

GOPENG BERHAD (109465-X)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020 - UNAUDITED

	30.06.2020	30.06.2019
	RM	RM
ASSETS		
Property, Plant and Equipment	211,843,744	206,698,102
Investment Properties	7,960,000	7,960,000
Land and Deferred Development Expenditure	2,400,292	2,902,531
Investments	186,000	186,000
Total non-current assets	<u>222,390,036</u>	<u>217,746,633</u>
Inventories	374,440	242,602
Biological Assets	772,915	40,002
Trade and Other Receivables	2,431,255	835,923
Income Tax Asset	208,054	416,389
Short Term Investment	80,707,307	105,491,410
Deposits With Licensed Banks	616,138	596,782
Cash and Bank Balances	12,177,385	1,981,178
Total current assets	<u>97,287,494</u>	<u>109,604,286</u>
Total Assets	<u>319,677,530</u>	<u>327,350,919</u>
EQUITY		
Share Capital	134,496,726	134,496,726
Reserves	153,087,477	160,912,067
Total Equity	<u>287,584,203</u>	<u>295,408,793</u>
LIABILITIES		
Other Provisions	635,541	58,595
Hire Purchase Liabilities	-	3,506
Deferred Tax Liabilities	28,885,000	29,425,000
Total non-current liabilities	<u>29,520,541</u>	<u>29,487,101</u>
Trade and Other Payables	2,549,282	2,415,013
Hire Purchase Liabilities	23,504	40,012
Short Term Borrowing	-	-
Total current liabilities	<u>2,572,786</u>	<u>2,455,025</u>
Total liabilities	<u>32,093,327</u>	<u>31,942,126</u>
Total equity and liabilities	<u>319,677,530</u>	<u>327,350,919</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statement for the year ended 31 December 2019 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 2020 - UNAUDITED

	Three months ended		Period ended	
	30 June		30 June	
	2020	2019	2020	2019
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
Revenue	1,665,486	1,092,614	3,502,685	2,519,442
Cost of sales	(545,800)	(974,367)	(2,602,723)	(3,390,496)
Gross Profit/(Loss)	1,119,686	118,247	899,962	(871,054)
Other Income/(Loss)	3,980,523	3,662,517	902,408	6,932,944
Administrative & other expenses	(1,757,521)	(1,858,391)	(3,464,910)	(3,445,808)
Results from operating activities	3,342,688	1,922,373	(1,662,540)	2,616,082
Interest income	801	-	6,942	30,263
Finance costs	(5,708)	(6,336)	(11,362)	(12,563)
Operating Profit/(Loss)	3,337,781	1,916,037	(1,666,960)	2,633,782
Tax expense	(39,000)	-	(39,000)	-
Profit/(Loss) for the period	3,298,781	1,916,037	(1,705,960)	2,633,782
Other comprehensive income,	-	-	-	-
Total comprehensive income/(loss) for the period	3,298,781	1,916,037	(1,705,960)	2,633,782
Basic earnings per share				
From continuing operations	1.23 sen	0.71 sen	(0.63 sen)	0.98 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 2019 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 2020 - UNAUDITED

GROUP	Attributable to Equity Holders of the Company				Total Equity
	Share Capital	Share Premium	Retained Profit	Reserve	
	RM	RM	RM	RM	RM
At 1 January 2020	134,496,726	-	154,793,437	154,793,437	289,290,163
Total comprehensive income	-	-	(1,705,960)	(1,705,960)	(1,705,960)
Final single tier dividend - 2019	-	-	-	-	-
At 30 June 2020	134,496,726	-	153,087,477	153,087,477	287,584,203
At 1 January 2019	134,496,726	-	158,278,285	158,278,285	292,775,011
Total comprehensive income	-	-	3,239,989	3,239,989	3,239,989
Final single tier dividend - 2018	-	-	(6,724,837)	(6,724,837)	(6,724,837)
At 31 December 2019	134,496,726	-	154,793,437	154,793,437	289,290,163

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the year ended 31 December 2019 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 2020 - UNAUDITED

	Period ended 30 June 2020 RM	Period ended 30 June 2019 RM
Net profit / (loss) before tax and minority interest	(1,666,960)	2,633,782
Adjustment for:-		
Non-cash item	1,634,984	1,575,240
Non operating items (which are investing/financing)	(481,880)	(7,096,007)
Operating profit / (loss) before changes in working capital	(513,856)	(2,886,985)
Changes in working capital		
(Increase)/decrease in current assets	(542,250)	842,494
(Increase)/decrease in current liabilities	144,097	(357,641)
Cash used in operations	(912,009)	(2,402,132)
Payments for tax, retirement benefits, development expenditure and tax refund	(98,165)	(69,163)
Net cash flow used in operating activities	(1,010,174)	(2,471,295)
Cash flow (used in) / from investing activities		
- Other investment	1,641,932	(7,105,253)
	631,758	(9,576,548)
Cash flow used in financing activities		
- Dividend paid to shareholders of the company	-	-
- Bank borrowing and interests	(21,367)	(32,569)
Net increase/(decrease) in cash and cash equivalents	610,391	(9,609,117)
Cash and cash equivalent at beginning of period	12,183,132	12,187,077
Cash and cash equivalent at end of period	12,793,523	2,577,960
Analysis of cash and cash equivalent:-		
Housing development account	-	-
Deposits with licensed bank	616,138	596,782
Cash and bank balances	12,177,385	1,981,178
	12,793,523	2,577,960

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 31 December 2019 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 2019. 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 2019.

