



**IOI GROUP**

**IOI CORPORATION BERHAD** (9027-W)

(Incorporated in Malaysia)

**Interim Report  
For The Financial Period Ended  
31 March 2020**



**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Condensed Consolidated Statement of Profit or Loss**

	INDIVIDUAL QUARTER (Q3)			CUMULATIVE QUARTER (9 Mths)		
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	Changes	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	Changes
	31/03/2020 RM Million	31/03/2019 RM Million	(%)	31/03/2020 RM Million	31/03/2019 RM Million	(%)
Revenue	<b>2,033.9</b>	1,891.1	8%	<b>5,764.6</b>	5,647.4	2%
<b>Operating profit</b>	<b>316.0</b>	289.2	9%	<b>698.1</b>	762.4	-8%
Share of results of associates	<b>2.1</b>	48.4	-96%	<b>106.7</b>	145.8	-27%
Share of results of a joint venture	<b>(0.3)</b>	(0.7)	57%	<b>(0.7)</b>	(2.4)	71%
<b>Profit before interest and taxation</b>	<b>317.8</b>	336.9	-6%	<b>804.1</b>	905.8	-11%
Interest income	<b>16.3</b>	17.5	-7%	<b>53.1</b>	57.2	-7%
Finance costs	<b>(45.1)</b>	(46.2)	-2%	<b>(130.2)</b>	(136.7)	-5%
Net foreign currency translation (loss)/gain on foreign currency denominated borrowings	<b>(239.3)</b>	67.3	nm	<b>(208.2)</b>	(41.1)	407%
Net foreign currency translation gain/(loss) on foreign currency denominated deposits	<b>2.9</b>	(10.1)	nm	<b>1.7</b>	14.4	-88%
<b>Profit before taxation</b>	<b>52.6</b>	365.4	-86%	<b>520.5</b>	799.6	-35%
Taxation	<b>(49.7)</b>	(125.4)	-60%	<b>(156.0)</b>	(222.8)	-30%
<b>Profit for the period</b>	<b>2.9</b>	240.0	-99%	<b>364.5</b>	576.8	-37%
<b>Profit attributable to:</b>						
Owners of the parent	<b>0.1</b>	245.8	-100%	<b>362.6</b>	585.1	-38%
Non-controlling interests	<b>2.8</b>	(5.8)	nm	<b>1.9</b>	(8.3)	nm
	<b>2.9</b>	240.0	-99%	<b>364.5</b>	576.8	-37%
<b>Earnings per share for profit attributable to owners of the parent (sen)</b>						
Basic	-	3.91	nm	<b>5.77</b>	9.31	-38%
Diluted	-	3.91	nm	<b>5.77</b>	9.31	-38%

\*nm = not meaningful

(The condensed consolidated statement of profit or loss should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to this interim financial report.)



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**IOI CORPORATION BERHAD** (9027-W)  
 (Incorporated in Malaysia)

**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Condensed Consolidated Statement of Other Comprehensive Income**

	INDIVIDUAL QUARTER (Q3)			CUMULATIVE QUARTER (9 Mths)		
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	Changes (%)	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD	Changes (%)
	31/03/2020 RM Million	31/03/2019 RM Million		31/03/2020 RM Million	31/03/2019 RM Million	
<b>Profit for the period</b>	<b>2.9</b>	<b>240.0</b>	<b>-99%</b>	<b>364.5</b>	<b>576.8</b>	<b>-37%</b>
<b>Other comprehensive loss that will not be reclassified subsequently to profit or loss</b>						
Share of other comprehensive loss of associates	(0.5)	-	nm	(0.5)	-	nm
Actuarial loss on defined benefit obligation	-	(0.5)	nm	-	(0.5)	nm
	<b>(0.5)</b>	<b>(0.5)</b>	<b>0%</b>	<b>(0.5)</b>	<b>(0.5)</b>	<b>0%</b>
<b>Other comprehensive (loss)/income that will be reclassified subsequently to profit or loss when specific conditions are met</b>						
Exchange differences on translation of foreign operations	(115.5)	(13.4)	762%	(123.2)	15.4	nm
Share of other comprehensive income/(loss) of associates	7.9	29.5	-73%	21.3	(0.7)	nm
Hedge of net investments in foreign operations	14.0	2.0	600%	19.2	4.2	357%
	<b>(93.6)</b>	<b>18.1</b>		<b>(82.7)</b>	<b>18.9</b>	
<b>Other comprehensive (loss)/income for the period</b>	<b>(94.1)</b>	<b>17.6</b>	<b>nm</b>	<b>(83.2)</b>	<b>18.4</b>	<b>nm</b>
<b>Total comprehensive (loss)/income for the period, net of tax</b>	<b>(91.2)</b>	<b>257.6</b>	<b>nm</b>	<b>281.3</b>	<b>595.2</b>	<b>-53%</b>
<b>Total comprehensive (loss)/income attributable to:</b>						
Owners of the parent	(97.4)	263.9	nm	278.5	605.1	-54%
Non-controlling interests	6.2	(6.3)	nm	2.8	(9.9)	nm
	<b>(91.2)</b>	<b>257.6</b>	<b>nm</b>	<b>281.3</b>	<b>595.2</b>	<b>-53%</b>

\*nm = not meaningful

(The condensed consolidated statement of other comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to this interim financial report.)



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(The figures have not been audited)

**Condensed Consolidated Statement of Financial Position**

	<b>AS AT END OF CURRENT QUARTER 31/03/2020 RM Million</b>	<b>AS AT PRECEDING FINANCIAL YEAR END 30/06/2019 RM Million</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	8,462.1	8,458.8
Intangible assets	420.1	412.2
Investments in associates	2,638.2	2,610.1
Derivative assets	125.4	154.3
Deferred tax assets	15.6	9.5
Other non-current assets	59.4	60.4
	<b>11,720.8</b>	<b>11,705.3</b>
<b>Current assets</b>		
Inventories	889.9	778.0
Receivables	870.9	773.5
Derivative assets	556.2	407.7
Other investments	66.3	69.2
Amount due from associates	96.3	94.4
Other current assets	97.9	73.5
Short term funds	1,254.3	1,775.7
Deposits with financial institutions	200.8	302.6
Cash and bank balances	653.1	520.3
	<b>4,685.7</b>	<b>4,794.9</b>
<b>TOTAL ASSETS</b>	<b>16,406.5</b>	<b>16,500.2</b>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to this interim financial report.)



