



**IJM PLANTATIONS BERHAD**  
(Company No: 198501000955 – [133399-A])

**Part A1 : Quarterly Report**

Quarterly report for the financial period ended: 30/06/2020  
 Quarter: 1<sup>st</sup> Qtr  
 Financial Year End: 31/03/2021  
 The figures: Have not been audited

Full Quarterly Report: Refer attached

**Part A2 : Summary of Key Financial Information for the financial period 30/06/2020**

	Individual Quarter		Cumulative Period	
	Current year quarter 30/06/2020 RM'000	Preceding year quarter 30/06/2019 RM'000	Current period 30/06/2020 RM'000	Preceding period 30/06/2019 RM'000
1 Revenue	205,985	133,067	205,985	133,067
2 Profit/(loss) before taxation	115,298	(5,383)	115,298	(5,383)
3 Net profit/(loss) for the period	87,924	(5,122)	87,924	(5,122)
4 Profit/(loss) attributable to owners of the Company	82,116	(4,776)	82,116	(4,776)
5 Basic earnings/(loss) per share (sen)	9.33	(0.54)	9.33	(0.54)
6 Proposed/declared dividend per share (sen)	-	-	-	-
	As at end of current quarter 30/06/2020		As at preceding financial year end	
7 Net assets per share attributable to owners of the Company (RM)		1.54		1.35

**IJM PLANTATIONS BERHAD**  
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**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER 3 MONTHS ENDED 30 JUNE			CUMULATIVE 3 MONTHS ENDED 30 JUNE		
	2020 RM'000	2019 RM'000	change % +/-	2020 RM'000	2019 RM'000	change % +/-
Revenue	205,985	133,067	+54.8	205,985	133,067	+54.8
Operating expenses	(181,714)	(138,215)	+31.5	(181,714)	(138,215)	+31.5
Net other income and gains:						
- Net other income	4,357	6,110	-28.7	4,357	6,110	-28.7
- Net foreign exchange gains	91,743	168	+54508.9	91,743	168	+54508.9
Profit from operations	120,371	1,130	+10552.3	120,371	1,130	+10552.3
Finance costs:						
- Interest and lease expenses	(5,217)	(6,694)	-22.1	(5,217)	(6,694)	-22.1
Share of profits of an associate	144	181	-20.4	144	181	-20.4
Profit/(loss) before taxation	115,298	(5,383)	+2241.9	115,298	(5,383)	+2241.9
Income tax	(27,374)	261	-10588.1	(27,374)	261	-10588.1
<b>Net profit/(loss) for the financial period</b>	<b>87,924</b>	<b>(5,122)</b>	<b>+1816.6</b>	<b>87,924</b>	<b>(5,122)</b>	<b>+1816.6</b>
<b>Other comprehensive income</b>						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
- Currency translation difference	98,058	19,855	+393.9	98,058	19,855	+393.9
<b>Total comprehensive income for the financial period</b>	<b>185,982</b>	<b>14,733</b>	<b>+1162.3</b>	<b>185,982</b>	<b>14,733</b>	<b>+1162.3</b>
<b>Net profit/(loss) attributable to:</b>						
- Owners of the Company	82,116	(4,776)	+1819.3	82,116	(4,776)	+1819.3
- Non-controlling interests	5,808	(346)	+1778.6	5,808	(346)	+1778.6
	<b>87,924</b>	<b>(5,122)</b>	<b>+1816.6</b>	<b>87,924</b>	<b>(5,122)</b>	<b>+1816.6</b>
<b>Total comprehensive income/(loss) attributable to:</b>						
- Owners of the Company	181,447	15,123	+1099.8	181,447	15,123	+1099.81
- Non-controlling interests	4,535	(390)	+1262.8	4,535	(390)	+1262.8
	<b>185,982</b>	<b>14,733</b>	<b>+1162.3</b>	<b>185,982</b>	<b>14,733</b>	<b>+1162.3</b>
Earnings/(loss) per share attributable to owners of the Company:						
Basic earnings/(loss) per share:						
- [Note B10]	9.33 sen	(0.54) sen		9.33 sen	(0.54) sen	

