



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Note	CURRENT QUARTER 3 Months Ended		CUMULATIVE QUARTER 3 Months Ended	
		30/09/2022	30/09/2021	30/09/2022	30/09/2021
		RM'000	RM'000	RM'000	RM'000
Revenue	7	192	373	192	373
Cost of sales		(2,127)	(2,451)	(2,127)	(2,451)
Gross loss		(1,935)	(2,078)	(1,935)	(2,078)
Administration expenses		(3,173)	(1,498)	(3,173)	(1,498)
Other operating income		33	21	33	21
Loss before interest & tax		(5,075)	(3,555)	(5,075)	(3,555)
Finance income		391	289	391	289
Finance costs		(3)	-	(3)	-
Loss before tax	7	(4,687)	(3,266)	(4,687)	(3,266)
Taxation	18	-	-	-	-
Loss after tax		(4,687)	(3,266)	(4,687)	(3,266)
Loss after tax attributable to:					
Owners of the parent		(3,991)	(2,670)	(3,991)	(2,670)
Non-controlling interests		(696)	(596)	(696)	(596)
		(4,687)	(3,266)	(4,687)	(3,266)
Loss per share, attributable to owners of the parent (sen):	26				
Basic		(2.66)	(1.78)	(2.66)	(1.78)

The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 30 June 2022 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 30 SEPTEMBER 2022

	CURRENT QUARTER 3 Months Ended		CUMULATIVE QUARTER 3 Months Ended	
	30/09/2022	30/09/2021	30/09/2022	30/09/2021
	RM'000	RM'000	RM'000	RM'000
Loss after tax	(4,687)	(3,266)	(4,687)	(3,266)
Currency translation difference arising from consolidation (equity portion)	2,105	872	2,105	872
Increase in fair value of other investments at fair value through other comprehensive income	2,150	252	2,150	252
Total comprehensive loss	<u>(432)</u>	<u>(2,142)</u>	<u>(432)</u>	<u>(2,142)</u>
Total comprehensive loss attributable to:				
Owners of the parent	442	(1,155)	442	(1,155)
Non-controlling interests	(874)	(987)	(874)	(987)
	<u>(432)</u>	<u>(2,142)</u>	<u>(432)</u>	<u>(2,142)</u>

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022

	Note	Unaudited as at 30/09/2022 RM'000	Audited 30/06/2022 RM'000
<u>ASSETS</u>			
Non-current assets			
Property, plant and equipment	8	64,880	64,210
Right-of-use assets		20,542	19,856
Other investment	9	-	29,557
		85,422	113,623
Current assets			
Inventories		887	809
Biological assets		10	4
Trade and other receivables		907	816
Tax recoverable		33	33
Short term deposits		103,043	76,288
Cash and bank balances		1,251	273
		106,131	78,223
TOTAL ASSETS		191,553	191,846
<u>EQUITY AND LIABILITIES</u>			
Equity attributable to owners of the parent			
Share capital		74,902	74,902
Other reserve		11,221	6,788
Retained earnings		107,443	111,434
		193,566	193,124
Non-controlling interests		(10,184)	(9,310)
Total equity		183,382	183,814
Non-current liabilities			
Lease liability		48	50
Deferred tax liabilities		1,568	1,568
		1,616	1,618
Current liabilities			
Trade and other payables		6,540	6,399
Lease liability		15	15
		6,555	6,414
Total liabilities		8,171	8,032
TOTAL EQUITY AND LIABILITIES		191,553	191,846
Net assets per share attributable to owners of the parent (RM)		1.29	1.29

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 June 2022 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 30 SEPTEMBER 2022

	<----- Equity Attributable to Owners of the Parent ----->						
	<u>Share Capital</u> RM'000	<u>Other 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 2022	74,902	(2,127)	8,915	111,434	193,124	(9,310)	183,814
Total comprehensive income/(loss) for the period	-	2,127	2,306	(3,991)	442	(874)	(432)
Balance as at 30 September 2022	<u>74,902</u>	<u>-</u>	<u>11,221</u>	<u>107,443</u>	<u>193,566</u>	<u>(10,184)</u>	<u>183,382</u>
Balance as at 01 July 2021	74,902	(1,445)	6,455	119,318	199,230	(6,935)	192,295
Total comprehensive income/(loss) for the period	-	268	1,247	(2,670)	(1,155)	(987)	(2,142)
Balance as at 30 September 2021	<u>74,902</u>	<u>(1,177)</u>	<u>7,702</u>	<u>116,648</u>	<u>198,075</u>	<u>(7,922)</u>	<u>190,153</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 2022 and the accompanying explanatory notes attached to the interim financial statements.



