

**Negri Sembilan Oil Palms Berhad 192801000018 (592-D)  
(Incorporated in Malaysia)**

**Condensed consolidated statements of profit or loss  
For the first financial quarter ended 31 March 2022**

	First financial quarter 31 March		Three months 31 March	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>Revenue</b>	26,584	18,896	26,584	18,896
Cost of sales	(10,424)	(8,806)	(10,424)	(8,806)
<b>Gross profit</b>	16,160	10,090	16,160	10,090
<b>Other items of income</b>				
Interest income	333	289	333	289
Dividend income	623	104	623	104
Other income	1,949	3,036	1,949	3,036
<b>Other items of expenses</b>				
Selling expenses	(204)	(207)	(204)	(207)
Administrative expenses	(5,444)	(5,216)	(5,444)	(5,216)
Share of results of an associate and joint ventures	183	191	183	191
<b>Profit before tax</b>	13,600	8,287	13,600	8,287
Income tax expense	(3,111)	(2,144)	(3,111)	(2,144)
<b>Profit net of tax</b>	10,489	6,143	10,489	6,143
Attributable to:				
Owners of the Company	9,592	5,183	9,592	5,183
Non-controlling interests	897	960	897	960
	10,489	6,143	10,489	6,143
Earnings per stock unit attributable to owners of the Company (sen)				
Basic	13.66	7.38	13.66	7.38
Diluted	13.66	7.38	13.66	7.38

**Negri Sembilan Oil Palms Berhad 192801000018 (592-D)  
(Incorporated in Malaysia)**

**Condensed consolidated statements of comprehensive income  
For the first financial quarter ended 31 March 2022**

	<b>First financial quarter 31 March</b>		<b>Three months 31 March</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Profit net of tax</b>	10,489	6,143	10,489	6,143
<b>Other comprehensive income:</b>				
<b>Other comprehensive income that will be reclassified to profit or loss in subsequent periods:</b>				
Foreign currency translation, representing total other comprehensive income that will be reclassified to profit or loss in subsequent periods	262	576	262	576
<b>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</b>				
Net gain on fair value changes of investment securities	14,487	5,622	14,487	5,622
Share of other comprehensive income of joint ventures in respect of other reserves	15	-	15	-
<b>Total other comprehensive income that will not be reclassified to profit or loss in subsequent periods</b>	14,502	5,622	14,502	5,622
<b>Total other comprehensive income</b>	14,764	6,198	14,764	6,198
<b>Total comprehensive income</b>	25,253	12,341	25,253	12,341
<b>Attributable to:</b>				
Owners of the Company	20,827	9,727	20,827	9,727
Non-controlling interests	4,426	2,614	4,426	2,614
	25,253	12,341	25,253	12,341

**Negri Sembilan Oil Palms Berhad 192801000018 (592-D)**  
**(Incorporated in Malaysia)**

**Condensed consolidated statements of financial position**  
**As at 31 March 2022**

	<b>31.3.2022</b>	<b>31.12.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	481,188	481,642
Investments in an associate and joint ventures	43,688	43,228
Investment securities	86,851	77,769
	<u>611,727</u>	<u>602,639</u>
<b>Current assets</b>		
Inventories	4,529	3,417
Consumable biological assets	6,497	4,984
Receivables	10,126	8,555
Income tax recoverable	2,090	3,058
Cash and bank balances	144,370	130,313
	<u>167,612</u>	<u>150,327</u>
<b>Total assets</b>	<u><b>779,339</b></u>	<u><b>752,966</b></u>
<b>Current liabilities</b>		
Income tax payable	1,053	-
Payables	9,246	9,793
	<u>10,299</u>	<u>9,793</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	<u>77,980</u>	<u>77,366</u>
<b>Total liabilities</b>	<u><b>88,279</b></u>	<u><b>87,159</b></u>
<b>Equity attributable to owners of the Company</b>		
Share capital	74,538	74,538
Other reserves	10,215	282
Retained profits	492,626	481,732
	<u>577,379</u>	<u>556,552</u>
<b>Non-controlling interests</b>	<u>113,681</u>	<u>109,255</u>
<b>Total equity</b>	<u><b>691,060</b></u>	<u><b>665,807</b></u>
<b>Total equity and liabilities</b>	<u><b>779,339</b></u>	<u><b>752,966</b></u>
Net assets per stock unit attributable to owners of the Company (RM)	<u>8.22</u>	<u>7.93</u>

