

**Chin Teck Plantations Berhad 195801000113 (3250-V)**  
**(Incorporated in Malaysia)**

**Condensed consolidated statements of profit or loss**  
**For the second financial quarter ended 28 February 2023**

	<b>Second</b>		<b>Six months</b>	
	<b>financial quarter</b>			
	<b>28.2.2023</b>	<b>28.2.2022</b>	<b>28.2.2023</b>	<b>28.2.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>	46,144	55,118	109,100	113,321
Cost of sales	(26,668)	(24,804)	(56,945)	(49,698)
<b>Gross profit</b>	<u>19,476</u>	<u>30,314</u>	<u>52,155</u>	<u>63,623</u>
<b>Other items of income</b>				
Interest income	2,343	1,368	4,350	2,771
Dividend income	203	136	1,045	576
Other income	2,007	7,882	3,289	9,637
<b>Other items of expense</b>				
Selling expenses	(919)	(745)	(2,090)	(1,648)
Administrative expenses	(11,435)	(7,191)	(17,415)	(12,531)
Other expenses	(2,170)	-	(4,001)	-
Finance costs	(97)	-	(97)	-
Share of results of an associate and joint ventures	(4,018)	2,821	(554)	6,809
<b>Profit before tax</b>	<u>5,390</u>	<u>34,585</u>	<u>36,682</u>	<u>69,237</u>
Income tax expense	(2,469)	(8,436)	(8,466)	(15,605)
<b>Profit net of tax</b>	<u>2,921</u>	<u>26,149</u>	<u>28,216</u>	<u>53,632</u>
<b>Earnings per stock unit</b> <b>attributable to owners</b> <b>of the Company</b> <b>(sen per stock unit)</b>				
Basic	3.20	28.62	30.88	58.70
Diluted	<u>3.20</u>	<u>28.62</u>	<u>30.88</u>	<u>58.70</u>

**Chin Teck Plantations Berhad 195801000113 (3250-V)**  
**(Incorporated in Malaysia)**

**Condensed consolidated statements of comprehensive income**  
**For the second financial quarter ended 28 February 2023**

	Second financial quarter		Six months	
	28.2.2023	28.2.2022	28.2.2023	28.2.2022
	RM'000	RM'000	RM'000	RM'000
<b>Profit net of tax</b>	2,921	26,149	28,216	53,632
<b>Other comprehensive income/(loss):</b>				
<b>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</b>				
Foreign currency translation	1,614	(1,399)	2,144	(1,208)
Net gain/(loss) on fair value changes of investment securities	1,052	(139)	165	(474)
- Transfer to profit or loss upon disposal	-	-	(38)	-
- Net gain/(loss) on fair value changes of investment securities	1,052	(139)	203	(474)
<b>Total other comprehensive gain/(loss) that may be reclassified to profit or loss in subsequent periods</b>	2,666	(1,538)	2,309	(1,682)
<b>Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:</b>				
Net gain on fair value changes of investment securities	728	10,836	1,934	10,733
Share of other comprehensive income/(loss) of joint ventures	311	(236)	312	(240)
<b>Total other comprehensive income that will not be reclassified to profit or loss in subsequent periods</b>	1,039	10,600	2,246	10,493
<b>Total other comprehensive income</b>	3,705	9,062	4,555	8,811
<b>Total comprehensive income</b>	6,626	35,211	32,771	62,443