**IJM PLANTATIONS BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	As at 30 June 2020 RM'000	As at 31 March 2020 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets:</b>		
Property, plant and equipment	1,671,996	1,526,477
Right-of-use assets	234,320	226,495
Associate	12,859	12,712
Inventory – Oil palm nurseries	7,428	6,886
Other receivables	140,324	128,256
Deferred tax assets	2,533	8,987
	<u>2,069,460</u>	<u>1,909,813</u>
<b>Current Assets:</b>		
Inventories	78,859	73,104
Trade and other receivables	79,773	58,362
Derivative financial instruments	751	329
Produce growing on bearer plants	10,895	11,892
Tax recoverable	261	137
Deposits, cash and bank balances	267,396	241,253
	<u>437,935</u>	<u>385,077</u>
<b>TOTAL ASSETS</b>	<u>2,507,395</u>	<u>2,294,890</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves attributable to owners of the Company</b>		
Share capital	922,530	922,530
Equity contribution reserve	8,404	8,234
Other reserves	(60,361)	(159,692)
Retained profits	482,168	417,664
	<u>1,352,741</u>	<u>1,188,736</u>
Non-controlling interests	(1,281)	(5,816)
<b>Total Equity</b>	<u>1,351,460</u>	<u>1,182,920</u>
<b>Non-Current Liabilities:</b>		
Retirement benefits	23,421	20,084
Lease liabilities	20,885	21,096
Derivative financial instruments	588	872
Borrowings	702,957	758,335
Deferred tax liabilities	90,707	76,435
	<u>838,558</u>	<u>876,822</u>
<b>Current Liabilities:</b>		
Trade and other payables	89,706	76,255
Lease liabilities	1,208	1,208
Retirement benefits	2,428	1,975
Derivative financial instruments	2,474	3,236
Current tax liabilities	7,351	3,214
Dividend payables	17,612	-
Borrowings	196,598	149,260
	<u>317,377</u>	<u>235,148</u>
<b>Total Liabilities</b>	<u>1,155,935</u>	<u>1,111,970</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>2,507,395</u>	<u>2,294,890</u>
<b>Net Assets Per Share attributable to owners of the Company (RM)</b>	<u>1.54</u>	<u>1.35</u>

**IJM PLANTATIONS BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD  
ENDED 30 JUNE 2020**

	Attributable to Equity Holders of the Company					Non-controlling interests	Total Equity
	Share Capital	Equity Contribution Reserve	Other Reserves	Retained Profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 April 2020</b>	922,530	8,234	(159,692)	417,664	1,188,736	(5,816)	1,182,920
Comprehensive income: -net income for the period	-	-	-	82,116	82,116	5,808	87,924
Other comprehensive income: -Currency translation differences arising from translation of net investments in foreign entities	-	-	99,331	-	99,331	(1,273)	98,058
Total comprehensive income	-	-	99,331	82,116	181,447	4,535	185,982
Capital contribution by ultimate holding company, net of ESOS exercised by employees	-	170	-	-	170	-	170
Dividend - year ended 31 March 2020	-	-	-	(17,612)	(17,612)	-	(17,612)
<b>At 30 June 2020</b>	922,530	8,404	(60,361)	482,168	1,352,741	(1,281)	1,351,460

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**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD  
ENDED 30 JUNE 2019**

	Attributable to Equity Holders of the Company					Non-controlling interests	Total Equity
	Share Capital	Equity Contribution Reserve	Other Reserves	Retained Profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 April 2019</b>	922,530	8,155	(101,141)	498,213	1,327,757	2,761	1,330,518
Comprehensive loss:							
-net loss for the period	-	-	-	(4,776)	(4,776)	(346)	(5,122)
Other comprehensive income:							
-Currency translation differences arising from translation of net investments in foreign entities	-	-	19,899	-	19,899	(44)	19,855
Total comprehensive income/(loss)	-	-	19,899	(4,776)	15,123	(390)	14,733
Capital contribution by ultimate holding company, net of ESOS exercised by employees	-	(1,536)	-	-	(1,536)	-	(1,536)
Dividend - year ended 31 March 2019	-	-	-	(17,612)	(17,612)	-	(17,612)
<b>At 30 June 2019</b>	922,530	6,619	(81,242)	475,825	1,323,732	2,371	1,326,103

