



### THIRD QUARTERLY REPORT

Quarterly report on consolidated results for the third quarter ended 30 September 2018. The figures have not been audited.

#### **CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/09/2018 RM'000	Preceding Year Corresponding Quarter 30/09/2017 RM'000 Restated	Current Year To-Date 30/09/2018 RM'000	Preceding Year Corresponding Period 30/09/2017 RM'000 Restated
Revenue	488,838	433,888	1,420,561	1,280,357
Cost of sales	(408,366)	(262,401)	(1,093,976)	(824,433)
<b>Gross profit</b>	<b>80,472</b>	<b>171,487</b>	<b>326,585</b>	<b>455,924</b>
Other income	11,687	2,034	62,748	47,844
Other expenses	(51,018)	(56,230)	(146,403)	(157,553)
<b>Profit from operations</b>	<b>41,141</b>	<b>117,291</b>	<b>242,930</b>	<b>346,215</b>
Finance cost	(25,949)	(18,446)	(80,233)	(50,407)
Share of results in joint ventures and associates	9,892	9,319	30,200	22,927
<b>Profit before taxation</b>	<b>25,084</b>	<b>108,164</b>	<b>192,897</b>	<b>318,735</b>
Taxation	(7,570)	(28,845)	(56,206)	(86,030)
<b>Profit for the financial period</b>	<b>17,514</b>	<b>79,319</b>	<b>136,691</b>	<b>232,705</b>
Profit/(loss) attributable to:				
Equity holders of the Company	23,513	76,458	150,629	219,741
Non-controlling interests	(5,999)	2,861	(13,938)	12,964
	<b>17,514</b>	<b>79,319</b>	<b>136,691</b>	<b>232,705</b>
Earnings per share (sen) for profit attributable to equity holders of the Company:				
- Basic	2.93	9.63	18.73	27.43
- Diluted	2.86	9.30	18.29	26.49

*(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017)*

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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/09/2018 RM'000	Preceding Year Corresponding Quarter 30/09/2017 RM'000 Restated	Current Year To-Date 30/09/2018 RM'000	Preceding Year Corresponding Period 30/09/2017 RM'000 Restated
<b>Profit for the financial period</b>	17,514	79,319	136,691	232,705
<b>Other comprehensive income/(loss), net of tax:</b>				
<b>Items that will not be reclassified subsequently to profit or loss:</b>				
Actuarial gain in retirement benefit liability	-	1,561	-	1,561
	-	1,561	-	1,561
<b>Items that will be reclassified subsequently to profit or loss:</b>				
Fair value loss on available-for-sale financial assets	-	(31,106)	-	(31,106)
Cash flow hedge	601	1,611	(2,928)	1,933
Foreign currency translation differences	(46,594)	(41,340)	(196,004)	(75,266)
	(45,993)	(70,835)	(198,932)	(104,439)
<b>Other comprehensive loss for the period, net of tax</b>	(45,993)	(69,274)	(198,932)	(102,878)
<b>Total comprehensive (loss)/income for the financial period</b>	(28,479)	10,045	(62,241)	129,827
<b>Total comprehensive (loss)/income attributable to:</b>				
Equity holders of the Company	(11,231)	9,017	(23,968)	121,250
Non-controlling interests	(17,248)	1,028	(38,273)	8,577
	(28,479)	10,045	(62,241)	129,827

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017)*



**GENTING**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2018**

	AS AT 30/09/2018 RM'000	AS AT 31/12/2017 RM'000 Restated	AS AT 01/01/2017 RM'000 Restated
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4,275,240	4,392,549	3,811,281
Land held for property development	248,294	254,655	250,112
Investment properties	24,642	25,115	25,517
Leasehold land use rights	645,989	641,053	495,758
Intangible assets	32,533	32,189	34,628
Joint ventures	136,445	108,096	77,894
Associates	13,096	12,871	12,501
Financial assets at fair value through profit or loss	2,982	-	-
Financial assets at fair value through other comprehensive income	93,068	-	-
Available-for-sale financial assets	-	94,548	143,170
Other non-current assets	12,897	12,897	14,361
Deferred tax assets	133,098	133,472	91,533
	<u>5,618,284</u>	<u>5,707,445</u>	<u>4,956,755</u>
<b>Current assets</b>			
Property development cost	41,240	31,218	50,006
Inventories	253,611	232,843	174,278
Produce growing on bearer plants	5,794	6,095	9,122
Tax recoverable	19,014	6,965	13,112
Trade and other receivables	466,705	397,318	504,758
Amounts due from joint ventures, associates and other related companies	3,346	4,569	4,139
Derivative financial assets	944	3,441	424
Financial assets at fair value through profit or loss	350,149	-	-
Available-for-sale financial assets	-	500,001	500,006
Restricted cash	-	357,300	-
Cash and cash equivalents	1,022,430	1,221,674	1,260,266
	<u>2,163,233</u>	<u>2,761,424</u>	<u>2,516,111</u>
Assets classified as held for sale	-	-	6,034
	<u>2,163,233</u>	<u>2,761,424</u>	<u>2,522,145</u>
<b>TOTAL ASSETS</b>	<u>7,781,517</u>	<u>8,468,869</u>	<u>7,478,900</u>

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017)*



**GENTING**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
AS AT 30 SEPTEMBER 2018 *(Continued)*

	AS AT 30/09/2018 RM'000	AS AT 31/12/2017 RM'000 Restated	AS AT 01/01/2017 RM'000 Restated
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	856,733	841,340	397,019
Reserves	3,270,617	3,500,335	3,894,006
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	<b>4,127,350</b>	4,341,675	4,291,025
<b>Non-controlling interests</b>	<b>196,236</b>	235,646	255,983
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<b>Total equity</b>	<b>4,323,586</b>	4,577,321	4,547,008
<b>Non-current liabilities</b>			
Borrowings	2,311,375	2,559,068	2,315,708
Provisions	23,919	14,292	12,469
Derivative financial liability	-	128	2,073
Deferred tax liabilities	299,409	309,627	145,014
Deferred income	8,493	8,493	8,493
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	<b>2,643,196</b>	2,891,608	2,483,757
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<b>Current liabilities</b>			
Trade and other payables	377,666	357,957	403,376
Amounts due to ultimate holding and other related companies	1,157	2,260	2,072
Borrowings	392,661	625,312	29,097
Derivative financial liabilities	568	9	574
Taxation	4,452	14,402	13,016
Dividend	38,231	-	-
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	<b>814,735</b>	999,940	448,135
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<b>Total liabilities</b>	<b>3,457,931</b>	3,891,548	2,931,892
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<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,781,517</b>	8,468,869	7,478,900
	=====	=====	=====
<b>NET ASSETS PER SHARE (RM)</b>	<b>5.13</b>	5.40	5.40