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**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Condensed Consolidated Statement of Financial Position (Continued)**

	AS AT END OF CURRENT QUARTER 31/03/2020 RM Million	AS AT PRECEDING FINANCIAL YEAR END 30/06/2019 RM Million
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	790.2	788.1
Other reserves	(49.4)	34.6
Treasury shares	(60.5)	-
Retained earnings	8,231.9	8,476.9
	<b>8,912.2</b>	9,299.6
<b>Non-controlling interests</b>	<b>283.0</b>	211.1
<b>Total equity</b>	<b>9,195.2</b>	9,510.7
<b>Non-current liabilities</b>		
Borrowings	4,514.6	4,451.9
Derivative liabilities	10.2	30.3
Deferred tax liabilities	1,162.7	1,153.0
Long term lease liabilities	38.9	38.3
Other non-current liabilities	93.6	93.4
	<b>5,820.0</b>	5,766.9
<b>Current liabilities</b>		
Payables	584.2	600.3
Derivative liabilities	237.9	149.5
Short term borrowings	521.4	408.7
Other current liabilities	47.8	64.1
	<b>1,391.3</b>	1,222.6
<b>Total liabilities</b>	<b>7,211.3</b>	6,989.5
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>16,406.5</b>	16,500.2
<b>Net assets per share attributable to owners of the parent (RM)</b>	<b>1.42</b>	1.48

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to this interim financial report.)



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**IOI CORPORATION BERHAD** (9027-W)  
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**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Condensed Consolidated Statement of Cash Flows**

	<b>9 Months Ended 31/03/2020 RM Million</b>	<b>9 Months Ended 31/03/2019 RM Million</b>
<b>Operating Activities</b>		
Profit before taxation	520.5	799.6
Adjustments for:		
Depreciation and amortisation	276.9	282.6
Other non-cash items	87.3	(107.7)
Operating profit before working capital changes	884.7	974.5
Decrease in payables and other liabilities	(45.2)	(36.2)
(Increase)/Decrease in inventories	(94.4)	3.2
(Increase)/Decrease in receivables and other assets	(116.1)	39.8
Cash generated from operations	629.0	981.3
Other payments	(1.5)	(2.1)
Net taxes paid	(140.7)	(228.3)
<b>Net cash inflow from operating activities</b>	<b>486.8</b>	<b>750.9</b>
<b>Investing Activities</b>		
Interest received	53.7	54.6
Dividends received	43.6	42.9
Proceeds from disposal of property, plant and equipment	4.7	1.3
Acquisition of additional interest in subsidiaries	(0.2)	-
Additions to other investments	(7.7)	-
Additions to other intangible assets	(11.8)	-
Additions to property, plant and equipment	(314.7)	(295.3)
Additional proceeds from disposal of subsidiaries	-	55.0
Repayment from associate	-	4.7
Acquisition of additional interest in an associate	-	(3.0)
<b>Net cash outflow from investing activities</b>	<b>(232.4)</b>	<b>(139.8)</b>
<b>Financing Activities</b>		
Net drawdown/(repayment) of other borrowings	29.8	(342.6)
Issuance of shares	1.7	0.9
Payment of lease interests	(2.0)	(2.0)
Dividends paid to non-controlling interests	(3.6)	(9.8)
Payment of lease liabilities	(5.4)	(5.4)
Repayment to non-controlling interest, which is also an associate of the Group	(16.3)	-
Repayment of term loans	(46.1)	(84.4)
Repurchase of shares	(60.5)	-
Payment of finance costs	(108.2)	(115.3)
Payment of dividends	(534.2)	(502.8)
<b>Net cash outflow from financing activities</b>	<b>(744.8)</b>	<b>(1,061.4)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(490.4)</b>	<b>(450.3)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>2,598.6</b>	<b>2,764.6</b>
<b>Effect of exchange rate changes</b>	<b>-</b>	<b>(0.6)</b>
<b>Cash and cash equivalents at end of period</b>	<b>2,108.2</b>	<b>2,313.7</b>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to this interim financial report.)

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**IOI GROUP****Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Condensed Consolidated Statement of Changes In Equity**

(RM Million)	Non-distributable						Distributable	Total attributable to owners of the parent	Non-controlling interests	Total equity
	Share capital	Capital reserve	Other reserve	Hedging reserve	Foreign currency translation reserve	Treasury shares	Retained earnings			
<b>As at 1 July 2019</b>	<b>788.1</b>	<b>25.1</b>	<b>(16.7)</b>	<b>5.9</b>	<b>20.3</b>	<b>-</b>	<b>8,476.9</b>	<b>9,299.6</b>	<b>211.1</b>	<b>9,510.7</b>
<b>Total comprehensive income/(loss)</b>	<b>-</b>	<b>-</b>	<b>0.9</b>	<b>19.2</b>	<b>(103.7)</b>	<b>-</b>	<b>362.1</b>	<b>278.5</b>	<b>2.8</b>	<b>281.3</b>
<b>Transactions with owners</b>										
Dividends paid in respect of current financial year	-	-	-	-	-	-	(251.4)	(251.4)	-	(251.4)
Dividends paid in respect of previous financial year	-	-	-	-	-	-	(282.8)	(282.8)	-	(282.8)
Issue of shares arising from exercise of share options	2.1	(0.4)	-	-	-	-	-	1.7	-	1.7
Repurchase of shares	-	-	-	-	-	(60.5)	-	(60.5)	-	(60.5)
Changes in equity interest in subsidiaries	-	-	-	-	-	-	(72.9)	(72.9)	72.7	(0.2)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(3.6)	(3.6)
<b>As at 31 March 2020</b>	<b>790.2</b>	<b>24.7</b>	<b>(15.8)</b>	<b>25.1</b>	<b>(83.4)</b>	<b>(60.5)</b>	<b>8,231.9</b>	<b>8,912.2</b>	<b>283.0</b>	<b>9,195.2</b>

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to this interim financial report.)

