

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	Unaudited As at 30 Jun 2022 RM'000	Audited As at 31 Dec 2021 RM'000
Non-current assets		
Property, plant and equipment	170,006	169,169
Right-of-use assets	65	162
Investments	4,395	4,330
Investment properties	7,395	5,457
Inventories-Land held for property development	156,743	156,137
Goodwill	27,100	27,100
	<u>365,704</u>	<u>362,355</u>
Current assets		
Inventories	35,723	34,530
Biological assets	1,909	1,283
Receivables	6,398	17,447
Contract costs	3,033	3,431
Contract assets	10,800	11,293
Current tax assets	652	805
Short-term investments	165,761	113,960
Deposits, cash and bank balances	19,930	60,479
	<u>244,206</u>	<u>243,228</u>
TOTAL ASSETS	<u>609,910</u>	<u>605,583</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	74,945	74,945
Reserves	469,612	463,732
	<u>544,557</u>	<u>538,677</u>
Current liabilities		
Payables	23,437	25,694
Contract liabilities	629	-
Lease liabilities	69	172
Current tax liabilities	1,645	1,354
	<u>25,780</u>	<u>27,220</u>
Non-current liabilities		
Deferred tax liabilities	39,573	39,686
	<u>39,573</u>	<u>39,686</u>
TOTAL LIABILITIES	<u>65,353</u>	<u>66,906</u>
TOTAL EQUITY AND LIABILITIES	<u>609,910</u>	<u>605,583</u>
Net Assets per share (RM)	<u>7.28</u>	<u>7.20</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 2021 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2022**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30 Jun 2022 RM'000	Preceding Corresponding Quarter 30 Jun 2021 RM'000	Current Year To Date 30 Jun 2022 RM'000	Preceding Corresponding Year To Date 30 Jun 2021 RM'000
Revenue	20,220	16,634	33,653	27,049
Cost of sales	(7,320)	(10,198)	(11,615)	(17,294)
Gross profit	12,900	6,436	22,038	9,755
Interest income	910	576	1,515	1,036
Other income	1,192	854	2,708	2,002
Depreciation and amortisation	(930)	(890)	(1,810)	(1,775)
Administration and other expenses	(3,586)	(3,963)	(7,076)	(7,295)
Finance cost	(1)	(3)	(3)	(7)
Profit before taxation	10,485	3,010	17,372	3,716
Taxation	(2,413)	(769)	(4,072)	(941)
Profit for the period	8,072	2,241	13,300	2,775
Other comprehensive (expense)/income:				
Changes in fair value of investments	(590)	(553)	65	(709)
Total comprehensive income	7,482	1,688	13,365	2,066
Profit attributable to owners of the Company	8,072	2,241	13,300	2,775
Total comprehensive income attributable to owners of the Company	7,482	1,688	13,365	2,066
Earnings per share attributable to owners of the Company	sen	sen	sen	sen
Basic / Diluted	10.78	2.99	17.77	3.71

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2022**

	Attributable to owners of the Company				Total equity RM'000
	Share capital	Non-distributable	Distributable		
		Fair value reserves	General reserves	Accumulated profits	
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>6 months period ended 30 June 2022</u>					
At 1 January 2022	74,945	29,554	250	433,928	538,677
Profit for the period	-	-	-	13,300	13,300
Other comprehensive income for the period	-	65	-	-	65
Total comprehensive income for the period	-	65	-	13,300	13,365
Transfer within reserves	-	(42)	-	42	-
Dividends	-	-	-	(7,485)	(7,485)
At 30 June 2022	74,945	29,577	250	439,785	544,557

	Attributable to owners of the Company				Total equity RM'000
	Share capital	Non-distributable	Distributable		
		Fair value reserves	General reserves	Accumulated profits	
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>6 months period ended 30 June 2021</u>					
At 1 January 2021	74,945	30,425	250	419,322	524,942
Profit for the period	-	-	-	2,775	2,775
Other comprehensive expense for the period	-	(709)	-	-	(709)
Total comprehensive (expense)/income for the period	-	(709)	-	2,775	2,066
Transfer within reserves	-	(8)	-	8	-
Dividends	-	-	-	(3,069)	(3,069)
At 30 June 2021	74,945	29,708	250	419,036	523,939