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017)*



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

	Share Capital RM'000	Warrants Reserve RM'000	Re- valuation Reserve RM'000	Fair Value Reserve RM'000	Reserve on Exchange Differences RM'000	Cash Flow Hedge Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
<b>At 1 January 2018, as previously reported</b>	<b>841,340</b>	<b>155,624</b>	<b>18,063</b>	<b>9,573</b>	<b>(132,411)</b>	<b>3,733</b>	<b>(1,372)</b>	<b>3,439,606</b>	<b>4,334,156</b>	<b>235,315</b>	<b>4,569,471</b>
Effect of transition to MFRS Framework and adoption of new MFRSs (see Note I(a))	-	-	(18,063)	-	23	-	-	25,559	7,519	331	7,850
<b>At 1 January 2018, as restated</b>	<b>841,340</b>	<b>155,624</b>	<b>-</b>	<b>9,573</b>	<b>(132,388)</b>	<b>3,733</b>	<b>(1,372)</b>	<b>3,465,165</b>	<b>4,341,675</b>	<b>235,646</b>	<b>4,577,321</b>
Total comprehensive (loss)/income for the financial period	-	-	-	-	(171,345)	(3,252)	-	150,629	(23,968)	(38,273)	(62,241)
Issue of shares upon exercise of warrants	15,393	(2,693)	-	-	-	-	-	-	12,700	-	12,700
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	(1,137)	(1,137)
<b>Appropriation:</b>											
- Special single-tier dividend paid for the financial year ended 31 December 2017 (11 sen)	-	-	-	-	-	-	-	(88,367)	(88,367)	-	(88,367)
- Final single-tier dividend paid for the financial year ended 31 December 2017 (9.5 sen)	-	-	-	-	-	-	-	(76,459)	(76,459)	-	(76,459)
- Interim single-tier dividend payable for the financial year ending 31 December 2018 (4.75 sen)	-	-	-	-	-	-	-	(38,231)	(38,231)	-	(38,231)
	-	-	-	-	-	-	-	(203,057)	(203,057)	-	(203,057)
<b>Balance at 30 September 2018</b>	<b>856,733</b>	<b>152,931</b>	<b>-</b>	<b>9,573</b>	<b>(303,733)</b>	<b>481</b>	<b>(1,372)</b>	<b>3,412,737</b>	<b>4,127,350</b>	<b>196,236</b>	<b>4,323,586</b>

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017)*



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018 (Continued)**

	Share Capital RM'000	Share Premium RM'000	Warrants Reserve RM'000	Re- valuation Reserve RM'000	Fair Value Reserve RM'000	Reserve on Exchange Differences RM'000	Cash Flow Hedge Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
<b>At 1 January 2017, as previously reported</b>	397,019	356,384	171,015	18,063	40,679	2,944	(1,279)	(1,372)	3,297,472	4,280,925	255,380	4,536,305
Effect of transition to MFRS Framework and adoption of new MFRSs (see Note I(a))	-	-	-	(18,063)	-	(16)	-	-	28,179	10,100	603	10,703
<b>At 1 January 2017, as restated</b>	397,019	356,384	171,015	-	40,679	2,928	(1,279)	(1,372)	3,325,651	4,291,025	255,983	4,547,008
Total comprehensive (loss)/income for the financial period	-	-	-	-	(31,106)	(70,530)	1,789	-	221,097	121,250	8,577	129,827
Issue of shares upon exercise of warrants	73,687	14,008	(15,348)	-	-	-	-	-	-	72,347	-	72,347
Transfer from share premium	370,392	(370,392)	-	-	-	-	-	-	-	-	-	-
Effects arising from changes in composition of the Group	-	-	-	-	-	-	-	-	-	-	(1,343)	(1,343)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(1,798)	(1,798)
<b>Appropriation:</b>												
- Special single-tier dividend paid for the financial year ended 31 December 2016 (11 sen)	-	-	-	-	-	-	-	-	(87,805)	(87,805)	-	(87,805)
- Final single-tier dividend paid for the financial year ended 31 December 2016 (8 sen)	-	-	-	-	-	-	-	-	(64,254)	(64,254)	-	(64,254)
- Interim single-tier dividend paid for the financial year ended 31 December 2017 (5.5 sen)	-	-	-	-	-	-	-	-	(44,177)	(44,177)	-	(44,177)
	-	-	-	-	-	-	-	-	(196,236)	(196,236)	-	(196,236)
<b>Balance at 30 September 2017</b>	841,098	-	155,667	-	9,573	(67,602)	510	(1,372)	3,350,512	4,288,386	261,419	4,549,805

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017)*



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

	Current Year To-Date 30/09/2018 RM'000	Preceding Year Corresponding Period 30/09/2017 RM'000 Restated
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	192,897	318,735
Adjustments for:		
Depreciation and amortisation	152,385	129,587
Finance cost	80,233	50,407
Interest income	(26,449)	(30,670)
Investment income	(13,305)	(13,260)
Net unrealised exchange (gain)/loss	(1,536)	10,013
Share of results in joint ventures and associates	(30,200)	(22,927)
Gain on disposal of subsidiaries	-	(640)
Fair value loss/(gain) arising from produce growing on bearer plants	280	(499)
Write off of receivables	-	2,711
Write down of land held for property development	-	858
Net surplus arising from Government acquisition	(17,502)	-
Other adjustments	2,328	3,696
	<b>146,234</b>	<b>129,276</b>
<b>Operating profit before changes in working capital</b>	<b>339,131</b>	<b>448,011</b>
Changes in working capital:		
Net change in current assets	(113,806)	83,959
Net change in current liabilities	64,514	(18,429)
	<b>(49,292)</b>	<b>65,530</b>
<b>Cash generated from operations</b>	<b>289,839</b>	<b>513,541</b>
Tax paid ( <i>net of tax refund</i> )	(70,336)	(62,223)
<b>Net cash flows generated from operating activities</b>	<b>219,503</b>	<b>451,318</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(203,302)	(224,071)
Purchase of leasehold land use rights	(26,378)	(47,208)
Land held for property development	(9,303)	(5,941)
Interest received	26,449	30,670
Investment income	13,305	13,260
Proceeds received from disposal of subsidiaries	-	14,507
Proceeds from disposal of investment in associate	1,250	-
Proceeds from disposal of property, plant and equipment	79	292
Proceeds received from Government in respect of acquisition of land	14,716	-
Dividend received from associates	-	2,000
Financial assets at FVTPL	149,851	-
<b>Net cash flows used in investing activities</b>	<b>(33,333)</b>	<b>(216,491)</b>

