)	(47,507)
Balance as at 31 March 2019	74,902	257,771	6,452	(269,384)	69,741	(9,216)	60,525
At 1 January 2017, as previously reported	74,902	257,771	20,383	(212,886)	140,170	(1,656)	138,514
Effect of change in accounting policy (see Note 2)				897	897	58	955
At 1 January 2017, as restated	74,902	257,771	20,383	(211,989)	141,067	(1,598)	139,469
Total comprehensive (expense)/income for the period	-	-	(15,763)	(25,551)	(41,314)	(2,259)	(43,573)
Balance as at 31 March 2018	74,902	257,771	4,620	(237,540)	99,753	(3,857)	95,896

The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.



PINEHILL PACIFIC BERHAD

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2019

	9 Months Ended	
	31/03/2019 RM'000	31/03/2018 RM'000 Restated
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(24,323)	(18,546)
Adjustments for :		
Non-cash items	19,098	18,396
Non-operating items	(2)	165
Operating profit before working capital changes	<u>(5,227)</u>	<u>15</u>
Working capital changes:-		
Net change in current assets	(92)	465
Net change in current liabilities	6,798	(230)
Cash generated from operating activities	<u>1,479</u>	<u>250</u>
Interest income	2	3
Tax paid	<u>(198)</u>	<u>(2,333)</u>
Net cash generated from operating activities	<u>1,283</u>	<u>(2,080)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Other investments	(98)	(533)
Net cash used in investing activities	<u>(98)</u>	<u>(533)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(5,592)	(6,380)
Repayment of hire purchase creditors	414	400
Net cash generated from/(used in) financing activities	<u>(5,178)</u>	<u>(5,980)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(3,993)	(8,593)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	1,910	3,409
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	3,147	5,788
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>1,064</u>	<u>604</u>

Cash and cash equivalents at the end of the financial period comprise the following:

	As at 31/03/2019 RM'000	As at 31/03/2018 RM'000
	Cash and bank balances	1,029
Deposits with licensed banks	35	35
	<u>1,064</u>	<u>604</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2018 and the accompanying explanatory notes attached to the interim financial statements.



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NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2019

PART A – EXPLANATORY NOTES PURSUANT TO FRS 134

1. Basis of Preparation

The interim financial statements are unaudited and are prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2018. These explanatory notes, attached to the interim financial statements, provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2018.

2. Significant Accounting Policies

The financial statements of the Group for the financial period ended 30 Sept 2018 is the first set of financial statements prepared in accordance with the MFRS Framework. The date of transition to the MFRS Framework was on 01 January 2017.

The Group has consistently applied the same accounting policies in its opening MFRS statement of financial position as at 1 January 2017 and throughout all comparable interim periods presented, as if these policies had always been in effect. Comparative information in these unaudited condensed interim financial statements has been restated to give effect to these changes and the financial impact on transition from FRS in Malaysia to MFRS.

Adoption of amendments to MFRS 116 Property, Plant and Equipment and MFRS 141 Agriculture: Bearer Plants

The Group has changed its accounting policy for bearer plants to be in accordance with the accounting requirements of MFRS 116 “Property, Plant and Equipment”. A bearer plant is a living plant that is used in the production and supply of agricultural produce, is expected to bear produce for more than one period, and has remote likelihood of being sold as agriculture produce. Bearer plants are accounted for under MFRS 116 as an item of property, plant and equipment. Agricultural produce growing on bearer plants continue to be measured at fair value less costs to sell under MFRS 141 “Agriculture: Bearer Plants”, with fair value changes recognized in profit or loss as the produce grows.



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2. Significant Accounting Policies (cont')

The Group's bearer plants consist of oil palm trees which the cost includes development expenditure and the plantation infrastructure from land clearing to the point of harvesting. Any replanting costs incurred are capitalized. These costs are currently in plantation development expenditure accounts and are measured at cost less accumulated depreciation based on estimated annual yield over 25 years. Upon adoption of MFRS framework, the net carrying amount of the plantation development expenditure accounts will be reclassified to bearer plants as part of the Group's property, plant and equipment.

