



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 31 MAR 2021

	Note	CURRENT QUARTER 3 Months Ended		CUMULATIVE QUARTER 9 Months Ended	
		31/03/2021	31/03/2020	31/03/2021	31/03/2020
		RM'000	RM'000	RM'000	RM'000
Revenue	8	257	180	735	1,545
Cost of sales		(2,518)	(2,014)	(7,883)	(8,493)
Gross loss		(2,261)	(1,834)	(7,148)	(6,948)
Distribution costs		-	-	-	(35)
Administration expenses		(1,396)	3,434	(4,583)	(1,465)
Real Property Gain Tax		-	-	-	(36,870)
Other operating income		93	32	323	142,075
(Loss)/Profit before interest & tax		(3,564)	1,632	(11,408)	96,757
Finance costs		-	-	-	90
Finance income		268	1,047	1,887	4,212
(Loss)/Profit before tax	8	(3,296)	2,679	(9,521)	101,059
Taxation	19	(8)	48	(8)	48
(Loss)/Profit for the period		(3,304)	2,727	(9,529)	101,107
(Loss)/Profit for the period attributable to:					
Owners of the parent		(2,682)	2,914	(7,554)	96,247
Non-controlling interests		(622)	(187)	(1,975)	4,860
		(3,304)	2,727	(9,529)	101,107
(Loss)/Earning per share, attributable to owners of the parent (sen):	28				
Basic		(1.79)	1.95	(5.04)	64.25

The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MAR 2021

	CURRENT QUARTER 3 Months Ended		CUMULATIVE QUARTER 9 Months Ended	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit for the period	(3,304)	2,727	(9,529)	101,107
Currency translation difference arising from consolidation (equity portion)	(1,936)	(6,657)	(2,921)	(3,214)
Total comprehensive (loss)/profit for the period	<u>(5,240)</u>	<u>(3,930)</u>	<u>(12,450)</u>	<u>97,893</u>
Total comprehensive (loss)/profit attributable to:				
Owners of the parent	(4,572)	(5,205)	(11,205)	88,407
Non-controlling interests	(668)	1,275	(1,245)	9,486
	<u>(5,240)</u>	<u>(3,930)</u>	<u>(12,450)</u>	<u>97,893</u>

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.



PINEHILL PACIFIC BERHAD

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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAR 2021

	Note	Unaudited as at 31/03/21 RM'000	Audited 30/06/20 RM'000
<u>ASSETS</u>			
Non-current assets			
Property, plant and equipment	9	66,134	70,959
Right-of-use assets		19,192	19,969
		<u>85,326</u>	<u>90,928</u>
Current assets			
Inventories		576	258
Produce growing on bearer plants		49	4
Trade receivables		314	168
Other receivables		403	442
Short term deposits		118,075	126,033
Cash and bank balances		554	829
		<u>119,971</u>	<u>127,734</u>
TOTAL ASSETS		<u>205,297</u>	<u>218,662</u>
<u>EQUITY AND LIABILITIES</u>			
Equity attributable to owners of the parent			
Share capital		74,902	74,902
Exchange reserve		6,067	9,718
Retained earnings		121,647	129,201
		<u>202,616</u>	<u>213,821</u>
Non-controlling interests		<u>(6,166)</u>	<u>(4,867)</u>
Total equity		<u>196,450</u>	<u>208,954</u>
Non-current liabilities			
Deferred tax liabilities		1,568	1,568
		<u>1,568</u>	<u>1,568</u>
Current liabilities			
Trade and other payables		7,312	8,136
Current tax payable		(33)	4
		<u>7,279</u>	<u>8,140</u>
Total liabilities		<u>8,847</u>	<u>9,708</u>
TOTAL EQUITY AND LIABILITIES		<u>205,297</u>	<u>218,662</u>
Net assets per share attributable to owners of the parent (RM)		1.35	1.43

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MAR 2021

	<----- Equity Attributable to Owners of the Parent ----->						
	<u>Share Capital</u> RM'000	<u>Revaluation Reserve</u> RM'000	<u>Translation 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
Balance as at 01 July 2020	74,902	-	9,718	129,201	213,821	(4,867)	208,954
Total comprehensive loss for the period	-	-	(3,651)	(7,554)	(11,205)	(1,244)	(12,449)
Dividend paid by a subsidiary	-	-	-	-	-	(55)	(55)
Balance as at 31 Mar 2021	74,902	-	6,067	121,647	202,616	(6,166)	196,450
Balance as at 01 July 2019	74,902	257,771	8,108	(276,629)	64,152	(10,418)	53,734
Decreased in deferred taxation previously recognised on revaluation	-	-	-	51,946	51,946	-	51,946
Reversal in revaluation due to disposal of assets	-	(257,771)	-	257,771	-	-	-
Total comprehensive (loss)/income for the period	-	-	(7,840)	96,247	88,407	9,486	97,893
Dividend paid by a subsidiary	-	-	-	-	-	(2,357)	(2,357)
Balance as at 31 Mar 2020	74,902	-	268	129,335	204,505	(3,289)	201,216

The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.



