

GOPENG BERHAD (109465-X)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017 - UNAUDITED

	30.06.2017	30.06.2016
	RM	RM
ASSETS		
Property, Plant and Equipment	178,047,164	151,604,066
Investment Properties	10,840,000	13,895,000
Biological Assets	24,421,246	22,826,265
Land and Deferred Development Expenditure	4,184,100	4,089,504
Investments	186,000	186,000
Total non-current assets	<u>217,678,510</u>	<u>192,600,835</u>
Inventories	154,787	262,717
Properties Under Development	29,075	29,075
Trade and Other Receivables	1,567,380	2,158,477
Short Term Investment	98,341,032	112,151,314
Deposits With Licensed Banks	9,617,413	597,443
Cash and Bank Balances	3,749,831	1,169,030
Total current assets	<u>113,459,518</u>	<u>116,368,056</u>
Total Assets	<u>331,138,028</u>	<u>308,968,891</u>
EQUITY		
Share Capital	89,664,491	89,664,491
Reserves	227,558,302	205,543,445
Total Equity	<u>317,222,793</u>	<u>295,207,936</u>
LIABILITIES		
Other Provisions	1,030,926	899,416
Deferred Tax Liabilities	11,180,000	9,924,000
Total non-current liabilities	<u>12,210,926</u>	<u>10,823,416</u>
Trade and Other Payables	1,580,753	1,877,543
Hire Purchase Liabilities	123,556	59,996
Short Term Borrowing	-	1,000,000
Total current liabilities	<u>1,704,309</u>	<u>2,937,539</u>
Total liabilities	<u>13,915,235</u>	<u>13,760,955</u>
Total equity and liabilities	<u>331,138,028</u>	<u>308,968,891</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statement for the year ended 31 December 2016 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 PERIOD ENDED 30 JUNE 2017 - UNAUDITED

	Three months ended 30 June		Period ended 30 June	
	2017 <u>RM</u>	2016 <u>RM</u>	2017 <u>RM</u>	2016 <u>RM</u>
Revenue	3,733,146	2,351,859	7,545,690	4,235,381
Cost of sales	(2,146,822)	(1,736,904)	(4,299,035)	(3,374,571)
Gross profit	1,586,324	614,955	3,246,655	860,810
Other Income	1,100,192	1,990,289	2,764,795	3,934,084
Administrative & other expenses	(1,713,669)	(1,509,945)	(3,261,636)	(2,895,760)
Results from operating activities	972,847	1,095,299	2,749,814	1,899,134
Interest income	5,370	6,195	11,036	10,300
Finance costs	(6,336)	(11,068)	(12,563)	(16,396)
Operating Profit	971,881	1,090,426	2,748,287	1,893,038
Tax expense	(1,965)	-	31,754	-
Profit for the period	969,916	1,090,426	2,780,041	1,893,038
Other comprehensive income				
Gain on revaluation of land	-	-	-	-
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the year	969,916	1,090,426	2,780,041	1,893,038
Basic earnings per share				
From continuing operations	0.54 sen	0.61 sen	1.55 sen	1.06 sen
Diluted earnings per ordinary share (sen)	NA	NA	NA	NA

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statement for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements)

GOPENG BHD (109465-X)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2017 - 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 2017	89,664,491	42,349,828	-	160,589,829	21,838,604	224,778,261	314,442,752
Profit for the year	-	-	-	-	2,780,041	2,780,041	2,780,041
Gain on revaluation of land	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	2,780,041	2,780,041	2,780,041
Depreciation transfer on land, net of tax	-	-	-	-	-	-	-
Final single tier dividend - 2016	-	-	-	-	-	-	-
At 30 June 2017	89,664,491	42,349,828	-	160,589,829	24,618,645	227,558,302	317,222,793
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

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements)

GOPENG BHD (109465-X)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2017 - UNAUDITED

