

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2020**

	<b>Unaudited As at 31 Mar 2020 RM'000</b>	<b>Audited As at 31 Dec 2019 RM'000</b>
Property, plant and equipment	172,107	172,184
Right-of-use assets	525	576
Investments	4,569	5,561
Investment properties	3,114	3,119
Inventories-Land held for property development	161,993	161,741
Goodwill on consolidation	27,100	27,100
	<u>369,408</u>	<u>370,281</u>
<b>Current assets</b>		
Inventories	62,990	66,206
Biological assets	801	996
Receivables	8,642	6,484
Contract assets	27,097	27,097
Current tax assets	1,351	177
Short-term investments	77,973	79,177
Deposits, cash and bank balances	35,436	33,888
	<u>214,290</u>	<u>214,025</u>
<b>Current liabilities</b>		
Payables	18,117	19,382
Lease liabilities	201	199
Current tax liabilities	186	164
	<u>18,504</u>	<u>19,745</u>
<b>Net current assets</b>	195,786	194,280
<b>Non-current liabilities</b>		
Lease liabilities	340	391
Deferred tax liabilities	41,418	41,229
	<u>41,758</u>	<u>41,620</u>
	<u>523,436</u>	<u>522,941</u>
Share capital	74,945	74,945
Reserves	448,491	447,996
Equity attributable to owners of the Company	<u>523,436</u>	<u>522,941</u>
Net Assets per share (RM)	<u>6.99</u>	<u>6.99</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 2019 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 MARCH 2020**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31 Mar 2020 RM'000	Preceding Corresponding Quarter 31 Mar 2019 RM'000	Current Year To Date 31 Mar 2020 RM'000	Preceding Corresponding Year To Date 31 Mar 2019 RM'000
Revenue	8,750	13,175	8,750	13,175
Cost of Sales	(4,859)	(5,717)	(4,859)	(5,717)
Gross profit	3,891	7,458	3,891	7,458
Interest income	752	749	752	749
Other income	811	843	811	843
Depreciation and amortisation	(855)	(844)	(855)	(844)
Administration and other expenses	(2,591)	(4,165)	(2,591)	(4,165)
Finance costs	(7)	(9)	(7)	(9)
Profit before taxation	2,001	4,032	2,001	4,032
Income tax expense	(514)	(1,193)	(514)	(1,193)
Profit net of tax	1,487	2,839	1,487	2,839
Other comprehensive income:				
Changes in fair value of investments	(992)	128	(992)	128
Total comprehensive income	495	2,967	495	2,967
Profit attributable to owners of the parent	1,487	2,839	1,487	2,839
Total comprehensive income attributable to owners of the parent	495	2,967	495	2,967
<b>Earnings per share attributable to owners of the Company</b>	sen	sen	sen	sen
Basic / Diluted	1.99	3.79	1.99	3.79

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2020**

	Attributable to owners of the parent					Total RM'000
	Share capital	Non-distributable		Distributable		
		Fair value reserve	Revaluation reserve	General reserve	Retained profits	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>3 months period ended 31 March 2020</u>						
Balance as at 1 January 2020	74,945	5,267	25,760	250	416,719	522,941
Profit for the period	-	-	-	-	1,487	1,487
Other comprehensive loss for the period	-	(992)	-	-	-	(992)
Total comprehensive income for the period	-	(992)	-	-	1,487	495
Transfer within reserves	-	-	(15)	-	15	-
Balance as at 31 March 2020	74,945	4,275	25,745	250	418,221	523,436

	Attributable to owners of the parent					Total RM'000
	Share capital	Non-distributable		Distributable		
		Fair value reserve	Revaluation reserve	General reserve	Retained profits	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>3 months period ended 31 March 2019</u>						
Balance as at 1 January 2019	74,945	5,017	25,824	250	407,083	513,119
Profit for the period	-	-	-	-	2,839	2,839
Other comprehensive income for the period	-	128	-	-	-	128
Total comprehensive income for the period	-	128	-	-	2,839	2,967
Balance as at 31 March 2019	74,945	5,145	25,824	250	409,922	516,086