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>3 MONTHS ENDED 30 JUNE 2020 RM'000</b>	<b>3 MONTHS ENDED 30 JUNE 2019 RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	195,896	130,337
Payments to contractors, suppliers and employees	(158,857)	(120,485)
Interest paid	(6,525)	(7,095)
Income tax paid	(3,145)	(1,394)
<i>Net cash flows generated from operating activities</i>	27,369	1,363
<b>INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment, land use rights, and right-of-use assets	(13,130)	(18,993)
Placement of restricted deposits	-	(5,126)
Interest received	813	1,410
<i>Net cash flows used in investing activities</i>	(12,317)	(22,709)
<b>FINANCING ACTIVITIES</b>		
Repayment of borrowings	(4,000)	(107,741)
Drawdown of borrowings	-	171,540
Placement of restricted deposits	(42)	-
Repayment of lease liabilities	(567)	(566)
<i>Net cash flows (used in)/from financing activities</i>	(4,609)	63,233
<b>Net Change in Cash and Cash Equivalents</b>	10,443	41,887
<b>Foreign Exchange differences</b>	15,385	1,526
<b>Cash &amp; Cash Equivalents at beginning of financial period</b>	229,322	127,821
<b>Cash &amp; Cash Equivalents at end of financial period</b>	255,150	171,234
<b>Notes:</b>	<b>AS AT 30 JUNE 2020 RM'000</b>	<b>AS AT 30 JUNE 2019 RM'000</b>
Cash and cash equivalents represent the following:		
Cash and bank balances	88,786	80,708
Deposits with licensed banks	178,610	107,498
	267,396	188,206
Less: Restricted deposits with licensed banks	(12,246)	(16,972)
	255,150	171,234

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**A NOTES TO THE QUARTERLY RESULTS**

**A1. Basis of Preparation**

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134: *Interim Financial Reporting* and Chapter 9 Appendix 9B of the *Listing Requirements of Bursa Malaysia Securities Berhad*.

The unaudited interim financial report should be read in conjunction with the audited financial statements for the year ended 31 March 2020 which are available at <http://www.ijmplantations.com>. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2020.

**A2. Significant Accounting Policies**

The significant accounting policies applied are consistent with those adopted for the audited financial statements for the year ended 31 March 2020 except for the adoption of the following amendments to published standards:

- (a) Amendments to published standards that are effective for the Group’s financial year beginning on or after 1 April 2020 and applicable to the Group are as follows:
  - The Conceptual Framework for Financial Reporting (Revised 2018)
  - Amendments to MFRS 3 “Definition of a Business”
  - Amendments to MFRS 101 and MFRS 108 “Definition of Material”
- (b) Amendments to published standard that is effective for the Group’s financial year beginning on or after 1 April 2021 and the Group has early adopted in FY2021 is as follows:
  - Amendments to MFRS 16 “COVID-19 Related Rent Concessions”

The adoption of the above amendments does not result in any significant change to the accounting policies and does not have a material impact on the interim financial report of the Group.

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**A3. Audit Report**

The audit report for the financial year ended 31 March 2020 was not subject to any modification or qualification.

**A4. Seasonality or Cyclicity of Operations**

The Group's performance is affected by the oil palms cropping pattern that normally starts in a trough in the first half of a calendar year before rising to a peak in the second half.

**A5. Unusual Significant Items**

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual in nature, size or incidence during the quarter under review.

**A6. Material Changes in Estimates**

There were no major changes in estimates that had a material effect on the results for the current quarter.

**A7. Debt and Equity Securities**

There were no cancellations, repurchases, resale and repayments of debt and equity securities for the quarter.