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**IOI GROUP****Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Condensed Consolidated Statement of Changes In Equity (Continued)**

(RM Million)	<u>Non-distributable</u>					<u>Distributable</u>	Total attributable to owners of the parent	Non- controlling interests	Total equity
	Share capital	Capital reserve	Other reserve	Hedging reserve	Foreign currency translation reserve	Retained earnings			
<b>As at 1 July 2018</b>	786.7	24.1	(12.8)	(4.2)	(24.0)	8,386.5	9,156.3	259.4	9,415.7
Effects on adoption of MFRSs 9,15 & 16	-	-	-	-	-	(37.0)	(37.0)	-	(37.0)
As restated	786.7	24.1	(12.8)	(4.2)	(24.0)	8,349.5	9,119.3	259.4	9,378.7
<b>Total comprehensive (loss)/income</b>	-	-	(2.1)	4.2	18.3	584.7	605.1	(9.9)	595.2
<b>Transactions with owners</b>									
Dividends paid in respect of current financial year	-	-	-	-	-	(220.0)	(220.0)	-	(220.0)
Dividends paid in respect of previous financial year	-	-	-	-	-	(282.8)	(282.8)	-	(282.8)
Issue of shares arising from exercise of share options	1.1	(0.2)	-	-	-	-	0.9	-	0.9
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(9.8)	(9.8)
<b>As at 31 March 2019</b>	<b>787.8</b>	<b>23.9</b>	<b>(14.9)</b>	<b>-</b>	<b>(5.7)</b>	<b>8,431.4</b>	<b>9,222.5</b>	<b>239.7</b>	<b>9,462.2</b>

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2019 and the accompanying explanatory notes attached to this interim financial report.)





IOI GROUP

## Interim Report For The Financial Period Ended 31 March 2020

(The figures have not been audited)

### a) Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134 *Interim Financial Reporting*, IAS 34 *Interim Financial Reporting*, provision of the Companies Act 2016 in Malaysia and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2019.

The explanatory notes attached to this interim financial report 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 2019.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the financial year ended June 2019 except for the adoption of the following IC Interpretation and amendments to MFRSs:

<b>Title</b>	<b>Effective Date</b>
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
Amendments to MFRS 128 <i>Long-term Interests in Associates and Joint Ventures</i>	1 January 2019
Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>	1 January 2019
Amendments to MFRS 3 <i>Annual Improvements to MFRS Standards 2015 – 2017 Cycle</i>	1 January 2019
Amendments to MFRS 11 <i>Annual Improvements to MFRS Standards 2015 – 2017 Cycle</i>	1 January 2019
Amendments to MFRS 112 <i>Annual Improvements to MFRS Standards 2015 – 2017 Cycle</i>	1 January 2019
Amendments to MFRS 123 <i>Annual Improvements to MFRS Standards 2015 – 2017 Cycle</i>	1 January 2019
Amendments to MFRS 119 <i>Plan Amendment, Curtailment or Settlement</i>	1 January 2019

The adoption of the above IC Interpretation and amendments to MFRSs do not have any significant financial impact on the results and the financial position of the Group for the current quarter.

### b) Seasonal or Cyclical Factors

There were no significant seasonal or cyclical factors that affect the business of the Group for the quarter under review.

### c) Unusual Items

There are no unusual items affecting assets, liabilities, equity, net income, and cash flows for the period under review.



**IOI GROUP**

**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**d) Material Changes in Estimates of Amounts Reported**

There are no changes in estimates of amounts reported in prior interim periods or financial years that have a material effect in the current financial period.

**e) Details of Changes in Debt and Equity Securities**

- i. During the current financial period-to-date, the Company issued 395,000 shares for cash at RM4.42 per share arising from the exercise of options granted under the Company's Executive Share Option Scheme.
- ii. During the current financial period-to-date, the Company has repurchased 16,266,000 of its issued shares capital from the open market. The average price paid for the shares repurchased was RM3.72 per share. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 127 of the Companies Act, 2016.

**f) Dividends Paid**

	<b>CURRENT YEAR TO DATE</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD</b>
	<b>RM Million</b>	<b>RM Million</b>
First interim single tier dividend in respect of financial year ended 30 June 2020		
- 4.0 sen per ordinary share	<b>251.4</b>	-
Final single tier dividend in respect of financial year ended 30 June 2019		
- 4.5 sen per ordinary share	<b>282.8</b>	-
First interim single tier dividend in respect of financial year ended 30 June 2019		
- 3.5 sen per ordinary share	-	220.0
Second interim single tier dividend in respect of financial year ended 30 June 2018		
- 4.5 sen per ordinary share	-	282.8
	<b>534.2</b>	<b>502.8</b>



**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**g) Segment Revenue & Results**

(RM Million)	Plantation	Resource-based Manufacturing	Other Operations	Elimination	Total
<b>9 Months Ended 31/03/20</b>					
<b>REVENUE</b>					
External Sales	156.0	5,593.9	14.7	-	5,764.6
Inter-segment sales	1,232.5	-	-	(1,232.5)	-
Total Revenue	1,388.5	5,593.9	14.7	(1,232.5)	5,764.6

**RESULT**

Operating profit	397.3	240.8	4.6	-	642.7
Share of results of associates	52.2	54.5	-	-	106.7
Share of results of a joint venture	-	(0.7)	-	-	(0.7)
Segment results before fair value adjustments	449.5	294.6	4.6	-	748.7
Fair value gain/(loss) on:					
Biological assets	17.7	-	-	-	17.7
Derivative financial instruments	0.1	(9.1)	-	-	(9.0)
Segment results	467.3	285.5	4.6	-	757.4

**9 Months Ended 31/03/19**

**REVENUE**

External Sales	140.3	5,495.3	11.8	-	5,647.4
Inter-segment sales	1,185.0	-	-	(1,185.0)	-
Total Revenue	1,325.3	5,495.3	11.8	(1,185.0)	5,647.4