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017)*



**GENTING**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018** *(Continued)*

	<b>Current Year To-Date 30/09/2018 RM'000</b>	<b>Preceding Year Corresponding Period 30/09/2017 RM'000 Restated</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from bank borrowings	110,982	204,032
Proceeds from issue of shares upon exercise of warrants	12,700	72,347
Repayment of bank borrowings and transaction costs	(602,101)	(33,492)
Finance cost paid	(84,795)	(59,950)
Dividend paid	(164,826)	(152,059)
Movement in restricted cash	357,300	-
Dividend paid to non-controlling interests	(1,137)	(1,798)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(371,877)</b>	<b>29,080</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(185,707)</b>	<b>263,907</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>1,221,674</b>	<b>1,260,266</b>
<b>Effect of currency translation</b>	<b>(13,537)</b>	<b>(15,115)</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>1,022,430</b>	<b>1,509,058</b>

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2017)*





**GENTING PLANTATIONS BERHAD  
NOTES TO THE INTERIM FINANCIAL REPORT  
- THIRD QUARTER ENDED 30 SEPTEMBER 2018**

**I) Compliance with Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting**

**(a) Accounting Policies and Methods of Computation**

The interim financial report is unaudited and has been prepared in accordance with MFRS 134 “Interim Financial Reporting” and paragraph 9.22 of Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements. The financial information for the current quarter and nine months ended 30 September 2018 have been reviewed by the Company’s auditor in accordance with the International Standards on Review Engagements (“ISRE”) 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2017. For the periods up to and including the year ended 31 December 2017, the Group prepared its financial statements in accordance with Financial Reporting Standards (“FRS”). The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2017. The effect of the transition from FRSs to MFRSs and the adoption of new MFRSs, amendments to standards and IC Interpretations are disclosed below.

The interim financial report of the Group for the current quarter and nine months ended 30 September 2018 is prepared in accordance with the MFRS Framework, including MFRS 1 “First-time Adoption of Malaysian Financial Reporting Standards”. Subject to certain transition elections and effects of adoption of MFRS 141 “Agriculture” as disclosed below, the Group has consistently applied the same accounting policies in its opening MFRS statement of financial position as at 1 January 2017, being the transition date, and throughout all periods presented, as if these policies had always been in effect.

**(A) Transition from FRSs to MFRS**

**(i) MFRS 1 exemption options**

As provided in MFRS 1, first time adopters of MFRS can elect optional exemptions from full retrospective application of MFRSs. The Group has elected the following exemptions:

**(a) Exemption for business combinations**

The Group has elected to apply MFRS 3 “Business Combinations” prospectively from the date FRS 3 “Business Combinations” was adopted, i.e. 1 January 2011. Business combinations that occurred prior to that date have not been restated. In addition, the Group has also applied MFRS 10 “Consolidated Financial Statements” on the same date as FRS 3. This election does not have any impact to the Group.

**(b) Property, plant and equipment – previous revaluation as deemed cost exemption**

Under FRS, valuation adjustments on certain property, plant and equipment were incorporated into the financial statements. The Group has elected to use the previous revaluation as deemed cost under MFRS. Accordingly, the carrying amounts of these property, plant and equipment of RM46.6 million as at 1 January 2017 have not been restated. The revaluation reserve of RM18.1 million as at 1 January 2017 was reclassified to retained earnings.

(a) **Accounting Policies and Methods of Computation** *(Continued)*

**(A) Transition from FRSs to MFRS** *(Continued)*

**(i) MFRS 1 exemption options** *(Continued)*

(c) MFRS 9 “Financial Instruments”

The Group has elected the exemption in MFRS 1 which allows the Group not to restate comparative information in the year of initial application. The Group continues to apply FRS 139 “Financial Instruments: Recognition and Measurement” and FRS 7 “Financial Instruments: Disclosures” for the comparative information. Any adjustments to align the carrying amounts of financial assets and financial liabilities under the previous FRS 139 with MFRS 9 are recognised in retained earnings and other reserves as at 1 January 2018.

(d) MFRS 15 “Revenue from Contracts with Customers”

The Group has elected the exemption in MFRS 1 which allows the Group not to restate any contracts that are completed as at the date of transition of 1 January 2017.

(e) Assets and liabilities of subsidiaries, joint ventures and associates

The assets and liabilities of subsidiaries, joint ventures and associates which have adopted the MFRS Framework or International Financial Reporting Standards (“IFRS”) earlier than the Group shall remain at the same carrying amounts as in the financial statements of these subsidiaries, joint ventures and associates, after adjusting for consolidation adjustments.

The optional exemptions elected by the Group that have an impact on the reported financial positions prepared in accordance with FRSs have been applied in the opening MFRS statement of financial position as at 1 January 2017 and throughout all periods presented in the interim financial report.

**(ii) Effects of adoption of MFRS 141 “Agriculture”**

Prior to the adoption of MFRS 141 “Agriculture” and the revised standard, Agriculture: Bearer Plants (Amendments to MFRS 116 “Property, Plant and Equipment” and MFRS 141 “Agriculture”), produce growing on bearer plants was not recognised. Following the adoption of these MFRSs, produce growing on bearer plants are measured at fair value less costs to sell with fair value changes recognised in profit or loss as the produce grows. The produce growing on bearer plants of the Group comprises fresh fruit bunches (“FFB”) prior to harvest. Management has deliberated on the oil content of such unharvested FFB, which is unripe and concluded that since the oil content of unharvested FFB accrues exponentially up to 15 days prior to harvest, such unharvested FFB more than 15 days are excluded from the valuation as their fair values are considered negligible. The fair value of unharvested FFB is computed based on market approach which takes into consideration the market prices of such unharvested FFB less harvesting, transport and other costs to sell.

(a) **Accounting Policies and Methods of Computation** *(Continued)*

**(B) Adoption of new MFRSs, amendments to standards and IC interpretations**

Following the adoption of MFRS framework, the Group has adopted the following new accounting standards and amendments to standards which are applicable and effective for annual periods beginning on 1 January 2018:

- MFRS 9 “Financial Instruments”.
- MFRS 15 “Revenue from Contracts with Customers”.
- Amendments to MFRS 140 “Classification on Change in Use”.
- IC Interpretation 22 “Foreign Currency Transactions and Advance Consideration”.
- Annual Improvements to MFRSs 2014 – 2016 Cycle

The adoption of these new MFRSs, amendments and IC interpretations did not have any material impact on the interim financial report of the Group except for the following:

**(i) MFRS 9 “Financial Instruments”**

MFRS 9 replaces MFRS 139 and amends the previous requirements in three main areas: (a) classification and measurement of financial assets; (b) impairment of financial assets, mainly by introducing a forward looking expected loss impairment model; and (c) hedge accounting including removing some of the restrictions on applying hedge accounting in MFRS 139. The impact of MFRS 9 adoption is described below:

a) Classification and measurement

Under MFRS 9, financial assets are classified according to their cash flow characteristics and the business model which they are managed. The Group has categorised its financial assets as financial assets measured at amortised cost, fair value through profit or loss (“FVTPL”) and fair value through other comprehensive income (“FVOCI”).