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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 31 MAR 2021

	9 Months Ended	
	31/03/2021 RM'000	31/03/2020 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before tax	(9,521)	101,059
Adjustments for :		
Depreciation and amortisation	2,813	3,246
Property, plant and equipment written off	-	135
Interest income	(1,887)	(4,212)
Interest expenses	-	(90)
Gain on disposal of property, plant and equipment	-	(27)
Gain on disposal of plantation assets	-	(141,949)
Operating loss before working capital changes	<u>(8,595)</u>	<u>(41,838)</u>
Net change in receivables	(152)	840
Net change in payables	(735)	(82,618)
Net change in inventories	(318)	463
Cash generated from operating activities	<u>(9,800)</u>	<u>(123,153)</u>
Interest received	1,887	4,212
Interest paid	-	90
Tax paid	(37)	(24,109)
Net cash used in from operating activities	<u>(7,950)</u>	<u>(142,960)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(221)	(48)
Net placement of short term deposits	7,958	(129,328)
Proceeds from disposal of plantation assets	-	401,074
Proceeds from disposal of property, plant and equipment	17	29
Payment of dividend to non-controlling interests of a subsidiary	(55)	-
Net cash generated from investing activities	<u>7,699</u>	<u>271,727</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loan	-	(126,683)
Repayment of hire purchase creditors	-	(247)
Net cash used in financing activities	<u>-</u>	<u>(126,930)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(251)	1,837
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	829	232
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	(24)	(1,210)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>554</u>	<u>859</u>

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

	As at 31/03/2021 RM'000	As at 31/03/2020 RM'000
Cash and bank balances	554	467
Pledged deposits with licensed banks	-	392
	<u>554</u>	<u>859</u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2020 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 MAR 2021

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 MFRS 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 2020. 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 2020.

2. Auditor’s Report on Preceding Annual Financial Statements

There was no key audit matters that relate to the material uncertainty related to going concern for the financial year ended 30 Jun 2020.

3. 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”).

4. 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.

5. 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.



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6. 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.

7. Dividends Paid

There was no dividend paid during the current quarter.

8. Segment Information

The Group's segment information for the financial period ended 31 Mar 2021 is as follows:

1) Major Business Segments

9 months ended 31 Mar 2021

Group	Plantations RM'000	Investment RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT REVENUE				
External revenue	735	-	-	735
Total revenue	<u>735</u>	<u>-</u>	<u>-</u>	<u>735</u>
SEGMENT RESULTS				
Loss from operations	(9,214)	(307)	-	(9,521)
Finance costs	-	-	-	-
Loss before taxation	<u>(9,214)</u>	<u>(307)</u>	<u>-</u>	<u>(9,521)</u>
Taxation	(8)	-	-	(8)
Loss after taxation	<u>(9,222)</u>	<u>(307)</u>	<u>-</u>	<u>(9,529)</u>
Financial Position				
9 months ended 31 Mar 2021				
Total segment assets	<u>205,271</u>	<u>24</u>	<u>2</u>	<u>205,297</u>
Total segment liabilities	<u>7,096</u>	<u>214</u>	<u>1,537</u>	<u>8,847</u>



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8. Segment Information (Cont'd)

1) Major Business Segments (cont'd)

9 months ended 31 Mar 2020

Group	Plantations RM'000	Investment RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT REVENUE				
External revenue	1,545	-	-	1,545
Total revenue	1,545	-	-	1,545
SEGMENT RESULTS				
Profit/(Loss) from operations	101,694	(725)	-	100,969
Finance costs	90	-	-	90
Profit/(Loss) before taxation	101,784	(725)	-	101,059
Taxation	48	-	-	48
Profit/(Loss) after taxation	101,832	(725)	-	101,107
Financial Position				
9 months ended 31 Mar 2020				
Total segment assets	213,795	25	(474)	213,346
Total segment liabilities	10,697	298	1,135	12,130

2) Geographical Segments

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

Geographical Segments	Current Year 31/03/2021 RM'000	Preceding Year 31/03/2020 RM'000
Malaysia	-	957
Indonesia	735	588
Total	735	1,545

9. 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.



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10. Material Events Subsequent To The Interim Period

Upon completion of the Disposal as stated in Note 22, the Group is considered as an Affected Listed Issuer under Chapter 8.03A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Company is continuing its ongoing process of proactively identifying, shortlisting and evaluating potential investments as part of the regularisation plan.

Other than the above, there were no material events subsequent to the end of the period reported that have not been reflected in the financial statements.

