

GOPENG BERHAD (109465-X)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021 - UNAUDITED

	30.09.2021	30.09.2020
	RM	RM
ASSETS		
Property, Plant and Equipment	220,452,123	211,681,899
Investment Properties	8,035,000	7,960,000
Land and Deferred Development Expenditure	2,437,319	2,400,292
Investments	186,000	186,000
Total non-current assets	<u>231,110,442</u>	<u>222,228,191</u>
Inventories	672,046	378,231
Biological Assets	534,506	806,518
Trade and Other Receivables	1,803,777	4,888,094
Income Tax Asset	341,799	236,803
Short Term Investment	65,589,688	81,951,867
Deposits With Licensed Banks	4,432,501	2,626,997
Cash and Bank Balances	4,356,455	1,103,402
Total current assets	<u>77,730,772</u>	<u>91,991,912</u>
Total Assets	<u>308,841,214</u>	<u>314,220,103</u>
EQUITY		
Share Capital	134,496,726	134,496,726
Reserves	142,703,312	144,894,222
Total Equity	<u>277,200,038</u>	<u>279,390,948</u>
LIABILITIES		
Other Provisions	1,038,763	824,799
Deferred Tax Liabilities	28,743,000	28,885,000
Total non-current liabilities	<u>29,781,763</u>	<u>29,709,799</u>
Trade and Other Payables	1,859,413	3,100,855
Hire Purchase Liabilities	-	18,501
Borrowing	-	2,000,000
Total current liabilities	<u>1,859,413</u>	<u>5,119,356</u>
Total liabilities	<u>31,641,176</u>	<u>34,829,155</u>
Total equity and liabilities	<u>308,841,214</u>	<u>314,220,103</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statement for the year ended 31 December 2020 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 2021 - UNAUDITED

	Three months ended 30 September		Period ended 30 September	
	2021 <u>RM</u>	2020 <u>RM</u>	2021 <u>RM</u>	2020 <u>RM</u>
Revenue	3,508,722	2,667,251	10,761,568	6,169,936
Cost of sales	(1,992,201)	(3,794,950)	(7,200,952)	(6,397,673)
Gross Profit/(Loss)	1,516,521	(1,127,699)	3,560,616	(227,737)
Other Income/(Loss)	(100,645)	1,601,898	(659,962)	2,504,306
Administrative & other expenses	(1,913,548)	(1,908,081)	(5,508,395)	(5,372,991)
Results from operating activities	(497,672)	(1,433,882)	(2,607,741)	(3,096,422)
Interest income	-	10,859	-	17,801
Finance costs	(18,472)	(10,569)	(48,694)	(21,931)
Operating Profit/(Loss)	(516,144)	(1,433,592)	(2,656,435)	(3,100,552)
Taxation	-	(34,826)	-	(73,826)
Profit/(Loss) for the period	(516,144)	(1,468,418)	(2,656,435)	(3,174,378)
Profit/(Loss) attributable to owners of the parents for the period	(516,144)	(1,468,418)	(2,656,435)	(3,174,378)
Basic earnings / (loss) per share	(0.13 sen)	(0.55 sen)	(0.66 sen)	(1.18 sen)
Other comprehensive income,				
Revaluation gains on land and buildings net of tax	-	-	-	-
Total comprehensive income / (loss) for the financial year	(516,144)	(1,468,418)	(2,656,435)	(3,174,378)
Total comprehensive income/ (loss) attributable to owners of the parent	(516,144)	(1,468,418)	(2,656,435)	(3,174,378)

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statement for the year ended 31 December 2020 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 2021 - UNAUDITED