**Negri Sembilan Oil Palms Berhad 192801000018 (592-D)**  
**(Incorporated in Malaysia)**

**Condensed consolidated statements of changes in equity**  
**For the first financial quarter ended 31 March 2022**

	Equity attributable to owners of the Company,		Non-Distributable		Distributable	
	Equity, total RM'000	Equity, total RM'000	Share capital RM'000	Other reserves RM'000	Retained profits RM'000	Non-controlling interests RM'000
<b>1.1.2021</b>	643,601	537,262	74,538	(2,219)	464,943	106,339
Profit for the period	6,143	5,183	-	-	5,183	960
Other comprehensive income	6,198	4,544	-	4,544	-	1,654
<b>Total comprehensive income</b>	12,341	9,727	-	4,544	5,183	2,614
Transfer of fair value adjustment reserve to retained profits upon disposal of investment securities	-	-	-	(1,679)	1,679	-
<b>31.3.2021</b>	655,942	546,989	74,538	646	471,805	108,953
<b>1.1.2022</b>	665,807	556,552	74,538	282	481,732	109,255
Profit for the period	10,489	9,592	-	-	9,592	897
Other comprehensive income	14,764	11,235	-	11,235	-	3,529
<b>Total comprehensive income</b>	25,253	20,827	-	11,235	9,592	4,426
Transfer of fair value adjustment reserve to retained profits upon disposal of investment securities	-	-	-	(1,302)	1,302	-
<b>31.3.2022</b>	691,060	577,379	74,538	10,215	492,626	113,681

**Negri Sembilan Oil Palms Berhad 192801000018 (592-D)  
(Incorporated in Malaysia)**

**Condensed consolidated statements of cash flows  
For the first financial quarter ended 31 March 2022**

	<b>Three months</b>	
	<b>31.3.2022</b>	<b>31.3.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Operating activities</b>		
Profit before tax	13,600	8,287
Adjustments for:		
Amortisation of right-of-use assets	843	843
Depreciation of property, plant and equipment	1,291	1,220
Dividend income	(623)	(104)
Fair value gain of consumable biological assets	(1,513)	(1,941)
Interest income	(333)	(289)
Share of results of an associate and joint ventures	(183)	(191)
Unrealised gain on foreign exchange	(401)	(1,045)
Total adjustments	(919)	(1,507)
Operating cash flows before changes in working capital	12,681	6,780
Changes in working capital		
Increase in inventories	(1,112)	(611)
Increase in receivables	(1,619)	(618)
Decrease in payables	(547)	(2,341)
Total changes in working capital	(3,278)	(3,570)
Cash flows generated from operation	9,403	3,210
Income tax paid	(476)	(172)
Net cash flows generated from operating activities	8,927	3,038
<b>Investing activities</b>		
Changes in deposits with maturity of more than three months	(9,220)	(4,422)
Dividends received	623	317
Interest received	381	268
Purchase of property, plant and equipment	(1,680)	(1,177)
Purchase of investment securities	(6,777)	(8,966)
Proceeds from sale of investment securities	12,182	19,616
Net cash flows (used in)/generated from investing activities	(4,491)	5,636
<b>Net increase in cash and cash equivalents</b>	4,436	8,674
<b>Effects of exchange rate changes on cash and cash equivalents</b>	401	1,045
<b>Cash and cash equivalents at beginning of period</b>	59,620	67,359
<b>Cash and cash equivalents at end of period</b>	64,457	77,078
Cash and cash equivalents at end of period comprise:		
Cash on hand and at banks	52,401	59,769
Deposits with financial institutions	91,969	82,830
Cash and bank balances	144,370	142,599
Less: Deposits with maturity of more than three months	(79,913)	(65,521)
Cash and cash equivalents	64,457	77,078

**Notes to the interim financial statements - 31 March 2022**

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

**A 1 Basis of preparation**

The interim financial statements have been prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting and Chapter 9 Part K of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements are unaudited and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021.