Produce growing on bearer plants of the Group comprise of fresh fruit bunches ("FFB") prior to harvest. The management has deliberated on the oil content of such unharvested FFB, which is unripe and concluded that since the oil content of unharvested FFB accrues exponentially up to 15 days prior to harvest, such unharvested FFB more than 15 days are excluded from the valuation as their fair values are considered negligible. The fair value of unharvested FFB is computed based on market approach which takes into consideration the market prices of such unharvested FFB less harvesting, transport and other costs to sell.

The effects of the adoption of transition change in accounting policy on the comparatives are as follows:

		As previously stated under FRSs	Effect of transition from FRs to MFRs	Restated under MFRS
		RM'000	RM'000	RM'000
Condensed Consolidated Income Statement				
Quarter ended 31 Mar 2018				
Other Income		37	-	37
Loss before taxation		(18,227)	(319)	(18,546)
Loss for the financial period		(18,240)	(319)	(18,559)
Profit/(loss) attributable to:				
Equity holders of the Company		(16,061)	(298)	(16,359)
Non-controlling interests		(2,179)	(21)	(2,200)
Profit per share:				
Basic (sen)		(10.72)	(0.20)	(10.92)



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2. Significant Accounting Policies (cont')

		As previously stated under FRSs	Effect of transition from FRs to MFRs	Restated under MFRS
		RM'000	RM'000	RM'000
Condensed Consolidated Statement of Financial Position				
<u>As at 30 June 2018</u>				
Current assets				
Produce growing on bearer plants		-	603	603
Equity				
Reserves		89,557	567	90,124
Non-controlling interests		(6,596)	36	(6,560)
Net assets per share (sen)		0.60	0.00	0.60
<u>As at 01 January 2017</u>				
Current assets				
Produce growing on bearer plants		-	955	955
Equity				
Reserves		140,170	897	141,067
Non-controlling interests		(1,656)	58	(1,598)
Net assets per share (sen)		0.94	0.01	0.94

		As previously RM'000	Effect of RM'000	Restated under RM'000
Condensed Consolidated Statement of Cash Flows				
<u>Quarter ended 31 Mar 2018</u>				
Cash Flows from operating activities				
Loss before taxation		(18,227)	(319)	(18,546)
Fair value gain/(loss) arising from produce growing on bearer plants		-	(319)	(319)



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3. Auditor's Report on Preceding Annual Financial Statements

The preceding annual financial statements of the Group as at 30 June 2018 were reported on without any qualification which contained a material uncertainty related to going concern as stipulated in Note 2 in the financial statements as below:

During the financial year ended 30 June 2018, the Group and the Company incurred a net loss of RM31,103,409 and RM266,485 respectively, and as of that date, the Group's and the Company's current liabilities exceeded its current assets by RM189,960,303 and RM39,150,303 respectively. These events and conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the Company's ability to continue as going concerns.

The directors of the Company are of the opinion that the preparation of the financial statements of the Group and of the Company on a going concern basis remains appropriate given the following mitigating measures being taken or will be taken by the Group to meet its obligations falling due within the next 12 months which, include among others:

- Proposed disposal of plantation assets in Malaysia as disclosed in Note 22 ("Proposed Disposal"). The Proposed Disposal is expected to raise proceeds of RM413,574,302 which is expected to be utilised, among others, for:
 - (a) repayment of bank borrowings;
 - (b) repayment of creditors;
 - (c) funding of the planting programme and construction of palm oil mill for the Group's oil palm plantation in Indonesia; and
 - (d) working capital of the Group.

