

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2022

	Unaudited As at 30 Sep 2022 RM'000	Audited As at 31 Dec 2021 RM'000
Non-current assets		
Property, plant and equipment	171,236	169,169
Right-of-use assets	16	162
Investments	4,169	4,330
Investment properties	7,563	5,457
Inventories-Land held for property development	155,683	156,137
Goodwill	27,100	27,100
	<u>365,767</u>	<u>362,355</u>
Current assets		
Inventories	34,418	34,530
Biological assets	954	1,283
Receivables	7,082	17,447
Contract costs	2,840	3,431
Contract assets	19,784	11,293
Current tax assets	23	805
Short-term investments	165,122	113,960
Deposits, cash and bank balances	30,319	60,479
	<u>260,542</u>	<u>243,228</u>
TOTAL ASSETS	<u><u>626,309</u></u>	<u><u>605,583</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	74,945	74,945
Reserves	477,417	463,732
	<u>552,362</u>	<u>538,677</u>
Current liabilities		
Payables	31,581	25,694
Lease liabilities	17	172
Current tax liabilities	3,194	1,354
	<u>34,792</u>	<u>27,220</u>
Non-current liabilities		
Deferred tax liabilities	39,155	39,686
	<u>39,155</u>	<u>39,686</u>
TOTAL LIABILITIES	<u>73,947</u>	<u>66,906</u>
TOTAL EQUITY AND LIABILITIES	<u><u>626,309</u></u>	<u><u>605,583</u></u>
Net Assets per share (RM)	<u>7.38</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 SEPTEMBER 2022**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30 Sep 2022 RM'000	Preceding Corresponding Quarter 30 Sep 2021 RM'000	Current Year To Date 30 Sep 2022 RM'000	Preceding Corresponding Year To Date 30 Sep 2021 RM'000
Revenue	32,927	16,819	66,580	43,868
Cost of sales	(17,430)	(6,780)	(29,045)	(24,074)
Gross profit	15,497	10,039	37,535	19,794
Interest income	1,178	576	2,693	1,612
Other income	406	1,240	3,114	3,242
Depreciation and amortisation	(940)	(887)	(2,750)	(2,662)
Administration and other expenses	(4,746)	(2,969)	(11,822)	(10,264)
Finance cost	-	(2)	(3)	(9)
Profit before taxation	11,395	7,997	28,767	11,713
Taxation	(3,364)	(2,004)	(7,436)	(2,945)
Profit for the period	8,031	5,993	21,331	8,768
Other comprehensive (expense)/income:				
Changes in fair value of investments	(226)	(119)	(161)	(828)
Total comprehensive income	7,805	5,874	21,170	7,940
Profit attributable to owners of the Company	8,031	5,993	21,331	8,768
Total comprehensive income attributable to owners of the Company	7,805	5,874	21,170	7,940
Earnings per share attributable to owners of the Company	sen	sen	sen	sen
Basic / Diluted	10.73	8.01	28.50	11.71

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 SEPTEMBER 2022**

	Attributable to owners of the Company				Total equity RM'000
	Share capital RM'000	Non-distributable	Distributable		
		Fair value reserves RM'000	General reserves RM'000	Accumulated profits RM'000	
<u>9 months period ended 30 Sept 2022</u>					
At 1 January 2022	74,945	29,554	250	433,928	538,677
Profit for the period	-	-	-	21,331	21,331
Other comprehensive income for the period	-	(161)	-	-	(161)
Total comprehensive income for the period	-	(161)	-	21,331	21,170
Transfer within reserves	-	(106)	-	106	-
Dividends	-	-	-	(7,485)	(7,485)
At 30 Sept 2022	74,945	29,287	250	447,880	552,362

	Attributable to owners of the Company				Total equity RM'000
	Share capital RM'000	Non-distributable	Distributable		
		Fair value reserves RM'000	General reserves RM'000	Accumulated profits RM'000	
<u>9 months period ended 30 Sept 2021</u>					
At 1 January 2021	74,945	30,425	250	419,322	524,942
Profit for the period	-	-	-	8,768	8,768
Other comprehensive expense for the period	-	(828)	-	-	(828)
Total comprehensive (expense)/income for the period	-	(828)	-	8,768	7,940
Transfer within reserves	-	(23)	-	23	-
Dividends	-	-	-	(3,069)	(3,069)
At 30 Sept 2021	74,945	29,574	250	425,044	529,813

