

GOPENG BERHAD (109465-X)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019 - UNAUDITED

	30.09.2019	30.09.2018
	RM	RM
ASSETS		
Property, Plant and Equipment	208,621,985	204,925,262
Investment Properties	7,960,000	6,960,000
Land and Deferred Development Expenditure	2,904,135	2,872,096
Investments	186,000	186,000
Total non-current assets	<u>219,672,120</u>	<u>214,943,358</u>
Inventories	349,688	217,866
Biological Assets	211,303	362,035
Properties Under Development	-	29,075
Trade and Other Receivables	864,698	11,357,371
Income Tax Asset	450,139	323,740
Short Term Investment	95,461,663	99,264,994
Deposits With Licensed Banks	596,782	578,280
Cash and Bank Balances	3,327,794	1,841,937
Total current assets	<u>101,262,067</u>	<u>113,975,298</u>
Total Assets	<u>320,934,187</u>	<u>328,918,656</u>
EQUITY		
Share Capital	134,496,726	134,496,726
Reserves	153,956,860	177,137,324
Total Equity	<u>288,453,586</u>	<u>311,634,050</u>
LIABILITIES		
Other Provisions	242,062	658,170
Hire Purchase Liabilities	-	33,515
Deferred Tax Liabilities	29,425,000	12,058,000
Total non-current liabilities	<u>29,667,062</u>	<u>12,749,685</u>
Trade and Other Payables	2,775,028	2,494,909
Hire Purchase Liabilities	38,511	40,012
Short Term Borrowing	-	2,000,000
Total current liabilities	<u>2,813,539</u>	<u>4,534,921</u>
Total liabilities	<u>32,480,601</u>	<u>17,284,606</u>
Total equity and liabilities	<u>320,934,187</u>	<u>328,918,656</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statement for the year ended 31 December 2018 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 SEPTEMBER 2019 - UNAUDITED

	Three months ended 30 September		Period ended 30 September	
	2019 <u>RM</u>	2018 <u>RM</u>	2019 <u>RM</u>	2018 <u>RM</u>
Revenue	1,455,876	2,042,445	3,975,318	5,666,723
Cost of sales	(1,548,159)	(1,475,746)	(4,938,655)	(5,501,247)
Gross Profit/(Loss)	(92,283)	566,699	(963,337)	165,476
Other Income	1,572,542	8,627,399	8,505,486	11,398,107
Administrative & other expenses	(1,686,745)	(3,931,792)	(5,132,553)	(5,480,194)
Results from operating activities	(206,486)	5,262,306	2,409,596	6,083,389
Interest income	-	8,519	30,263	59,041
Finance costs	(20,361)	(20,834)	(32,924)	(33,356)
Operating Profit/(Loss)	(226,847)	5,249,991	2,406,935	6,109,074
Tax expense	(3,523)	(3,681)	(3,523)	(96,681)
Profit/(Loss) for the period	(230,370)	5,246,310	2,403,412	6,012,393
Other comprehensive income,	-	-	-	-
Total comprehensive income/(loss) for the year	(230,370)	5,246,310	2,403,412	6,012,393
Basic earnings per share				
From continuing operations	(0.09 sen)	1.95 sen	0.89 sen	2.24 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 2018 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 SEPTEMBER 2019 - UNAUDITED

GROUP	Attributable to Equity Holders of the Company				Total Equity RM
	Share Capital RM	Share Premium RM	Retained Profit RM	Reserve RM	
	At 1 January 2019	134,496,726	-	158,278,285	
Total comprehensive income	-	-	2,403,412	2,403,412	2,403,412
Final single tier dividend - 2018	-	-	(6,724,837)	(6,724,837)	(6,724,837)
At 30 September 2019	134,496,726	-	153,956,860	153,956,860	288,453,586
At 1 January 2018	89,664,492	42,349,828	165,768,500	208,118,328	297,782,820
Total comprehensive income	-	-	2,165,350	2,165,350	2,165,350
Final single tier dividend - 2017	-	-	(7,173,159)	(7,173,159)	(7,173,159)
Bonus Issue	44,832,234	(42,349,828)	(2,482,406)	(44,832,234)	-
At 31 December 2018	134,496,726	-	158,278,285	158,278,285	292,775,011

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the year ended 31 December 2018 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 SEPTEMBER 2019 - UNAUDITED