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 2021 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2022**

	6 Months Ended	
	Current Year to date 30 Jun 2022 RM'000	Preceding Year to date 30 Jun 2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	17,372	3,716
Adjustments for :		
Depreciation and amortisation	1,810	1,775
Fair value gain on biological assets	(626)	(301)
Dividend income	(98)	(82)
Interest expenses	3	7
Interest income	(1,515)	(1,036)
Operating profit before working capital changes	<u>16,946</u>	<u>4,079</u>
(Increase)/Decrease in inventories	(1,193)	11,494
Decrease in receivables	12,523	4,680
(Decrease)/Increase in payables	<u>(2,257)</u>	<u>1,015</u>
Cash generated from operations	26,019	21,268
Interest received	1,561	1,042
Tax paid	<u>(3,741)</u>	<u>(1,413)</u>
Net cash generated from operating activities	<u>23,839</u>	<u>20,897</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,488)	(785)
Purchase of investment properties	(2,000)	-
Payment for inventories-land held for property development	(606)	(433)
Placement of short-term deposits	(34)	-
Dividend received from quoted equity securities in Malaysia	98	82
Net cash used in investing activities	<u>(5,030)</u>	<u>(1,136)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(7,485)	(3,069)
Repayment of lease liabilities	(103)	(99)
Interest paid	(3)	(7)
Net cash used in financing activities	<u>(7,591)</u>	<u>(3,175)</u>
Net increase in cash and cash equivalents	11,218	16,586
Cash and cash equivalents at the beginning of the period	<u>174,161</u>	<u>140,871</u>
Cash and cash equivalents at the end of the period	<u>185,379</u>	<u>157,457</u>
Cash and cash equivalents comprise :		
Short term investments	165,761	103,204
Short term deposits	334	319
Cash and bank balances	19,596	54,235
	<u>185,691</u>	<u>157,758</u>
Pledged short-term deposits	<u>(312)</u>	<u>(301)</u>
Cash and cash equivalents	<u>185,379</u>	<u>157,457</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 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 financial year ended 31 December 2021. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2021.

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 2021, except for the application of the following amendments/ improvements to Malaysian Financial Reporting Standards ("MFRS") ("Standards"), which are effective for financial year ending 31 December 2022:

Effective for financial periods beginning on or after 1 April 2021

- Amendments to MFRS 16 Covid-19 – Related Rent Concessions beyond 30 June 2021

Effective for financial periods beginning on or after 1 January 2022

- Amendments to MFRS 3 Reference to the Conceptual Framework
- Annual Improvements to MFRS 9 Fees in the '10 per cent' Test for Derecognition of Financial Liabilities
- Amendments to MFRS 116 Proceeds before Intended Use
- Amendments to MFRS 137 Onerous Contracts – Costs of Fulfilling a Contract
- Annual Improvements to MFRS 141 Taxation in Fair Value Measurements

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 that have material effect in the current period

Not applicable.

Part A – Explanatory Notes Pursuant to MFRS 134 (Cont'd)

5 Debt and equity securities

There were no issues, repurchases and repayments of debt and equity securities during the financial period.

6 Dividends paid

The first and final tax exempt dividend of 10.0 sen per share in respect of the financial year ended 31 December 2021 (for the financial year ended 31 December 2020 : 4.1 sen per share tax exempt) amounting to RM7.5 million was paid on 17 June 2022.

7 Events after the interim period

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

8 Changes in composition of the Group

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

9 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.

10 Capital commitments

Amounts contracted but not provided for capital expenditure as at 30 June 2022 amounted to RM1.9 million.

11 Significant Related Party Transactions

None.