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	3 Months Ended	
	30/09/2022	30/09/2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(4,687)	(3,266)
Adjustments for :		
Depreciation and amortisation	977	922
Interest income	(391)	(289)
Loss on fair value on other reserve	1,828	-
Finance cost	3	-
Operating loss before working capital changes	<u>(2,270)</u>	<u>(2,633)</u>
Net change in receivables	(62)	144
Net change in payables	141	104
Net change in inventories	<u>(143)</u>	<u>(18)</u>
Cash used in operating activities	(2,334)	(2,403)
Interest received	391	289
Finance cost	<u>(3)</u>	<u>-</u>
Net cash used in operating activities	<u>(1,946)</u>	<u>(2,114)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(151)	(137)
Additional of right-of-use assets	(295)	-
Net placement of short term investments	<u>2,801</u>	<u>2,052</u>
Net cash generated from investing activities	<u>2,355</u>	<u>1,915</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase creditors	<u>(2)</u>	<u>-</u>
Net cash used in financing activities	<u>(2)</u>	<u>-</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	407	(199)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	273	417
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	571	246
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u><u>1,251</u></u>	<u><u>464</u></u>

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

	As at	As at
	30/09/2022	30/09/2021
	RM'000	RM'000
Cash and bank balances	<u>1,251</u>	<u>464</u>
	<u><u>1,251</u></u>	<u><u>464</u></u>

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2022

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 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 2022. 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 2022.

The significant accounting policies and methods of computation adopted for the quarterly report are consistent with those adopted for the audited financial statements for the financial year ended 30 June 2022.

The Group has adopted the following amendments to MFRS that came into effect on 1 January 2022 which did not have any significant impact on the unaudited quarterly report upon their application.

- | | |
|------------------------------------------------|---------------------------------------------------|
| • Amendments to MFRS 3 | Reference to Conceptual Framework |
| • Amendments to MFRS 116 | Proceeds before Intended Use |
| • Amendments to MFRS 137 | Onerous Contracts – Cost of Fulfilling a Contract |
| • Annual improvements to MFRSs 2018-2020 Cycle | |

Amendments to MFRS that is applicable to the Group but not yet effective

The Malaysian Accounting Standards Board has issued the following amendments to MFRS of which are effective for the financial year beginning on or after 1 January 2023. The Group did not early adopt these amendments to MFRS and they are not expected to have a significant effect on its consolidated financial statements:

- | | |
|--------------------------------------------------------|----------------------------------------------------------------------------------|
| • Amendments to MFRS 101 | Classification of Liabilities as Current or Non-Current |
| • Amendments to MFRS 101 and MFRS Practice Statement 2 | Disclosure of Accounting Policies |
| • Amendments to MFRS 108 | Definition of Accounting Estimates |
| • Amendments to MFRS 112 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction |



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

2. 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”).

3. 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.

4. 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.

5. Changes In Debt and Equity Securities

There were 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 year under review.

6. Dividends Paid

There was no dividend paid during the current quarter.



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

7. Segment Information

The Group's segment information for the financial year ended 30 Sept 2022 is as follows:

1) Major Business Segments

3 months ended 30 September 2022

Group	Plantations RM'000	Investment RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT REVENUE				
External revenue	192	-	-	192
Total revenue	192	-	-	192
SEGMENT RESULTS				
Loss before taxation	(4,586)	(101)	-	(4,687)
Taxation	-	-	-	-
Loss after taxation	(4,586)	(101)	-	(4,687)

Financial Position 3 months ended 30 September 2022

Total segment assets	191,545	54	(46)	191,553
Total segment liabilities	6,302	347	1,522	8,171

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	373	-	-	373
SEGMENT RESULTS				
Loss before taxation	(3,081)	(185)	-	(3,266)
Taxation	-	-	-	-
Loss after taxation	(3,081)	(185)	-	(3,266)

Financial Position 3 months ended 30 September 2021

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



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

7. Segment Information (Cont'd)

2) Geographical Segments

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

Geographical Segments		
GROUP	Current Year 30/09/2022 RM'000	Previous Year 30/9/2021 RM'000
Indonesia	192	373
Total	192	373

8. 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.

9. Other Investments

	As Sept 22 RM'000	As Sept 21 RM'000
Financial assets designated at fair value through other comprehensive income	Nil	29,901

10. Material Events Subsequent To The Interim Period

Upon completion of the Disposal as stated in Note 23, 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 remain focus on continuous identifying and evaluating potential plantation businesses as part of the regularisation plan.

