

GOPENG BERHAD (109465-X)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023 - UNAUDITED

	30.06.2023	30.06.2022
	RM	RM
ASSETS		
Property, Plant and Equipment	290,552,853	218,060,985
Investment Properties	8,385,000	8,385,000
Land and Deferred Development Expenditure	2,457,417	2,459,752
Investments	186,000	186,000
Deferred Tax Assets	269,584	-
Total non-current assets	<u>301,850,854</u>	<u>229,091,737</u>
Inventories	1,007,082	370,794
Biological Assets	566,069	690,439
Trade and Other Receivables	1,945,341	3,253,589
Tax Recoverable	500,135	412,635
Short Term Investment	58,278,089	64,075,981
Deposits With Licensed Banks	967,497	2,448,987
Cash and Bank Balances	6,129,907	6,622,689
Total current assets	<u>69,394,120</u>	<u>77,875,114</u>
Total Assets	<u>371,244,974</u>	<u>306,966,851</u>
EQUITY		
Share Capital	134,496,726	134,496,726
Reserves	131,606,154	140,797,562
Total Equity	<u>266,102,880</u>	<u>275,294,288</u>
LIABILITIES		
Provisions	331,816	296,421
Other Payables	75,495,781	-
Deferred Tax Liabilities	26,338,000	28,276,000
Total non-current liabilities	<u>102,165,597</u>	<u>28,572,421</u>
Trade and Other Payables	976,497	3,100,142
Borrowing	2,000,000	-
Total current liabilities	<u>2,976,497</u>	<u>3,100,142</u>
Total liabilities	<u>105,142,094</u>	<u>31,672,563</u>
Total equity and liabilities	<u>371,244,974</u>	<u>306,966,851</u>

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statement for the year ended 31 December 2022 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 30 JUNE 2023 - UNAUDITED

	Three months ended		Period ended	
	30 June		30 June	
	2023	2022	2023	2022
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
Revenue	2,070,037	4,245,249	4,063,882	7,942,200
Cost of sales	(1,270,128)	(3,119,521)	(2,813,967)	(5,004,878)
Gross Profit	799,909	1,125,728	1,249,915	2,937,322
Other profit / (loss)	736,907	(1,353,027)	1,866,047	(1,923,533)
Administrative & other expenses	(2,613,870)	(1,692,370)	(4,891,607)	(3,298,461)
Operating Loss	(1,077,054)	(1,919,669)	(1,775,645)	(2,284,672)
Interest income	17,333	37,715	23,736	47,768
Finance costs	(23,336)	-	(47,041)	-
Loss Before Tax	(1,083,057)	(1,881,954)	(1,798,950)	(2,236,904)
Taxation	(2,358)	(49,260)	(2,358)	(49,260)
Loss for the period	(1,085,415)	(1,931,214)	(1,801,308)	(2,286,164)
Loss attributable to owners of the parents for the period	(1,085,415)	(1,931,214)	(1,801,308)	(2,286,164)
Basic loss per share	(0.27 sen)	(0.48 sen)	(0.45 sen)	(0.57 sen)
Other comprehensive income,				
Deferred tax liability on revaluation surplus of leasehold land	-	-	-	-
Total comprehensive loss for the period	(1,085,415)	(1,931,214)	(1,801,308)	(2,286,164)
Total comprehensive loss attributable to owners of the parent	(1,085,415)	(1,931,214)	(1,801,308)	(2,286,164)

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statement for the year ended 31 December 2022 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 30 JUNE 2023 - 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 2023	134,496,726	9,047,258	124,360,204	133,407,462	267,904,188
Total comprehensive income/(loss)	-	-	(1,801,308)	(1,801,308)	(1,801,308)
At 30 June 2023	134,496,726	9,047,258	122,558,896	131,606,154	266,102,880
At 1 January 2022	134,496,726	9,154,884	133,928,842	143,083,726	277,580,452
Loss for the financial year			(3,656,911)	(3,656,911)	(3,656,911)
Reversal of deferred tax		33,000	-	33,000	33,000
Depreciation transfer on land	-	(140,626)	140,626	-	-
Final single tier dividend - 2021	-	-	(6,052,353)	(6,052,353)	(6,052,353)
At 31 December 2022	134,496,726	9,047,258	124,360,204	133,407,462	267,904,188