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 2019 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 MARCH 2020**

	<b>3 Months Ended</b>	
	<b>Unaudited Current Year to date 31 Mar 2020 RM'000</b>	<b>Preceding Year to date 31 Mar 2019 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,001	4,032
Adjustments for :		
Depreciation and amortisation	855	844
Fair value loss/(gain) on biological assets	195	(93)
Dividend Income	(1)	(78)
Interest expenses	7	9
Interest Income	(752)	(749)
Operating profit before working capital changes	<u>2,305</u>	<u>3,965</u>
Decrease in inventories and inventories-property development costs	3,216	436
(Increase)/Decrease in receivables	(2,087)	12,194
(Decrease) in payables	<u>(1,265)</u>	<u>(4,442)</u>
Cash generated from operations	2,169	12,153
Interest received	681	665
Tax paid	<u>(1,477)</u>	<u>(1,715)</u>
Net cash from operating activities	<u>1,373</u>	<u>11,103</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(722)	(1,437)
Payment for inventories-land held for property development	(252)	(422)
Dividend received from quoted equity securities in Malaysia	1	78
Net cash used in investing activities	<u>(973)</u>	<u>(1,781)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease liabilities	(49)	(56)
Interest paid	(7)	-
Net cash used in financing activities	<u>(56)</u>	<u>(56)</u>
Net increase in cash and cash equivalents	344	9,266
Cash and cash equivalents at 1 January	<u>112,913</u>	<u>92,909</u>
Cash and cash equivalents at 31 March	<u><u>113,257</u></u>	<u><u>102,175</u></u>
<b>Cash and cash equivalents comprise :</b>		
Short term investments - money market fund	77,973	65,763
Short term deposits	167	1,324
Cash and bank balances	<u>35,269</u>	<u>35,218</u>
	113,409	102,305
Pledged short-term deposits	<u>(152)</u>	<u>(130)</u>
Cash and cash equivalents	<u><u>113,257</u></u>	<u><u>102,175</u></u>

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and the accompanying notes.

## **Part A – Explanatory Notes Pursuant to MFRS 134**

### **1 Basis of preparation and Accounting Policies**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements for the year ended 31 December 2019. 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 financial year ended 31 December 2019.

The accounting policies and presentation adopted by the Group for the quarterly financial statements are consistent with those adopted in the Group's consolidated audited financial statements for the financial year ended 31 December 2019, except for the adoption of the following new MFRS, Amendments to MFRSs, Improvements to MFRS and IC Interpretation ("Standards") which is effective for financial period beginning on or after 1 January 2020:

#### **Effective for financial periods beginning on or after 1 January 2020**

- Amendments to References to the Conceptual Framework in MFRS Standards
- Amendments to MFRS 7 Financial Instruments: Disclosures
- Amendments to MFRS 9 Financial Instruments
- Amendments to MFRS 101 Presentation of Financial Statements
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

The initial application of these Standards does not have a material impact on the Group's financial statements .

### **2 Seasonal or cyclical factors**

The Group's results for the quarter under review were not materially impacted by any seasonal or cyclical factors apart from the plantation segment which is influenced by seasonal climatic conditions.

### **3 Unusual items due to their nature, size or incidence**

None.

### **4 Changes in estimates**

Not applicable.

### **5 Debt and equity securities**

There were no issue, repurchase and repayment of debt and equity securities during the financial period.

### **6 Dividends paid**

There was no dividend paid in the current quarter ended 31 March 2020.

**Part A – Explanatory Notes Pursuant to MFRS 134 (Con't)**

**7 Carrying amount of revalued assets**

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the financial report for the year ended 31 December 2019.

**8 Events after the interim period**

There was no significant event after the end of the quarter under review.

**9 Changes in composition of the Group**

There was no change in the composition of the Group during the period under review.

**10 Changes in contingent liabilities and contingent assets**

There was no change in contingent liability or contingent asset since the end of the last financial year.

**11 Capital commitments**

Amounts contracted but not provided for capital expenditure as at 31 March 2020 amounted to RM2.76 million.