The interim financial statements are prepared under the same accounting policies and methods of computation as compared with the annual financial statements for the financial year ended 31 December 2021, except for the adoption of those standards and amendments that are issued and effective for annual periods beginning on or after 1 January 2022. Adoption of those standards and amendments 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 that have been issued but not yet effective. The directors expect that the adoption of those standards and amendments will not have a 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 three months ended 31 March 2022:

	<b>Hectares</b>			
Mature	5,561			
Replanting and immature	1,613			
	<u>7,174</u>			
	<b>First financial quarter</b>		<b>Three months</b>	
	<b>31.3.2022</b>	<b>31.3.2021</b>	<b>31.3.2022</b>	<b>31.3.2021</b>
Production (m/t)				
ffb				
Own estates	20,247	22,667	20,247	22,667
Purchase	1,557	1,643	1,557	1,643
	<u>21,804</u>	<u>24,310</u>	<u>21,804</u>	<u>24,310</u>

**Notes to the interim financial statements - 31 March 2022**

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

	First financial quarter		Three months	
	31.3.2022	31.3.2021	31.3.2022	31.3.2021
CPO	2,239	2,857	2,239	2,857
PK	589	763	589	763
<hr/>				
Extraction Rate				
CPO	17.93%	17.71%	17.93%	17.71%
PK	4.72%	4.73%	4.72%	4.73%
<hr/>				
Average selling prices	RM per m/t	RM per m/t	RM per m/t	RM per m/t
ffb	1,380	832	1,380	832
CPO	5,251	3,665	5,251	3,665
PK	4,623	2,587	4,623	2,587
<hr/>				

**A 3 Items of unusual nature**

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

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

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

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

There were no issuances, repurchases and repayments of debts and equity securities for the three months ended 31 March 2022.

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

As at 31 March 2022, the Group did not have any financial liabilities measured at fair value through profit or loss.

**A 7 Dividends paid**

No dividends were paid during the three months ended 31 March 2022.

**Notes to the interim financial statements - 31 March 2022**

**A 8 Segment information**

The chief operating decision-maker has been identified as the Board of Directors ("Board"). 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 fresh fruits bunches, crude palm oil and palm kernel and are wholly carried out in Peninsular Malaysia.

	<b>First financial quarter</b>		<b>Three months</b>	
	<b>31.3.2022</b>	<b>31.3.2021</b>	<b>31.3.2022</b>	<b>31.3.2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue from external customers	26,584	18,896	26,584	18,896
Revenue from major customers	22,477	17,005	22,477	17,005
Amortisation of right-of-use assets	843	843	843	843
Depreciation of property, plant and equipment	1,291	1,220	1,291	1,220
Reportable segment profit	<b>12,055</b>	<b>6,658</b>	<b>12,055</b>	<b>6,658</b>
Reportable segment profit are reconciled as follows:				
Total profit for reportable segment	12,055	6,658	12,055	6,658
Share of results of an associate and joint ventures	183	191	183	191
Interest income	333	289	333	289
Dividend income	623	104	623	104
Other income	406	1,045	406	1,045
Profit before tax	<b>13,600</b>	<b>8,287</b>	<b>13,600</b>	<b>8,287</b>
			<b>31.3.2022</b>	<b>31.12.2021</b>
			<b>RM'000</b>	<b>RM'000</b>
Reportable segment assets			<b>505,482</b>	<b>501,733</b>
Reportable segment assets are reconciled as follows:				
Total assets for reportable segment			505,482	501,733
Investments in an associate and joint ventures			43,688	43,228
Investment securities			86,851	77,769
Unallocated assets			143,318	130,236
Total assets			<b>779,339</b>	<b>752,966</b>
Reportable segment liabilities			<b>9,246</b>	<b>9,793</b>
Reportable segment liabilities are reconciled as follows:				
Total liabilities for reportable segment			9,246	9,793
Income tax payable			1,053	-
Deferred tax liabilities			77,980	77,366
Total liabilities			<b>88,279</b>	<b>87,159</b>



**Notes to the interim financial statements - 31 March 2022**

**A 9 Property, plant and equipment**

There were no significant acquisitions and no disposals of property, plant and equipment for the three months ended 31 March 2022.