GROUP	Attributable to Equity Holders of the Company				Total Equity
	Share Capital	Revaluation Reserve	Retained Profit	Reserve	
	RM	RM	RM	RM	
At 1 January 2021	134,496,726	9,261,521	141,478,095	150,739,616	285,236,342
Loss for the financial year	-	-	(2,656,435)	(2,656,435)	(2,656,435)
Final single tier dividend - 2020	-	-	(5,379,869)	(5,379,869)	(5,379,869)
At 30 September 2021	134,496,726	9,261,521	133,441,791	142,703,312	277,200,038
At 1 January 2020	134,496,726	-	154,793,434	154,793,434	289,290,160
Loss for the financial year			(6,590,502)	(6,590,502)	(6,590,502)
Total comprehensive income	-	9,261,521	-	9,261,521	9,261,521
Final single tier dividend - 2019	-	-	(6,724,837)	(6,724,837)	(6,724,837)
At 31 December 2020	134,496,726	9,261,521	141,478,095	150,739,616	285,236,342

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the year ended 31 December 2020 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 2021 - UNAUDITED

	Period ended 30 September 2021 RM	Period ended 30 September 2020 RM
Net profit / (loss) before tax and minority interest	(2,656,435)	(3,100,552)
Adjustment for:-		
Non-cash item	3,579,615	2,966,151
Non operating items (which are investing/financing)	777,769	(1,795,260)
Operating profit / (loss) before changes in working capital	1,700,949	(1,929,661)
Changes in working capital		
(Increase)/decrease in current assets	1,250,404	(2,949,042)
(Increase)/decrease in current liabilities	(1,254,299)	608,231
Cash used in operations	1,697,054	(4,270,472)
Payments for tax, retirement benefits, development expenditure and tax refund	(76,248)	(161,740)
Net cash flow used in operating activities	1,620,806	(4,432,212)
Cash flow (used in) / from investing activities		
- Other investment	10,832,568	741,256
	12,453,374	(3,690,956)
Cash flow used in financing activities		
- Dividend paid to shareholders of the company	(5,379,869)	(6,724,837)
- Bank borrowing and interests	(62,193)	1,963,060
Net increase/(decrease) in cash and cash equivalents	7,011,312	(8,452,733)
Cash and cash equivalent at beginning of period	1,777,644	12,183,132
Cash and cash equivalent at end of period	8,788,956	3,730,399
Analysis of cash and cash equivalent:-		
Deposits with licensed bank	4,432,501	2,626,997
Cash and bank balances	4,356,455	1,103,402
	8,788,956	3,730,399

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 31 December 2020 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 2020. 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 2020.

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

2. Accounting Standards and interpretations

As the date of authorisation of these financial statements, the following MFRSs, Amendments to MFRSs and IC Interpretations have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective and have not yet been adopted by the Group and the Company:

<u>MFRSs and/or IC Interpretations (Including the Consequential Amendments)</u>	<u>Effective Date</u>
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment ^ô Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts ^ô Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2022
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of these MFRSs, Amendments to MFRSs and IC Interpretations are expected to have no significant impact to the financial statements of the Group upon their initial application.

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 of the Group during 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 2.0 sen per ordinary shares for the financial year ended 31 December 2020 was approved by the shareholders at the Company's 37th Annual General Meeting held virtually on 29 June 2021. The dividend amount of RM5,379,869.04 was paid to shareholders on 13 August 2021.

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 2021		Period ended 30 September 2020	
	Turnover <u>RM</u>	Profit/(Loss) from operations <u>RM</u>	Turnover <u>RM</u>	Profit/(Loss) from operations <u>RM</u>
Property	-	-	-	-
Plantation	10,761,568	3,413,470	6,169,936	(227,737)
Others *	-	(6,069,905)	-	(2,946,641)
Consolidated	10,761,568	(2,656,435)	6,169,936	(3,174,378)

The main activities of the Group are the cultivation of oil palm and investment in short term funds. There were no inter-segment elimination and unallocated operating income or expenses.

Others, refers to the profit or loss generated in the holding company and its subsidiaries. Loss for the quarter was due to the drop in fair value of the short term investment and also due to the administrative expenditures incurred.