11. Changes In The Composition of the Group

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

12. Contingent Liabilities And Contingent Assets

There were no contingent liabilities and contingent assets that have not been reflected in the financial statements.

13. Capital Commitments

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

14. Related Party Transactions

Related party transactions have been entered into in the normal course of business and have been established on terms and conditions that are not more favourable to the related parties. The significant related party transactions of the Group are as follows:

	Current Quarter		Cumulative Quarter	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	RM'000	RM'000	RM'000	RM'000
Transaction with a company in which certain Directors have financial interests				
Office rental	63	63	189	189



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15. Review of Performance

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

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 16.

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

16. Comparison With Preceding Quarter Results And Comparison Of Financial Period To Date

Preceding Quarter

The Group reported a loss before taxation and non-controlling interests of RM3.30 million in the current quarter as compared to loss before taxation and non-controlling interests of RM3.52 million in the immediate preceding quarter. The reduction in losses of RM0.22 million is contributed by lower estates rehabilitation costs incurred in the current quarter.

Period To Date

During the current period to date, the Group has a significant reduction in profits from operation due to the loss of income from the plantation assets that was disposed as disclosed in Note 22, coupled with the ongoing estates rehabilitation expenses in Indonesia.

The disposal of the plantation assets has generated a net gain of RM105.05 million in the financial period ended 31 March 2020.



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17. Current Year Prospect

The battle against the Covid-19 pandemic seems to be gaining ground with the commencement of worldwide vaccination exercise. However, it will take some time for the current situation to return to normalcy. The emergence of new virus variants also could lead to new wave of Covid-19 cases, and the Government is taking preventive actions by imposing strict movement control order nationwide.

With the recent development, the Board will still remain vigilant and resilient upon dealing with challenges and any potential adverse impact arising from Covid-19 pandemic on the operations of the Group, especially its estates rehabilitation program in Indonesia. The Board is also cautious and uncertain of the impact of the on-going measures taken by the governments to control the Covid-19 pandemic, on Group's business prospects to pursue, evaluate and acquire a potential viable business on a timely basis on or before 3 September 2021, so as to regularise the Company's status as an Affected Listed Issuer.

18. Variance From Profit Forecast And Shortfall In Profit Guarantee

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

19. Income Tax Expense

Income tax expense comprises the following:

	Current Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	RM'000	RM'000	RM'000	RM'000
Malaysian taxation:				
Current tax expenses				
Over/(Under) provision in prior years	(8)	48	(8)	48
Total	<u>(8)</u>	<u>48</u>	<u>(8)</u>	<u>48</u>

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

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



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21. Quoted Securities

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

22. Status of Corporate Proposals

On 21 September 2018, subsidiaries of the Company entered into three separate conditional sale and purchase agreements 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 (hereinafter referred to as “the Disposal”). As announced, the Disposal was completed on 3 September 2019.

The status of the utilisation of proceed from the Disposal of RM413.574 million as at 31 Mar 2021 was as follows:

	Proposed utilisation as per circular to shareholder @27/12/2018 RM'000	Actual utilisation @31/03/2021 RM'000	Proceeds balance @31/03/2021 RM'000
Repayment of bank borrowings	126,700	(126,700)	-
Payment to creditors	111,700	(103,650)	8,050
Funding of oil palm business in Indonesia	95,000	(8,528)	86,472
Dividend to minority shareholders of a subsidiary	2,400	(2,400)	-
Working capital	19,274	(3,860)	15,414
Supplementary agreements as announced on 11 Jun 2019	12,500	(12,500)	-
Estimated expenses in relation to proposed disposal	46,000	(46,000)	-
	413,574	(303,638)	109,936

23. Group Borrowings

There is no borrowings and debt securities of the Group as at the end of the reporting period.



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24. 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.

25. (Loss)/Profit Before Tax

The following items have been (credited)/charged in arriving at profit/(loss) before tax:

	Current Quarter		Cumulative Quarter	
	3 Months Ended		9 Months Ended	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	RM'000	RM'000	RM'000	RM'000
Interest income	(268)	(1,047)	(1,887)	(4,212)
Interest expenses	-	-	-	(90)
Gain on disposal of assets held for sale	-	-	-	(141,949)
Real property gain tax	-	-	-	36,870
Depreciation and amortisation	983	1,022	2,813	3,246
Property, plant and equipment written off	-	-	-	135

26. Material Litigation

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

27. Dividend Payable

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



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28. Earnings / (Loss) Per Share

	Current Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
Basic				
(Loss)/Profit attributable to owners of the parent (RM'000)	<u>(2,682)</u>	<u>2,914</u>	<u>(7,554)</u>	<u>96,247</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 (loss)/earning per share (sen)	<u>(1.79)</u>	<u>1.95</u>	<u>(5.04)</u>	<u>64.25</u>

29. 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 24 May 2021.