Capital commitments as at 31 March 2022: -

Approved and contracted for	<b>RM'000</b> <u>829</u>
-----------------------------	-----------------------------

**A 10 Material events subsequent to the first financial quarter**

Other than the declaration of dividends as disclosed in Note B10, there were no material events subsequent to the first financial quarter that have not been reflected in the financial statements for the financial quarter ended 31 March 2022.

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

There were no business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings and discontinued operations, other than the purchase and sale of quoted investments.

**A 12 Contingent liabilities and contingent assets**

As at the date of issue of this interim financial statements, there were no contingent liabilities and contingent assets that had arisen since 31 December 2021.

**A 13 Related party disclosures**

	<b>Three months 31.3.2022 RM'000</b>
(a) Companies in which certain directors and substantial shareholders have interests	
Marketing consultancy fee	<u>157</u>
(b) A related corporation in which certain directors and substantial shareholders have interests	
Sale of oil palm produce	<u>7,937</u>
(c) A joint venture in which certain directors and substantial shareholders have interests	
Management fee	<u>488</u>
(d) Included in receivables is an amount due from:-	
A related corporation in which certain directors and substantial shareholders have interests	<u>3,083</u>
(e) Included in payables is an amount due to:-	
A joint venture in which certain directors and substantial shareholders have interests	<u>488</u>

**Notes to the interim financial statements - 31 March 2022**

**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**

First financial quarter and three months ended 31 March 2022

Revenue in the current financial quarter under review increased by 40.69% to RM26,584,000 from RM18,896,000 a year ago. The average selling prices of ffb, CPO and PK improved substantially. The sales volume of ffb was substantially higher, however, the sales volume of CPO and PK were substantially lower. Overall, the increase in revenue was mainly due to the substantial improvement in the average selling prices of ffb, CPO and PK.

Other income was lower mainly due to decreases in the amounts of fair value gain of consumable biological assets and gain on foreign currency translation.

Overall share of profit from the results of an associate and joint ventures decreased mainly due to lower profit contributed by the associate engaged in the trading of shares and stocks.

As reported previously, harvesting of mature fields in the oil palm plantation of the joint venture in Indonesia has been delayed due to the unrest in the villages neighbouring the estate. Commencement of harvesting is pending clearance by the relevant authorities. This has resulted in the joint venture incurring losses.

Overall, profit net of tax increased by 70.75% to RM10,489,000 from RM6,143,000 a year ago mainly due to the substantial increase in revenue.

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

	<b>First financial quarter 31.3.2022 RM'000</b>	<b>Fourth financial quarter 31.12.2021 RM'000</b>
<b>Revenue</b>	26,584	25,583
Cost of sales	(10,424)	(11,051)
<b>Gross profit</b>	<u>16,160</u>	<u>14,532</u>
<b>Other items of income</b>		
Interest income	333	357
Dividend income	623	1,143
Other income	1,949	166
<b>Other items of expenses</b>		
Selling expenses	(204)	(177)
Administrative expenses	(5,444)	(6,675)
Other expenses	-	(176)
Share of results of an associate and joint ventures	183	(535)
<b>Profit before tax</b>	<u>13,600</u>	<u>8,635</u>

**Notes to the interim financial statements - 31 March 2022**

**B 2 Material change in the profit before tax for the first financial quarter compared with the immediate preceding quarter (cont'd.)**

Revenue in the current financial quarter under review increased by 3.91% to RM26,584,000 from RM25,583,000 in the immediate preceding financial quarter. The average selling prices of ffb, CPO and PK were higher. The sales volume of CPO was higher, however, the sales volume of ffb and PK were lower. Overall, the increase in revenue was mainly due to the substantial improvement in the average selling prices of ffb, CPO and PK.

Other income was higher mainly due to increases in the amounts of fair value gain of consumable biological assets and gain on foreign currency translation.

Share of results of an associate and joint ventures reversed to an overall profit from an overall loss mainly due to profit recorded by the associate engaged in the trading of shares and stocks opposed to loss incurred in the immediate preceding financial quarter.

As reported previously, harvesting of mature fields in the oil palm plantation of the joint venture in Indonesia has been delayed due to the unrest in the villages neighbouring the estate. Commencement of harvesting is pending clearance by the relevant authorities. This has resulted in the joint venture incurring losses.

Overall, profit before tax increased by 57.50% to RM13,600,000 from RM8,635,000 mainly due to the reasons mentioned above.

