



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Note	CURRENT QUARTER 3 Months Ended		CUMULATIVE QUARTER 3 Months Ended	
		30/09/2021	30/09/2020	30/09/2021	30/09/2020
		RM'000	RM'000	RM'000	RM'000
Revenue	8	373	265	373	265
Cost of sales		(2,451)	(2,478)	(2,451)	(2,478)
Gross loss		(2,078)	(2,213)	(2,078)	(2,213)
Administration expenses		(1,498)	(1,389)	(1,498)	(1,389)
Other operating income		21	239	21	239
Loss before interest & tax		(3,555)	(3,363)	(3,555)	(3,363)
Finance income		289	658	289	658
Loss before tax	8	(3,266)	(2,705)	(3,266)	(2,705)
Taxation	20	-	-	-	-
Loss for the period		(3,266)	(2,705)	(3,266)	(2,705)
Loss for the period attributable to:					
Owners of the parent		(2,670)	(2,102)	(2,670)	(2,102)
Non-controlling interests		(596)	(603)	(596)	(603)
		(3,266)	(2,705)	(3,266)	(2,705)
Loss per share, attributable to owners of the parent (sen):					
Basic	29	(1.78)	(1.40)	(1.78)	(1.40)

The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.



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CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	CURRENT QUARTER 3 Months Ended		CUMULATIVE QUARTER 3 Months Ended	
	30/09/2021	30/09/2020	30/09/2021	30/09/2020
	RM000	RM000	RM000	RM000
Loss for the period	(3,266)	(2,705)	(3,266)	(2,705)
Currency translation difference arising from consolidation (equity portion)	872	(4,723)	872	(4,723)
Increase in fair value of other investments at fair value through other comprehensive income	(282)	-	(282)	-
Total comprehensive loss for the period	<u>(2,676)</u>	<u>(7,428)</u>	<u>(2,676)</u>	<u>(7,428)</u>
Total comprehensive loss attributable to:				
Owners of the parent	(1,690)	(7,793)	(1,690)	(7,793)
Non-controlling interests	(986)	365	(986)	365
	<u>(2,676)</u>	<u>(7,428)</u>	<u>(2,676)</u>	<u>(7,428)</u>

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2021 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 30 SEPTEMBER 2021

	Note	Unaudited as at 30/09/2021 RM'000	Audited 30/06/2021 RM'000
<u>ASSETS</u>			
Non-current assets			
Property, plant and equipment	9	65,567	65,745
Right-of-use assets		19,424	19,150
Other investment	10	29,901	59,618
		<u>114,892</u>	<u>144,513</u>
Current assets			
Inventories		659	641
Biological assets		32	27
Trade receivables		229	278
Other receivables		341	474
Short term deposits		82,413	54,748
Cash and bank balances		464	417
		<u>84,138</u>	<u>56,585</u>
TOTAL ASSETS		<u>199,030</u>	<u>201,098</u>
<u>EQUITY AND LIABILITIES</u>			
Equity attributable to owners of the parent			
Share capital		74,902	74,902
Other reserve		(1,178)	(1,446)
Exchange reserve		7,702	6,455
Retained earnings		116,649	119,319
		<u>198,075</u>	<u>199,230</u>
Non-controlling interests		<u>(7,922)</u>	<u>(6,935)</u>
Total equity		<u>190,153</u>	<u>192,295</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		7,309	7,235
		<u>7,309</u>	<u>7,235</u>
Total liabilities		<u>8,877</u>	<u>8,803</u>
TOTAL EQUITY AND LIABILITIES		<u>199,030</u>	<u>201,098</u>
Net assets per share attributable to owners of the parent (RM)		1.32	1.33