**RESULT**

Operating profit	322.4	339.3	1.2	-	662.9
Share of results of associates	78.2	67.6	-	-	145.8
Share of results of a joint venture	-	(2.4)	-	-	(2.4)
Segment results before fair value adjustments	400.6	404.5	1.2	-	806.3
Fair value (loss)/gain on:					
Biological assets	(1.1)	-	-	-	(1.1)
Derivative financial instruments	(0.1)	60.6	-	-	60.5
Segment results	399.4	465.1	1.2	-	865.7



**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**g) Segment Revenue & Results (Continued)**

The reconciliations of the total reportable segment results are as follows:

	<b>9 Months Ended 31/03/2020 RM Million</b>	<b>9 Months Ended 31/03/2019 RM Million</b>
Total segment results	757.4	865.7
Unallocated corporate net income	<u>46.7</u>	<u>40.1</u>
Profit before interest and taxation	804.1	905.8
Finance costs	(130.2)	(136.7)
Interest income	53.1	57.2
Net foreign currency translation loss on foreign currency denominated borrowings	(208.2)	(41.1)
Net foreign currency translation gain on foreign currency denominated deposits	<u>1.7</u>	<u>14.4</u>
Profit before taxation	520.5	799.6
Taxation	<u>(156.0)</u>	<u>(222.8)</u>
Profit for the period	<u><u>364.5</u></u>	<u><u>576.8</u></u>

There were no material changes in segment assets and segment liabilities from the amount disclosed in the last audited annual financial statements.

**h) Material Events Subsequent to the End of Financial Period**

There were no material events subsequent to 31 March 2020 that have not been reflected in the financial statements.

**i) Changes in the Composition of the Group**

There were no material changes in the composition of the Group during the financial period ended 31 March 2020.

**j) Contingent Liabilities**

There were no significant changes in contingent liabilities since the last annual reporting date.



**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**1) Detailed Analysis of the Performance of All Operating Segments of the Group**

**a) Q3 FY2020 vs. Q3 FY2019**

For Q3 FY2020, the Group reported a profit before taxation (“PBT”) of RM52.6 million as compared to RM365.4 million reported for Q3 FY2019. Excluding the total net foreign currency translation loss of RM236.4 million (Q3 FY2019 – gain of RM57.2 million) on foreign currency denominated borrowings and deposits as well as fair value gain on derivative financial instruments from the resource-based manufacturing segment of RM87.4 million (Q3 FY2019 – RM22.6 million), the underlying PBT of RM201.6 million for Q3 FY2020 is 29% lower than the underlying PBT of RM285.6 million for Q3 FY2019. The lower contribution from resource-based manufacturing segment is mitigated by the better performance from the plantation segment.

**Plantation**

The plantation segment profit for Q3 FY2020 of RM165.4 million is 25% higher than the profit for Q3 FY2019 of RM132.6 million on the back of higher CPO and PK prices realised. Average CPO and PK prices realised for Q3 FY2020 were RM2,704/MT (Q3 FY2019 – RM1,971/MT) and RM1,688/MT (Q3 FY2019 – RM1,312/MT) respectively. The higher prices realised are partly offset by lower Fresh Fruit Bunches (“FFB”) production due to the delayed effects of the dry weather in 2018 and the closure order from 25 March to 11 April 2020 imposed on certain districts in Sabah where nearly 40% of the Group’s plantations are located.

**Resource-based Manufacturing**

The resource-based manufacturing segment profit for Q3 FY2020 of RM119.1 million is 39% lower than the profit for Q3 FY2019 of RM196.6 million. Excluding the fair value gain on derivative financial instruments, the underlying profit for resource-based manufacturing segment reported a profit of RM31.7 million for Q3 FY2020 as compared to RM174.0 million for Q3 FY2019. The lower profit is due mainly to lower operational contributions from the oleochemical and refining sub-segments with lower margins and sale volume. In addition, share of loss from our specialty fats associate, Bunge Loders Croklaan Group B.V. (“Loders”), was recognised due mainly to the provision of doubtful debts as well as marked-to-market losses from commodity derivatives taken up by Loders in Q3 FY2020.



**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

1) **Detailed Analysis of the Performance of All Operating Segments of the Group (Continued)**

a) **Q3 FY2020 vs. Q3 FY2019 (Continued)**

The analysis of contribution by segment is as follow:

	<b>CURRENT YEAR QUARTER RM Million</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER RM Million</b>	<b>DIFFERENCE RM Million</b>
Plantation before fair value adjustments	159.0	132.7	26.3
Fair value gain on biological assets	6.3	0.3	6.0
Fair value gain/(loss) on derivative financial instruments	0.1	(0.4)	0.5
Plantation	165.4	132.6	32.8
Resource-based manufacturing before fair value gain on derivative financial instruments	31.7	174.0	(142.3)
Fair value gain on derivative financial instruments	87.4	22.6	64.8
Resource-based manufacturing	119.1	196.6	(77.5)
Other operations	0.2	(1.9)	2.1
Segment results	284.7	327.3	(42.6)
Unallocated corporate net income	33.1	9.6	23.5
Profit before interest and taxation	317.8	336.9	(19.1)
Finance costs	(45.1)	(46.2)	1.1
Interest income	16.3	17.5	(1.2)
Net foreign currency translation (loss)/gain on foreign currency denominated borrowings	(239.3)	67.3	(306.6)
Net foreign currency translation gain/(loss) on foreign currency denominated deposits	2.9	(10.1)	13.0
Profit before taxation	52.6	365.4	(312.8)



**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

- 1) **Detailed Analysis of the Performance of All Operating Segments of the Group (Continued)**
- b) **Q3 YTD FY2020 vs. Q3 YTD FY2019**

For Q3 YTD FY2020, the Group reported a PBT of RM520.5 million as compared to RM799.6 million reported for Q3 YTD FY2019. Excluding the total net foreign currency translation loss of RM206.5 million (Q3 YTD FY2019 – RM26.7 million) on foreign currency denominated borrowings and deposits as well as fair value loss on derivative financial instruments from the resource-based manufacturing segment of RM9.1 million (Q3 YTD FY2019 – gain of RM60.6 million), the underlying PBT of RM736.1 million for Q3 YTD FY2020 is 4% lower than the underlying PBT of RM765.7 million for Q3 YTD FY2019. The lower contribution from resource-based manufacturing segment is mitigated by the better performance from the plantation segment.