**Chin Teck Plantations Berhad 195801000113 (3250-V)**  
**(Incorporated in Malaysia)**

**Condensed consolidated statements of financial position**  
**As at 28 February 2023**

	<b>28.2.2023</b>	<b>31.8.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	132,189	127,318
Right-of-use assets	53,365	-
Investments in an associate and joint ventures	171,936	170,034
Investment securities	127,618	119,227
	<u>485,108</u>	<u>416,579</u>
<b>Current assets</b>		
Inventories	11,513	11,511
Consumable biological assets	5,537	9,412
Receivables	14,357	16,322
Income tax recoverable	12,318	1,919
Cash and bank balances	356,688	395,096
	<u>400,413</u>	<u>434,260</u>
<b>Total assets</b>	<u>885,521</u>	<u>850,839</u>
<b>Current liabilities</b>		
Payables	15,277	16,846
Lease liabilities	1,690	-
	<u>16,967</u>	<u>16,846</u>
<b>Non-current liabilities</b>		
Lease liabilities	10,066	-
Deferred tax liabilities	25,787	24,927
	<u>35,853</u>	<u>24,927</u>
<b>Total liabilities</b>	<u>52,820</u>	<u>41,773</u>
<b>Equity attributable to owners of the Company</b>		
Share capital	111,017	111,017
Other reserves	9,729	5,150
Retained profits	711,955	692,899
Total equity	<u>832,701</u>	<u>809,066</u>
<b>Total equity and liabilities</b>	<u>885,521</u>	<u>850,839</u>
<b>Net assets per stock unit attributable to owners of the Company (RM)</b>	<u>9.11</u>	<u>8.86</u>

**Chin Teck Plantations Berhad 195801000113 (3250-V)**  
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**Condensed consolidated statements of changes in equity**  
**For the second financial quarter ended 28 February 2023**

	Equity attributable to owners of the Company, total RM'000	Non-distributable		Distributable
		Share capital RM'000	Other reserves RM'000	Retained profits RM'000
<b>As at 1 September 2021</b>	730,745	111,017	(3,258)	622,986
Profit for the period	53,632	-	-	53,632
Other comprehensive income	8,811	-	8,811	-
Transfer of fair value adjustment reserve to retained profits upon disposal of investment securities	-	-	(647)	647
Transaction with owners				
Dividends, representing total transaction with owners	(11,877)	-	-	(11,877)
<b>As at 28 February 2022</b>	<b>781,311</b>	<b>111,017</b>	<b>4,906</b>	<b>665,388</b>
<b>As at 1 September 2022</b>	809,066	111,017	5,150	692,899
Profit for the period	28,216	-	-	28,216
Other comprehensive income	4,555	-	4,555	-
Transfer of fair value adjustment reserve to retained profits upon disposal of investment securities	-	-	24	(24)
Transaction with owners				
Dividends, representing total transaction with owners	(9,136)	-	-	(9,136)
<b>As at 28 February 2023</b>	<b>832,701</b>	<b>111,017</b>	<b>9,729</b>	<b>711,955</b>

**Chin Teck Plantations Berhad 195801000113 (3250-V)**  
**(Incorporated in Malaysia)**

**Condensed consolidated statements of cash flows**  
**For the second financial quarter ended 28 February 2023**

	<b>Six months</b>	
	<b>28.2.2023</b>	<b>28.2.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Operating activities</b>		
Profit before tax	36,682	69,237
Adjustments for:		
Amortisation of right-of-use assets	273	159
Depreciation of property, plant and equipment	3,454	3,340
Dividend income	(1,045)	(576)
Fair value loss/(gain) on consumable biological assets	3,969	(8,270)
Finance costs	97	-
Interest income	(4,350)	(2,771)
Net fair value gain on investment securities (transfer to profit or loss upon disposal)	(38)	-
Property, plant and equipment written off	19	-
Share of results of an associate and joint ventures	554	(6,809)
Unrealised gain on foreign exchange	(2,655)	(16)
Total adjustments	278	(14,943)
<b>Operating cash flows before changes in working capital</b>	<b>36,960</b>	<b>54,294</b>
Changes in working capital		
Decrease/(increase) in inventories	36	(2,452)
Decrease/(increase) in receivables	2,728	(729)
(Decrease)/increase in payables	(1,666)	1,892
Total changes in working capital	1,098	(1,289)
<b>Cash flows from operations</b>	<b>38,058</b>	<b>53,005</b>
Income taxes paid	(18,005)	(12,405)
<b>Net cash flows generated from operating activities</b>	<b>20,053</b>	<b>40,600</b>
<b>Investing activities</b>		
Acquisition of a subsidiary, net of cash acquired	(44,845)	-
Additional investments in a joint venture	-	(500)
Changes in deposits with maturity of more than 3 months	(677)	(13,445)
Dividend received from:		
- an associate	-	4,104
- investment securities	1,018	522
Interest received	3,665	2,079
Proceeds from disposal of investment securities	1,409	1,702
Purchase of:		
- investment securities	(7,636)	(3,254)
- property, plant and equipment	(5,582)	(4,463)
<b>Net cash flows used in investing activities</b>	<b>(52,648)</b>	<b>(13,255)</b>

