

GOPENG BERHAD (109465-X)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016 - UNAUDITED

	31.12.2016	31.12.2015
	RM	RM
ASSETS		
Property, Plant and Equipment	175,806,561	152,316,458
Investment Properties	15,040,000	13,895,000
Biological Assets	23,560,627	21,716,832
Land and Deferred Development Expenditure	4,176,589	4,051,647
Investments	186,000	186,000
Deferred Tax Assets	-	-
Total non-current assets	<u>218,769,777</u>	<u>192,165,937</u>
Inventories	112,040	38,036
Properties Under Development	29,075	29,075
Trade and Other Receivables	2,130,206	1,586,767
Short Term Investment	102,405,423	109,967,716
Deposits With Licensed Banks	616,596	596,586
Cash and Bank Balances	3,498,793	1,290,618
Total current assets	<u>108,792,133</u>	<u>113,508,798</u>
Total Assets	<u>327,561,910</u>	<u>305,674,735</u>
EQUITY		
Share Capital	89,664,491	89,664,491
Reserves	224,778,261	203,650,407
Total Equity	<u>314,442,752</u>	<u>293,314,898</u>
LIABILITIES		
Other Provisions	169,640	284,187
Deferred Tax Liabilities	11,180,000	9,924,000
Total non-current liabilities	<u>11,349,640</u>	<u>10,208,187</u>
Trade and Other Payables	1,625,970	2,081,653
Hire Purchase Liabilities	143,548	69,997
Short Term Borrowing	-	-
Current Tax Liabilities	-	-
Total current liabilities	<u>1,769,518</u>	<u>2,151,650</u>
Total liabilities	<u>13,119,158</u>	<u>12,359,837</u>
Total equity and liabilities	<u>327,561,910</u>	<u>305,674,735</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statement for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements)

GOPENG BERHAD (109465-X)
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016 - UNAUDITED

	Three months ended		Year ended	
	31 Dec		31 Dec	
	2016	2015	2016	2015
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
Revenue	3,511,204	1,836,907	11,370,654	9,236,979
Cost of sales	(2,052,260)	(1,996,017)	(7,504,661)	(8,212,807)
Gross profit	1,458,944	(159,110)	3,865,993	1,024,172
Other Income	1,472,907	1,954,620	7,336,766	12,632,227
Administrative & other expenses	(2,098,970)	(1,678,811)	(6,460,139)	(6,349,789)
Results from operating activities	832,881	116,699	4,742,620	7,306,610
Interest income	12,120	38,189	41,892	99,080
Finance costs	(9,730)	(5,614)	(42,912)	(22,072)
Operating Profit/(Loss)	835,271	149,274	4,741,600	7,383,618
Tax expense/(credit)	(76,000)	991,003	(302,993)	586,503
Profit/(Loss) for the period	759,271	1,140,277	4,438,607	7,970,121
Other comprehensive income				
Gain on revaluation of land	23,845,406	-	23,845,406	-
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the year	24,604,677	1,140,277	28,284,013	7,970,121
Basic earnings per share				
From continuing operations	<u>13.72 sen</u>	<u>0.64 sen</u>	<u>15.77 sen</u>	<u>4.44 sen</u>
Diluted earnings per ordinary share (sen)	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statement for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements)

GOPENG BHD (109465-X)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016 - UNAUDITED