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statement for the year ended 31 December 2022 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 30 JUNE 2023 - UNAUDITED

	Period ended 30 June 2023 RM	Period ended 30 June 2022 RM
Loss before tax	(1,798,950)	(2,236,904)
Adjustment for:-		
Non-cash item	1,424,022	1,926,189
Non operating items (which are investing/financing)	(1,720,133)	1,963,850
Operating profit / (loss) before changes in working capital	(2,095,061)	1,653,135
Changes in working capital		
(Increase)/decrease in current assets	(77,240,311)	(1,020,137)
(Increase)/decrease in current liabilities	74,395,123	453,350
Cash used in operations	(4,940,249)	1,086,348
Payments for tax, retirement benefits, development expenditure and tax refund	(44,858)	(95,097)
Net cash flow used in operating activities	(4,985,107)	991,251
Cash flow (used in) / from investing activities		
- Other investment	5,977,041	(553,642)
	991,934	437,609
Cash flow used in financing activities		
- Dividend paid to shareholders of the company	-	-
- Bank borrowing and interests	(47,041)	-
Net increase/(decrease) in cash and cash equivalents	944,893	437,609
Cash and cash equivalent at beginning of period	6,152,511	8,634,067
Cash and cash equivalent at end of period	7,097,404	9,071,676
Analysis of cash and cash equivalent:-		
Deposits with licensed bank	967,497	2,448,987
Cash and bank balances	6,129,907	6,622,689
	7,097,404	9,071,676

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statement for the year ended 31 December 2022 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 2022. 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 2022.

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 16, "Leases (Lease Liability in a Sale and Leaseback)	1 January 2024
Amendments to MFRS 101, "Presentation of Financial Statements" (Non-current Liabilities with Covenants)	1 January 2024
Amendments to MFRS 10, "Consolidated Financial Statements" and MFRS 128, "Investments in Associates and Joint Ventures" (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)	yet to be determined

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 shareholders approved a payment of final single tier dividend of 1.0 sen per ordinary shares in respect of the financial year ended 31 December 2022 at the Company's 39th Annual General Meeting held on 29 May 2023. The dividend is payable on 17 August 2023 to depositors whose names appear in the Record of Depositors at the close of business on 18 July 2023.

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 2023		Period ended 30 June 2022	
	Turnover <u>RM</u>	Profit/(Loss) from operations <u>RM</u>	Turnover <u>RM</u>	Profit/(Loss) from operations <u>RM</u>
Property development	-	(6,340)	-	(5,187)
Plantation	3,985,268	1,162,417	7,942,200	2,879,560
Solar	-	(1,297,269)	-	(57,935)
Others *	78,614	(1,634,453)	-	(5,101,110)
Consolidated	4,063,882	(1,775,645)	7,942,200	(2,284,672)

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 dormant subsidiaries. Loss for the quarter was due to the administrative expenditures incurred.

Specific industry information

Oil Palm	3 rd Quarter 2022	4 th Quarter 2022	1 st Quarter 2023	2 nd Quarter 2023
Revenue (RM)	2,574,189	2,360,254	1,993,845	1,991,423
Production cost (RM)	2,863,000	1,922,265	1,543,839	1,270,128
Mature hecterage	1,008	1,008	1,008	1,008
Fresh Fruit Bunch production (MT)	3,154	3,001	2,475	2,609
FFB yield per hectare (MT)	3.13	2.98	2.46	2.59
Average FFB price (RM) per MT	816	786	806	763
Average Production Cost per Hectare (RM)	2,840	1,907	1,532	1,260

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 June 2023 RM	Period ended 31 June 2022 RM
Acquisition of :		
Leasehold land	-	-
Building – at cost	-	18,600
Plant and Machinery – at cost	-	-
Motor Vehicle - at cost	-	-
Earthmoving equipment – at cost	-	-
Office equipment & fittings – at cost	-	17,423
Bearer Plant– at cost	714,887	565,386
Land Improvement cost	-	-
Total	714,887	601,409
Total proceeds from disposal of assets	15,000	-

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 2023.