	Period ended 30 June 2017 RM	Period ended 30 June 2016 RM
Net profit / (Loss) before tax and minority interest	2,748,287	1,893,038
Adjustment for:-		
Non-cash item	1,423,203	1,236,543
Non operating items (which are investing/financing)	(1,716,608)	(3,265,757)
Operating profit before changes in working capital	2,454,882	(136,176)
Changes in working capital		
(Increase)/decrease in current assets	467,469	(708,891)
(Increase)/decrease in current liabilities	(46,578)	(204,111)
Cash used in operations	2,875,773	(1,049,178)
Payments for tax, retirement benefits, development expenditure and tax refund	84,364	(87,500)
Net cash flow used in operating activities	2,960,137	(1,136,678)
Cash flow (used in) / from investing activities		
- Other investment	6,324,273	42,345
	9,284,410	(1,094,333)
Cash flow used in financing activities		
- Dividend paid to shareholders of the company	-	-
- Bank borrowing and interests	(32,555)	973,603
Net increase/(decrease) in cash and cash equivalents	9,251,855	(120,730)
Cash and cash equivalent at beginning of period	4,115,389	1,887,203
Cash and cash equivalent at end of period	13,367,244	1,766,473
Analysis of cash and cash equivalent:-		
Housing development account	704,223	690,684
Deposits with licensed bank	9,617,413	597,443
Cash and bank balances	3,045,608	478,346
	13,367,244	1,766,473

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 31 December 2016 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 2016. The accounting policies and method of computation adopted by the group in the interim financial report are consistent with those adopted in the 2016 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 2016 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 2016 are available from the Company's registered office.

2. Accounting Standards and interpretations

a) Adoption of new and revised FRSs

The accounting policies and methods of computation adopted are consistent with those of the previous financial year except for the adoption of the amendments to FRSs and IC Interpretations that are applicable to the Group and the Company for the financial year beginning 1 January 2017.

The adoption of these amendments to FRSs and IC interpretation does not have any significant impact to the Group and the Company.

b) Standards issued

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

- Amendments to FRS 2 Classification and Measurement of Share based Payment Transactions
- FRS 9 Financial Instruments

Deferred

- Amendments to FRS 10 & FRS 128 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

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.

c) Malaysian Financial Reporting Standards (MFRS)

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 141ö) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15ö), including its parents, significant investor and venture (herein called Transitioning Entitiesö).

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 2017. 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 no change in the capital and revaluation reserves in the financial quarter.

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

This final single-tier dividend amounting to RM7,173,159, was approved by the shareholders at the 33rd Annual General Meeting of the Company held on 20 May 2017 and was paid on 14 July 2017 to shareholders whose names appear in the Record of Depositors as at 30 June 2017.

9. Segment analysis

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>	Period ended 30 June 2017		Period ended 30 June 2016	
	Turnover RM	Profit/(Loss) from operations RM	Turnover RM	Profit/(Loss) from operations RM
Property	-	-	-	-
Plantation	7,475,766	3,113,902	4,235,381	791,704
Others	69,924	(365,615)	-	1,101,334
Consolidated	7,545,690	2,748,287	4,235,381	1,893,038

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.

Specific industry information

<u>Plantation</u>	1 st Quarter	2 nd Quarter
Planted hecterage	1,155 ha	1,155 ha
Fresh Fruit Bunch production output (MT)	5,462	6,383
FFB yield per hectare	4.73	5.52
Average FFB price (RM)	698	573
Average Production Cost per Hectare (RM)	1,863	1,585

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:

	Period ended 30 June 2017 RM	Period ended 30 June 2016 RM
Acquisition of :		
Building ó at cost	-	38,000
Plant and Machinery ó at cost	-	9,475
Motor Vehicle - at cost	9,296	-
Earthmoving equipment ó at cost	-	11,600
Office equipment & fittings ó at cost	14,685	1,110
Biological Asset	1,374,954	1,573,398
Total	1,398,935	1,633,583
Total proceeds from disposal of assets	2,500	-

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 30 June 2017.