**B 3 Prospects for financial year ending 31 December 2022**

Should the prevailing strong selling prices of CPO persist, this would have a favourable impact on the financial performance for the financial year ending 31 December 2022.

**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>First financial quarter 31.3.2022 RM'000</b>	<b>Three months 31.3.2022 RM'000</b>
Current income tax	2,497	2,497
Deferred tax	614	614
	<u>3,111</u>	<u>3,111</u>

The effective tax rates for the first financial quarter and three months under review were lower than the statutory tax rate mainly due to the effect of share of results of associate and joint ventures and certain income which were not assessable for income tax purposes.

**Notes to the interim financial statements - 31 March 2022**

**B 6 Status of corporate proposal**

On 10 April 2006, the Company entered into a conditional joint venture and shareholders agreement with Timor Oil Palm Plantation Berhad, a 58.0% owned subsidiary of the Company, Eng Thye Plantations Berhad, an 83.3% owned subsidiary of the Company, Seong Thye Plantations Sdn Bhd, Chin Teck Plantations Berhad 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 had been obtained.

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

As at 31 March 2022, the Group's total investment cost in Chin Thye Investment Pte Ltd was RM32,608,000.

	<b>31.3.2022</b> <b>RM'000</b>
Remaining capital and investment outlay	<u>17,792</u>

**B 7 Borrowings and debt securities**

As at 31 March 2022, there were no borrowings and debt securities.

**B 8 Derivatives financial instruments**

There were no derivatives financial instruments transacted during the three months ended 31 March 2022.

**B 9 Material litigation**

There were no material litigations as at 31 December 2021 and at the date of issue of this interim financial statements.

**Notes to the interim financial statements - 31 March 2022**

**B 10 Dividends**

- (i) A first interim and special single tier dividend in respect of the financial year ending 31 December 2022 have been declared by the Board of Directors.
- (ii) The total amount per stock unit:-
  - (a) First interim single tier dividend of 4 sen per stock unit.
  - (b) Special single tier dividend of 6 sen per stock unit.
- (iii) The date payable for first interim and special single tier dividend: 30 June 2022.
- (iv) In respect of the deposited securities, entitlement to the first interim and special single tier dividend will be determined on the basis of the record of depositors as at 16 June 2022.
- (v) The total dividends for the current financial year ending 31 December 2022:-

<u>Type of dividend</u>	<b>sen per stock unit</b>
First interim, single tier	4.00
Special, single tier	6.00
	<u>10.00</u>

- (vi) The total dividends for the financial year ended 31 December 2021:-

<u>Type of dividend</u>	<b>sen per stock unit</b>
First interim, single tier	3.00
Second interim, single tier	3.00
Special, single tier	8.00
	<u>14.00</u>

**B 11 Earnings per stock unit**

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

	<b>First financial quarter</b>		<b>Three months</b>	
	<b>31.3.2022</b>	<b>31.3.2021</b>	<b>31.3.2022</b>	<b>31.3.2021</b>
Profit attributable to owners of the Company (RM'000)	9,592	5,183	9,592	5,183
Weighted average number of stock units units ('000)	70,202	70,202	70,202	70,202
Earnings per stock unit (sen)				
Basic	13.66	7.38	13.66	7.38
Diluted	13.66	7.38	13.66	7.38

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.

**Negri Sembilan Oil Palms Berhad 192801000018 (592-D)  
(Incorporated in Malaysia)**

**Notes to the interim financial statements - 31 March 2022**

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

	<b>First financial quarter 31.3.2022 RM'000</b>	<b>Three months 31.3.2022 RM'000</b>
Interest income	333	333
Other income including investment income	623	623
Interest expense	-	-
Amortisation and depreciation	(2,134)	(2,134)
Provision for and write off of receivables	-	-
Provision for and write off of inventories	-	-
Gain/(loss) on disposal of unquoted investments or properties	-	-
Impairment loss on investment in a joint venture	-	-
Foreign exchange gain	401	401
Gain/(loss) on derivatives	-	-
Net fair value gain transferred to retained profits upon disposal of quoted investments (attributable to owners of the Company)	<u>1,302</u>	<u>1,302</u>

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

The auditors' report on the financial statements for the financial year ended 31 December 2021 was not qualified.