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		Changes (%)	Period ended		Changes (%)
	30 June			30 June		
	2023	2022		2023	2022	
	<u>RM</u>	<u>RM</u>		<u>RM</u>	<u>RM</u>	
Revenue	2,070,037	4,245,249	-51%	4,063,882	7,942,200	-49%
Cost of sales	(1,270,128)	(3,119,521)	59%	(2,813,967)	(5,004,878)	44%
Gross Profit	799,909	1,125,728	-29%	1,249,915	2,937,322	-57%
Other profit / (loss)	736,907	(1,353,027)	154%	1,866,047	(1,923,533)	197%
Administrative & other expenses	(2,613,870)	(1,692,370)	-54%	(4,891,607)	(3,298,461)	-48%
Results from operating activities	(1,077,054)	(1,919,669)	44%	(1,775,645)	(2,284,672)	22%
Interest income	17,333	37,715	-54%	23,736	47,768	-50%
Finance costs	(23,336)	-		(47,041)	-	
Loss Before Tax	(1,083,057)	(1,881,954)	42%	(1,798,950)	(2,236,904)	20%
Taxation	(2,358)	(49,260)	95%	(2,358)	(49,260)	95%
Loss for the period	(1,085,415)	(1,931,214)	44%	(1,801,308)	(2,286,164)	21%

In the quarter ended 30 June 2023, the Group recorded a revenue of **RM2.1 million** and an operating loss of **RM1.1 million** compared with a revenue of **RM4.2 million** and an operating loss of **RM1.9 million** recorded in the previous corresponding quarter.

The lower revenue recorded in the quarter ended 30 June 2023 compared to the previous corresponding quarter was due to lower FFB production and lower FFB prices. Production in 2nd quarter of 2022 was 3,158 MT compared to 2,610 MT in the current quarter while the average FFB price in 2nd quarter of 2022 was RM1,345 compared to RM763 in the current quarter.

As at 30 June 2023, the Group's short term investment recorded a fair value gain of RM1.7 million compared to a fair value loss of RM2 million recorded in the previous corresponding quarter.

Variation of results against immediate preceding quarter

	Current Quarter 30 June 2023 RM	Immediate Preceding Quarter 31 Mar 2023 RM	Changes (RM)
Revenue	2,070,037	1,993,845	76,192
Operating Loss	(1,077,054)	(698,591)	(378,463)
Profit / (Loss) Before Tax	(1,083,057)	(715,893)	(367,164)
Profit / (Loss) After Tax	(1,085,415)	(715,893)	(369,522)
Profit/(Loss) attributable to Ordinary Equity Holders of the Parent Company	(1,085,415)	(715,893)	(369,522)

The Group recorded a revenue of **RM2.1 million** and an operating loss of **RM1.1 million** in the quarter under review compared with a revenue of **RM2.0 million** and an operating loss of **RM0.7 million** in the preceding quarter.

Compared with the preceding quarter, the average price of oil palm FFB decreased by **5.3%** from **RM806** to **RM763** while production increased by **5.4%** from **2,475 mt** to **2,609 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

During the financial quarter, progress claims were made by Sunway Construction Sdn Bhd amounting to RM31.7 million on the LSS4 solar project. This progress claims also forms as the EPCC financing for the project. Total progress claim until the financial quarter was RM75.5 million and is presented as a non-current liability.

18. Future prospects

In line with the Letter of Intent dated 22 December 2021, the Group's subsidiary GBS Suria had finalized and awarded the Engineering, Procurement, Construction & Commissioning (EPCC) Works to Sunway Construction Sdn Bhd, on 16 January 2023 with a contract sum of RM218,756,675. As this contract is deemed Recurrent Related Party Transaction of Revenue or Trading (RRPT) in nature, The Group had obtained its Shareholders' Approval via Extraordinary General Meeting held on 13 January 2023.

Subsequently, the Company had also achieved its Financial Close for the project on 31 January 2023 where all necessary financial conditions in relation to the Financial Close had been fulfilled.

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 June 2023 RM	Period ended 30 June 2022 RM
<u>Current Taxation</u>		
Income tax (Provision)	-	-
Under/(Over)-provision in prior financial year	-	-
<u>Real Property Gain Tax</u>	2,358	49,260
<u>Deferred taxation</u>		
Origination and reversal of temporary differences	-	-
Under provision in prior financial year	-	-
Tax Expense / (Credit)	2,358	49,260

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 30 June 2023.

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 a Bank Guarantee facility of RM45 million 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.

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 22 August 2023.