**Condensed consolidated statements of cash flows**  
**For the second financial quarter ended 28 February 2023 (cont'd.)**

	<b>Six months</b>	
	<b>28.2.2023</b>	<b>28.2.2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Financing activities</b>		
Dividends paid to owners of the Company	(9,136)	(11,877)
Repayment of lease liabilities	(8)	-
<b>Net cash flows used in financing activities</b>	<u>(9,144)</u>	<u>(11,877)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(41,739)	15,468
<b>Effects of exchange rate changes on cash and cash equivalents</b>	2,655	16
<b>Cash and cash equivalents at 1 September 2022/2021</b>	<u>163,796</u>	<u>104,033</u>
<b>Cash and cash equivalents at 28 February</b>	<u>124,712</u>	<u>119,517</u>
<b>Cash and cash equivalents at 28 February comprise:</b>		
Cash on hand and at banks	49,297	59,238
Deposits with financial institutions	<u>307,391</u>	<u>326,628</u>
	356,688	385,866
Less: deposits with maturity of more than 3 months	<u>(231,976)</u>	<u>(266,349)</u>
	<u>124,712</u>	<u>119,517</u>

**Notes to the interim financial report - 28 February 2023**

**A Explanatory notes - MFRS 134: Interim Financial Reporting**

**A 1 Basis of preparation**

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report is unaudited and should be read in conjunction with the annual audited financial statements for the financial year ended 31 August 2022.

The interim financial report is prepared under the same accounting policies and methods of computation as compared with the annual financial statements for the financial year ended 31 August 2022, except for the adoption of those standards and amendments to standards that are issued and effective for annual periods beginning on or after 1 January 2022. Adoption of those standards and amendments to standards did not have any effects on the financial performance or the financial position of the Group.

The Group has not adopted those standards and amendments to standards that have been issued but not yet effective. The directors expect that the adoption of those standards and amendments to standards would not have any material impact on the financial statements in the period of initial application.

**A 2 Seasonal or cyclical nature of operations**

The revenue and earnings are impacted by the production of fresh fruit bunches ("ffb") and volatility of the selling prices of ffb, crude palm oil ("CPO") and palm kernel ("PK").

The production of ffb depends on weather conditions, production cycle of the palms and the age of the palms.

The plantation statistics are as follows:

Average planted area for six months ended 28 February 2023:

	<b>Hectares</b>			
Mature	9,638			
Replanting and immature	1,727			
	<u>11,365</u>			
	<b>Second financial quarter</b>		<b>Six months</b>	
	<b>28.2.2023</b>	<b>28.2.2022</b>	<b>28.2.2023</b>	<b>28.2.2022</b>
Production	Tonnes	Tonnes	Tonnes	Tonnes
ffb				
Own estates	47,728	36,344	110,351	83,006
Purchase	8,463	7,855	20,887	17,495
	<u>56,191</u>	<u>44,199</u>	<u>131,238</u>	<u>100,501</u>

**Notes to the interim financial report - 28 February 2023**

**A 2 Seasonal or cyclical nature of operations (cont'd.)**

	Second financial quarter		Six months	
	28.2.2023	28.2.2022	28.2.2023	28.2.2022
CPO	8,654	6,755	20,598	16,296
PK	2,219	1,640	5,079	3,854
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Extraction rate				
CPO	18.47%	19.66%	19.00%	19.72%
PK	4.73%	4.77%	4.68%	4.66%
<hr/>				
Average selling prices	RM per tonne	RM per tonne	RM per tonne	RM per tonne
ffb	830	1,254	820	1,189
CPO	3,965	5,034	4,006	4,645
PK	2,111	4,325	2,246	3,691
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**A 3 Items of unusual nature**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial period.