	Period ended 30 Sept 2019 RM	Period ended 30 Sept 2018 RM
Net profit / (loss) before tax and minority interest	2,406,935	6,109,074
Adjustment for:-		
Non-cash item	(6,027,501)	(6,964,569)
Non operating items (which are investing/financing)	(3,377)	1,720,684
Operating profit / (loss) before changes in working capital	(3,623,943)	865,189
Changes in working capital		
(Increase)/decrease in current assets	535,332	(9,258,797)
(Increase)/decrease in current liabilities	2,374	450,476
Cash used in operations	(3,086,237)	(7,943,132)
Payments for tax, retirement benefits, development expenditure and tax refund	(106,435)	(5,017)
Net cash flow used in operating activities	(3,192,672)	(7,948,149)
Cash flow (used in) / from investing activities		
- Other investment	1,712,944	3,478,800
	(1,479,728)	(4,469,349)
Cash flow used in financing activities		
- Dividend paid to shareholders of the company	(6,724,837)	(7,173,159)
- Bank borrowing and interests	(57,936)	1,936,635
Net increase/(decrease) in cash and cash equivalents	(8,262,501)	(9,705,873)
Cash and cash equivalent at beginning of period	12,187,077	12,126,090
Cash and cash equivalent at end of period	3,924,576	2,420,217
Analysis of cash and cash equivalent:-		
Housing development account	-	722,554
Deposits with licensed bank	596,782	578,280
Cash and bank balances	3,327,794	1,119,383
	3,924,576	2,420,217

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 31 December 2018 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 prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016, using the historical cost convention (unless stated otherwise in the significant accounting policies below).

The interim financial report should be read in conjunction with the most recent audited financial statement for the year ended 31 December 2018. These explanatory notes attached to the interim financial statements 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 year ended 31 December 2018.

The financial statements of the Group for the financial period ended 31 December 2018 were the first set of financial statements prepared in accordance with the Malaysian Financial Reporting Standards (MFRS) Framework.

The Group will consistently apply the same accounting policies throughout all comparable interim periods presented.

2. Accounting Standards and interpretations

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statement are disclosed below.

The Group and the company intend to adopt these standards :-

Beginning 1 January 2019:

- MFRS 9 Prepayment Features with Negative Compensation (Amendments to MFRS 9)
- MFRS 16 Leases
- MFRS 128 Long-term Interests in Associates and Joint Venture (Amendments to MFRS 128)
- Annual Improvements to MFRS Standards 2015- 2017 cycle
- MFRS 119 Plan Amendment, Curtailment or Settlement (Amendments to MFRS 119)
- IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

For the financial year beginning 1 January 2021:

- MFRS 17 Insurance Contracts

Deferred:

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

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 quarter which have a material effect in the current financial quarter.

6. Capital and reserves

There were no changes to the capital and 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 final single tier dividend of 2.5 sen per ordinary share in respect of the financial year ended 31 December 2018 was approved by the shareholders at the 35th Annual General Meeting of the Company on 15 June 2019 and was paid on 19 July 2019.

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 September 2019		Period ended 30 September 2018	
	Turnover RM	Profit/(Loss) from operations RM	Turnover RM	Profit/(Loss) from operations RM
Property	55,000	25,925	-	-
Plantation	3,920,318	(1,019,137)	5,666,723	420,191
Others	-	3,400,147	-	5,688,883
Consolidated	3,975,318	2,406,935	5,666,723	6,109,074

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

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

Beginning 1 January 2019, the Group has included pineapple into its plantation crops. As pineapples mature in one and half year, the expenditure incurred in the first year of planting will be capitalised as bearer plants and will be amortized fully in the second year.

Specific industry information

	4 th Quarter 2018	1 st Quarter 2019	2 nd Quarter 2019	3 rd Quarter 2019
<u>Oil Palm</u>				
Planted hecterage	1,203	1,144	1,144	1,144
Fresh Fruit Bunch production output (MT)	4,687	3,521	2,906	3,745
FFB yield per hectare	3.90	3.08	2.54	3.27
Average FFB price (RM)	381.64	389.58	375.99	388.75
Average Production Cost per Hectare (RM)	1,093	1,607	1,331	1,353
<u>Pineapple</u>				
Total planted hecterage (cumulative)		20.23	48.56	60.70
Turnover (RM)		-	-	-
Capital expenditure incurred (RM)		548,361	1,794,977	1,988,084

10. Property, plant and equipment

a) Valuations method to historical cost method

Prior to 2018, freehold and leasehold land were recorded using the valuation method. Now, all property, plant and equipment are stated at cost.

