

GOPENG BERHAD (109465-X)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022 - UNAUDITED - Continued

	31.12.2022 RM	31.12.2021 RM
ASSETS		
Property, Plant and Equipment	216,286,240	219,397,924
Investment Properties	8,385,000	8,385,000
Land and Deferred Development Expenditure	2,428,036	2,430,142
Investments	186,000	186,000
Deferred Tax Assets	269,584	8,000
Total non-current assets	<u>227,554,860</u>	<u>230,407,066</u>
Inventories	1,235,445	324,523
Biological Assets	46,035	352,791
Trade and Other Receivables	983,676	1,152,949
Tax Recoverable	457,635	366,798
Short Term Investment	62,178,300	66,087,599
Deposits With Licensed Banks	967,497	3,948,987
Cash and Bank Balances	5,185,014	4,685,080
Total current assets	<u>71,053,602</u>	<u>76,918,727</u>
Total Assets	<u>298,608,462</u>	<u>307,325,793</u>
EQUITY		
Share Capital	134,496,726	134,496,726
Reserves	133,407,460	143,083,725
Total Equity	<u>267,904,186</u>	<u>277,580,451</u>
LIABILITIES		
Other Provisions	337,066	299,582
Deferred Tax Liabilities	26,338,000	28,284,000
Total non-current liabilities	<u>26,675,066</u>	<u>28,583,582</u>
Trade and Other Payables	2,000,549	1,161,760
Provision for Retirement Benefit	28,661	-
Borrowing	2,000,000	-
Total current liabilities	<u>4,029,210</u>	<u>1,161,760</u>
Total liabilities	<u>30,704,276</u>	<u>29,745,342</u>
Total equity and liabilities	<u>298,608,462</u>	<u>307,325,793</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statement for the year ended 31 December 2021 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 2022 - UNAUDITED

	Three months ended		Year ended	
	31 December		31 December	
	2022	2021	2022	2021
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
Revenue	2,360,255	3,629,585	12,876,644	14,391,153
Cost of sales	(1,922,265)	(3,003,641)	(9,790,143)	(10,204,593)
Gross Profit	437,990	625,944	3,086,501	4,186,560
Other profit / (loss)	1,693,319	1,202,353	(772,137)	542,391
Administrative & other expenses	(2,725,931)	(1,941,863)	(8,140,735)	(7,450,258)
Results from operating activities	(594,622)	(113,566)	(5,826,371)	(2,721,307)
Interest income	19,471	26,980	86,567	26,980
Finance costs	(33,779)	-	(42,431)	(48,694)
Operating Loss	(608,930)	(86,586)	(5,782,235)	(2,743,021)
Taxation	2,174,584	433,325	2,125,324	433,325
Profit / (Loss) for the period	1,565,654	346,739	(3,656,911)	(2,309,696)
Profit / (Loss) attributable to owners of the parents for the period	1,565,654	346,739	(3,656,911)	(2,309,696)
Basic profit / (loss) per share	0.39 sen	0.09 sen	(0.91 sen)	(0.57 sen)
Other comprehensive income,				
Deferred tax liability on revaluation surplus of leasehold land	33,000	33,675	33,000	33,675
Total comprehensive income/ (loss) for the period	1,598,654	380,414	(3,623,911)	(2,276,021)
Total comprehensive income / (loss) attributable to owners of the parent	1,598,654	380,414	(3,623,911)	(2,276,021)

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statement for the year ended 31 December 2021 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 2022 - UNAUDITED**

GROUP	Attributable to Equity Holders of the Company				Total Equity
	<----- Non-distributable ----->	<- Distributable ->			
	Share Capital	Revaluation Reserve	Retained Profit	Reserve	
	RM	RM	RM	RM	RM
At 1 January 2022	134,496,726	9,154,884	133,928,841	143,083,725	277,580,451
Total comprehensive income/(loss)	-	33,000	(3,656,911)	(3,623,911)	(3,623,911)
Final single tier dividend - 2021	-	-	(6,052,354)	(6,052,354)	(6,052,354)
At 31 December 2022	134,496,726	9,187,884	124,219,576	133,407,460	267,904,186
At 1 January 2021	134,496,726	9,261,521	141,478,094	150,739,615	285,236,341
Total comprehensive income/(loss)			(2,276,021)	(2,276,021)	(2,276,021)
Depreciation transfer on land	-	(106,637)	106,637	-	-
Final single tier dividend - 2020	-	-	(5,379,869)	(5,379,869)	(5,379,869)
At 31 December 2021	134,496,726	9,154,884	133,928,841	143,083,725	277,580,451