**A 4 Changes in estimates of amounts reported**

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

**A 5 Changes in debt and equity securities**

There were no issuances, repurchases and repayments of debts and equity securities for the six months ended 28 February 2023.

**A 6 Fair value changes of financial liabilities**

As at 28 February 2023, the Group did not have any financial liability measured at fair value through profit or loss.

**A 7 Dividends paid**

The amount of dividends paid during the six months ended 28 February 2023:

In respect of financial year ending 31 August 2023:

First interim single tier dividend of 8 sen per stock unit and a special single tier dividend of 2 sen per stock unit paid on 31 January 2023

9,136



**Notes to the interim financial report - 28 February 2023**

**A 8 Segment information**

The chief operating decision-maker has been identified as the Board of Directors. The Board reviews the internal reporting of the Group in order to assess performance and allocation of resources. The principal activities of the Group are the cultivation of oil palms, production and sale of ffb, CPO and PK and is wholly carried out in Malaysia.

The segment information are as follows:

	<b>Second financial quarter</b>		<b>Six months</b>	
	<b>28.2.2023</b>	<b>28.2.2022</b>	<b>28.2.2023</b>	<b>28.2.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue from external customers	46,144	55,118	109,100	113,321
Revenue from major customers	30,389	32,597	79,199	72,740
Amortisation of right-of-use assets	194	80	273	159
Depreciation of property, plant and equipment	1,759	1,676	3,454	3,340
Reportable segment profit	<b>5,073</b>	<b>29,913</b>	<b>29,161</b>	<b>59,064</b>
Reportable segment profit is reconciled as follows:				
Total profit for reportable segment	5,073	29,913	29,161	59,064
Share of results of an associate and joint ventures	(4,018)	2,821	(554)	6,809
Interest income	2,343	1,368	4,350	2,771
Dividend income	203	136	1,045	576
Other income	1,802	347	2,693	17
Other expenses	(13)	-	(13)	-
Profit before tax	<b>5,390</b>	<b>34,585</b>	<b>36,682</b>	<b>69,237</b>
			<b>As at 28.2.2023</b>	<b>As at 31.8.2022</b>
			<b>RM'000</b>	<b>RM'000</b>
Reportable segment assets			222,620	172,844
Reportable segment liabilities			27,033	16,846
Reportable segment assets are reconciled as follows:				
Total assets for reportable segment			222,620	172,844
Investments in an associate and joint ventures			171,936	170,034
Investment securities			127,618	119,227
Unallocated assets			363,347	388,734
Total assets			<b>885,521</b>	<b>850,839</b>
Reportable segment liabilities are reconciled as follows:				
Total liabilities for reportable segment			27,033	16,846
Deferred tax liabilities			25,787	24,927
Total liabilities			<b>52,820</b>	<b>41,773</b>

**Notes to the interim financial report - 28 February 2023**

**A 9 Property, plant and equipment**

There were no significant acquisitions and disposals of property, plant and equipment for the six months ended 28 February 2023.

Capital commitments as at 28 February 2023: -

	<b>RM'000</b>
Approved and contracted for	6,832

**A 10 Material events subsequent to second financial quarter**

There were no material events subsequent to the second financial quarter that had not been reflected in the interim financial statements for the second financial quarter ended 28 February 2023.

**A 11 Changes in composition of the Group**

There were no business combinations, acquisition or disposal of subsidiaries and long term investments (other than the purchase and sale of quoted investments), restructurings and discontinued operations in the current financial period, other than the acquisition of 100% equity interest in Fauzi-Lim Plantation Sdn Bhd, the details of which are as follows:-

On 19 January 2023, VMAS Untung Sdn Bhd ("VU"), a wholly owned subsidiary of the Group, completed the acquisition of 5,000,000 ordinary shares in in Fauzi-Lim Plantation Sdn Bhd ("FLP"), representing 100% equity interest in FLP, for a total cash consideration of RM45,000,000. FLP is engaged in managing and operating an oil palm plantation.

**A 12 Contingent liabilities and contingent assets**

As at the date of issue of this interim financial report, there were no contingent liabilities and contingent assets that had arisen since 31 August 2022.