**A8. Dividends Paid**

There was no dividend paid during the current quarter.

**A9. Segmental Information**

The principal activities of the Group are the cultivation of oil palms and milling of fresh fruit bunches. The operations are geographically located in Malaysia and Indonesia.



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**A9. Segmental Information (continued)**

	<b>INDIVIDUAL QUARTER</b>		change % +/-	<b>CUMULATIVE PERIOD</b>		change % +/-
	3 months ended 30/06/2020 RM'000	3 months ended 30/06/2019 RM'000		3 months ended 30/06/2020 RM'000	3 months ended 30/06/2019 RM'000	
<b>Revenue and timing of revenue recognition:</b>						
-Malaysia –Point in time	94,489	65,375	+44.5	94,489	65,375	+44.5
-Malaysia – Over time	-	-	-	-	-	-
<i>Total revenue from Malaysia</i>	<u>94,489</u>	<u>65,375</u>	+44.5	<u>94,489</u>	<u>65,375</u>	+44.5
-Indonesia – Point in time	111,206	67,692	+64.3	111,206	67,692	+64.3
-Indonesia – Over time	290	-	-	290	-	-
<i>Total revenue from Indonesia</i>	<u>111,496</u>	<u>67,692</u>	+64.7	<u>111,496</u>	<u>67,692</u>	+64.7
Total external revenue	<u>205,985</u>	<u>133,067</u>	+54.8	<u>205,985</u>	<u>133,067</u>	+54.8
<b>Earnings before interest, tax, depreciation and amortisation (“EBITDA”):</b>						
-Malaysia	36,464	12,198	+198.9	36,464	12,198	+198.9
-Indonesia	113,810	16,906	+573.2	113,810	16,906	+573.2
	<u>150,274</u>	<u>29,104</u>	+416.3	<u>150,274</u>	<u>29,104</u>	+416.3
-Finance costs	(5,217)	(6,694)		(5,217)	(6,694)	
-Depreciation and amortisation	<u>(29,759)</u>	<u>(27,793)</u>		<u>(29,759)</u>	<u>(27,793)</u>	
Profit/(loss) before taxation	<u>115,298</u>	<u>(5,383)</u>	+2241.9	<u>115,298</u>	<u>(5,383)</u>	+2241.9
<b>Profit/(loss) before taxation:</b>						
-Malaysia	26,390	2,392	+1003.3	26,390	2,392	+1003.3
-Indonesia	88,908	(7,775)	+1243.5	88,908	(7,775)	+1243.5
	<u>115,298</u>	<u>(5,383)</u>	+2241.9	<u>115,298</u>	<u>(5,383)</u>	+2241.9
<b>TOTAL ASSETS</b>				<b>As at 30 June 2020 RM'000</b>	<b>As at 31 March 2020 RM'000</b>	
Malaysian Operations				795,499	773,086	
Indonesian Operations				1,709,102	1,512,680	
Unallocated assets				<u>2,794</u>	<u>9,124</u>	
				<u>2,507,395</u>	<u>2,294,890</u>	

**A10. Valuations of Property, Plant and Equipment**

There was no revaluation of property, plant and equipment for the current quarter.

**A11. Significant Subsequent Events to the date of the Statement of Financial Position**

There was no significant event subsequent to the date of the unaudited statements of financial position.

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**A12. Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current quarter.

**A13. Contingent Liabilities or Contingent Assets**

There were no material contingent liabilities or contingent assets as at 30 June 2020.