GROUP	Attributable to Equity Holders of the Company						Total Equity
	Share Capital	Share Premium	Capital Reserve	Revaluation Reserve	Retained Profit	Reserve	
	RM	RM	RM	RM	RM	RM	
At 1 January 2016	89,664,491	42,349,828	-	137,075,423	24,225,156	203,650,407	293,314,898
Profit for the year	-	-	-	-	4,438,607	4,438,607	4,438,607
Gain on revaluation of land	-	-	-	23,845,406	-	23,845,406	23,845,406
Total comprehensive income	-	-	-	23,845,406	4,438,607	28,284,013	28,284,013
Depreciation transfer on land, net of tax	-	-	-	(331,000)	348,000	17,000	17,000
Final single tier dividend - 2015	-	-	-	-	(7,173,159)	(7,173,159)	(7,173,159)
At 31 December 2016	89,664,491	42,349,828	-	160,589,829	21,838,604	224,778,261	314,442,752
At 1 January 2015	89,664,491	42,349,828	-	138,265,747	20,383,580	200,999,155	290,663,646
Profit for the year	-	-	-	-	7,970,121	7,970,121	7,970,121
Gain on revaluation of land	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	7,970,121	7,970,121	7,970,121
Depreciation transfer on land, net of tax	-	-	-	(1,190,324)	1,251,324	61,000	61,000
Final single tier dividend - 2014	-	-	-	-	(5,379,869)	(5,379,869)	(5,379,869)
At 31 December 2015	89,664,491	42,349,828	-	137,075,423	24,225,156	203,650,407	293,314,898

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements)

GOPENG BHD (109465-X)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016 - UNAUDITED

	Year ended 31 Dec 2016 RM	Year ended 31 Dec 2015 RM
Net profit / (Loss) before tax and minority interest	4,741,600	7,383,618
Adjustment for:-		
Non-cash item	2,721,524	2,331,450
Non operating items (which are investing/financing)	(7,396,403)	(12,611,259)
Operating profit before changes in working capital	66,721	(2,896,191)
Changes in working capital		
(Increase)/decrease in current assets	(494,938)	119,334
(Increase)/decrease in current liabilities	(455,684)	427,087
Cash used in operations	(883,901)	(2,349,770)
Payments for tax, retirement benefits, development expenditure and tax refund	(349,494)	(325,747)
Net cash flow used in operating activities	(1,233,395)	(2,675,517)
Cash flow (used in) / from investing activities		
- Other investment	10,604,102	7,204,912
	9,370,707	4,529,395
Cash flow used in financing activities		
- Dividend paid to shareholders of the company	(7,173,159)	(5,379,869)
- Bank borrowing and interests	30,638	(42,074)
Net increase/(decrease) in cash and cash equivalents	2,228,186	(892,548)
Cash and cash equivalent at beginning of period	1,887,203	2,779,752
Cash and cash equivalent at end of period	4,115,389	1,887,204
Analysis of cash and cash equivalent:-		
Housing development account	697,485	683,367
Deposits with licensed bank	616,596	596,586
Cash and bank balances	2,801,308	607,251
	4,115,389	1,887,204

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements)

GOPENG BERHAD (109465-X)

Notes to the interim financial report

1. Basis of preparation

This interim financial report is unaudited and has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad, including compliance with Financial Reporting Standards (FRS) 134 Interim Financial Reporting, issued by the Malaysian Accounting Standard Board (MASB).

The interim financial report should be read in conjunction with the most recent audited financial statement for the year ended 31 December 2015. The accounting policies and method of computation adopted by the group in the interim financial report are consistent with those adopted in the 2015 annual financial statement.

The preparation of the interim financial report in conformity with FRS 134 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains consolidated financial statements and selected explanatory notes. The note includes explanation of events and transaction that are significant to an understanding of the changes in the financial position and performances of the Group since the 2015 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all the information required for full set of financial statements prepared in accordance with FRSs.

Statutory financial statements for the year ended 31 December 2015 are available from the Company's registered office.

2. Accounting Standards and interpretations

a) Standards early adopted by the Group and the Company

The Group and the Company did not early adopt any new accounting standards, amendments to published standards and interpretations.

The Group and the Company did not early adopt the following standards that have been issued by the Malaysian Accounting Standards Board as these are not yet effective :-

Effective for financial periods beginning on or after 1 January 2017

- Amendments to FRS 107 Disclosure Initiative
- Amendments to FRS 112 Recognition of Deferred Tax Assets for Unrealised Losses
- Annual Improvements to FRS Standards 2014-2016 Cycle

Effective for financial periods beginning on or after 1 January 2018

- FRS 9 Financial Instruments

The Group and the Company will adopt the above pronouncements when they become effective. These pronouncements are not expected to have any effect on the financial statements of the Group and of the Company upon their initial application.

b) Convergence of the FRS Framework in Malaysia with the IFRS Framework issued by the International Accounting Standards Board (IASB)

On 19 November 2011, the MASB issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework). The MFRS Framework is to be applied by all Entities Other than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parents, significant investor and venture (herein called Transitioning Entities).