**A 13 Related party disclosures**

	<b>Six months 28.2.2023 RM'000</b>
(a) A company in which certain directors and certain substantial shareholders have interest:	
Purchase of oil palm produce	320
Sale of oil palm produce	470
Marketing consultancy fee	110
(b) A joint venture in which certain directors and certain substantial shareholders have interest:	
Management fee	1,490
	<b>As at 28.2.2023 RM'000</b>
(c) Included in receivables is an amount due from:	
A company in which certain directors and certain substantial shareholders have interest	470
(d) Included in payables are amounts due to:	
A company and a joint venture in which certain directors and certain substantial shareholders have interest	817

**Notes to the interim financial report - 28 February 2023**

**B Information as required by the Main Market Listing Requirements (Part A of Appendix 9B) of Bursa Malaysia Securities Berhad**

**B 1 Review of performance**

**Current financial quarter under review compared with preceding financial year corresponding financial quarter.**

Revenue in the current financial quarter under review decreased by 16.28% to RM46,144,000 from RM55,118,000 a year ago due to significant decreases in the average selling prices of ffb, CPO and PK. The sales volume of ffb was lower, however the sales volume of CPO and PK were higher.

Production and purchase of ffb were higher. Correspondingly, the production of CPO and PK were higher.

Cost of sales increased mainly due to increase in the plantation operating expenses, especially the rising cost of fertiliser.

Other income decreased because in the previous corresponding financial quarter there was an amount of fair value gain on consumable biological assets which did not recur. In current financial quarter, the Group incurred fair value loss on consumable biological assets which had been included in other expenses.

Administrative expenses increased significantly attributed to the acquisition of a subsidiary, Fauzi-Lim Plantation Sdn Bhd.

Share of results of an associate and joint ventures reversed from an overall profit to an overall loss mainly due to loss incurred by the joint ventures engaged in oil palm plantation in Indonesia in current financial quarter as opposed to an overall profit in the previous corresponding financial quarter.

Since previous financial years, the unrest in the surrounding villages located in the vicinity of the plantations in Lampung Province, Indonesia has caused the disruption in routine harvesting of ffb. The oil palm plantations have since commenced harvesting activities and mill operations. Total area accessed is approximately 53.61% of the total planted area.

However, as reported previously, harvesting of the mature fields in the oil palm plantation of the joint venture located in South Sumatera Province, Indonesia has been delayed due to the unrest in the villages neighbouring the estate. Commencement of harvesting is pending clearance by the relevant authorities.

Overall, profit net of tax decreased by 88.83% to RM2,921,000 from RM26,149,000 mainly due to the reasons mentioned above.

**Notes to the interim financial report - 28 February 2023**

**B 1 Review of performance (cont'd.)**

**Current six months under review compared with preceding financial year corresponding cumulative period.**

Revenue in the current six months under review decreased by 3.72% to RM109,100,000 from RM113,321,000 a year ago due to significant decreases in the average selling prices of ffb, CPO and PK even though the sales volume increased.

Production and purchase of ffb were higher. Correspondingly, the production of CPO and PK were higher.

Cost of sales in the current six months under review increased substantially due to increase in the plantation operating expenses, especially the rising cost of fertiliser.

Interest income was substantially higher.

Other income decreased mainly due to the absence of fair value gain on consumable biological assets in the current six-months period under review, whereby the decrease was partially offset by an increase in gain of foreign currency translation. The Group incurred fair value loss on consumable biological assets in the current six-months period under review, the amount of which was included in other expenses.

Administrative expenses increased significantly attributed to the acquisition of a subsidiary, Fauzi-Lim Plantation Sdn Bhd.

Share of results of an associate and joint ventures reversed from an overall profit to an overall loss mainly due to loss incurred by the joint ventures engaged in oil palm plantation in Indonesia compared with an overall profit a year ago.

Since previous financial years, the unrest in the surrounding villages located in the vicinity of the plantations in Lampung Province, Indonesia has caused the disruption in routine harvesting of ffb. The oil palm plantations have since commenced harvesting activities and mill operations. Total area accessed is approximately 53.61% of the total planted area.