**A14. Capital Commitments**

Capital commitments not provided for in the unaudited financial statements as at 30 June 2020 are as follows:

Property, plant, equipment	<b>RM'000</b>
- Approved and contracted for	20,943
- Approved but not contracted for	163,937
	<u>184,880</u>

**A15. Fair Value of Financial Instruments**

The following hierarchies were applied to determine the fair value of all the financial instruments carried at fair value:

- (a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at 30 June 2020, the Group measured and recognised the derivative financial instruments for the crude palm oil pricing swap contracts and interest rate swap contracts at fair value. It was classified by the level of fair value measurement hierarchy as follows:

	<u>Level 1</u> RM'000	<u>Level 2</u> RM'000	<u>Level 3</u> RM'000	<u>Total</u> RM'000
<u>Current Asset:</u>				
Derivative financial instruments	-	751	-	751
<u>Current Liability:</u>				
Derivative financial instruments	-	(2,474)	-	(2,474)
<u>Non-Current Liability:</u>				
Derivative financial instruments	-	(588)	-	(588)

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**B Bursa Securities Listing Requirements (Part A of Appendix 9B)**

*Current quarter under review – Q1-FY2021*

*Corresponding quarter of the preceding year – Q1-FY2020*

*Immediate preceding quarter – Q4-FY2020*

**B1. Review of Performance**

The results of the Group are tabulated below:

	<b>Individual Quarter</b>		change % +/-
	Current year quarter 30/06/2020 RM'000	Preceding year quarter 30/06/2019 RM'000	
<b>Revenue:</b>			
-Malaysia	94,489	65,375	+44.5
-Indonesia	111,496	67,692	+64.7
	<u>205,985</u>	<u>133,067</u>	<u>+54.8</u>
<b>EBITDA:</b>			
-Malaysia	36,464	12,198	+198.9
-Indonesia	113,810	16,906	+573.2
	<u>150,274</u>	<u>29,104</u>	<u>+416.3</u>
<b>Profit/(loss) before taxation:</b>			
-Malaysia	26,390	2,392	+1003.3
-Indonesia	88,908	(7,775)	+1243.5
	<u>115,298</u>	<u>(5,383)</u>	<u>+2241.9</u>

**Individual Quarter -- Q1-FY2021 vs Q1-FY2020**

FFB production in Q1-FY2021 was higher as compared to Q1-FY2020 mainly due to the recovery of crop production in the Malaysian operations and more planted areas attained maturity and moved into prime age in the Indonesian operations. Due to higher commodity prices and sales volume, the Group's revenue increased significantly.

During the quarter, the Rupiah recovered strongly against both the US Dollar and the Japanese Yen to record significant net foreign exchange gains of RM91.743 million (Q1-FY2020: Gains of RM0.168 million) on the foreign currency denominated borrowings. These net foreign exchange gains are reported as net other income during the quarter.

The overall financial performance of the Group was an improvement over the corresponding quarter, mainly due to the foreign exchange movement.

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**B1. Review of Performance (continued)**

**Individual Quarter -- Q1-FY2021 vs Q1-FY2020 (continued)**

The performance by geographical segments are summarised as follows:

- (a) The Malaysian operations recorded higher revenue mainly due to higher commodity prices and sales volume. Hence, the financial performance during the quarter had improved; and
- (b) The Indonesian operations recorded higher revenue mainly due to higher commodity prices and sales volume. The overall financial performance of the operations was an improvement mainly due to the foreign exchange gains recorded on the foreign currency denominated borrowings arising from the exchange rate movements of the Rupiah against the US Dollar and the Japanese Yen.

The relevant details pertaining to the results above are as follows:

Individual Quarter			
	Current year quarter 30/06/2020	Preceding year quarter 30/06/2019	var % +/-
<b>Malaysian Operations</b>			
Own FFB production (mt)	128,158	103,935	+23.3
Outside FFB crops (mt)	37,284	34,942	+6.7
CPO production (mt)	34,024	27,188	+25.1
PKO production (mt)	931	2,695	-65.5
CPO sales (mt)	36,082	29,655	+21.7
PKO sales (mt)	1,210	2,310	-47.6
CPO price per mt (RM)	2,318	1,921	+20.7
PKO price per mt (RM)	2,812	2,220	+26.7
<b>Indonesian Operations</b>			
Own FFB production (mt)	146,975	127,708	+15.1
Outside FFB crops (mt)	84,385	57,289	+47.3
CPO production (mt)	44,252	30,716	+44.1
PKO production (mt)	2,464	1,964	+25.5
Own FFB sales (mt)	27,157	55,862	-51.4
CPO sales (mt)	44,936	23,025	+95.2
PKO sales (mt)	2,500	2,001	+24.9
FFB price per mt (RM)	413	372	+11.0
CPO price per mt (RM)	2,066	1,821	+13.5
PKO price per mt (RM)	2,234	2,343	-4.7
<b>Closing Exchange Rates</b>			
	<b>As at 30/06/2020</b>	<b>As at 30/06/2019</b>	
RM : Rupiah	1 : 3,322	1 : 3,413	
US Dollar : RM	1 : 4.284	1 : 4.143	
US Dollar : Rupiah	1 : 14,302	1 : 14,141	
Japanese Yen : Rupiah	100 : 13,280	100 : 13,139	