12. Changes in composition of the Group

There has been no change to the composition of the Group since the last reporting.

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 had 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. The amount is expected to be received by end of September 2017.

14. Review of performance

	Three months ended 30 June		Changes (%)	Period ended 30 June		Changes (%)
	2017 <u>RM</u>	2016 <u>RM</u>		2017 <u>RM</u>	2016 <u>RM</u>	
Revenue	3,733,146	2,351,859	59%	7,545,690	4,235,381	78%
Cost of sales	(2,146,822)	(1,736,904)	24%	(4,299,035)	(3,374,571)	27%
Gross profit	1,586,324	614,955	158%	3,246,655	860,810	277%
Other Income	1,100,192	1,990,289	-45%	2,764,795	3,934,084	-30%
Administrative & other expenses	(1,713,669)	(1,509,945)	13%	(3,261,636)	(2,895,760)	13%
Results from operating activities	972,847	1,095,299	-11%	2,749,814	1,899,134	45%
Interest income	5,370	6,195	-13%	11,036	10,300	7%
Finance costs	(6,336)	(11,068)	-43%	(12,563)	(16,396)	-23%
Operating Profit	971,881	1,090,426	-11%	2,748,287	1,893,038	45%
Tax expense	(1,965)	-		31,754	-	
Profit for the period	969,916	1,090,426	-11%	2,780,041	1,893,038	47%

In the quarter ended 30 June 2017, the Group recorded a revenue of **RM3.7 million** and an operating profit of **RM1.0 million** compared with a revenue of **RM2.4 million** and an operating profit of **RM1.0 million** recorded in the previous corresponding quarter ended 30 June 2016.

The higher revenue and operating profit recorded in the quarter ended 30 June 2017 was due to higher palm oil prices and higher production of FFB.

15. Variation of results against immediate preceding quarter

	Current Quarter 30 June 2017	Immediate Preceding Quarter 31 March 2017	Changes (%)
Revenue	3,733,146	3,812,544	-2%
Operating Profit	972,847	1,776,967	-45%
Profit Before Interest and Tax	972,847	1,776,967	.45%
Profit Before Tax	971,881	1,776,406	-45%
Profit After Tax	969,916	1,810,125	-46%
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent Company	969,916	1,810,125	-46%

The Group recorded a revenue of **RM3.7 million** and operating profit of **RM1.0 million** in the quarter under review compared with a revenue of **RM3.8 million** and operating profit of **RM1.8 million** recorded in the preceding quarter.

The lower operating profit recorded in the current quarter was due to lower FFB prices compared to the preceding quarter.

16. Contingent liabilities

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

17. Capital commitments

There were no capital commitments during the financial quarter.

18. Material related party transactions

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

19. Future prospects

The Group's performance is dependent on the palm oil prices and production.

20. Profit forecast

Profit forecast is not applicable in the period under review.

21. Taxation

	Period ended 30 June 2017 RM	Period ended 30 June 2016 RM
<u>Current Taxation</u>		
Income tax (Provision)	-	-
Under/(Over)-provision in prior financial year	-	-
<u>Real Property Gain Tax</u>	(33,719)	-
<u>Deferred taxation</u>		
Origination and reversal of temporary differences	-	-
Under provision in prior financial year	1,965	-
Effect on deferred tax balance due to change in income tax rate from 25% to 24%	-	-
Tax Income	(31,754)	-

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 30 June 2017 were as follows:

	<u>RM</u>
Cost	16,738
Impairment of investment	<u>(16,738)</u>
Market Value	<u>0.00</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, which is not utilised as at 30 June 2017.

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

	June 2017 RMø000	June 2016 RMø000
Total Group retained profits/(Loss)		
Realised	10,174	574
Unrealised	(2,321)	9,924
	8,853	10,498
Total retained profits/(Loss) from associated companies		
Realised	-	-
Unrealised	-	-
Less : Consolidated Adjustment	15,766	15,620
Total Group Retained Profit	24,619	26,118

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 23 August 2017.