In addition, the directors are also reasonably optimistic that the financial position of the Group will strengthen in the foreseeable future based on the following factors:

- The Group's oil palm plantations in Indonesia are of a relatively young age with a planted area of 8,008 hectare ("ha"). Oil palm crops generally require at least 3 years to mature where the yields are low. Thereafter, the yields will gradually peak on the 7th year of maturity and mature oil palm trees will remain productive for a period of 25 years.
- It is also expected that there will be a growth in demand for food due to the growing world population.
- The Group's Indonesian subsidiaries had obtained the Izin Usaha Perkebunan ("IUP") in year 2016 and are currently in the process of applying to Badan Pertanahan Nasional Indonesia for the Sertifikat Hak Guna Usaha ("HGU") and the lease period of the HGU can be up to 35 years with a renewable term of up to 25 years as per the relevant laws and regulations in the Republic of Indonesia.
- As of 30 June 2018, the Group has 7,970 ha of mature oil palms in Indonesia.
- The continuing effort of the Group in implementing cost optimization measures whilst improving efficiencies and productivity of the plantation development and operations will improve FFB yields per ha.



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3. Auditor's Report on Preceding Annual Financial Statements (con't)

In addition, the Group and the Company have shareholders' equity of RM82,961,625 and RM29,188,153 respectively as at 30 June 2018 and the directors are optimistic that the underlying value of the plantation assets of the Group will be further enhanced with the progress of the plantation assets in Indonesia, thus further strengthening the financial position of the Group and to address any significant doubt on the Group's and the Company's ability in their use of going concern assumption.

Based on the above, the directors are confident that the Group and the Company would be able to strengthen the financial position to meet their liabilities and obligations as and when they fall due. The Group's continuous operation is dependent upon its ability to generate sufficient cash flows as stated above, to complete the Proposed Disposal, obtain favourable support from its creditors and financial support from its shareholders and financier.

The ability of the Group and the Company to continue as going concerns is dependent on sufficient cash flows to be generated from the successful implementation of the above measures. In the event that these are not forthcoming, the Group and the Company may be unable to realise their assets and discharge their liabilities in the normal course of business. Accordingly the financial statements may require adjustments relating to the recoverability and classification of recorded assets and liabilities that may be necessary should the Group and the Company be unable to continue as going concern.

In view of the matters set out above, there are material uncertainties on the ability of the Group and of the Company to continue as going concerns in the event that the above measures are not forthcoming. The Auditors' opinion is not modified in respect of the Statement on that matter.

There were no key audit matters that relate to the material uncertainty related to going concern for the financial year ended 30 Jun 2018.

4. Seasonal or Cyclical Factors

There was no variation of financial results from the immediate preceding quarter to the current quarter due to seasonal or cyclical factors except for the production of fresh fruit bunches ("FFB").

5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income Or Cash Flows

There was no unusual nature and amount of items affecting assets, liabilities, equity, net income or cash flows.



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6. Changes In Estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

7. Changes In Debt and Equity Securities

There was no issuance and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares in the current financial period under review.

8. Dividends Paid

There were no dividends paid during the current quarter.

9. Segment Information

The Group's segment information for the financial period ended 31 Mar 2019 is as follows:

1) Major Business Segments

9 months ended 31 Mar 2019

Group	Plantations RM'000	Investment RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT REVENUE				
External revenue	13,790	0	0	13,790
Total Revenue	<u>13,790</u>	<u>0</u>	<u>0</u>	<u>13,790</u>
SEGMENT RESULTS				
Profit/(Loss) from operations	(16,642)	(994)	0	(17,636)
Finance Costs	(6,687)	0	0	(6,687)
Profit/(Loss) before taxation	<u>(23,329)</u>	<u>(994)</u>	<u>0</u>	<u>(24,323)</u>
Taxation	54	0	0	54
Profit/(Loss) after taxation	<u>(23,275)</u>	<u>(994)</u>	<u>0</u>	<u>(24,269)</u>



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9. Segment Information (con't)

1) Major Business Segments (con't)