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**B1. Review of Performance (continued)**

Contribution to the Sabah state sales tax and statutory payment of cess to the Malaysian Palm Oil Board (“MPOB”) were as follows:

	<b>Individual Quarter</b>		var
	Current year quarter 30/06/2020 RM'000	Preceding year quarter 30/06/2019 RM'000	
Sabah sales tax	6,041	4,366	+38.4
MPOB cess	489	389	+25.7
<b>Total</b>	<b>6,530</b>	<b>4,755</b>	+37.3

**B2. Material Changes in the Quarterly Results Compared to the Results of Immediate Preceding Quarter**

The results of the Group are tabulated below:

	<b>Individual Quarter</b>		change % +/-
	Current year quarter 30/06/2020 RM'000	Immediate preceding quarter 31/03/2020 RM'000	
<b>Revenue:</b>			
- Malaysia	94,489	83,728	+12.9
- Indonesia	111,496	111,665	-0.2
	205,985	195,393	+5.4
<b>EBITDA:</b>			
- Malaysia	36,464	35,542	+2.6
- Indonesia	113,810	(40,217)	+383.0
	150,274	(4,675)	+3314.4
<b>Profit/(loss) before taxation:</b>			
- Malaysia	26,390	23,447	+12.6
- Indonesia	88,908	(96,885)	+191.8
	115,298	(73,438)	+257.0

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**B2. Material Changes in the Quarterly Results Compared to the Results of Immediate Preceding Quarter (continued)**

Revenue for the Q1-FY2021 was higher than Q4-FY2020 mainly due to higher sales volume. During the quarter, net foreign exchange gains of RM91.743 million were recorded on the US Dollar and Japanese Yen denominated borrowings arising from the exchange rate movements of the Rupiah against the US Dollar and the Japanese Yen (Q4-FY2020: Losses of RM100.682 million). These net foreign exchange gains which are reported as net other income and finance costs amounted to gains of RM91.743 million (Q4-FY2020: Losses of RM62.965 million) and nil (Q4-FY2020: Losses of RM37.717 million) during the quarter. As a result, the overall financial performance of the Group improved significantly during the current quarter.

The performance by geographical segments are summarised as follows:

- (a) The Malaysian operations recorded higher revenue mainly due to higher sales volume. FFB production was higher due to the recovery from the 2015/2016 EL Nino lagged effect. As a result, higher profit before taxation were recorded; and
- (b) The Indonesian operations recorded marginally lower revenue mainly due to lower commodity prices. The overall better financial performance was attributed by the net foreign exchange gains on the US Dollar and Japanese Yen denominated borrowings during the quarter.