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018. Early application of MFRS is permitted.

The Group and the Company fall within the scope definition of Transitioning Entities and did not opt for early adoption.

The Group and the Company are in the process of assessing the financial effects of the differences between the accounting standards under Financial Reporting Standards and under the MFRS Framework.

3. Seasonal or cyclical factory

The Group's operations were not affected by any seasonal or cyclical factors.

4. Unusual items due to their nature, size or incidence

There were no unusual items due to their nature, size or incidence in the quarter under review.

5. Changes in estimates

There were no changes in estimates of amounts reported in prior financial years which have a material effect in the financial quarter.

6. Capital and reserves

There was a revaluation exercise of the Group's freehold and leasehold properties in the last quarter, giving a gain on revaluation of **RM23,845,406** net of tax.

7. Debt and equity securities

There were no issuance, cancellation, repurchase and resale of equity securities in the financial quarter.

8. Dividend

The Board had recommended payment of a final single-tier dividend of 4 sen per share in respect of the year ended 31 December 2016.

This final single-tier dividend, which is subject to shareholders' approval at the forthcoming Annual General Meeting scheduled to be held in May 2016, will be paid on a date to be determined.

9. Segment reporting

Segment reporting is presented in respect of the Group's business segment. The activities of the Group are carried out in Malaysia and as such, there was no segmental reporting by geographical location.

<u>Segment</u>	Year ended 31 Dec 2016		Year ended 31 Dec 2015	
	Turnover RM	Profit/(Loss) from operations RM	Turnover RM	Profit/(Loss) from operations RM
Property	-	-	-	-
Plantation	11,370,654	3,715,785	9,236,979	869,752
Others	-	1,025,815	-	6,513,866
Consolidated	11,370,654	4,741,600	9,236,979	7,383,618

There are no inter-segment elimination and unallocated operating income or expenses.

The activities of the Group are now concentrated on the cultivation of palm oil and the investment in short term funds.

10. Property, motor vehicle, plant and equipment and biological assets

a) Valuations

The costs of biological assets had been brought forward, without amendment from the previous annual financial statements. The Company had adopted the revaluation model in FRS 116 and the costs of land and investment properties are currently measured at fair value.

b) Acquisitions and disposals

Acquisitions and disposals of items of property, motor vehicle, plant and equipment in the current interim period and preceding corresponding period are as follows:

	Year ended 31 Dec 2016 RM	Year ended 31 Dec 2015 RM
Acquisition of :		
Building ó at cost	56,360	13,400
Plant and machinery ó at cost	14,275	14,400
Motor vehicle - at cost	109,945	-
Earthmoving equipment ó at cost	59,600	116,000
Office equipment & fittings ó at cost	1,110	24,509
Biological asset	2,771,726	2,498,512
	<hr/> 3,013,016	<hr/> 2,666,821
Total proceeds from disposal of assets	<hr/> -	<hr/> 13,010,400

11. Post balance sheet events

There were no material events after the end of the quarter which had not been reflected in the financial statements for the quarter ended 31 December 2016.

12. Changes in composition of the Group

The striking-off of Mambang Di Awan Sdn Bhd by Suruhanjaya Syarikat Malaysia (SSM) was gazetted on 16 May 2016. The application to strike-off Gopeng Resources Sdn Bhd which had remained dormant since 2009 is still being processed by SSM.

The striking-off of these two subsidiaries would have no financial impact on the Group as they had ceased operations for a long time and the Company's cost of investment had been fully impaired.

13. Associate

The Company's remaining investment in associate is Rimba Raya Sdn Bhd (RRSB), the cost of which had been fully impaired.