The Group has made an irrevocable election to classify RM91.8 million of the Group's equity investments previously classified as available-for-sale as FVOCI. Fair value changes on equity investments at FVOCI are presented in other comprehensive income (“OCI”) and are not subsequently transferred to profit or loss. Upon sale of equity investments at FVOCI, the cumulative gain or loss in OCI is reclassified to retained earnings.

Certain available-for-sale investments in debt instruments of RM2.7 million and income funds of RM500.0 million that do not meet the criteria for classification either as FVOCI or at amortised cost have been classified as FVTPL. Accordingly, RM502.7 million has been reclassified as financial assets at FVTPL.

The other financial assets held by the Group include trade and other receivables, other non-current assets, amounts due from joint ventures, associates and other related companies currently accounted for at amortised cost will continue to meet the conditions for classification as amortised cost under MFRS 9.

There is no impact on the Group for financial liabilities as the new requirements only affect the accounting for financial liabilities that are designated at FVTPL and the Group does not have such liabilities.

b) Impairment

MFRS 9 changes the recognition of impairment provision for financial assets by introducing an expected credit loss model. Upon the adoption of MFRS 9, the Group has revised its impairment methodology which depends on whether there has been a significant increase in credit risk. The Group assesses possible increase in credit risk for financial assets measured at amortised cost at the end of each reporting period. The impairment provision is estimated at an amount equal to a 12 months expected credit loss at the current reporting date if there has not been a significant increase in credit risk. Based on the assessment undertaken, the Group does not expect any significant impact arising from adopting this model under MFRS 9.

(a) **Accounting Policies and Methods of Computation** *(Continued)*

**(B) Adoption of new MFRSs, amendments to standards and IC interpretations** *(Continued)*

(i) **MFRS 9 “Financial Instruments”** *(Continued)*

c) Hedge accounting

The new hedge accounting guidance in MFRS 9 aligns the hedge accounting treatment more closely with the Group’s risk management practices. The Group has applied the new hedge accounting requirements prospectively. The adoption of the new accounting requirements did not have any material impact on the reporting period.

The Group has elected the exemption in MFRS 1 which allows the Group not to restate comparative information in the year of initial application of MFRS 9.

(ii) **MFRS 15 “Revenue from Contracts with Customers”**

With the adoption of MFRS 15, revenue is recognised by reference to each distinct performance obligation in the contracts with customer. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or service promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. The Group has applied this standard retrospectively and has elected the exemption in MFRS 1 not to restate contracts that were completed before 1 January 2017.

The Group has also elected the following practical expedients upon the adoption of MFRS 15:

- (a) completed contracts that began and ended in the same comparative reporting period as well as completed contracts at the beginning of the earliest period presented, are not restated; and
- (b) for all reporting periods presented before the date of initial application, the amount of transaction price allocated to the remaining performance obligation and an explanation of when the Group expects to recognise the amount as revenue are not disclosed.

Upon adoption of MFRS 15, property development costs and land held for property development will be measured at the lower of costs and net realisable value in accordance with MFRS 102 “Inventories”. The provision for foreseeable losses on the development of affordable housing previously recognised under FRSIC 17 “Development of Affordable Housing” had been reversed and the comparatives are restated accordingly.

(a) **Accounting Policies and Methods of Computation** (Continued)

The effects of transitioning from FRSs to MFRS, and adoption of MFRS 15 and MFRS 9 are as follows:

**Condensed Consolidated Income Statement**

	As previously stated under FRSs	Effect of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	30 September 2017, as restated
	RM'000	RM'000	RM'000	RM'000
<b><u>Quarter ended 30 September</u></b>				
<b><u>2017</u></b>				
Revenue	429,364	-	4,524	433,888
Cost of sales	(261,649)	499	(1,251)	(262,401)
Other income	5,781	(55)	(3,692)	2,034
Profit before taxation	108,139	444	(419)	108,164
Taxation	(28,841)	(104)	100	(28,845)
Profit for the financial period	79,298	340	(319)	79,319
Profit attributable to:				
Equity holders of the Company	76,505	272	(319)	76,458
Non-controlling interests	2,793	68	-	2,861
Earnings per share (sen):				
- Basic	9.64	0.03	(0.04)	9.63
- Diluted	9.30	0.03	(0.03)	9.30
<b><u>Nine months ended 30 September</u></b>				
<b><u>2017</u></b>				
Revenue	1,275,833	-	4,524	1,280,357
Cost of sales	(823,356)	499	(1,576)	(824,433)
Other income	51,536	-	(3,692)	47,844
Profit before taxation	318,980	499	(744)	318,735
Taxation	(86,105)	(103)	178	(86,030)
Profit for the financial period	232,875	396	(566)	232,705
Profit attributable to:				
Equity holders of the Company	220,013	294	(566)	219,741
Non-controlling interests	12,862	102	-	12,964
Earnings per share (sen):				
- Basic	27.47	0.03	(0.07)	27.43
- Diluted	26.52	0.04	(0.07)	26.49

(a) **Accounting Policies and Methods of Computation** *(Continued)*

**Condensed Consolidated Statement of Comprehensive Income**

	As previously stated under FRSs	Effect of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	30 September 2017, as restated
	RM'000	RM'000	RM'000	RM'000
<b><u>Quarter ended 30 September</u></b>				
<b><u>2017</u></b>				
Profit for the financial period	79,298	340	(319)	79,319
Foreign currency translation differences	(41,344)	4	-	(41,340)
Other comprehensive loss for the financial period, net of tax	(69,278)	4	-	(69,274)
Total comprehensive income for the financial period	10,020	344	(319)	10,045
Total comprehensive income attributable to:				
Equity holders of the Company	9,062	274	(319)	9,017
Non-controlling interests	958	70	-	1,028
<b><u>Nine months ended 30 September</u></b>				
<b><u>2017</u></b>				
Profit for the financial period	232,875	396	(566)	232,705
Foreign currency translation differences	(75,303)	37	-	(75,266)
Other comprehensive loss for the financial period, net of tax	(102,915)	37	-	(102,878)
Total comprehensive income for the financial period	129,960	433	(566)	129,827
Total comprehensive income attributable to:				
Equity holders of the Company	121,493	323	(566)	121,250
Non-controlling interests	8,467	110	-	8,577

(a) **Accounting Policies and Methods of Computation** (Continued)**Condensed Consolidated Statement of Financial Position**