FINANCIAL POSITION

As at 31 Mar 2019

Total segment assets	392,337	24	(38,941)	353,420
Total segment liabilities	81,972	40,485	170,438	292,894

9 months ended 31 Mar 2018

Group	Plantations RM'000	Investment RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT REVENUE				
External revenue	(19,565)	0	0	(19,565)
Total Revenue	(19,565)	0	0	(19,565)

SEGMENT RESULTS

Profit/(Loss) from operations	(11,965)	(208)	0	(12,173)
Finance Costs	(6,373)	0	0	(6,373)
Profit/(Loss) before taxation	(18,338)	(208)	0	(18,546)
Taxation	0	0	0	0
Profit/(Loss) after taxation	(18,338)	(208)	0	(18,546)

Financial Position

As at 31 Mar 2018

Total segment assets	422,032	33	(38,275)	383,790
Total segment liabilities	75,309	39,438	173,147	287,894

2) Geographical Segments

Revenue based on geographical location of the Group's customers is as follows:

Geographical Segments

GROUP	Current Year 31-Mar-19 RM'000	Preceding Year 31-Mar-18 RM'000
Malaysia	13,449	19,157
Indonesia	341	408
Total	13,790	19,565



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10. Valuation of Property, Plant & Equipment

The valuation of property, plant and equipment has been brought forward and without amendment from the previous annual financial statement.

11. Material Events Subsequent To The Interim Period

There were no material events subsequent to the end of the period reported that have not been reflected in the financial statements.

12. Changes In The Composition of the Group

There were no changes in the composition of the Group during the current quarter.

13. Contingent Liabilities And Contingent Assets

During the current quarter, the Group's maximum exposure to credit risk is represented by a nominal amount of RM126,682,698 relating to a corporate guarantee provided by the Group to financial institutions for credit facilities granted to a subsidiary.

14. Capital Commitments

There is no capital commitment from the last balance sheet date.

15. Related Party Transactions

There is no related party transaction entered into by the Company and/or its subsidiaries during the financial period to-date.

16. Review of Performance

The performance of the Group was mainly contributed by the plantation subsidiaries.

The loss before taxation and non-controlling interests of the plantation subsidiaries for the current quarter were due to the factors as mentioned in note 17.



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PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

17. Comparison With Preceding Quarter Results And Comparison Financial Period Todate

Current Quarter

The Group reported RM8.36 million loss before taxation and non-controlling interests in the current quarter as compared to RM8.06 million loss before taxation and non-controlling interests in the immediate preceding quarter. The variance of RM0.30 million is mainly due to decrease in FFB production by 14%.

Year to Date

As compared to corresponding quarter ended 31 March 2019, the Group reported RM24.32 million loss before taxation and non-controlling interests for current financial period as compared to RM21.83 million loss in the corresponding period of the last financial year. The variances of RM2.49 million loss are mainly due to decrease in FFB production and CPO price by 8% and 22% respectively

18. Current Year Prospect

The average CPO price for the current quarter was RM1,988 per metric tonne, which was slightly higher compared to the average of immediate preceding quarter of RM1,918 per metric tonne. The current CPO price is trading in the region of RM1,964 per metric tonne. The plantation operation is affected by fluctuations of CPO price and shortage of foreign labour which affects the harvesting / production of the Fresh Fruits Bunch ("FFB").

19. Variance From Profit Forecast And Shortfall In Profit Guarantee

Not applicable since the Group has not committed to any profit forecast and profit guarantee.

20. Income Tax Expense

Income tax expense comprises the following:

	Current Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	31/03/2019 RM'000	31/03/2018 RM'000	31/03/2019 RM'000	31/03/2018 RM'000
Malaysian taxation:				
Current tax expenses				
Over/(Under) provision in	54	(13)	54	(13)
Total	54	(13)	54	(13)



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21. Profit/(Loss) On Sale Of Unquoted Investment And / Or Properties

There is no sale of unquoted investments and/or properties for the current quarter and financial period-to-date.