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	<----- Equity Attributable to Owners of the Parent ----->						
	<u>Share Capital</u>	<u>Other Reserve</u>	<u>Translation Reserve</u>	<u>Retained Earnings</u>	<u>Total</u>	<u>Non-controllin Interests</u>	<u>Total Equity</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 01 July 2021	74,902	(1,446)	6,455	119,319	199,230	(6,935)	192,295
Total comprehensive loss for the period	-	268	1,247	(2,670)	(1,155)	(987)	(2,142)
Balance as at 30 Sept 2021	<u>74,902</u>	<u>(1,178)</u>	<u>7,702</u>	<u>116,649</u>	<u>198,075</u>	<u>(7,922)</u>	<u>190,153</u>
Balance as at 01 July 2020	74,902	-	9,718	129,202	213,822	(4,867)	208,955
Total comprehensive income for the period	-	(1,446)	(3,263)	(9,883)	(14,592)	(1,985)	(16,577)
Dividend paid by a subsidiary	-	-	-	-	-	(83)	(83)
Balance as at 30 Sept 2020	<u>74,902</u>	<u>(1,446)</u>	<u>6,455</u>	<u>119,319</u>	<u>199,230</u>	<u>(6,935)</u>	<u>192,295</u>

The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 30 June 2021 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 30 SEPTEMBER 2021

	3 Months Ended	
	30/09/2021 RM'000	30/09/2020 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(3,266)	(2,705)
Adjustments for :		
Depreciation and amortisation	922	913
Interest income	(289)	(658)
Operating loss before working capital changes	<u>(2,633)</u>	<u>(2,450)</u>
Net change in receivables	144	(2)
Net change in payables	104	(893)
Net change in inventories	<u>(18)</u>	<u>(44)</u>
Cash generated from operating activities	<u>(2,403)</u>	<u>(3,389)</u>
Interest received	289	658
Tax paid	-	(20)
Net cash used in from operating activities	<u>(2,114)</u>	<u>(2,751)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(137)	(62)
Net placement of short term deposits and other investment	<u>2,052</u>	<u>2,329</u>
Net cash generated from investing activities	<u>1,915</u>	<u>2,267</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(199)	(484)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	417	829
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	246	99
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>464</u>	<u>444</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
	As at 30/09/2021 RM'000	As at 30/09/2020 RM'000
Cash and bank balances	<u>464</u>	<u>444</u>
	<u>464</u>	<u>444</u>

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

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 June 2021.

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 30 Jun 2021 is as follows:

1) Major Business Segments

3 months ended 30 September 2021

Group	Plantations RM'000	Investment RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT REVENUE				
External revenue	373	-	-	373
Total revenue	<u>373</u>	<u>-</u>	<u>-</u>	<u>373</u>
SEGMENT RESULTS				
Loss before taxation	(2,459)	(185)	-	(2,644)
Taxation		-	-	-
Loss after taxation	<u>(2,459)</u>	<u>(185)</u>	<u>-</u>	<u>(2,644)</u>

Financial Position

3 months ended 30 September 2021

Total segment assets	<u>198,775</u>	<u>13</u>	<u>242</u>	<u>199,030</u>
Total segment liabilities	<u>6,451</u>	<u>444</u>	<u>1,982</u>	<u>8,877</u>



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8. Segment Information (Cont'd)

1) Major Business Segments (cont'd)

3 months ended 30 September 2020

Group	Plantations RM'000	Investment RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT REVENUE				
External revenue	265	-	-	265
Total revenue	<u>265</u>	<u>-</u>	<u>-</u>	<u>265</u>

SEGMENT RESULTS

Profit/(Loss) before taxation	(2,628)	(77)	-	(2,705)
Taxation	-	-	-	-
Profit/(Loss) after taxation	<u>(2,628)</u>	<u>(77)</u>	<u>-</u>	<u>(2,705)</u>

Financial Position

3 months ended 30 September 2020

Total segment assets	<u>210,961</u>	<u>14</u>	<u>(620)</u>	<u>210,355</u>
Total segment liabilities	<u>7,594</u>	<u>303</u>	<u>982</u>	<u>8,879</u>

2) Geographical Segments

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

Geographical Segments

GROUP	Current Quarter 30/09/2021 RM'000	Preceding Quarter 30/09/2020 RM'000
Malaysia	-	-
Indonesia	<u>373</u>	<u>265</u>
Total	<u>373</u>	<u>265</u>

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. Other Investments

	2021 RM'000	2020 RM'000
Financial assets designated at fair value through other comprehensive income	29,900	59,618

Financial assets designated at fair value through other comprehensive income include investment in quoted corporate bonds.