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 :-

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 Board has recommended payment of a final single tier dividend of 2.5 sen per ordinary share in respect of the financial year ended 31 December 2019.

This final single tier dividend was approved at the 36th Annual General Meeting of the Company held on 8th August 2020 and would be paid on 14 September 2020. The dividend to be paid would amount to RM6,724,837.

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 2020		Period ended 30 June 2019	
	Turnover RM	Profit/(Loss) from operations RM	Turnover RM	Profit/(Loss) from operations RM
Property	-	-	55,000	25,925
Plantation	3,502,685	827,622	2,464,442	(896,979)
Others	-	(2,494,582)	-	3,487,136
Consolidated	3,502,685	(1,666,960)	2,519,412	2,616,082

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 were capitalised as bearer plants and will be amortized fully in the following year.

Specific industry information

	3 rd Quarter 2019	4 th Quarter 2019	1 st Quarter 2020	2 nd Quarter 2020
<u>Oil Palm</u>				
Planted hecterage	1,144	1,144	1,144	1,144
Fresh Fruit Bunch production output (MT)	3,745	3,333	3,474	3,648
FFB yield per hectare	3.27	2.91	3.04	3.19
Average FFB price (RM)	388.75	484.64	528.88	441.46
Average Production Cost per Hectare (RM)	1,353	1,103	1,798	477.10
<u>Pineapple</u>				
Total planted hecterage (cumulative)	46.96	74.92	82.27	82.27
Turnover (RM)	-	-	-	55,227
Capital expenditure incurred (RM)	1,988,084	1,503,136	1,278,711	884,138

10. Property, plant and equipment

a) Valuations method to historical cost method

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 June 2020 RM	Period ended 30 June 2019 RM
Acquisition of :		
Building ó at cost	44,600	232,812
Plant and Machinery ó at cost	23,160	12,310
Motor Vehicle - at cost		-
Earthmoving equipment ó at cost	152,500	70,850
Office equipment & fittings ó at cost	63,437	24,278
Bearer Plantó at cost	3,261,424	3,393,829
Total	3,545,121	3,734,079
Total proceeds from disposal of assets	4,900	-

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 2020.

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 June		Changes (%)	Period ended 30 June		Changes (%)
	2020 RM	2019 RM		2020 RM	2019 RM	
Revenue	1,665,486	1,092,614	52%	3,502,685	2,519,442	39%
Cost of sales	(545,800)	(974,367)	44%	(2,602,723)	(3,390,496)	23%
Gross Profit/(Loss)	1,119,686	118,247	-847%	899,962	(871,054)	203%
Other Income/(Loss)	3,980,523	3,662,517	9%	902,408	6,932,944	-87%
Administrative & other expenses	(1,757,521)	(1,858,391)	5%	(3,464,910)	(3,445,808)	-1%
Results from operating activities	3,342,688	1,922,373	74%	(1,662,540)	2,616,082	-164%
Interest income	801	-	800%	6,942	30,263	-77%
Finance costs	(5,708)	(6,336)	-10%	(11,362)	(12,563)	-10%
Operating Profit/(Loss)	3,337,781	1,916,037	74%	(1,666,960)	2,633,782	-163%

In the quarter ended 30 June 2020, the Group recorded a revenue of **RM1.7 million** and an operating profit of **RM3.3 million** compared with a revenue of **RM1.1 million** and an operating profit of **RM1.9 million** recorded in the previous corresponding quarter.

The higher revenue recorded in the quarter ended 30 June 2020 compared to the previous corresponding quarter was due to higher production and better prices this quarter.

In the quarter ended 30 June 2020, the value of the Group's short term investment had recovered after experiencing a very substantial drop during the implementation of the Movement Control Order (MCO) on 18 March 2020. It is expected that the value would improve further in the coming quarters of 2020.

15. Variation of results against immediate preceding quarter

	Current Quarter 30 June 2020 RM	Immediate Preceding Quarter 31 Mar 2020 RM	Changes (RM)
Revenue	1,665,486	1,837,199	(171,713)
Profit/(Loss) Before Interest and Tax	3,342,688	(5,005,228)	(8,347,916)
Operating Profit/(Loss)	3,337,781	(5,004,741)	(8,342,522)
Profit / (Loss) After Tax	3,298,781	(5,004,741)	(8,303,522)
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent Company	3,298,781	(5,004,741)	(8,303,522)

The Group recorded a revenue of **RM1.7 million** and an operating profit of **RM3.3 million** in the quarter under review compared with a revenue of **RM1.8 million** and an operating loss of **RM5.0 million** recorded in the preceding quarter.

The loss in the previous quarter was mainly due to drop in fair value of the Group's short term investment due to the implementation of the Movement Control Order (MCO) on 18 March 2020 following the COVID-19 pandemic.

Compared with the preceding quarter, the average FFB price increased from **RM528.88** to **RM441.46** while production increased from **3,474mt** to **3,648mt**.

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 2020 RM	Period ended 30 June 2019 RM
<u>Current Taxation</u>		
Income tax (Provision)	-	-
Under/(Over)-provision in prior financial year	-	-
<u>Real Property Gain Tax</u>	39,000	-
<u>Deferred taxation</u>		
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)	39,000	-

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 2020 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 which is not utilised as at 30 June 2020.

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 calculation of basic earnings per share 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 27 August 2020.