**Plantation**

The plantation segment profit for Q3 YTD FY2020 of RM467.3 million is 17% higher than the profit for Q3 YTD FY2019 of RM399.4 million. The higher profit reported is due mainly to higher CPO price realised as well as improved oil extraction rate. Average CPO price realised for Q3 YTD FY2020 was RM2,294/MT (Q3 YTD FY2019 – RM2,039/MT). The higher prices realised and improved extraction rate are offset by lower FFB production due to the delayed effects of the dry weather in 2018.

**Resource-based Manufacturing**

The resource-based manufacturing segment profit of RM285.5 million for Q3 YTD FY2020 is 39% lower than profit of RM465.1 million reported for Q3 YTD FY2019. Excluding the fair value loss/gain on derivative financial instruments, the underlying profit for resource-based manufacturing segment of RM294.6 million for Q3 YTD FY2020 is 27% lower than the profit of RM404.5 million for Q3 YTD FY2019. The lower profit is due mainly to lower operational contributions from the oleochemical and refining sub-segments with reduction in margins and sale volume.



**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**2) Material Change in Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter**

The Group reported a PBT of RM52.6 million for Q3 FY2020 as compared to PBT of RM269.3 million for Q2 FY2020. Excluding the total net foreign currency translation loss of RM236.4 million (Q2 FY2020 – gain of RM85.8 million) on foreign currency denominated borrowings and deposits as well as fair value gain on derivative financial instruments from the resource-based manufacturing segment of RM87.4 million (Q2 FY2020 – loss of RM93.0 million), the underlying PBT of RM201.6 million for Q3 FY2020 is 27% lower than the underlying PBT of RM276.5 million for Q2 FY2020, due mainly to lower contributions from all segments.

Details of the segmental results are as follows:

**Plantation**

The plantation segment profit for Q3 FY2020 of RM165.4 million is 6% lower than the profit for Q2 FY2020 of RM175.3 million. The lower profit reported is due mainly to lower FFB production (Q3 FY2020 – 631,941MT vs Q2 FY2020 – 798,270MT), mitigated by higher CPO price realised (Q3 FY2020 – RM2,704/MT vs Q2 FY2020 – RM2,246/MT). The lower FFB production is due to the seasonally low production period and the closure order from 25 March to 11 April 2020 imposed on certain districts in Sabah where nearly 40% of the Group's plantations are located.

**Resource-based Manufacturing**

The resource-based manufacturing segment reported a profit of RM119.1 million for Q3 FY2020 as compared to RM29.9 million for Q2 FY2020. Excluding the fair value gain/loss on derivative financial instruments, the underlying profit for resource-based manufacturing segment for Q3 FY2020 of RM31.7 million is 74% lower than the underlying profit for Q2 FY2020 of RM122.9 million due mainly to lower operational contributions from the oleochemical and refining sub-segments with lower margins reported. In addition, share of loss from our specialty fats associate, Bunge Loders Croklaan Group B.V. ("Loders"), was recognised due mainly to the provision of doubtful debts as well as marked-to-market losses from commodity derivatives taken up by Loders in Q3 FY2020.





**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**2) Material Change in Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter (Continued)**

The analysis of contribution by segment is as follows:

	<b>CURRENT QUARTER RM Million</b>	<b>PRECEDING QUARTER RM Million</b>	<b>DIFFERENCE RM Million</b>
Plantation before fair value adjustments	159.0	174.7	(15.7)
Fair value gain on biological assets	6.3	0.6	5.7
Fair value gain on derivative financial instruments	0.1	-	0.1
Plantation	165.4	175.3	(9.9)
Resource-based manufacturing before fair value gain/(loss) on derivative financial instruments	31.7	122.9	(91.2)
Fair value gain/(loss) on derivative financial instruments	87.4	(93.0)	180.4
Resource-based manufacturing	119.1	29.9	89.2
Other operations	0.2	2.1	(1.9)
Segment results	284.7	207.3	77.4
Unallocated corporate net income/(expenses)	33.1	(0.7)	33.8
Profit before interest and taxation	317.8	206.6	111.2
Finance costs	(45.1)	(42.2)	(2.9)
Interest income	16.3	19.1	(2.8)
Net foreign currency translation (loss)/gain on foreign currency denominated borrowings	(239.3)	89.0	(328.3)
Net foreign currency translation gain/(loss) on foreign currency denominated deposits	2.9	(3.2)	6.1
Profit before taxation	52.6	269.3	(216.7)



**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**3) Prospects**

Due to lower demand from the HORECA (hotel, restaurant and catering) sector and low crude oil price affecting the discretionary biofuel usage, palm oil price has fallen significantly and remained low during the past two months of the global lockdown caused by the Covid-19 pandemic. However, palm oil price has recovered slightly and shown resilience recently due to increased demand arising from stock replenishment in key importing countries and the renewed commitment by Indonesian and Malaysian governments to continue their biodiesel mandate policies.

In view of the expected significant increase in oil palm fruits production during Q4 FY2020 which will counter the effect of the low palm oil price, the financial performance of our plantation segment in Q4 FY2020 is likely to be similar to that in Q3 FY2020.

In the oleochemical sub-segment, the key sub-segment in our downstream manufacturing segment, a large amount of our fatty acids and glycerin is used in the personal hygiene products such as soap and hand sanitizer, and in the plastic-type products such as PPEs – both of which have seen an increase in demand due to the pandemic. The increased demand from these sectors is expected to offset the reduced demand and offtake from other sectors arising from the disruptions caused by the pandemic lockdowns.

With the relatively low palm kernel oil feedstock price which has enabled product margins to be maintained or improved in some categories, the financial performance of our oleochemical sub-segment is expected to be satisfactory – although the operating conditions have been challenging due to the Movement Control Order imposed in Malaysia.

Our refinery sub-segment is expected to perform better during Q4 FY2020 due to the healthy refining and fractionation margins. However, the specialty fats sub-segment, which comprises our associate company Bunge Loders Croklaan, is expected to be affected by the lockdowns in Europe and US which have disrupted demand and transport logistics for their products in these regions.