**12 Significant Related Party Transactions**

None.

**Part A – Explanatory Notes Pursuant to MFRS 134 (Con’t)**

**13 Segmental information**

Segmental information for the financial period ended 31 March 2020 is as follows:

	Property development RM'000	Plantation RM'000	Others RM'000	Consolidated RM'000
<b>31 March 2020</b>				
<b>Revenue</b>				
External customers	6,020	2,729	-	8,749
Dividend income	-	-	1	1
Total Revenue	<u>6,020</u>	<u>2,729</u>	<u>1</u>	<u>8,750</u>
<b>Results</b>				
Segment results	<u>1,570</u>	<u>619</u>	<u>(188)</u>	<u>2,001</u>
Income tax expense				<u>(514)</u>
Profit net of tax for the period				<u>1,487</u>
<b>Assets</b>				
Segment assets	<u>349,547</u>	<u>98,569</u>	<u>135,582</u>	<u>583,698</u>
<b>Liabilities</b>				
Segment liabilities	<u>14,928</u>	<u>1,793</u>	<u>43,541</u>	<u>60,262</u>
<b>31 March 2019</b>				
<b>Revenue</b>				
External customers	10,889	2,208	-	13,097
Dividend income	-	-	78	78
Total Revenue	<u>10,889</u>	<u>2,208</u>	<u>78</u>	<u>13,175</u>
<b>Results</b>				
Segment results	<u>4,640</u>	<u>16</u>	<u>(624)</u>	<u>4,032</u>
Income tax expense				<u>(1,193)</u>
Profit net of tax for the period				<u>2,839</u>
<b>Assets</b>				
Segment assets	<u>354,750</u>	<u>97,645</u>	<u>125,051</u>	<u>577,446</u>
<b>Liabilities</b>				
Segment liabilities	<u>14,219</u>	<u>1,540</u>	<u>45,601</u>	<u>61,360</u>

**Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia**

**14 Auditors’ Report on preceding Annual Financial Statements**

The auditors’ report on the financial statements for the financial year ended 31 December 2019 was not qualified.

**15 Review of performance**

For the current quarter/year under review, the Group recorded revenue of RM8.7 million and profit before tax of RM2.0 million respectively. These represent a decrease of 33.6% and 50.4% in revenue and profit before tax respectively as compared to the previous corresponding quarter/year.

	Current Quarter Ended 31 Mar 2020 RM000	Corresponding Quarter Ended 31 Mar 2019 RM000	Changes + / (-) %	Current Year to date Ended 31 Mar 2020 RM000	Corresponding Year to date Ended 31 Mar 2019 RM000	Changes + / (-) %
<b><u>Revenue</u></b>						
Property	6,020	10,889	-44.7%	6,020	10,889	-44.7%
Plantation	2,729	2,208	23.6%	2,729	2,208	23.6%
Others	1	78	-98.7%	1	78	-98.7%
	<u>8,750</u>	<u>13,175</u>	<u>-33.6%</u>	<u>8,750</u>	<u>13,175</u>	<u>-33.6%</u>
<b><u>Profit Before Tax</u></b>						
Property	1,570	4,640	-66.2%	1,570	4,640	-66.2%
Plantation	619	16	3768.8%	619	16	3768.8%
Others	(188)	(624)	69.9%	(188)	(624)	69.9%
	<u>2,001</u>	<u>4,032</u>	<u>-50.4%</u>	<u>2,001</u>	<u>4,032</u>	<u>-50.4%</u>

(a) Property

Revenue for the current quarter/year decreased by 44.7% to RM6.0 million while profit before tax decreased by 66.2% to RM1.6 million as compared to the previous corresponding quarter/year.

The decrease in revenue was due to absence of new property launching coupled with full completion of on-going development project in last year. However, this was partially offset by a higher sales of completed units in current quarter/year.

The decrease in profit before tax was in line with the decrease in revenue.

(b) Plantation

Revenue increased by 23.6% to RM2.7 million while profit before tax increased to RM619,000 as compared to previous corresponding quarter/year.