Part A – Explanatory Notes Pursuant to MFRS 134 (Cont'd)

12 Segmental information

Segmental information for the financial period ended 30 June 2022 is as follows:

	Property development RM'000	Plantation RM'000	Others RM'000	Consolidated RM'000
30 June 2022				
Revenue				
External customers	13,935	19,620	-	33,555
Dividend income	-	-	98	98
Total Revenue	13,935	19,620	98	33,653
Results				
Segment results	4,114	13,971	(713)	17,372
Taxation				(4,072)
Profit for the period				13,300
Assets				
Segment assets	284,368	103,903	221,639	609,910
Liabilities				
Segment liabilities	18,997	3,990	42,366	65,353
30 June 2021				
Revenue				
External customers	16,628	10,339	-	26,967
Dividend income	-	-	82	82
Total Revenue	16,628	10,339	82	27,049
Results				
Segment results	(677)	4,843	(450)	3,716
Taxation				(941)
Profit for the period				2,775
Assets				
Segment assets	323,061	99,718	160,565	583,344
Liabilities				
Segment liabilities	14,207	2,118	43,080	59,405

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

13 Review of performance

For the current quarter under review, the Group recorded revenue of RM20.2 million, an increase of 22% compared to RM16.6 million in the previous corresponding quarter. Profit before taxation for the current quarter under review was RM10.5 million, an increase of 248% compared to RM3.0 million in the previous corresponding quarter.

For the current 6 months period, the Group registered revenue of RM33.7 million and profit before taxation of RM17.4 million. These represent increase of 24% and 367% in revenue and profit before taxation respectively as compared to the previous corresponding period.

	Current Quarter Ended 30 Jun 2022 RM'000	Corresponding Quarter Ended 30 Jun 2021 RM'000	Changes + / (-) %	Current Year to date Ended 30 Jun 2022 RM'000	Corresponding Year to date Ended 30 Jun 2021 RM'000	Changes + / (-) %
<u>Revenue</u>						
Property	9,704	10,720	(9%)	13,935	16,628	(16%)
Plantation	10,420	5,833	79%	19,620	10,339	90%
Others	96	81	19%	98	82	20%
	<u>20,220</u>	<u>16,634</u>	<u>22%</u>	<u>33,653</u>	<u>27,049</u>	<u>24%</u>
<u>Profit Before Taxation</u>						
Property	4,017	686	486%	4,114	(677)	708%
Plantation	6,742	2,567	163%	13,971	4,843	188%
Others	(274)	(243)	(13%)	(713)	(450)	(58%)
	<u>10,485</u>	<u>3,010</u>	<u>248%</u>	<u>17,372</u>	<u>3,716</u>	<u>367%</u>

(a) Property

2Q'22 vs 2Q'21

Property Segment's revenue for the quarter ended 30 June 2022 decreased by 9% to RM9.7 million, while profit before taxation increased by 486% to RM4.0 million as compared to the previous corresponding quarter.

The decrease in revenue was due to lower sale of completed units, partially offset by higher revenue recognition from an on-going development project, namely Bromelia, following improvement in its construction progress.

Despite lower revenue, the profit before taxation in the current quarter has increased, mainly attributable to reduction in sale of lower margin products, thus improving the gross profit margin.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia (Cont'd)

13 Review of performance (Cont'd)

(a) Property (Cont'd)

6M'22 vs 6M'21

Property Segment's revenue for the period ended 30 June 2022 decreased by 16% to RM13.9 million, while profit before taxation increased by 708% to RM4.1 million as compared to the previous corresponding period.

The decrease in revenue in the current period was due to decrease in sales of completed units but partially compensated by increased revenue recognition for an on-going development project (Bromelia).

The increase in profit before taxation was mainly due to higher gross profit margin achieved in the current period under review.

(b) Plantation

2Q'22 vs 2Q'21

Revenue for the current quarter increased by 79% to RM10.4 million while profit before taxation increased by 163% to RM6.7 million as compared to previous corresponding quarter.

Higher revenue and profit before taxation attained in the current quarter under review were primarily contributed by higher crude palm oil ("CPO") price leading to higher average selling price of fresh fruit bunches ("FFB") as well as higher production of FFB.