However, as reported previously, harvesting of the mature fields in the oil palm plantation of the joint venture located in South Sumatera Province, Indonesia has been delayed due to the unrest in the villages neighbouring the estate. Commencement of harvesting is pending clearance by the relevant authorities.

Overall, profit net of tax decreased by 47.39% to RM28,216,000 from RM53,632,000 mainly due to the reasons mentioned above.

**Notes to the interim financial report - 28 February 2023**

**B 2 Material change in the profit before tax for the second financial quarter compared with the immediate preceding quarter**

	<b>Second financial quarter 28.2.2023 RM'000</b>	<b>First financial quarter 30.11.2022 RM'000</b>
<b>Revenue</b>	46,144	62,956
Cost of sales	(26,668)	(30,277)
<b>Gross profit</b>	<u>19,476</u>	<u>32,679</u>
<b>Other items of income</b>		
Interest income	2,343	2,007
Dividend income	203	842
Other income	2,007	1,282
<b>Other items of expense</b>		
Selling expenses	(919)	(1,171)
Administrative expenses	(11,435)	(5,980)
Other expenses	(2,170)	(1,831)
Finance costs	(97)	-
Share of results of an associate and joint ventures	(4,018)	3,464
<b>Profit before tax</b>	<u>5,390</u>	<u>31,292</u>

Revenue in the second financial quarter under review decreased by 26.70% to RM46,144,000 when compared with the immediate preceding financial quarter mainly due to decreases in the sales volume of ffb, CPO and PK and average selling prices of CPO and PK.

Other income were higher mainly due to increase in gain on foreign exchange.

Administrative expenses increased significantly attributed to the acquisition of a subsidiary, Fauzi-Lim Plantation Sdn Bhd.

Share of results of an associate and joint ventures reversed from an overall profit to an overall loss mainly due to loss incurred by the joint ventures engaged in oil palm plantation in Indonesia in current financial quarter as opposed to an overall profit in the immediate preceding financial quarter.

Since previous financial years, the unrest in the surrounding villages located in the vicinity of the plantations in Lampung Province, Indonesia has caused the disruption in routine harvesting of ffb. The oil palm plantations have since commenced harvesting activities and mill operations. Total area accessed is approximately 53.61% of the total planted area.

However, as reported previously, harvesting of the mature fields in the oil palm plantation of the joint venture located in South Sumatera Province, Indonesia has been delayed due to the unrest in the villages neighbouring the estate. Commencement of harvesting is pending clearance by the relevant authorities.

Overall, profit before tax decreased by 82.78% to RM5,390,000 mainly due to reasons mentioned above.

**Notes to the interim financial report - 28 February 2023**

**B 3 Prospects for financial year ending 31 August 2023**

The financial performance for the financial year ending 31 August 2023 is expected to decline compared with the record profit of the previous financial year ended 31 August 2022 and in line with the drop in CPO and PK prices from the historical high levels.

**B 4 Variance of actual profit from forecast profit and shortfall in profit guarantee**

There were no profit forecasts prepared for public release and profit guarantees provided by the Group.

**B 5 Income tax expense**

	<b>Second financial quarter 28.2.2023 RM'000</b>	<b>Six months 28.2.2023 RM'000</b>
Income tax:		
Current income tax	2,449	7,606
Deferred income tax	20	860
	<u>2,469</u>	<u>8,466</u>

The effective tax rate for the second financial quarter ended 28 February 2023 was higher than the statutory tax rate mainly due to the effects of share of results of an associate and joint ventures.

The effective tax rate for the six months ended 28 February 2023 was lower than the statutory tax rate mainly due to certain income which were not assessable for income tax purposes.

**B 6 Borrowings and debt securities**

As at 28 February 2023, there were no borrowings and debt securities.