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 SEPTEMBER 2022**

	9 Months Ended	
	Current Year to date 30 Sep 2022 RM'000	Preceding Year to date 30 Sep 2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	28,767	11,713
Adjustments for :		
Depreciation and amortisation	2,751	2,662
Fair value loss / (gain) on biological assets	329	(301)
Dividend income	(139)	(130)
Interest expenses	3	9
Interest income	(2,693)	(1,612)
Operating profit before working capital changes	<u>29,018</u>	<u>12,341</u>
Decrease in inventories	1,646	14,821
Decrease in receivables	1,822	2,730
Increase in payables	5,884	1,521
Cash generated from operations	<u>38,370</u>	<u>31,413</u>
Interest received	2,746	1,620
Tax paid	(5,345)	(2,543)
Net cash generated from operating activities	<u>35,771</u>	<u>30,490</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(4,543)	(1,733)
Purchase of investment properties	(2,235)	-
Payment for inventories-land held for property development	(488)	(616)
Placement of short-term deposits	(34)	-
Dividend received from quoted equity securities in Malaysia	139	130
Net cash used in investing activities	<u>(7,161)</u>	<u>(2,219)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(7,485)	(3,069)
Repayment of lease liabilities	(154)	(148)
Interest paid	(3)	(9)
Net cash used in financing activities	<u>(7,642)</u>	<u>(3,226)</u>
Net increase in cash and cash equivalents	20,968	25,045
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>195,129</u>	<u>165,916</u>
Cash and cash equivalents comprise :		
Short term investments	165,122	107,637
Short term deposits	336	321
Cash and bank balances	29,983	58,259
	<u>195,441</u>	<u>166,217</u>
Pledged short-term deposits	(312)	(301)
Cash and cash equivalents	<u>195,129</u>	<u>165,916</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 September 2022 amounted to RM4.6 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 September 2022 is as follows:

	Property development RM'000	Plantation RM'000	Others RM'000	Consolidated RM'000
30 September 2022				
Revenue				
External customers	39,485	26,957	-	66,442
Dividend income	-	-	138	138
Total Revenue	39,485	26,957	138	66,580
Results				
Segment results	13,649	16,189	(1,071)	28,767
Taxation				(7,436)
Profit for the period				21,331
Assets				
Segment assets	302,114	104,096	220,099	626,309
Liabilities				
Segment liabilities	26,494	4,046	43,407	73,947
30 September 2021				
Revenue				
External customers	24,216	19,522	-	43,738
Dividend income	-	-	130	130
Total Revenue	24,216	19,522	130	43,868
Results				
Segment results	1,838	10,579	(704)	11,713
Taxation				(2,945)
Profit for the period				8,768
Assets				
Segment assets	324,220	100,307	165,747	590,274
Liabilities				
Segment liabilities	14,551	2,932	42,979	60,462

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 RM32.9 million, an increase of 96% compared to RM16.8 million in the preceding corresponding quarter. Profit before taxation for the current quarter under review was RM11.4 million, an increase of 42% compared to RM8.0 million in the preceding corresponding quarter.

For the current 9 months period, the Group registered revenue of RM66.6 million and profit before taxation of RM28.8 million. These represent increase of 52% and 146% in revenue and profit before taxation respectively as compared to the preceding corresponding period.

	Current Quarter Ended 30 Sep 2022 RM'000	Corresponding Quarter Ended 30 Sep 2021 RM'000	Changes + / (-) %	Current Year to date Ended 30 Sep 2022 RM'000	Corresponding Year to date Ended 30 Sep 2021 RM'000	Changes + / (-) %
<u>Revenue</u>						
Property	25,550	7,588	237%	39,485	24,216	63%
Plantation	7,337	9,182	(20%)	26,957	19,522	38%
Others	40	49	(18%)	138	130	6%
	<u>32,927</u>	<u>16,819</u>	<u>96%</u>	<u>66,580</u>	<u>43,868</u>	<u>52%</u>
<u>Profit Before Taxation</u>						
Property	9,535	2,515	279%	13,649	1,838	643%
Plantation	2,218	5,736	(61%)	16,189	10,579	53%
Others	(358)	(254)	(41%)	(1,071)	(704)	(52%)
	<u>11,395</u>	<u>7,997</u>	<u>42%</u>	<u>28,767</u>	<u>11,713</u>	<u>146%</u>

(a) Property

3Q'22 vs 3Q'21

Property segment's revenue for the quarter ended 30 September 2022 increased by 237% to RM25.6 million, while profit before taxation increased by 279% to RM9.5 million as compared to the preceding corresponding quarter.

The increase in revenue was due to higher revenue recognition from an on-going development project, namely Bromelia, following improvement in its construction progress, and the commencement of revenue recognition for Andira Place, a newly launched commercial project, but partially offset by lower sales of completed units.

The profit before taxation in the current quarter under review has increased, in line with increase of revenue under the current quarter under review.