11. Material Events Subsequent To The Interim Period

Upon completion of the Disposal as stated in Note 24, 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.

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

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

14. Capital Commitments

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



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15. 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	
	3 Months Ended	
	30/09/2021	30/09/2020
	RM'000	RM'000
Transaction with a company in which certain Directors have financial interests		
Office rental	63	63
	63	63

16. 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 17.

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 Of Financial Period To Date

Comparison with the immediate preceding quarter

The Group reported a loss before taxation and non-controlling interests of RM3.27 million in the current quarter as compared to loss before taxation and non-controlling interests of RM2.91 million in the immediate preceding quarter. The increase in losses of RM0.36 million is due to higher plantation rehabilitation costs incurred in Indonesia during the current period and lower interest income received.

Comparison with the corresponding quarter in the previous financial year

As compared to the corresponding quarter of the financial year ended 30 Jun 2021, the Group reported negative variances of RM0.56 million in the current quarter, which were mainly contributed by higher operation expenses and lower interest income as interest from bond funds is only recognised upon receipt.



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18. Current Year Prospect

Indonesia is expected to gradually open its economy by the end of 2021, whilst maintaining measures to control the spread of COVID-19 pandemic. With this positive development and barring any resurgence of new COVID-19 variants, the Group will remain focus on completing the plantation rehabilitation program in Indonesia.

The Board will also continue its effort to assess potential investments to regularise its status as an Affected Listed Issuer, despite the on-going uncertainties due to the pandemic in Malaysia.

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		Cumulative Quarter	
	3 Months Ended		3 Months Ended	
	30/09/2021	30/09/2020	30/09/2021	30/09/2020
	RM'000	RM'000	RM'000	RM'000
Malaysian taxation:				
Current tax expenses				
Current period provision	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

21. 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.

22. Quoted Securities

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



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23. 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 30 September 2021 was as follows:

	Proposed utilisation as per circular to shareholder @27/12/2018 RM'000	Actual utilisation @30/09/2021 RM'000	Proceeds balance @30/09/2021 RM'000
Repayment of bank borrowings	126,700	(126,700)	-
Payment to creditors	111,700	(110,954)	746
Funding of oil palm business in Indonesia			
-rehabilitation program and working capital	51,000	(11,022)	39,978
-construction of palm oil mill	44,000	-	44,000
Dividend to minority shareholders of a subsidiary	2,400	(2,361)	39
Working capital	19,274	-	19,274
Supplementary agreements as announced on 11 Jun 2019	12,500	(12,500)	-
Estimated expenses in relation to proposed disposal	46,000	(45,981)	19
	413,574	(309,518)	104,056

24. Group Borrowings

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

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.



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26. Loss Before Tax

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

	Current Quarter		Cumulative Quarter	
	3 Months Ended		3 Months Ended	
	30/09/2021	30/09/2020	30/09/2021	30/09/2020
	RM'000	RM'000	RM'000	RM'000
Interest income	(289)	(658)	(289)	(658)
Depreciation and amortisation	922	913	922	913

27. 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.

28. Dividend Payable

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

29. Earnings / (Loss) Per Share

	Current Quarter		Cumulative Quarter	
	3 Months Ended		3 Months Ended	
	30/09/2021	30/09/2020	30/09/2021	30/09/2020
Basic				
Loss attributable to owners of the parent (RM'000)	<u>(2,670)</u>	<u>(2,102)</u>	<u>(2,670)</u>	<u>(2,102)</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 per share (sen)	<u>(1.78)</u>	<u>(1.40)</u>	<u>(1.78)</u>	<u>(1.40)</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 24 November 2021.