	As previously stated under FRSs	Effects of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	31 Dec 2017, as restated	Effects of adoption of MFRS 9	1 Jan 2018, as restated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 31 December 2017/ 1 January 2018</b>						
<b>Non-current assets</b>						
Land held for property development	260,226	-	(5,571)	254,655	-	254,655
Available-for-sale financial assets	94,548	-	-	94,548	(94,548)	-
Financial assets at fair value through profit or loss	-	-	-	-	2,740	2,740
Financial assets at fair value through other comprehensive income	-	-	-	-	91,808	91,808
Deferred tax assets	134,316	-	(844)	133,472	-	133,472
<b>Current assets</b>						
Produce growing on bearer plants	-	6,095	-	6,095	-	6,095
Available-for-sale financial assets	500,001	-	-	500,001	(500,001)	-
Financial assets at fair value through profit or loss	-	-	-	-	500,001	500,001
<b>Non-current liability</b>						
Deferred tax liabilities	308,709	918	-	309,627	-	309,627
<b>Current liability</b>						
Trade and other payables	367,045	-	(9,088)	357,957	-	357,957
<b>Equity</b>						
Reserves	3,492,816	4,846	2,673	3,500,335	-	3,500,335
Non-controlling interests	235,315	331	-	235,646	-	235,646
<b>Net assets per share (RM)</b>	5.40	-	-	5.40	-	5.40

(a) **Accounting Policies and Methods of Computation** (Continued)

**Condensed Consolidated Statement of Financial Position**

	As previously stated under FRSs	Effects of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	1 Jan 2017, as restated
	RM'000		RM'000	RM'000
<b>As at 1 January 2017</b>				
<b>Non-current assets</b>				
Land held for property development	254,825	-	(4,713)	250,112
Deferred tax assets	92,556	-	(1,023)	91,533
<b>Current asset</b>				
Produce growing on bearer plants	-	9,122	-	9,122
<b>Non-current liability</b>				
Deferred tax liabilities	143,357	1,657	-	145,014
<b>Current liability</b>				
Trade and other payables	412,350	-	(8,974)	403,376
<b>Equity</b>				
Reserves	3,883,906	6,862	3,238	3,894,006
Non-controlling interests	255,380	603	-	255,983
<b>Net assets per share (RM)</b>	5.39	0.01	-	5.40

**Condensed Consolidated Statement of Cash Flows**

	As previously stated under FRSs	Effect of transition from FRSs to MFRSs	Effects of adoption of MFRS 15	Restated under MFRS
<b><u>Nine months ended 30 September 2017</u></b>				
<b>Cash flows from operating activities</b>				
Profit before taxation	318,980	499	(744)	318,735
Fair value gain arising from produce growing on bearer plants	-	(499)	-	(499)
Write down of land held for property development	-	-	858	858
Changes in working capital: - Net change in current liabilities	(18,315)	-	(114)	(18,429)

**b) Seasonal or Cyclical Factors**

Fresh fruit bunches ("FFB") production is seasonal in nature. Production of FFB normally peaks in the second half of the year but this cropping pattern can be affected by changes in weather conditions.

**c) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the nine months ended 30 September 2018.



**d) Material Changes in Estimates**

There were no significant changes made in estimates of amounts reported in previous financial year.

**e) Changes in Debt and Equity Securities**

During the nine months ended 30 September 2018, the paid-up share capital of the Company was increased by RM15.4 million by way of allotment and issuance of 1,638,560 new ordinary shares arising from the exercise 1,638,560 warrants.

Other than the above, there were no other issuance, cancellation, repurchase, resale or repayment of debts or equity securities for the nine months ended 30 September 2018.

**f) Dividend Paid**

Dividend paid during the nine months ended 30 September 2018 are as follows:

	<b>RM'Mil</b>
i) Special single-tier dividend paid on 29 March 2018 for the financial year ended 31 December 2017 - 11 sen per ordinary share	88.4
ii) Final single-tier dividend paid on 26 June 2018 for the financial year ended 31 December 2017 - 9.5 sen per ordinary share	76.4
	-----
	164.8
	=====

**g) Segment Information**

The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker whereby the Group's business is considered from both geographic and industry perspective. The performance of the operating segments is based on a measure of adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA"). Items not forming part of the adjusted EBITDA include net fair value gain or loss on financial assets, gain or loss on disposal of assets, assets written off, gain or loss on derecognition/dilution of shareholding in associates and impairment losses.

**g) Segment Information (Continued)**

Segment analysis for the nine months ended 30 September 2018 is set out below:

	Plantation		Property RM'000	Biotechnology RM'000	Downstream Manufacturing RM'000	Others RM'000	Elimination RM'000	Total RM'000
	Malaysia RM'000	Indonesia RM'000						
<b>Revenue</b>								
- External	224,952	375,723	102,575	-	717,311	-	-	1,420,561
- Inter segment	309,343	-	-	-	12,985	-	(322,328)	-
<b>Total Revenue</b>	<b>534,295</b>	<b>375,723</b>	<b>102,575</b>	<b>-</b>	<b>730,296</b>	<b>-</b>	<b>(322,328)</b>	<b>1,420,561</b>
<b>Adjusted EBITDA</b>	<b>218,869</b>	<b>97,221</b>	<b>26,793</b>	<b>(9,203)</b>	<b>8,384</b>	<b>10,199</b>	<b>-</b>	<b>352,263</b>
Loss on disposal of assets	(6)	33	-	-	-	-	-	27
Net surplus arising from Government acquisition	12,884	-	4,618	-	-	-	-	17,502
Loss on disposal of investment in associate	(377)	-	-	-	-	-	-	(377)
Assets written off	(472)	(10)	(19)	(4)	(44)	-	-	(549)
	230,898	97,244	31,392	(9,207)	8,340	10,199	-	368,866
Depreciation and amortisation	(53,075)	(88,852)	(671)	(1,579)	(8,208)	-	-	(152,385)
Share of results in joint ventures and associates	1,857	-	28,343	-	-	-	-	30,200
	179,680	8,392	59,064	(10,786)	132	10,199	-	246,681
Interest income								26,449
Finance cost								(80,233)
<b>Profit before taxation</b>								<b>192,897</b>
Main foreign currency exchange ratio of 100 units of foreign currency to RM	RM	IDR	RM	RM	RM	RM		
	-	0.0278	-	-	-	-		
<b>Assets</b>								
Segment assets	1,160,549	4,138,655	450,960	123,073	479,363	350,772	-	6,703,372
Joint ventures	-	-	136,445	-	-	-	-	136,445
Associates	12,896	-	341	-	-	(141)	-	13,096
	1,173,445	4,138,655	587,746	123,073	479,363	350,631	-	6,852,913
Interest bearing instruments								776,492
Deferred tax assets								133,098
Tax recoverable								19,014
<b>Total assets</b>								<b>7,781,517</b>
<b>Liabilities</b>								
Segment liabilities	80,510	148,912	138,011	2,229	26,004	54,368	-	450,034
Interest bearing instruments								2,704,036
Deferred tax liabilities								299,409
Taxation								4,452
<b>Total liabilities</b>								<b>3,457,931</b>
Main foreign currency exchange ratio of 100 units of foreign currency to RM	RM	IDR	RM	RM	RM	RM		
	-	0.0277	-	-	-	-		

**g) Segment Information (Continued)**

Revenue from the Group's sales of palm produce and its derivatives is recognised upon the delivery of goods at the point when control of the goods has been passed to the customers.