The Company has on 12 January 2017, accepted an offer to sell its 20% equity shares in RRSB to the majority shareholder for a total consideration of RM800,000.

14. Contingent liabilities

The company has undertaken to provide financial support to certain subsidiaries to enable them to continue operation on a going concern basis.

15. Capital commitments

There were no capital commitments during the financial quarter.

16. Material related party transactions

There were no material related party transactions during the financial quarter.

17. Review of performance

In the quarter ended 31 December 2016, the Group recorded a revenue of **RM3.5 million** and an operating profit of **RM0.8 million** compared with a revenue of **RM1.8 million** and an operating profit of **RM0.1 million** recorded in the previous corresponding quarter ended 31 December 2015.

The higher revenue and operating profit recorded in the current quarter was contributed by higher FFB prices and higher income derived from the Group's short term investment.

For the year ended 31 December 2016, the Group recorded a turnover of **RM11.4 million** and operating profit of **RM4.7 million** compared with a revenue of **RM9.2 million** and operating profit of **RM7.3 million** recorded in 2015.

18. Variation of results against preceding quarter

The Group recorded a revenue of **RM3.5 million** and operating profit of **RM0.8 million** in the quarter under review compared with a revenue of **RM3.6 million** and operating profit of **RM2.0 million** recorded in the preceding quarter.

The lower revenue and operating profit recorded in the current quarter compared to the preceding quarter was due to lower production.

19. Future prospects

The Group's performance is dependent on the palm oil prices and production. The lower palm oil prices will be mitigated by the income from short term investments.

20. Profit forecast

There was no profit forecast in the period under review.

21. Taxation

	Year ended 31 Dec 2016 <u>RM</u>	Year ended 31 Dec 2015 <u>RM</u>
<u>Current Taxation</u>		
Income tax (Provision)	-	-
Under/(Over) provision in prior financial year	2,517	(569,581)
<u>Real Property Gain Tax</u>		
Current financial year	-	390,000
Under / (Over) provision in prior year	224,476	(23,922)
<u>Deferred taxation</u>		
Origination and reversal of temporary differences	(5,000)	(922,000)
Under provision in prior financial year	81,000	539,000
Effect on deferred tax balance due to change in income tax rate from 25% to 24%	-	-
Tax Expense	302,993	(586,503)

The Group's effective tax rate is lower than the statutory tax rate as the profit before taxation is mainly from plantation.

22. Unquoted investments and properties

There was no acquisition or disposal of unquoted investments and properties during the financial quarter.

23. Quoted investments

- i) There was no purchase of quoted securities for the quarter under review and financial year to-date.
- ii) Investments in quoted securities as at 31 December 2016 were as follows:

	<u>RM</u>
Cost	16,738
Impairment of investment	(16,738)
Market Value	<u>-</u>

24. Status of corporate proposals announced

There was no announcement on corporate proposals in the quarter under review.

25. Borrowing and debt securities

The Group has a Short Term Revolving Credit Facility (STRC) of RM2 Million from Malayan Banking Berhad, secured with a Fixed Deposit of RM500,000. The company had made some drawdown, but the amount had been fully settled as at 31 December 2016.

26. Off-balance sheet financial instruments

There were no financial instruments with off-balance sheet risk as at the date of this announcement.

27. Material litigation

There was no material litigation against the Group.

28. Basic earnings per share

The basic earnings per share can be viewed in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income at page 2.

The calculation of basic earnings per share was based on the profit for the period and the number of shares in issue of 179,328,982 shares ranking for dividend during the year.

29. Realised and Unrealised Profits

	Dec 2016 RMø000	Dec 2015 RMø000
Total Group retained profit/(loss)		
Realised	7,035	9,678
Unrealised	(962)	(1,073)
	<u>6,073</u>	<u>8,605</u>
Total retained profit/(loss) from associated companies		
Realised	-	-
Unrealised	-	-
	<u>-</u>	<u>-</u>
Less : Consolidated Adjustment	15,766	15,620
Total Group Retained Profit	<u>21,839</u>	<u>24,225</u>

30. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 22 February 2017.