The relevant details pertaining to the results above are as follows:

Individual Quarter			
	Current year quarter 30/06/2020	Immediate preceding quarter 31/03/2020	var % +/-
<b>Malaysian Operations</b>			
Own FFB production (mt)	128,158	108,848	+17.7
Outside FFB crops (mt)	37,284	30,099	+23.9
CPO production (mt)	34,024	28,376	+19.9
PKO production (mt)	931	3,557	-73.8
CPO sales (mt)	36,082	25,266	+42.8
PKO sales (mt)	1,210	3,404	-64.5
CPO price per mt (RM)	2,318	2,767	-16.2
PKO price per mt (RM)	2,812	3,233	-13.0
<b>Indonesian Operations</b>			
Own FFB production (mt)	146,975	145,895	+0.7
Outside FFB crops (mt)	84,385	57,384	+47.1
CPO production (mt)	44,252	35,418	+24.9
PKO production (mt)	2,464	1,948	+26.5
Own FFB sales (mt)	27,157	37,858	-28.3
CPO sales (mt)	44,936	36,489	+23.1
PKO sales (mt)	2,500	2,003	+24.8
FFB price per mt (RM)	413	495	-16.6
CPO price per mt (RM)	2,066	2,335	-11.5
PKO price per mt (RM)	2,234	2,561	-12.8
<b>Closing Exchange Rates</b>			
	<b>As at 30/06/2020</b>	<b>As at 31/03/2020</b>	
RM : Rupiah	1 : 3,322	1 : 3,774	
US Dollar : RM	1 : 4.284	1 : 4.329	
US Dollar : Rupiah	1 : 14,302	1 : 16,367	
Japanese Yen : Rupiah	100 : 13,280	100 : 15,086	

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**B3. Prospects for the Current Financial Year**

The Group could face pressures arising mainly from changes in the weather pattern disrupting crop production, the uncertainty of commodity prices and the volatility of the foreign exchange rates particularly that of the Rupiah against the US Dollar and the Japanese Yen.

With the Group having a good start in the first quarter and the expectation of improved crop production and CPO prices, as well as stable foreign exchange environment, the Group is cautiously optimistic for a better financial performance for the year.

**B4. Variance of Actual Profit from Forecast Profit**

Not applicable.

**B5. Income Tax**

The income tax expense of the group for the financial period under review is as follows:

	INDIVIDUAL QUARTER 3 MONTHS ENDED 30 JUNE		CUMULATIVE PERIOD 3 MONTHS ENDED 30 JUNE	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Current tax:				
- Malaysian income tax	7,158	1,145	7,158	1,145
Deferred tax:				
- Originating/(reversal) of temporary differences	20,216	(1,406)	20,216	(1,406)
	<u>27,374</u>	<u>(261)</u>	<u>27,374</u>	<u>(261)</u>

The current statutory tax rates in Malaysia and Indonesia are 24% and 22% respectively. The effective tax rate of the Group was marginally higher due to the non-deductibility of certain expenses for tax purposes.

**B6. Corporate Proposals**

At the close of the quarter, there were no corporate proposals that were pending completion.

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**B7. Group Borrowings**

The particulars of the Group's borrowings as at 30 June 2020 are as follows:

<b>Short term borrowings</b>		RM'000
<u>Unsecured:</u>		
- Revolving credit - i		100,000
<u>Unsecured:</u>		
- Term loans		96,598
		<u>196,598</u>
<b>Long term borrowings</b>		
<u>Unsecured:</u>		
- Term loans		702,957
		<u>899,555</u>
<b>Total borrowings</b>		<u>899,555</u>
Local and foreign currency borrowings included in the above are as follows:	Foreign currency '000	RM'000 Equivalent
US Dollar	124,000	533,808
Japanese Yen	5,247,200	209,747
Ringgit Malaysia		156,000
		<u>899,555</u>

**B8. Changes in Material Litigation**

There was no material litigation since 31 March 2020.

**B9. Dividend Payable**

In respect of the financial year ended 31 March 2020, a single tier interim dividend amounting to 2 sen per share (Financial year ended 2019: 2 sen per share) was declared on 26 June 2020 and was paid on 18 August 2020 to every member who was entitled to receive the dividend as at 5.00 p.m. on 30 July 2020.

The Directors do not recommend any interim dividend for the current quarter.