The strong US Dollar, though favourable for palm oil export price, is likely to result in significant forex translation loss arising from our USD-denominated borrowings.

We are well aware that the Covid-19 pandemic has brought a lot of operating uncertainties and damage to the Malaysian and global economies. Fortunately, with our past focus on cost efficiency, strong cash position and the resilient fundamentals of our palm oil business, we expect to see through this pandemic crisis relatively unscathed.

**4) Achievability of Forecast Results**

Not applicable.

**5) Variance of Actual Profit from Forecast Results or Profit Guarantee**

Not applicable.



**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**6) Taxation**

	INDIVIDUAL QUARTER (Q3)		CUMULATIVE QUARTER (9 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	RM Million	RM Million	RM Million	RM Million
The tax expense comprises the following:				
Current taxation				
- Current year	49.5	70.6	152.4	173.9
- Prior years	1.2	(2.0)	(0.2)	0.9
Deferred taxation				
- Current year	(0.9)	56.5	4.0	47.5
- Prior years	(0.1)	0.3	(0.2)	0.5
	<b>49.7</b>	<b>125.4</b>	<b>156.0</b>	<b>222.8</b>

The effective tax rate of the Group for Q3 FY2020 and Q3 YTD FY2020 are higher than the statutory tax rate due principally to the non-allowable net foreign currency translation loss on foreign currency denominated borrowings and other non-deductible expenses offset against other non-taxable income.

**7) Corporate Proposal**

- a) There was no corporate proposal announced by the Group but not completed as at 20 May 2020 (being a date not earlier than 7 days from the date of issue of the quarterly report).
- b) On 1 March 2018, the Group completed the disposal of 70% equity interest in Loders Crokiaan Group B.V. with a preliminary disposal consideration of USD595.0 million plus EUR303.4 million (total approximately RM3,784.7 million). On 23 October 2018, the Group had received a net adjustment amount of EUR11.5 million (approximately RM55.0 million) upon finalisation of the intermediate disposal consideration in accordance with the terms of the sale and purchase agreement.

The status of utilisation of proceeds raised from the Corporate proposal as at 20 May 2020 (being a date not earlier than 7 days from the date of issue of the quarterly report) is as follows:

Purpose	Proposed		Actual		Deviation		
	Utilisation (%)	(RM Million)	Utilisation (RM Million)	Initial Timeframe	Revised Timeframe <sup>N1</sup>	(RM Million)	%
Future investment	25.00	959.9	23.1	Within 24 months	Within 42 months	-	-
Dividend to shareholders	20.00	767.9	767.9	Within 12 months	Within 30 months	-	-
Repayment of borrowings	50.00	1,919.9	1,919.9	Within 24 months	-	-	-
General working capital	4.75	182.4	182.4	Within 24 months	-	-	-
Transaction expenses	0.25	9.6	9.6	Immediate	-	-	-
Total	100.00	3,839.7	2,902.9			-	-

Note:

<sup>1</sup> On 18 February 2020, the Board of Directors resolved and approved to extend the initial utilisation timeframe for an additional period of 18 months (revised timeframe) to utilise the remaining proceeds.



**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**8) Group Borrowings and Debts Securities**

As at 31 March 2020	Long term		Short term		Total borrowings	
	Foreign currency (Million)	RM Equivalent (Million)	Foreign currency (Million)	RM Equivalent (Million)	Foreign currency (Million)	RM Equivalent (Million)
<b><u>Unsecured</u></b>						
<b><u>Denominated in USD</u></b>						
Notes	598.6	2,588.7	-	-	598.6	2,588.7
Islamic financing facilities	250.0	1,081.0	30.0	129.8	280.0	1,210.8
Trade financing	-	-	56.4	244.0	56.4	244.0
<b><u>Denominated in JPY</u></b>						
Term loans	21,000.0	836.2	-	-	21,000.0	836.2
<b><u>Denominated in EUR</u></b>						
Islamic financing facilities	-	-	31.0	147.6	31.0	147.6
Finance lease obligation	1.8	8.7	-	-	1.8	8.7
<b>Total</b>		<b>4,514.6</b>		<b>521.4</b>		<b>5,036.0</b>

As at 31 March 2019	Long term		Short term		Total borrowings	
	Foreign currency (Million)	RM Equivalent (Million)	Foreign currency (Million)	RM Equivalent (Million)	Foreign currency (Million)	RM Equivalent (Million)
<b><u>Unsecured</u></b>						
<b><u>Denominated in USD</u></b>						
Notes	598.0	2,440.6	-	-	598.0	2,440.6
Islamic financing facilities	220.0	897.5	65.0	265.3	285.0	1,162.8
Trade financing	-	-	38.6	157.6	38.6	157.6
<b><u>Denominated in JPY</u></b>						
Term loans	21,000.0	776.8	-	-	21,000.0	776.8
<b><u>Denominated in EUR</u></b>						
Islamic financing facilities	25.0	114.7	-	-	25.0	114.7
Trade financing	-	-	23.5	107.7	23.5	107.7
Finance lease obligation	1.8	8.3	-	-	1.8	8.3
<b><u>Denominated in RM</u></b>						
Trade financing	-	-	-	30.2	-	30.2
<b>Total</b>		<b>4,237.9</b>		<b>560.8</b>		<b>4,798.7</b>

**Exchange rates applied**

	As at 31 March 2020	As at 31 March 2019
USD/RM	4.3250	4.0815
JPY100/RM	3.9822	3.6992
EUR/RM	4.7597	4.5835



**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**9) Derivative Financial Instruments**

a) The outstanding forward foreign exchange contracts as at 31 March 2020 are as follows:

	Contract/Notional Value (Million) Net (short)/long				Fair Value – liabilities (RM Million)				
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
<b>Vanilla Contracts</b>									
USD/RM	USD	(424.4)	-	-	<b>(424.4)</b>	(46.7)	-	-	<b>(46.7)</b>
EUR/RM	EUR	(13.0)	-	-	<b>(13.0)</b>	(0.8)	-	-	<b>(0.8)</b>
JPY/RM	JPY	(609.8)	-	-	<b>(609.8)</b>	(0.6)	-	-	<b>(0.6)</b>
GBP/RM	GBP	(0.7)	-	-	<b>(0.7)</b>	-	-	-	-
SGD/RM	SGD	0.1	-	-	<b>0.1</b>	-	-	-	-
RMB/RM	RMB	(1.1)	-	-	<b>(1.1)</b>	-	-	-	-
						(48.1)	-	-	<b>(48.1)</b>

The above contracts were entered into as hedges for sales and purchases denominated in foreign currencies and to limit the exposure to potential changes in foreign exchange rates with respect to the Group's foreign currencies denominated financial assets and liabilities.