Specific industry information

	4 th Quarter 2020	1 st Quarter 2021	2 nd Quarter 2021	3 rd Quarter 2021
<u>Oil Palm</u>				
Planted hecterage	1,144	993	993	993
Fresh Fruit Bunch production output (MT)	3,853	4,114	4,430	3,792
FFB yield per hectare	3.36	4.14	4.46	3.82
Average FFB price (RM) per MT	690.28	820.50	872.49	924.35
Average Production Cost per Hectare (RM)	996.53	2,183	2,750	2,004
<u>Pineapple</u>				
Total planted hecterage (cumulative)	86.73	86.73	86.73	Cleared
Turnover (RM)	389,853	11,891	24,912	3,593
Cost of Sales	6,339,369	311,828	26,123	2,800
Included in the cost of sales are :-				
Write-off off unproductive plants	1,925,465			
Amortisation of capitalised expenditure	1,577,023			
Impairment of bearer plant	1,577,024			

10. Property, plant and equipment

a) Method used

Properties are stated using the revaluation method. 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 2021 RM	Period ended 30 September 2020 RM
Acquisition of :		
Leasehold land	4,847,883	-
Building ó at cost	-	308,600
Plant and Machinery ó at cost	-	363,693
Motor Vehicle - at cost	-	-
Earthmoving equipment ó at cost	-	152,500
Office equipment & fittings ó at cost	40,089	68,907
Bearer Plantó at cost	934,360	3,820,743
Land Improvement cost	-	-
Total	5,822,332	4,714,443
Total proceeds from disposal of assets	40,700	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 September 2021.

12. Changes in composition of the Group

On 12 April 2021, the Company has subscribed for the entire equity interest in the capital of KB Estates Sdn Bhd, a newly incorporated company in Malaysia, thereby making it a subsidiary of the Company with a share capital of RM2.

On 12 April 2021, the Company has subscribed for the entire equity interest in the capital of GBS Suria Sdn Bhd, a newly incorporated company in Malaysia, thereby making it a subsidiary of the Company with a share capital of RM100,000.

On 27 April 2021, the Company has subscribed for the entire equity interest in the capital of GBS Energy Sdn Bhd, a newly incorporated company in Malaysia, thereby making it a subsidiary of the Company with a share capital of RM2.

13. Associate

The Company has no associated company.

14. Review of performance

	Three months ended 30 September		Changes (%)	Period ended 30 September		Changes (%)
	2021 RM	2020 RM		2021 RM	2020 RM	
Revenue	3,508,722	2,667,251	32%	10,761,568	6,169,936	74%
Cost of sales	(1,992,201)	(3,794,950)	48%	(7,200,952)	(6,397,673)	-13%
Gross Profit/(Loss)	1,516,521	(1,127,699)	-234%	3,560,616	(227,737)	1663%
Other Income/(Loss)	(100,645)	1,601,898	-106%	(659,962)	2,504,306	-126%
Administrative & other expenses	(1,913,548)	(1,908,081)	-0.3%	(5,508,395)	(5,372,991)	-3%
Results from operating activities	(497,672)	(1,433,882)	65%	(2,607,741)	(3,096,422)	16%
Interest income	-	10,859		-	17,801	
Finance costs	(18,472)	(10,569)	-75%	(48,694)	(21,931)	-122%
Operating Profit/(Loss)	(516,144)	(1,433,592)	64%	(2,656,435)	(3,100,552)	14%

In the quarter ended 30 September 2021, the Group recorded a revenue of **RM3.5 million** and an operating loss of **RM0.5 million** compared with a revenue of **RM2.7 million** and an operating loss of **RM1.4 million** recorded in the previous corresponding quarter.

The higher revenue recorded in the quarter ended 30 September 2021 compared to the previous corresponding quarter was due to higher production and better CPO prices.

The Group's short term investment has not really recovered from the slump beginning February this year, recording a fair value of (RM729,075) in the quarter ended 30 September 2021.