Revenue from property development projects is recognised upon the finalisation of sale and purchase agreements and is measured as the projects' activities progress over time by reference to the property development costs incurred to date as a percentage of the total estimated development costs of the respective projects.

Revenue from sales of completed properties is recognised upon delivery of properties at the point when control of the properties has been passed to the buyers.

**h) Property, Plant and Equipment**

During the nine months ended 30 September 2018, acquisitions and disposals of property, plant and equipment by the Group were RM198.2 million and RM0.4 million respectively.

**i) Material Events Subsequent to the End of Financial Year**

There were no material events subsequent to the end of the nine months ended 30 September 2018 that have not been reflected in this interim financial report.

**j) Changes in the Composition of the Group**

There were no material changes in the composition of the Group for the nine months ended 30 September 2018.

**k) Changes in Contingent Liabilities or Contingent Assets**

There were no significant changes in contingent liabilities or contingent assets since the last financial year ended 31 December 2017.

**l) Capital Commitments**

Authorised capital commitments not provided for in the interim financial statements as at 30 September 2018 are as follows:

	<b>Contracted</b> RM'000	<b>Not Contracted</b> RM'000	<b>Total</b> RM'000
Property, plant and equipment	<b>71,569</b>	<b>1,166,585</b>	<b>1,238,154</b>
Leasehold land use rights	<b>158</b>	<b>16,349</b>	<b>16,507</b>
Intellectual property development	<b>13,487</b>	<b>-</b>	<b>13,487</b>
	<b>85,214</b>	<b>1,182,934</b>	<b>1,268,148</b>

**m) Significant Related Party Transactions**

Significant related party transactions which were entered into on agreed terms and prices for the current quarter and nine months ended 30 September 2018 are set out below. The relationship of the related parties are as disclosed in the annual audited financial statements for the financial year ended 31 December 2017 and the approved shareholders' mandates for recurrent related party transactions.

	<b>Current Quarter 3Q 2018 RM'000</b>	<b>Current Financial Year-to-Date RM'000</b>
i) Provision of shared services in relation to secretarial, tax, treasury and other services by Genting Berhad.	484 -----	1,728 -----
ii) Letting of office space and provision of related services by Oakwood Sdn Bhd.	668 -----	2,003 -----
iii) Purchase of air-tickets, hotel accommodation and other related services from Genting Malaysia Berhad.	483 -----	845 -----
iv) Provision of information technology and system implementation services and rental of equipment by Genting Information Knowledge Enterprise Sdn Bhd and Genting Malaysia Berhad.	749 -----	3,161 -----
v) Provision of management services to Genting Simon Sdn Bhd and Genting Highlands Premium Outlets Sdn Bhd by Genting Awanpura Sdn Bhd.	262 -----	781 -----
vi) Sale of refined palm oil products by Genting MusimMas Refinery Sdn Bhd to Inter-Continental Oils & Fats Pte Ltd.	183,265 -----	540,029 -----
vii) Sale of fresh fruit bunches by PT Agro Abadi Cemerlang to Sepanjang Group.	824 -----	5,779 -----
viii) Provision of sequencing and bioinformatics services by Genting Laboratory Services Sdn Bhd to ACGT Sdn Bhd.	- -----	327 -----

**n) Fair Value of Financial Instruments**

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

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

As at 30 September 2018, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

<b>RM'000</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	-	350,149	2,982	353,131
Financial assets at fair value through other comprehensive income	-	-	93,068	93,068
Derivative financial instruments	-	944	-	944
	-----	-----	-----	-----
	-	351,093	96,050	447,143
	=====	=====	=====	=====
<b>Financial liabilities</b>				
Derivative financial instruments	-	568	-	568
	=====	=====	=====	=====

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the previous financial year ended 31 December 2017.

The following table presents the changes in financial instruments classified within Level 3:

	<b>RM'000</b>
As at 1 January 2018, as restated	94,548
Interest income	203
Foreign exchange differences	1,299
	-----
As at 30 September 2018	96,050
	=====

There have been no transfers between the levels of the fair value hierarchy during the nine months ended 30 September 2018.



**GENTING**  
**PLANTATIONS**

**ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – THIRD QUARTER ENDED 30 SEPTEMBER 2018**

**II) Compliance with Appendix 9(B) of Bursa Securities Listing Requirements**

**1) Performance Analysis**

The results of the Group are tabulated below:

	CURRENT QUARTER				FINANCIAL YEAR-TO-DATE			
	2018 RM'Mil	2017 RM'Mil Restated	+/- RM'Mil	+/- %	3Q 2018 RM'Mil	3Q 2017 RM'Mil Restated	+/- RM'Mil	+/- %
<b>Revenue</b>								
Plantation - Malaysia	161.4	242.2	-80.8	-33	534.3	688.9	-154.6	-22
- Indonesia	129.0	133.8	-4.8	-4	375.7	393.6	-17.9	-5
Property	50.7	29.3	+21.4	+73	102.6	78.8	+23.8	+30
Downstream manufacturing	253.8	155.4	+98.4	+63	730.3	477.9	+252.4	+53
	594.9	560.7	+34.2	+6	1,742.9	1,639.2	+103.7	+6
Inter segment	(106.0)	(126.9)	+20.9	+16	(322.3)	(358.9)	+36.6	+10
Revenue - external	488.9	433.8	+55.1	+13	1,420.6	1,280.3	+140.3	+11
<b>Profit before tax</b>								
Plantation								
- Malaysia	41.9	101.3	-59.4	-59	218.9	289.9	-71.0	-24
- Indonesia	24.4	40.8	-16.4	-40	97.2	140.5	-43.3	-31
Property	17.9	5.3	+12.6	>100	26.8	15.7	+11.1	+71
Biotechnology	(3.0)	(2.9)	-0.1	-3	(9.2)	(8.3)	-0.9	-11
Downstream manufacturing	3.4	2.6	+0.8	+31	8.4	4.9	+3.5	+71
Others	(1.4)	2.1	-	-	10.2	3.9	+6.3	>100
<b>Adjusted EBITDA</b>	<b>83.2</b>	<b>149.2</b>	<b>-66.0</b>	<b>-44</b>	<b>352.3</b>	<b>446.6</b>	<b>-94.3</b>	<b>-21</b>
Gain on disposal of subsidiaries	-	-	-	-	-	0.6	-0.6	-
Loss on disposal of investment in associate	-	-	-	-	(0.4)	-	-0.4	-
Net surplus arising from government acquisition	3.1	-	-	-	17.5	-	+17.5	-
Write down of land held for property development	-	(0.4)	+0.4	-	-	(0.8)	+0.8	-
Assets written off and others	(0.1)	(0.2)	+0.1	+50	(0.5)	(1.3)	+0.8	+62
<b>EBITDA</b>	<b>86.2</b>	<b>148.6</b>	<b>-62.4</b>	<b>-42</b>	<b>368.9</b>	<b>445.1</b>	<b>-76.2</b>	<b>-17</b>
Depreciation and amortisation	(50.9)	(41.8)	-9.1	-22	(152.4)	(129.6)	-22.8	-18
Interest income	5.8	10.5	-4.7	-45	26.4	30.7	-4.3	-14
Finance cost	(25.9)	(18.4)	-7.5	-41	(80.2)	(50.4)	-29.8	-59
Share of results in joint ventures and associates	9.9	9.3	+0.6	+6	30.2	22.9	+7.3	+32
<b>Profit before tax</b>	<b>25.1</b>	<b>108.2</b>	<b>-83.1</b>	<b>-77</b>	<b>192.9</b>	<b>318.7</b>	<b>-125.8</b>	<b>-39</b>