There is minimal credit risk as the contracts were entered into with reputable banks.

b) The outstanding commodity contracts as at 31 March 2020 are as follows:

	Contract/Notional Value (Million) Net (short)/long				Fair Value – assets/(liabilities) (RM Million)				
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
<b>Forward Contracts</b>	USD	(188.9)	-	-	<b>(188.9)</b>	70.8	-	-	<b>70.8</b>
	RM	22.1	-	-	<b>22.1</b>	9.4	-	-	<b>9.4</b>
						80.2	-	-	<b>80.2</b>
<b>Futures</b>	RM	336.6	-	-	<b>336.6</b>	(2.7)	-	-	<b>(2.7)</b>
						(2.7)	-	-	<b>(2.7)</b>

The above commodity contracts were entered into with the objective of managing and hedging the respective exposure of the Group's plantation segment and resource-based manufacturing segment to adverse price movements in vegetable oil commodities.

The associated credit risk is minimal as these contracts were entered into with brokers of commodity exchanges.



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(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**9) Derivative Financial Instruments (Continued)**

c) The outstanding cross currency swap contracts as at 31 March 2020 are as follows:

	Contract/Notional Value (Million)					Fair Value – assets (RM Million)			
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
JPY liability to USD liability <sup>1</sup>	JPY	-	-	15,000.0	15,000.0	-	-	79.5	79.5
JPY liability to USD liability <sup>2</sup>	JPY	-	-	6,000.0	6,000.0	-	-	28.1	28.1
Fixed rate USD liability to fixed rate EUR liability <sup>3</sup>	USD	-	100.0	-	100.0	-	11.3	-	11.3
Floating rate USD liability to fixed rate EUR liability <sup>4</sup>	USD	-	100.0	-	100.0	-	6.5	-	6.5

<sup>1</sup> The contracts effectively swapped the Group's JPY15.0 billion 30-year Fixed Rate Term Loan due 2037 into USD128 million liability and serve as a cashflow hedge for the Group's principal repayment for the JPY loan obtained.

<sup>2</sup> The contracts effectively swapped the Group's JPY6.0 billion 30-year Fixed Rate Term Loan due 2038 into USD55 million liability and serve as a cashflow hedge for the Group's principal repayment for the JPY loan obtained.

<sup>3</sup> The contracts effectively swapped part of the Group's USD600 million 4.375% Guaranteed Notes due 2022 into fixed rate EUR liability and serve as a net investments hedge against the Group's Euro denominated assets.

<sup>4</sup> The contracts effectively swapped part of the Group's USD110 million floating rate Foreign Currency Revolving Credit Facility-i (FCRC-i) into fixed rate EUR liability and serve as a net investments hedge against the Group's Euro denominated assets.

There is minimal credit risk as the swaps were entered into with reputable banks.

d) The outstanding interest rate swap contracts as at 31 March 2020 are as follows:

	Contract/Notional Value (Million)					Fair Value – liabilities (RM Million)			
	Base Currency	<1 year	1 year to 3 years	More than 3 years	Total	<1 year	1 year to 3 years	More than 3 years	Total
Interest Rate Swaps <sup>1</sup>	USD	-	110.0	-	110.0	-	(10.2)	-	(10.2)

<sup>1</sup> The contracts effectively swapped the Group's floating interest rate to fixed interest rate to hedge against interest rate fluctuations.

There is minimal credit risk as the swaps were entered into with reputable banks.



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(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**9) Derivative Financial Instruments (Continued)**

**e) Put and call options contract**

Following the disposal of 70% in Loders Croklaan Group B.V. (“Loders”), the Company has on 1 March 2018 entered into a shareholders’ agreement (“SHA”) with Loders and Koninklijke Bunge B.V. (“Bunge”). Under the SHA, for a period of 5 years from 1 March 2018 (“Option Period”), the Company shall have the right to require Bunge to purchase all, but not less than all, of the Company’s equity interest in Loders (“Put Option”) for a purchase price calculated in accordance with the SHA (“Put Price”). During the Option Period, Bunge shall have the right to require the Company to sell all, but not less than all, of the Company’s equity interest in Loders (“Call Option”) for a purchase price equals to 25% above such Put Price.

The outstanding put and call options as at 31 March 2020 are as follows:

	<b>Contract/Notional Value (Million)</b>	<b>Fair Value – assets/(liabilities) (RM Million)</b>
Put Option	USD255.0 million plus EUR128.0 million (“Put Price”) <sup>1</sup>	<b>401.2</b>
Call Option	125% of Put Price	<b>(112.3)</b>
		<b>288.9</b>

<sup>1</sup> The Put Price is subject to adjustments in accordance with the terms of SHA.

All the above derivatives were initially recognised at fair value on the date the derivative contracts were entered into. The derivatives were subsequently remeasured at fair value and the changes in fair value were recognised as follows:

- i. Derivatives recognised in the other comprehensive income pursuant to hedge accounting
  - Cross currency swap contract which swapped a fixed rate USD100.0 million liability to a fixed rate EUR90.9 million liability; and
  - Cross currency swap contract which swapped a floating rate USD100.0 million liability to a fixed rate EUR90.1 million liability.
- ii. Derivatives recognised in the profit or loss
  - All other derivatives other than those mentioned in (i) above.