Variation of results against immediate preceding quarter

	Current Quarter 30 Sept 2021 RM	Immediate Preceding Quarter 30 June 2021 RM	Changes (RM)
Revenue	3,508,722	3,865,143	(356,421)
Profit/(Loss) Before Interest and Tax	(497,672)	435,895	(933,567)
Operating Profit/(Loss)	(516,144)	416,348	(932,492)
Profit / (Loss) After Tax	(516,144)	416,348	(932,492)
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent Company	(516,144)	416,348	(932,492)

The Group recorded a revenue of **RM3.5 million** and an operating loss of **RM0.5 million** in the quarter under review compared with a revenue of **RM3.9 million** and an operating profit of **RM0.4 million** in the preceding quarter.

Compared with the preceding quarter, the average price of oil palm FFB increased from **RM872.49** to **RM924.35** while production decreased from **4,430 mt** to **3,792 mt**.

15. Contingent liabilities

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

16. Capital commitments

There were no capital commitments during the financial quarter.

17. Material related party transactions

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

18. Future prospects

The Group's performance is very much dependent on the prices and production of oil palm and the fair value gain or loss of the Group's short term investment.

Gopeng Berhad had been shortlisted as one of the successful bidders by The Energy Commission of Malaysia in a competitive bidding exercise for the development of Large Scale Solar Photovoltaic (LSSPV) plants in Peninsular Malaysia for commercial operation in 2022/2023 for a plant capacity of 50.00 MW. The LSSPV, on completion is expected to contribute positively to the Group's profit beginning 2023.

19. Profit forecast

The budget and profit forecast for the year was made at the end of the previous financial year and monthly revisions were made.

20. Taxation

	Period ended 30 Sept 2021 RM	Period ended 30 Sept 2020 RM
<u>Current Taxation</u>		
Income tax (Provision)	-	-
Under/(Over)-provision in prior financial year	-	-
<u>Real Property Gain Tax</u>	-	-
<u>Deferred taxation</u>		
Origination and reversal of temporary differences	-	-
Under provision in prior financial year	-	-
	-	-
Tax Expense / (Credit)	-	-

21. Unquoted investments and properties

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

22. 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 at the beginning of the year were:

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

As at 30 September 2021, these fully impaired investments in quoted securities were written-off.

23. Status of corporate proposals announced

In the EGM on 14 July 2021, the shareholders had approved the implementation of bonus issue of up to 134,496,726 new ordinary shares on the basis of 1 Bonus Share for every 2 existing ordinary shares. The implementation of the Bonus Issue was undertaken without any capitalisation from the reserves of the Company and was issued as fully paid at nil consideration. The bonus issue was finally implemented on 30 July 2021.

In the EGM, the shareholders also consented an approval for the Company undertake a diversification of the existing principal activities of the Company and its subsidiaries to include renewable energy business.

24. 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 was utilised in full as at 30 September 2021.

The Company also has a Bank Guarantee facility of RM1 million with Hong Leong Bank Berhad for one-off issuance of bid bond in favour of Suruhanjaya Tenaga of Malaysia for Large Scale Solar 4 (LSS4) project, secured with a Fixed Deposit of RM300,000.

Being the successful bidder for the LSS4 project, GBS Suria Sdn Bhd has obtained a Bank Guarantee facility of RM10 million with Hong Leong Islamic Bank Berhad for a substitute bond in favour of Suruhanjaya Tenaga of Malaysia, secured with a corporate guarantee from Gopeng Berhad.

25. Off-balance sheet financial instruments

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

26. Material litigation

There was no material litigation against the Group.

27. Basic earnings per share

Prior to 30 July 2021, 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.

After the bonus issue was implemented on 30 July 2021, the calculation of basic earnings per share is based on the profit for the period and the number of shares in issue of 403,490,138.

28. 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 25 November 2021.