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



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

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	
	3 Months Ended	
	30/09/2022	30/09/2021
	RM'000	RM'000
Transaction with a company in which certain Directors have financial interests		
Office rental	63	63



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

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

15. Review of Group's Performance

Performance of the current quarter against the preceding year corresponding quarter (1Q 2023 vs 1Q 2022)

The Group recorded revenue of RM192,000 for the current quarter which is lower than the preceding year corresponding quarter of RM373,000. The lower in revenue was mainly contributed by lower sales volume of fresh fruits bunches ("FFB") and average selling prices in Indonesia.

Loss after tax ("LAT") for the current quarter was RM4.7 million, an increase of RM1.4 million as compared to the preceding year corresponding quarter of RM3.3 million loss mainly due to fair value loss on the other investments of RM1.8 million during the current quarter.

16. Current Year Prospect

Indonesia's economy performed better than estimated in the second quarter of the year, powered by a commodity exports boom and robust spending that could nudge the central bank to begin its rate lift-off. Meanwhile, exports jumped 19.74% as the world's largest palm oil exporter enjoyed a windfall from rising commodity exports and the growth rebound among its trading partners. Furthermore, Indonesia has been pushing to use a higher proportion of palm oil in biodiesel as a way to cut fossil-fuel imports, reduce emissions and absorb excess palm oil supply.

The Malaysian economy will see a continuous recovery both domestic and external demand. With further interest rate hikes anticipated in the near future, which is in line with world interest rate hike to counter the inflation, our investment will yield higher interest income.

While the recovery is in progress, we remain cautious and focus on continuously evaluating potential viable plantation businesses while continuing the completion of rehabilitation program in Indonesia.



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

17. Variance From Profit Forecast And Shortfall In Profit Guarantee

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

18. Income Tax Expense

Income tax expense comprises the following:

	Current Quarter		Cumulative Quarter	
	3 Months Ended		3 Months Ended	
	30/09/2022	30/9/2021	30/09/2022	30/9/2021
	RM'000	RM'000	RM'000	RM'000
Malaysian taxation:				
Current tax expenses				
Current year provision	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

19. 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.

20. Quoted Securities

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



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

21. 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 2022 was as follows:

	Proposed utilisation as per circular to shareholder @ 27/12/2018 RM'000	Actual utilisation @ 30/09/2022 RM'000	Proceeds balance @ 30/09/2022 RM'000
Repayment of bank borrowings	126,700	(126,700)	-
Payment to creditors	111,700	(111,700)	-
Funding of oil palm business in Indonesia			
-rehabilitation program and working capital	51,000	(17,390)	33,610
-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	(45,988)	12
Net interest income	-	6,456	6,456
	413,574	(310,183)	103,391

22. Group Borrowings

Group borrowings as at 30 September 2022 are as follows:-

Lease Liability	As at 30/09/2022 RM'000	As at 30/09/2021 RM'000
<u>Hire Purchase</u>		
Short term	15	-
Long term	48	-
Total	63	-



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

23. 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	
	30/09/2022	30/09/2021	30/09/2022	30/09/2021
	RM'000	RM'000	RM'000	RM'000
Interest income	(391)	(289)	(391)	(289)
Loss on fair value on other reserve	1,828	-	1,828	-
Depreciation and amortisation	977	922	977	922
Finance cost	3	-	3	-

24. Material Litigation

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

25. Dividend Payable

The Board has on 24 August 2022, proposed a single-tier first and final dividend of 3.0 sen per ordinary share in respect of financial year ended 30 June 2022, subject to Shareholders' approval in the forthcoming Annual General Meeting on 19 December 2022.



PINEHILL PACIFIC BERHAD

(191701000026 (000222-D))

26. Earnings / (Loss) Per Share

	Current Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
	30/09/2022	30/09/2021	30/09/2022	30/09/2021
Basic				
Loss attributable to owners of the parent (RM'000)	<u>(3,991)</u>	<u>(2,670)</u>	<u>(3,991)</u>	<u>(2,670)</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><u>(2.66)</u></u>	<u><u>(1.78)</u></u>	<u><u>(2.66)</u></u>	<u><u>(1.78)</u></u>

27. Qualification of Preceding Audited Financial Statements

There was no qualification to the preceding audited financial statements for the financial year ended 30 June 2022.

28. 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 23 November 2022.