**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**10) Fair Value Changes of Financial Liabilities**

Type of Financial Liability	Fair Value (loss)/gain		Basis of Fair Value Measurement	Reason for (loss)/gain
	Current Quarter	Current Year To Date		
	RM Million	RM Million		
<b>Forward foreign exchange contracts</b>	(50.9)	(47.6)	The difference between the contracted rates and the market forward rates	The exchange rates have moved unfavourably against the Group from the last measurement date
<b>Commodity futures</b>	2.4	(5.8)	The difference between the contracted prices rate and forward prices	The prices for the respective commodity futures have moved favourably for/ (unfavourably against) the Group from the last measurement date
<b>Commodity forward contracts</b>	92.2	(49.4)	The difference between the contracted prices rate and forward prices	The prices for the respective commodity forward contracts have moved favourably for/ (unfavourably against) the Group from the last measurement date
<b>Cross currency swap contracts</b>	11.2	29.1	Based on spot, forward and interest rate term structure for the respective currencies	The forward and interest rate term structure for the respective currencies have moved favourably for the Group from the last measurement date
<b>Interest rate swap contracts</b>	(8.8)	(9.0)	The difference between fixed and floating interest rates	The floating interest rate have moved unfavourably against the Group from the last measurement date
<b>Call option</b>	(6.6)	14.4	The difference between strike prices and underlying prices	The prices for the call option have moved (unfavourably against)/ favourably for the Group from the last measurement date





**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**11) Notes to the Condensed Consolidated Statement of Comprehensive Income**

Profit for the period has been arrived after (crediting)/charging:

	<b>CURRENT YEAR QUARTER 31/03/20 RM Million</b>	<b>CURRENT YEAR TO DATE 31/03/20 RM Million</b>
Interest income	(16.3)	(53.1)
Other income including investment income		
- Dividend income	(0.1)	(2.6)
Finance costs	45.1	130.2
Depreciation and amortisation	92.8	276.9
Net receivables written down/(back)	0.6	(0.2)
Net inventories written down/(back)	6.5	(17.5)
Net foreign currency translation loss on foreign currency denominated borrowings	239.3	208.2
Net foreign currency translation gain on foreign currency denominated deposits	(2.9)	(1.7)
Foreign currency exchange gain	(16.2)	(11.7)
Fair value (gain)/loss on derivatives	(87.5)	9.0
Fair value gain on put and call options	(49.5)	(69.2)
Net gain arising from changes in fair value of biological assets	(6.3)	(17.7)

Other than as per disclosed above, the group does not have other material items that recognised as profit/loss in the statement of profit or loss and statement of other comprehensive income.

**12) Material Litigation**

There is no new material litigation or significant changes to the status of material litigations which are pending disposal in the courts since 30 June 2019.

**13) Dividend**

The Board had on 18 February 2020 declared an interim single tier dividend of 4.0 sen per ordinary share in respect of the financial year ending 30 June 2020. The dividend was paid on 13 March 2020.

No dividend has been proposed for this quarter (31 March 2019: nil).

The total cash dividend declared to date for the current financial year is a single tier dividend of 4.0 sen (31 March 2019: 3.5 sen) per ordinary share.



**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**14) Earnings per Share**

	INDIVIDUAL QUARTER (Q3)		CUMULATIVE QUARTER (9 Mths)	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	RM Million	RM Million	RM Million	RM Million
<b>a) Basic earnings per share</b>				
Profit for the period attributable to owners of the parent	0.1	245.8	362.6	585.1
Weighted average number of ordinary shares in issue ('Million)	6,282.6	6,284.5	6,284.0	6,284.5
Basic (sen)	-	3.91	5.77	9.31
<b>b) Diluted earnings per share</b>				
Profit for the period attributable to owners of the parent	0.1	245.8	362.6	585.1
Adjusted weighted average number of ordinary shares in issue ('Million)				
Weighted average number of ordinary shares in issue	6,282.6	6,284.5	6,284.0	6,284.5
Assumed exercise of Executive Share Options at beginning of period	-	0.4	-	0.3
	6,282.6	6,284.9	6,284.0	6,284.8
Diluted (sen)	-	3.91	5.77	9.31

**15) Audit Qualification**

The audit report on the Group's preceding year's financial statements is not qualified.

By Order of the Board

Tan Choong Kiang  
Company Secretary

Putrajaya  
27 May 2020



**Interim Report For The Financial Period Ended 31 March 2020**

(The figures have not been audited)

**Additional Information As Required By Appendix 9b Of Bursa Malaysia Listing Requirements**

**Group Plantation Statistics**

		<b>As At 31/03/2020</b>	<b>As At 31/03/2019</b>
<b>Planted Area</b>			
Oil palm			
Mature	<i>(hectares)</i>	<b>147,736</b>	149,626
Total planted	<i>(hectares)</i>	<b>177,041</b>	175,879
Rubber			
Mature	<i>(hectares)</i>	<b>457</b>	415
Total planted	<i>(hectares)</i>	<b>475</b>	475
<b>Total Titled Area</b>	<i>(hectares)</i>	<b>217,930</b>	217,937

		<b>31/03/2020 (9 months)</b>	<b>31/03/2019 (9 months)</b>
<b>Average Mature Area Harvested</b>			
Oil Palm	<i>(hectares)</i>	<b>146,445</b>	148,592
<b>Production</b>			
Oil Palm			
FFB production	<i>(tonnes)</i>	<b>2,231,759</b>	2,594,111
Yield per mature hectare	<i>(tonnes)</i>	<b>15.24</b>	17.46
FFB processed	<i>(tonnes)</i>	<b>2,332,537</b>	2,681,349
Crude palm oil production	<i>(tonnes)</i>	<b>511,746</b>	575,908
Palm kernel production	<i>(tonnes)</i>	<b>108,915</b>	127,842
Crude palm oil extraction rate	<i>(%)</i>	<b>21.94%</b>	21.48%
Palm kernel extraction rate	<i>(%)</i>	<b>4.67%</b>	4.77%
<b>Average Selling Price Realised</b>			
Oil palm			
Crude palm oil	<i>(RM/tonne)</i>	<b>2,294</b>	2,039
Palm kernel	<i>(RM/tonne)</i>	<b>1,384</b>	1,474