## 1) Performance Analysis

The Group registered higher year-on-year revenue for the quarter ended 30 September 2018 (“3Q 2018”) and for the first nine months of the year (“YTD 2018”) mainly on account of the improved offtake from the Downstream Manufacturing segment coupled with an increase in sales and progressive completion of works by the Property segment. In contrast, the Plantation segment posted lower year-on-year revenue for both 3Q 2018 and YTD 2018 as the effect of weaker palm products selling prices outweighed the higher FFB production.

Group FFB production in 3Q 2018 and YTD 2018 surpassed that achieved in the previous corresponding periods, underpinned by the higher crop output from Indonesia from an increase in mature areas and better age profile, which more than compensated for the drop in Malaysia due to a shift in cropping pattern along with a decline in mature areas stemming from replanting activities.

Prices of palm products continued descending in 3Q 2018 amid a confluence of adverse factors including weak demand, elevated stock levels and expectations of seasonal higher crop output. Consequently, the Group registered lower year-on-year average CPO prices of RM2,043/mt and RM2,235/mt in 3Q 2018 and YTD 2018 respectively. Likewise, PK prices were also lower compared to the corresponding periods of the previous year, averaging at RM1,620/mt and RM1,812/mt for 3Q 2018 and YTD 2018 respectively.

	Current Quarter			Year-To-Date		
	2018	2017	Change %	2018	2017	Change %
<b>Average Selling Price/tonne (RM)</b>						
o Crude Palm Oil	2,043	2,617	-22	2,235	2,770	-19
o Palm Kernel	1,620	2,220	-27	1,812	2,404	-25
<b>Production (MT'000)</b>						
o Fresh Fruit Bunches	505	487	+4	1,470	1,349	+9

EBITDA for the Plantation – Malaysia segment in 3Q 2018 and YTD 2018 were lower year-on-year resulting from the softer palm products selling prices and lower FFB production.

EBITDA for the Plantation – Indonesia segment for 3Q 2018 and YTD 2018 also trailed that of the previous year’s as the impact of the lower palm products selling prices outpaced the higher FFB production.

The Property segment registered a year-on-year improvement in EBITDA for 3Q 2018 and YTD 2018, bolstered by higher sales from the recent launches of residential offerings in its Indahpura project and progressive completion of works.

The Biotechnology segment’s results was comparable year-on-year, reflective of its ongoing research and development activities.

The Downstream Manufacturing segment contributed a higher year-on-year EBITDA with both its biodiesel and refinery operations registering higher offtake and capacity utilisation.

Changes in the “Others” category mainly reflect the impact of changes in foreign currency translation position of the Group’s US Dollar denominated cash reserves and borrowings arising from foreign exchange fluctuations.

2) **Material Changes in Profit before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter**

	3Q 2018 RM'Mil	2Q 2018 RM'Mil	+/- RM'Mil	+/- %
<b>Revenue</b>				
Plantation - Malaysia	161.4	166.3	-4.9	-3
- Indonesia	129.0	122.0	+7.0	+6
Property	50.7	25.3	+25.4	>100
Downstream manufacturing	253.8	194.6	+59.2	+30
	594.9	508.2	+86.7	+17
Inter segment	(106.0)	(105.6)	-0.4	-
Revenue – external	488.9	402.6	+86.3	+21
<b>Profit before tax</b>				
Plantation				
- Malaysia	41.9	56.9	-15.0	-26
- Indonesia	24.4	40.3	-15.9	-39
Property	17.9	4.1	+13.8	>100
Biotechnology	(3.0)	(3.3)	+0.3	+9
Downstream manufacturing	3.4	4.6	-1.2	-26
Others	(1.4)	(6.6)	+5.2	+79
<b>Adjusted EBITDA</b>	<b>83.2</b>	<b>96.0</b>	-12.8	-13
Loss on disposal of investment in associate	-	-	-	-
Net surplus arising from government acquisition	3.1	-	+3.1	-
Assets written off and others	(0.1)	(0.3)	+0.2	+67
<b>EBITDA</b>	<b>86.2</b>	<b>95.7</b>	-9.5	-10
Depreciation and amortisation	(50.9)	(50.9)	-	-
Interest income	5.8	10.1	-4.3	-43
Finance cost	(25.9)	(28.2)	+2.3	+8
Share of results in joint ventures and associates	9.9	10.5	0.6	-6
<b>Profit before tax</b>	<b>25.1</b>	<b>37.2</b>	-12.1	-33

The Group's pre-tax profit for 3Q 2018 was lower than the immediate preceding quarter as the Plantation segment's contribution declined in line with the drop in palm products selling prices, which impact outstripped the higher Group FFB production.

However, the Group registered higher profits for its Property segment on the back of higher sales and progressive completion of works along with lower foreign exchange translation losses from the Group's US Dollar denominated cash reserves and borrowings.

	3Q 2018	2Q 2018	Change %
<b>Average Selling Price/tonne (RM)</b>			
o Crude Palm Oil	2,043	2,291	-11
o Palm Kernel	1,620	1,723	-6
<b>Production (MT'000)</b>			
o Fresh Fruit Bunches	505	479	+5



### 3) **Prospects**

For the remaining months of 2018, the Group's results will largely be contingent on the performance of its Plantation segment, which is in turn dictated by movements in palm products selling prices and the Group's FFB production. Whilst palm products prices are fundamentally correlated with the underlying demand and supply dynamics, other factors that determine its direction include weather patterns, currency exchange fluctuations, global economic conditions as well as the relevant government policies such as import/export tax and duty regimes as well as biodiesel mandates.

The Group's FFB production in 4Q 2018 is forecast to exceed that of the preceding quarter in view of the onset of production uptrend. For 2018, Group-wide FFB production is anticipated to register year-on-year production growth on the back of higher output from its Indonesian operations, eclipsing the moderation from the Plantation – Malaysia segment.