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 September 2019 RM	Period ended 30 September 2018 RM
Acquisition of :		
Building ó at cost	299,652	47,800
Plant and Machinery ó at cost	24,232	3,200
Motor Vehicle - at cost		609,550
Earthmoving equipment ó at cost	140,350	57,450
Office equipment & fittings ó at cost	30,887	18,313
Bearer Plantó at cost	5,956,021	3,216,321
Total	6,451,142	3,952,634
Total proceeds from disposal of assets	-	10,760,300

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 September 2019.

12. Changes in composition of the Group

There was no change to the composition of the group since the last reporting.

13. Associate

The Company has no associated company.

14. Review of performance

	Three months ended 30 September		Changes (%)	Period ended 30 September		Changes (%)
	2019 <u>RM</u>	2018 <u>RM</u>		2019 <u>RM</u>	2018 <u>RM</u>	
Revenue	1,455,876	2,042,445	-29%	3,975,318	5,666,723	-30%
Cost of sales	(1,548,159)	(1,475,746)	-5%	(4,938,655)	(5,501,247)	10%
Gross Profit/(Loss)	(92,283)	566,699	116%	(963,337)	165,476	682%
Other Income	1,572,542	8,627,399	-82%	8,505,486	11,398,107	-25%
Administrative & other expenses	(1,686,745)	(3,931,792)	57%	(5,132,553)	(5,480,194)	6%
Results from operating activities	(206,486)	5,262,306	104%	2,409,596	6,083,389	60%
Interest income	-	8,519	-100%	30,263	59,041	49%
Finance costs	(20,361)	(20,834)	-2%	(32,924)	(33,356)	-1%
Operating Profit/(Loss)	(226,847)	5,249,991	-104%	2,406,935	6,109,074	-61%

In the quarter ended 30 September 2019, the Group recorded a revenue of **RM1.5 million** and an operating loss of **RM0.2 million** compared with a revenue of **RM2.0 million** and an operating profit of **RM5.2 million** recorded in the previous corresponding quarter.

The lower revenue recorded in the quarter ended 30 June 2019 was due to lower FFB prices and lower production.

The higher other income recorded in the quarter ended 30 September 2018 was due to disposal of 33.4 hectares of land to Asia Meranti Sdn Bhd.

15. Variation of results against immediate preceding quarter

	Current Quarter 30 Sept 2019 RM	Immediate Preceding Quarter 30 June 2019 RM	Changes (%)
Revenue	1,455,876	1,092,614	33.25%
Profit/(Loss) Before Interest and Tax	(206,486)	1,922,373	(110.74%)
Operating Profit/(Loss)	(226,847)	1,916,037	(111.84%)
Profit / (Loss) After Tax	(230,370)	1,916,037	(112.02%)
Profit/(Loss) attributable to Ordinary Equity Hold ers of the Parent Company	(230,370)	1,916,037	(112.02%)

The Group recorded a revenue of **RM1.5 million** and an operating loss of **RM0.2 million** in the quarter under review compared with a revenue of **RM1.1 million** and an operating profit of **RM2.0 million** recorded in the preceding quarter.

Compared with the preceding quarter, the average FFB price increased from **RM375.99** to **RM388.75** while production increased from **2,906mt** to **3,745mt**.

The increases in market value of the Group's short term investment and a gain on revaluation of the Group's investment property in quarter ended 30 June 2019 contributed to the operating profit of the Group in that 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 Sept 2019 RM	Period ended 30 Sept 2018 RM
<u>Current Taxation</u>		
Income tax (Provision)	-	-
Under/(Over)-provision in prior financial year	3,523	3,681
<u>Real Property Gain Tax</u>		
Deferred taxation	-	93,000
Origination and reversal of temporary differences	-	-
Under provision in prior financial year	-	-
Effect on deferred tax balance due to change in income tax rate from 25% to 24%	-	-
Tax Credit / (Income)	3,523	96,681

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 September 2019 were as follows:

	<u>RM</u>
Cost	16,738
Impairment of investment	<u>(16,738)</u>
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. A full drawdown was made in July 2019 but was fully repaid as at 30 September 2019.

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

Prior to the bonus issue on 2nd August 2018, 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.

After that, the calculation is based on the profit for the period and the number of shares in issue of 268,993,452 shares ranking for dividend during the year

29. 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 28 November 2019.