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)

9M'22 vs 9M'21

Property segment's revenue for the period ended 30 September 2022 increased by 63% to RM39.5 million, while profit before taxation increased by 643% to RM13.6 million as compared to the preceding corresponding period.

The increase in revenue in the current period was mainly due to higher construction progress for Bromelia and the commencement of revenue recognition for Andira Place, a newly launched commercial project.

The increase in profit before taxation was driven by higher revenue and higher gross profit margin achieved in the current period under review.

(b) Plantation

3Q'22 vs 3Q'21

Revenue for the current quarter decreased by 20% to RM7.3 million while profit before taxation decreased by 61% to RM2.2 million as compared to preceding corresponding quarter.

Lower revenue and profit before taxation for the current quarter under review were primarily attributable to lower crude palm oil ("CPO") price leading to lower average selling price of fresh fruit bunches ("FFB") as well as lower production of FFB.

9M'22 vs 9M'21

Revenue for the current period increased by 38% to RM27.0 million while profit before taxation increased by 53% to RM16.2 million as compared to preceding 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 Sep 2022 RM'000	Preceding Quarter Ended 30 Jun 2022 RM'000	Changes + / (-) %
Revenue	32,927	20,220	63%
Profit Before Taxation	11,395	10,485	9%

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

14 Material changes in profit before taxation in current quarter vs preceding quarter (Cont'd)

Revenue for the current quarter of RM32.9 million was higher than the preceding quarter of RM20.2 million by RM12.7 million or 63%, mainly contributed by higher revenue from the Property Segment of RM15.8 million, partially offset by lower revenue from the Plantation Segment of RM3.1 million.

The higher revenue recorded by the Property segment as compared to the preceding quarter was mostly owing to higher revenue recognition from Bromelia, following higher construction progress achieved in the current quarter, as well as commencement of revenue recognition from Andira Place.

The lower revenue generated by the Plantation segment as compared to the preceding quarter was primarily attributable to lower CPO price, resulting in lower selling price of FFB, but partly compensated by higher harvest of FFB in the current quarter under review.

Profit before taxation for the current quarter of RM11.4 million was higher than the preceding quarter of RM10.5 million by RM0.9 million or 9%, mainly due to higher revenue but partially offset by lower gross profit margin and fair value loss on biological assets, as a result of decline in CPO price.

15 Commentary on prospects

For the third quarter ended 30th September 2022 (“3Q’22”), the performance of the Group’s plantation segment was impacted by the decline in CPO price, which may continue into the last quarter of the year. The uncertainty of CPO price, coupled with persistent worker shortage issues, risks of rising fertilizer cost and erratic weather patterns brought on especially by the La Nina phenomenon could affect crop productivity. The Group will continue to monitor the market conditions and respond as appropriate.

On the other hand, the Group’s property segment has recorded improved results in 3Q’2022, boosted by the progressive construction of its two ongoing development projects (i.e. Bromelia and Andira Place), despite the continuing issues of worker shortage and rising material costs.

Looking ahead, the Group’s operating environment will remain challenging. The global economy is facing high inflation and slow growth, soaring interest rates and possible recession risks, which may impact domestic economic recovery. Nevertheless, the recent winning of three property awards by the Group, namely (i) the Malaysia Developer Awards 2022 – ranked number 5 under Top of the Charts for market cap below RM1 billion, (ii) The Edge Centurion Club 2022 – ranked number 2 for Highest Returns to Shareholders Over Three Years under the Property category, and (iii) as one of the Top Property Developers under The Edge Property Excellence Awards (TEPEA) 2022, will hopefully put us in a better position in our brand positioning in the market.

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.

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

18 Taxation

	Current Quarter Ended 30 Sep 2022 RM'000	Current Year to date Ended 30 Sep 2022 RM'000
Malaysian income tax:		
Current tax	3,782	7,967
Deferred tax	(418)	(531)
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	3,364	7,436
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The effective tax rate for the current quarter and period is higher than the statutory tax rate mainly due to deferred tax assets arising from deductible temporary differences not recognised in Statement of Comprehensive Income and certain expenses being disallowed for tax purposes.

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 September 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 September 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.

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

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 Sep 2022	Current Year To Date Ended 30 Sep 2022
Profit net of tax (RM'000)	8,031	21,331
Weighted average number of ordinary shares in issue ('000)	74,853	74,853
Basic earnings per share (sen)	10.73	28.50

(b) Diluted earnings per share

Not applicable.

24 Disclosure requirements to the Statement of Comprehensive Income

	Current Quarter Ended 30 Sep 2022 RM'000	Current Year To Date Ended 30 Sep 2022 RM'000
(a) Dividend income	41	139
(b) Interest expense	-	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 November 2022.