**B 7 Status of corporate proposals**

On 10 April 2006, the Company entered into a conditional joint venture and shareholders agreement with Negri Sembilan Oil Palms Berhad ("NSOP"), Timor Oil Palm Plantation Berhad, a 58.0% owned subsidiary of NSOP, Eng Thye Plantations Berhad, an 83.3% owned subsidiary of NSOP, Seong Thye Plantations Sdn Bhd and Chin Thye Investment Pte Ltd ("Singapore JVSA") to participate in a joint venture project for the development of an oil palm plantation in Indonesia with P.T. Lampung Karya Indah. ("Proposed Joint Venture"), the details of which are set out in the Circular to Shareholders dated 11 May 2006.

The approval of the Shareholders of the Company was obtained at the Extraordinary General Meeting of the Company held on 26 May 2006.

The conditions precedent as set out in the Singapore JVSA have been fulfilled and the necessary approvals required for the subscription of shares in Chin Thye Investment Pte Ltd have been obtained.

There were no further subscription of shares in Chin Thye Investment Pte Ltd during the second financial quarter under review and the period since the end of the current financial quarter under review to the date of issue of this interim financial report.

As at 28 February 2023, the Company had subscribed 14,310,000 shares in Chin Thye Investment Pte Ltd for a total cash consideration of RM35,069,000.

**Notes to the interim financial report - 28 February 2023**

**B 7 Status of corporate proposals (cont'd.)**

	<b>As at 28.2.2023 RM'000</b>
Remaining capital and investment outlay	<u>15,330</u>

**B 8 Derivatives financial instruments**

There were no derivatives financial instruments transacted during the six months period ended 28 February 2023.

**B 9 Material litigation**

There were no material litigations as at 31 August 2022 and at the date of issue of this interim financial report.

**B 10 Dividends**

- (i) A first interim single tier dividend of 8 sen per stock unit and a special single tier dividend of 2 sen per stock unit in respect of the financial year ending 31 August 2023 were paid on 31 January 2023.
- (ii) No further interim dividend has been declared in respect of the second financial quarter and six months ended 28 February 2023.
- (iii) The total dividends for the current financial year ending 31 August 2023:

<u>Type of dividend</u>	<u>sen per stock unit</u>
First interim, single tier	8.00
Special, single tier	<u>2.00</u>
	<u>10.00</u>

- (iv) The total dividends for the financial year ended 31 August 2022:

<u>Type of dividend</u>	<u>sen per stock unit</u>
First interim, single tier	8.00
Second interim, single tier	8.00
Special, single tier	<u>26.00</u>
	<u>42.00</u>

**Notes to the interim financial report - 28 February 2023**

**B 11 Earnings per stock unit**

The basic and diluted earnings per stock unit are calculated as follows:-

	<b>Second financial quarter</b>		<b>Six months</b>	
	<b>28.2.2023</b>	<b>28.2.2022</b>	<b>28.2.2023</b>	<b>28.2.2022</b>
Profit attributable to owners of the Company (RM'000)	2,921	26,149	28,216	53,632
Weighted average number of stock units ('000)	91,363	91,363	91,363	91,363
Earnings per stock unit (sen)				
Basic	3.20	28.62	30.88	58.70
Diluted	3.20	28.62	30.88	58.70

The diluted earnings per stock unit is similar to basic earnings per stock unit as there is no potential dilutive ordinary stock units outstanding as at end of the financial quarter.

**B 12 Notes to condensed statement of comprehensive income**

	<b>Second financial quarter 28.2.2023 RM'000</b>	<b>Six months 28.2.2023 RM'000</b>
Interest income	2,343	4,350
Other income including investment income	203	1,045
Interest expense	97	97
Amortisation and depreciation	(1,953)	(3,727)
Provision for and write off of receivables	-	-
Provision for and write off of inventories	-	-
Gain/(loss) on disposal of unquoted investments	-	-
Gain/(loss) on disposal of properties	-	-
Impairment of investment in a joint venture	-	-
Net fair value gain on investment securities (transfer of fair value adjustment reserve to profit or loss upon disposal)	-	38
Net fair value loss on investment securities (transfer of fair value adjustment reserve to retained profits upon disposal)	-	(24)
Foreign exchange gain	1,803	2,655
Gain/(loss) on derivatives	-	-
Other material items	-	-

**B 13 Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 31 August 2022 was not qualified.