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the year ended 31 December 2021 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 2022 - UNAUDITED**

	Year ended 31 December 2022 RM	Year ended 31 December 2021 RM
Loss before tax	(5,782,235)	(2,743,021)
Adjustment for:-		
Non-cash item	4,786,388	3,849,866
Non operating items (which are investing/financing)	370,534	21,714
Operating profit / (loss) before changes in working capital	(625,313)	1,128,559
Changes in working capital		
(Increase)/decrease in current assets	(3,117,898)	2,502,017
(Increase)/decrease in current liabilities	(646,242)	(1,980,370)
Cash used in operations	(4,389,453)	1,650,206
Payments for tax, retirement benefits, development expenditure and tax refund	(140,097)	(101,246)
Net cash flow used in operating activities	(4,529,550)	1,548,960
Cash flow (used in) / from investing activities		
- Other investment	6,142,779	10,749,525
	1,613,229	12,298,485
Cash flow used in financing activities		
- Dividend paid to shareholders of the company	(6,052,354)	(5,379,869)
- Bank borrowing and interests	1,957,569	(62,193)
Net increase/(decrease) in cash and cash equivalents	(2,481,556)	6,856,423
Cash and cash equivalent at beginning of period	8,634,067	1,777,644
Cash and cash equivalent at end of period	6,152,511	8,634,067
Analysis of cash and cash equivalent:-		
Deposits with licensed bank	967,497	3,948,987
Cash and bank balances	5,185,014	4,685,080
	6,152,511	8,634,067

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 31 December 2021 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 2021. 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 2021.

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:

MFRSs and/or IC Interpretations (Including the Consequential Amendments) Effective Date

Amendments to MFRS 101: Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current and Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023

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 Board recommended a payment of final single tier dividend of 1.5 sen per ordinary shares for the financial year ended 31 December 2021,. This final single tier dividend was approved by the shareholders at the Company's 38th Annual General Meeting held on 21 June 2022. The dividend, amounting to RM6.1 million was paid on 12 August 2022.

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>	Year ended 31 December 2022		Year ended 31 December 2021	
	Turnover <u>RM</u>	Profit/(Loss) from operations <u>RM</u>	Turnover <u>RM</u>	Profit/(Loss) from operations <u>RM</u>
Property	-	-	-	-
Plantation	12,876,644	2,592,709	14,391,153	4,063,581
Others *	-	(8,374,944)	-	(6,806,602)
Consolidated	12,876,644	(5,782,235)	14,391,153	(2,743,021)

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

<u>Oil Palm</u>	1 st Quarter 2021	2 nd Quarter 2022	3 rd Quarter 2022	4 th Quarter 2022
Revenue (RM)	3,696,951	4,245,250	2,574,189	2,360,254
Production cost (RM)	1,885,357	3,119,521	2,863,000	1,922,265
Planted hecterage	1,008	1,008	1,008	1,008
Fresh Fruit Bunch production (MT)	2,720	3,158	3,154	3,001
FFB yield per hectare (MT)	2.70	3.13	3.13	2.98
Average FFB price (RM) per MT	1,359	1,345	816	786
Average Production Cost per Hectare (RM)	1,870	3,095	2,840	1,907

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:

	Year ended 31 December 2022 RM	Year ended 31 December 2021 RM
Acquisition of :		
Leasehold land	-	4,847,883
Building – at cost	122,235	-
Plant and Machinery – at cost	-	-
Motor Vehicle - at cost	-	-
Earthmoving equipment – at cost	-	-
Office equipment & fittings – at cost	46,175	40,089
Bearer Plant– at cost	954,520	934,360
Land Improvement cost	-	-
Total	1,122,930	5,822,332
Total proceeds from disposal of assets	-	40,700

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 2022.