For its Property segment, the Group expects an improved year-on-year performance for 2018 despite the soft property market. The third phase of Johor Premium Outlets commenced operations in November 2018 and this along with the Genting Highlands Premium Outlets registering its first full year of operations will further contribute to the Group.

The Biotechnology segment will remain focussed on its development of commercial solutions and applications to increase the yield and productivity of oil palm.

The Downstream Manufacturing segment's biodiesel operations is continuously supplying for the local B7 biodiesel requirements while capturing renewed demand for discretionary biodiesel blending. Despite the challenging operating conditions for Malaysian refiners following the duty-free CPO export since September 2018, the Group's refinery is still seeing underlying demand for its products. Overall for 2018, the Group foresees a better year-on-year performance for its Downstream Manufacturing segment.

### 4) **Variance of Actual Profit from Forecast Profit**

The Group did not issue any profit forecast or profit guarantee for the year.

### 5) **Taxation**

Tax charge for the current quarter and nine months ended 30 September 2018 are set out below:

	<b>Current Quarter 3Q 2018 RM'000</b>	<b>Current Financial Year-To-Date RM'000</b>
Current taxation:		
- Malaysian income tax charge	<b>13,542</b>	<b>48,399</b>
- Foreign income tax (credit)/charge	<b>(180)</b>	<b>1</b>
- Deferred tax (credit)/charge	<b>(5,792)</b>	<b>7,806</b>
	<b>-----</b>	<b>-----</b>
	<b>7,570</b>	<b>56,206</b>
	<b>=====</b>	<b>=====</b>

The effective tax rate for the current quarter and nine months ended 30 September 2018 were higher than the statutory tax rate mainly due to expenses not deductible for tax purposes and tax losses of certain subsidiaries where deferred tax assets have not been recognised.

However, the effective tax rate for the current quarter and nine months ended 30 September 2018 was partly moderated by income which is not subjected to tax.

6) **Profit before taxation**

Profit before taxation has been determined after inclusion of the following charges and credits:

	<b>Current Quarter 3Q 2018 RM'000</b>	<b>Current Financial Year-To-Date RM'000</b>
<b>Charges:</b>		
Finance cost	<b>25,949</b>	<b>80,233</b>
Depreciation and amortisation	<b>50,848</b>	<b>152,385</b>
Loss on disposal of investment in associate	<b>-</b>	<b>377</b>
Net foreign exchange loss	<b>3,973</b>	<b>729</b>
	=====	=====
<b>Credits:</b>		
Interest income	<b>5,860</b>	<b>26,449</b>
Investment income	<b>4,156</b>	<b>13,305</b>
Net surplus arising from Government acquisition	<b>3,144</b>	<b>17,502</b>
Gain on disposal of property, plant and equipment	<b>50</b>	<b>27</b>
	=====	=====

Other than the above, there were no provision for and write off of inventories, gain or loss on disposal of quoted investments, impairment of assets and gain or loss on derivatives for the current quarter and nine months ended 30 September 2018.

7) **Status of Corporate Proposals Announced**

There was no corporate proposals announced but not completed as at 22 November 2018.

8) **Group Borrowings and Debt Securities**

The details of the Group's borrowings and debts securities as at 30 September 2018 are set out below:

	<b>As at 30/09/2018</b>			<b>As at 31/12/2017</b>	
	<b>Secured/ Unsecured</b>	<b>Foreign Currency 'million</b>	<b>RM Equivalent '000</b>	<b>RM Equivalent '000</b>	<b>RM Equivalent '000</b>
Short term borrowings	Secured	IDR	14,167.9	3,927	4,264
	Secured	USD	71.75	296,814	511,740
	Secured	RM		245	-
	Unsecured	RM		91,675	109,308
				392,661	625,312
Long term borrowings	Secured	IDR	102,717.5	28,475	34,100
	Secured	USD	289.45	1,197,113	1,439,291
	Secured	RM		87,856	87,978
	Unsecured	RM		997,931	997,699
				2,311,375	2,559,068
Total borrowings	Secured	IDR	116,885.4	32,402	38,364
	Secured	USD	361.2	1,493,927	1,951,031
	Secured	RM		88,101	87,978
	Unsecured	RM		1,089,606	1,107,007
				2,704,036	3,184,380

**9) Outstanding Derivatives**

As at 30 September 2018, the maturity analysis of the outstanding derivatives of the Group are summarised as follows:

<b>Types of Derivative</b>	<b>Contract/Notional Value RM'000</b>	<b>Fair Value Assets/(Liabilities) RM'000</b>
<u>Interest Rate Swaps</u> USD - Less than 1 year	206,800	944
<u>Forward Foreign Currency Exchange</u> USD - Less than 1 year	77,369	(568)

There is no significant change for the financial derivatives in respect of the following since the previous financial year ended 31 December 2017:

- (a) the credit risk, market risk and liquidity risk associated with those financial derivatives;
- (b) the cash requirements of the financial derivatives; and
- (c) the policy in place for mitigating or controlling the risks associated with those financial derivatives.

**10) Fair Value Changes of Financial Liabilities**

As at 30 September 2018, the Group does not have any financial liabilities measured at fair value through profit or loss.

**11) Changes in Material Litigation**

There are no pending material litigations as at 22 November 2018.

**12) Dividend Proposed or Declared**

- a) No dividend has been proposed or declared for the current quarter ended 30 September 2018; and
- b) An interim single-tier dividend of 4.75 sen per ordinary share for the current financial year ending 31 December 2018 was paid on 8 October 2018.

**13) Earnings per Share**

	<b>Current Quarter 3Q 2018</b>	<b>Current Financial Year-To-Date</b>
<b>a) Basic earnings per share</b>		
Profit for the financial period attributable to equity holders of the Company (RM'000)	23,513	150,629
	=====	=====
Weighted average number of ordinary shares in issue ('000)	803,254	804,120
	=====	=====
Basic earnings per share (sen)	2.93	18.73
	=====	=====
<b>b) Diluted earnings per share</b>		
Profit for the financial period attributable to equity holders of the Company (RM'000)	23,513	150,629
	=====	=====
<b>Adjusted weighted average number of ordinary shares in issue</b>		
Weighted average number of ordinary shares in issue ('000)	803,254	804,120
Adjustment for potential conversion of warrants ('000)	19,351	19,351
	822,605	823,471
	=====	=====
Diluted earnings per share (sen)	2.86	18.29
	=====	=====

**14) Disclosure of Audit Report Qualification and Status of Matters Raised**

The audit report of the Group's annual financial statements for the financial year ended 31 December 2017 did not contain any qualification.

**15) Authorisation of Financial Statements**

The condensed consolidated financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 29 November 2018.