6M'22 vs 6M'21

Revenue for the current period increased by 90% to RM19.6 million while profit before taxation increased by 188% to RM14.0 million as compared to previous corresponding period.

The increase in revenue and profit before taxation were largely as a result of higher average selling price of FFB, in line with higher CPO price, and higher FFB harvested in the current period under review.

14 Material changes in profit before taxation in current quarter vs preceding quarter

	Current Quarter Ended 30 Jun 2022 RM'000	Preceding Quarter Ended 31 Mar 2022 RM'000	Changes + / (-) %
Revenue	20,220	13,433	51%
Profit Before Taxation	<u>10,485</u>	<u>6,887</u>	<u>52%</u>

The higher revenue in the current quarter as compared to the preceding quarter was mainly attributable to higher revenue recognition from the current development (Bromelia), as well as higher FFB harvested and higher selling price of FFB as a result of higher CPO price.

The increase in profit before taxation in the current quarter was in line with the increase in revenue recorded in the current quarter.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia (Cont'd)

15 Commentary on prospects

The Malaysia's economy is gradually recovering, however, the economic momentum may be impacted by rising inflation, weakening global growth and interest rate hikes.

The Group's property segment continues to face supply-side pressures from rising material cost and worker shortage issue. The worker shortage has impacted its on-going residential development project, Bromelia, as well as softening demand as a result of rising interest rates. Steps have been taken to mitigate the adverse impact. Amid these challenges, the Group has accelerated its sales and marketing efforts and completed the sale of available units from Andira Place, a 2-storey shop office development, launched in late 2021.

The Group's plantation segment is influenced by the volatility in CPO price, which has shown sign of trending down, but may remain elevated in the near term. Headwinds from continued worker shortage, uncertainty in fertilizer cost and increased minimum wage are likely to weigh down the performance of the Group's plantation segment. Despite these challenges, the Group remains focused in improving labour productivity, mechanization initiatives and operational efficiencies.

16 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.

17 Variance of actual profit from forecast profit or profit guarantee

Not applicable.

18 Taxation

	Current Quarter Ended 30 Jun 2022 RM'000	Current Year to date Ended 30 Jun 2022 RM'000
Malaysian income tax:		
Current tax	2,442	4,185
Deferred tax	(29)	(113)
	----- 2,413 -----	----- 4,072 -----

The effective tax rate for the current quarter and period is lower than the statutory tax rate mainly due to utilisation of previously unrecognised deferred tax assets offset by certain expenses being disallowed for tax purposes.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia (Cont'd)

19 Corporate proposals

There was no corporate proposal announced but not completed as at the reporting date.

20 Group borrowings and debt security

There were no borrowings and debt security as at 30 June 2022 other than the lease liability recognised in relation to leased property.

21 Changes in material litigation

There was no material litigation since the date of the last financial position as at 31 December 2021.

22 Dividends

No interim ordinary dividend has been declared for the current quarter ended 30 June 2022.

The first and final tax exempt dividend of 10.0 sen per share in respect of the financial year ended 31 December 2021 (for the financial year ended 31 December 2020 : 4.1 sen per share tax exempt) amounting to RM7.5 million was paid on 17 June 2022.

23 Earnings per share

(a) Basic earnings per share

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

	Current Quarter Ended 30 June 2022	Current Year To Date Ended 30 June 2022
Profit net of tax (RM'000)	8,072	13,300
Weighted average number of ordinary shares in issue ('000)	74,853	74,853
Basic earnings per share (sen)	10.78	17.77

(b) Diluted earnings per share

Not applicable.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia (Cont'd)

24 Disclosure requirements to the Statement of Comprehensive Income

	Current Quarter Ended 30 June 2022 RM'000	Current Year To Date Ended 30 June 2022 RM'000
(a) Dividend income	96	98
(b) Interest expense	1	3
(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		
(f) Impairment of assets	Nil	Nil
(g) Foreign exchange gain or loss		
(h) Gain or loss on derivatives		
(i) Exceptional items		

25 Auditors' Report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2021 was not qualified.

26 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors on 24 August 2022.