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 31 December		Changes (%)	Year ended 31 December		Changes (%)
	2022 RM	2021 RM		2022 RM	2021 RM	
Revenue	2,360,255	3,629,585	-35%	12,876,644	14,391,153	-11%
Cost of sales	(1,922,265)	(3,003,641)	36%	(9,790,143)	(10,204,593)	4%
Gross Profit	437,990	625,944	-30%	3,086,501	4,186,560	-26%
Other profit / (loss)	1,693,319	1,202,353	41%	(772,137)	542,391	-242%
Administrative & other expenses	(2,725,931)	(1,941,863)	-40%	(8,140,735)	(7,450,258)	-9%
Results from operating activities	(594,622)	(113,566)	-424%	(5,826,371)	(2,721,307)	-114%
Interest income	19,471	26,980	-28%	86,567	26,980	221%
Finance costs	(33,779)	-		(42,431)	(48,694)	13%
Operating Loss	(608,930)	(86,586)	-603%	(5,782,235)	(2,743,021)	-111%
Taxation	2,174,584	433,325	402%	2,125,324	433,325	390%
Profit / (Loss) for the period	1,565,654	346,739	352%	(3,656,911)	(2,309,696)	-58%

In the quarter ended 31 December 2022, the Group recorded a revenue of **RM2.4 million** and an operating loss of **RM0.6 million** compared with a revenue of **RM3.6 million** and an operating loss of **RM0.1 million** recorded in the previous corresponding quarter.

The lower revenue recorded in the quarter ended 31 December 2022 compared to the previous corresponding quarter was due to lower CPO prices and lower production.

As at 31 December 2022, the Group's short term investment recorded a fair value loss of RM0.9 million.

Variation of results against immediate preceding quarter

	Current Quarter 31 Dec 2022 RM	Immediate Preceding Quarter 30 Sept 2022 RM	Changes (RM)
Revenue	2,360,255	2,574,189	(213,934)
Loss Before Interest and Tax	(594,622)	(2,947,077)	2,352,455
Operating Loss	(608,930)	(2,936,401)	2,327,471
Profit / (Loss) After Tax	1,565,654	(2,936,401)	4,502,055
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent Company	1,565,654	(2,936,401)	4,502,055

The Group recorded a revenue of **RM2.4 million** and an operating loss of **RM0.6 million** in the quarter under review compared with a revenue of **RM2.6 million** and an operating loss of **RM2.9 million** in the preceding quarter.

Compared with the preceding quarter, the average price of oil palm FFB decreased by **3.7%** from **RM816** to **RM786** while production decreased by **4.8%** from **3,154 mt** to **3,001 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

At present, the core activity of the Group remains as cultivation of oil palm, which is relatively driven by its price and production volume.

Moving forward, the Group is in the midst of executing the necessary requirements for the development of 50MW Large Scale Solar Photovoltaic Plant, in which the Company's wholly-owned subsidiary GBS Suria Sdn Bhd had signed a Power Purchase Agreement with Tenaga Nasional Berhad in 2021, pursuant to being the successful bidder in the LSS@Mentari exercise initiated by The Energy Commission of Malaysia. This project is expected to contribute positively to the Group's financial position.

Nonetheless, with the strong Balance Sheet and financial position, the Group consistently explores opportunities that would ideally enhance the position of the Group.

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

	Year ended 31 Dec 2022 RM	Year ended 31 Dec 2021 RM
<u>Current Taxation</u>		
Income tax (Provision)	-	-
Under/(Over)-provision in prior financial year	-	-
<u>Real Property Gain Tax</u>	49,260	-
<u>Deferred taxation</u>		
Origination and reversal of temporary differences	(596,160)	(433,325)
Under provision in prior financial year	(1,578,424)	-
Tax Expense / (Credit)	(2,125,324)	(433,325)

21. Unquoted investments and properties

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

22. Quoted investments

There was no purchase of quoted securities for the quarter under review and financial year to-date.

23. Status of corporate proposals announced

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

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 31 December 2022.

In line with the requirement of Power Purchase Agreement for the Solar LSS@Mentari project, Gopeng Berhad on behalf of its wholly owned subsidiary GBS Suria Sdn Bhd had obtained an offer for Bank Guarantee facility for the performance bond in favour of Tenaga Nasional Berhad. This facility is being secured with Land Charge for Lot 45547 (being the project site) and also Corporate Guarantee by Gopeng Berhad. However, this will only take effect within first quarter of 2023

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

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 shares ranking for dividend during the year.

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 27 February 2023.