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**B10. Earnings/(Loss) per Share**

	INDIVIDUAL QUARTER 3 MONTHS ENDED 30 JUNE		CUMULATIVE PERIOD 3 MONTHS ENDED 30 JUNE	
	2020	2019	2020	2019
<b><u>Basic earnings/(loss) per share</u></b>				
Net earnings/(loss) for the period attributable to owners of the Company (RM'000)	82,116	(4,776)	82,116	(4,776)
Weighted average number of ordinary shares in issue ('000')	880,580	880,580	880,580	880,580
<b>Basic earnings/(loss) per share (sen)</b>	9.33	(0.54)	9.33	(0.54)

**B11. Notes to the Condensed Statement of Comprehensive Income**

	INDIVIDUAL QUARTER 3 MONTHS ENDED 30 JUNE		CUMULATIVE PERIOD 3 MONTHS ENDED 30 JUNE	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Interest income	813	1,410	813	1,410
Net gains - net foreign exchange gains from operations	91,743	168	91,743	168
Other income	626	938	626	938
Fair value gains on crude palm oil pricing swaps	2,732	3,769	2,732	3,769
Fair value gains on interest rate swap	205	-	205	-
Finance costs - interest expense	(4,948)	(6,473)	(4,948)	(6,473)
Finance costs - lease expense	(269)	(221)	(269)	(221)
Depreciation and amortisation	(29,759)	(27,793)	(29,759)	(27,793)

*The above disclosure is prepared in accordance with paragraph 16 of Appendix 9B of the Main Market Listing Requirements ("MMLR") issued by Bursa Malaysia Securities Berhad. Except for the above, the rest of the items required for disclosures pursuant to paragraph 16 of the MMLR are not applicable to the Group.*

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**B12. Financial Instruments**

**(a) Crude Palm Oil Pricing Swap Contracts**

The Group entered into Crude Palm Oil (“CPO”) pricing swap contracts offered by certain reputable banks in Malaysia to mitigate the exposure to fluctuations in the price of CPO in accordance with the guidelines set by the Board of Directors.

As at the date of the statement of financial position, the outstanding notional volume and value of the CPO pricing swap contracts and their fair value are as follows:

CPO pricing swap contracts	Notional volume outstanding as at the date of statement of financial position (Metric tonnes)	Notional value outstanding as at the date of statement of financial position (RM'000)	Fair value of derivative financial asset/(liability) (RM'000)
- Less than 1 year	11,750	27,988	751

There is no change in the financial risk management and related accounting policy on the CPO pricing swaps since the end of the previous financial year.

**(b) Interest Rate Swap Contracts**

The Group entered into Interest Rate Swap (“IRS”) contracts offered by a reputable bank in Malaysia to mitigate the exposure to fluctuations in the interest rates of its US Dollar borrowings. The Group has entered into IRS contracts to swap a portion of its US Dollar borrowings which are under floating rates to fixed rates.

As at the date of the statement of financial position, the outstanding notional value of the IRS contracts and their fair value are as follows:

Interest rate swap contracts	Base currency	Notional value outstanding as at the date of statement of financial position (RM'000)	Fair value of derivative financial asset/(liability) (RM'000)
- Less than 1 year	USD	167,891	(2,474)
- 1 year to 2 years	USD	167,891	(588)

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**B13. Fair Value changes of Financial Instruments**

The recognition of the total net fair value gains/(losses) on the derivative financial instruments during the current quarter are detailed as follows:

Type of derivatives	Current quarter ended 30 June 2020 fair value gains/(losses) RM'000	Basis of fair value measurement	Reasons for the gains/losses
CPO pricing swaps	2,732	Price differentials between the average future CPO prices quoted on the Bursa Malaysia Derivative Exchange ("BMDE") and the fixed contracted CPO prices for specific contracted periods.	Fair value gain is recorded when the average future CPO prices quoted on the BMDE is lower than the contracted fixed CPO prices. Conversely, a fair value loss will be recorded when the average future CPO prices quoted on the BMDE are higher than the contracted fixed CPO prices.
Interest rate swaps	205	The difference between floating and fixed interest rates.	Fair value gain is recorded when the floating interest rates are higher than the fixed interest rates. Conversely, a fair value loss is recorded when the floating interest rates are lower than the fixed interest rates.