This was due to higher average selling price of fresh fruit bunches (“FFB”) in current quarter/year but partially offset by lower FFB harvested during the same period.



**Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia (Con't)**

**16 Material changes in profit before taxation vs preceding quarter**

	Current Quarter Ended 31 Mar 2020 RM'000	Preceding Quarter Ended 31 Dec 2019 RM'000	Changes + / (-) %
Revenue	8,750	23,717	-63.1%
Profit Before Taxation	2,001	7,462	-73.2%

The profit before tax reduced in current quarter which is in line with the decrease in revenue recorded in current quarter.

**17 Commentary on prospects**

For the remaining period to the end of the financial year ending 31 December 2020, the property sector will be negatively impacted as a result of the current Covid-19 global pandemic and the Movement Control Order (“MCO”) announced by the Government on 16 March 2020. Due to the far-reaching effects, we are uncertain when the property market will recover.

To minimise the impact, the Group is embarking on various initiatives including cost management measures, thematic sales and marketing program in line with AYER's 113th year anniversary. Customer Relationship Management (CRM) outreach programs are an initiative to interface with a larger pool of prospects to promote the sale of our inventories.

The plantation sector is expected to perform moderately in view of the fluctuating CPO prices. With minimal MCO impact on the plantation operations, the Group will continue with its efforts to improve its yield and focus on workforce productivity. Diversification opportunity continues as part of the Group's strategy to enhance our revenue.

**18 Statement of board of directors' opinion as to whether the revenue or profit estimate, forecast, projection or internal targets are likely to be achieved**

Not applicable. The Company has not announced or disclosed any estimates, forecasts, projections or internal targets.

**19 Variance of actual profit from forecast profit or profit guarantee**

Not applicable.

**Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia (Con't)**

**20 Taxation**

	Current Quarter Ended 31 Mar 2020 RM'000	Current Year to date Ended 31 Mar 2020 RM'000
Malaysian income tax:		
Current tax	325	325
Deferred tax	189	189
	<u>514</u>	<u>514</u>

The effective tax rate for the current quarter/period is higher than the statutory tax rate due to deferred tax assets arising from deductible temporary differences not recognised in the Statement of Comprehensive Income.

**21 Corporate proposals**

- (a) Status of corporate proposals  
Not applicable.
- (b) Status of utilisation of proceeds  
Not applicable.

**22 Group borrowings and debt security**

There were no borrowings and debt security as at 31 March 2020. The lease liability is a liability recognised arising from the adoption of MFRS 16 Leases which was effective from 1 January 2019.

**23 Changes in material litigation**

There was no material litigation since the date of the last financial position as at 31 December 2019.

**24 Dividends**

No interim ordinary dividend has been declared for the current quarter ended 31 March 2020.

**Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia (Con't)**

**25 Earnings per share**

**(a) Basic earnings per share**

Basic earnings per share is calculated by dividing the profit net of tax for the year by the weighted average number of shares in issue during the year.

	Current Quarter Ended 31 March 2020	Current Year To Date Ended 31 March 2020
Profit net of tax (RM'000)	1,487	1,487
Weighted average number of ordinary shares in issue ('000)	74,853	74,853
Basic earnings per share (sen)	1.99	1.99

**(b) Diluted earnings per share**

Not applicable.

**26 Disclosure requirements to the Statement of Comprehensive Income**

	Current Quarter Ended 31 March 2020 RM'000	Current Year To Date Ended 31 March 2020 RM'000		
(a) Dividend income	1	1		
(b) Interest expense	7	7		
(c) Provision for and write off of receivables	}	}		
(d) Provision for and write off of inventories				
(e) Gain or loss on disposal of quoted or unquoted investments or properties			Nil	Nil
(f) Impairment of assets				
(g) Foreign exchange gain or loss				
(h) Gain or loss on derivatives				
(i) Exceptional items				

**27 Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors.

**By Order of the Board**

Tai Yuen Ling (LS 0008513)  
Secretary

Kuala Lumpur  
Date: 12 May 2020