22. Quoted Securities

There was no purchase or disposal of quoted securities during the current quarter and financial period-to-date.

23 Status of Corporate Proposals

On 21 September 2018, subsidiaries of the Company as stated below entered into three separate conditional sale and purchase agreements (“SPAs”) with United Plantations Berhad to dispose the plantation assets located in the district of Hilir Perak, Perak, measuring approximately 8,999.13 acres, for a total cash consideration of RM413,574,302 as detailed out below:

- a) 5 parcels of land measuring approximately 7,615.42 acres together with all structures attached to the land including a palm oil mill, workers’ living quarters and site office owned by Pinehill Plantations (Malaysia) Sdn Bhd. (“PPM”), a 94.5% owned subsidiary of the Company for a cash consideration of RM350,301,630;
- b) a parcel of land measuring approximately 954.42 acres owned by Syarikat Kaum Melayu Hilir Perak Sdn Bhd, a wholly owned subsidiary of PPM for a cash consideration of RM43,525,933; and
- c) a parcel of land measuring approximately 429.29 acres owned by Tahir, Rozlan and Tasariff Sdn Bhd, a 91.33% owned subsidiary of PPM for a cash consideration of RM19,746,739.

The above collectively referred to as “Proposed Disposal”. As at the date of authorisation of these financial statements, the Proposed Disposal is yet to be completed pending fulfilment of the conditions precedent of the SPAs.

On 27 December 2018, the Circular to shareholders in relation to the Proposed Disposal was issued to all shareholders of PinePac.

On 18 January 2019, the shareholders of PinePac approved the Proposed Disposal in the extraordinary general meeting (“EGM”).

On 16 May 2019, both PinePac and United Plantations had mutually agreed to extend the PPM Conditional Period, SKMP Conditional Period and TRT Conditional Period for a period of 2 months until 21 July 2019 to comply with the PPM Conditions Precedent, SKMP Conditions Precedent and TRT Conditions Precedent, respectively.

There were no other corporate proposals other than the above mentioned for the current quarter.



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24. Group Borrowings

The borrowings and debt securities of the Group as at the end of the reporting period are as follows:

	As at 31/03/2019 RM'000	As at 31/03/2018 RM'000
<u>Short-term borrowings</u>		
Secured		
Denominated in Ringgit Malaysia	126,799	126,131
<u>Long-term borrowings</u>		
Secured		
Denominated in Ringgit Malaysia	160	252

25. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at the date of issue of the quarterly report.

26. (Loss)/Profit Before Tax

	Current Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	31/03/2019 RM'000	31/03/2018 RM'000	31/03/2019 RM'000	31/03/2018 RM'000
Interest Income	2	1	2	3
Interest Expenses	2,196	2,095	6,687	6,373
Depreciation and amortisation	5,821	5,541	18,126	18,078

27. Material Litigation



PINEHILL PACIFIC BERHAD

(Company No.: 000222-D)

There was no pending material litigation of the Group since the last annual balance sheet date up to the date of this report.

28. Dividend Payable

No dividend has been recommended or declared for the current quarter.

29. Earnings / (Loss) Per Share

	Current Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	31/03/2019	31/03/2018 Restated	31/03/2019	31/03/2018 Restated
Basic				
Profit/(Loss) attributable to owners of the parent (RM'000)	<u>(7,495)</u>	<u>(6,315)</u>	<u>(21,830)</u>	<u>(16,359)</u>
Weighted average number of ordinary shares in issue ('000)	<u>149,804</u>	<u>149,804</u>	<u>149,804</u>	<u>149,804</u>
Basic earning/(loss) per share (sen)	<u><u>(5.00)</u></u>	<u><u>(4.22)</u></u>	<u><u>(14.57)</u></u>	<u><u>(10.92)</u></u>

30. Authorisation For Issue Off The Interim Financial Statements

The current interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 28 May 2019.