

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Unaudited As at 31 Mar 2023 RM'000	Audited As at 31 Dec 2022 RM'000
Non-current assets		
Property, plant and equipment	174,683	172,924
Right-of-use assets	319	369
Investments	4,197	4,587
Investment properties	7,384	7,440
Inventories-Land held for property development	156,137	155,646
Goodwill	27,100	27,100
	<u>369,820</u>	<u>368,066</u>
Current assets		
Inventories	30,990	32,434
Biological assets	1,028	973
Contract costs	1,932	2,331
Receivables	4,680	7,817
Contract assets	36,283	26,948
Current tax assets	468	117
Short-term investments	165,088	166,347
Deposits, cash and bank balances	41,764	34,067
	<u>282,233</u>	<u>271,034</u>
TOTAL ASSETS	<u>652,053</u>	<u>639,100</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	74,945	74,945
Reserves	501,838	491,845
	<u>576,783</u>	<u>566,790</u>
Non-current liabilities		
Lease liabilities	172	172
Deferred tax liabilities	39,999	39,036
	<u>40,171</u>	<u>39,208</u>
Current liabilities		
Contract liabilities	1,075	193
Current tax liabilities	1,089	1,956
Lease liabilities	150	198
Payables	32,785	30,755
	<u>35,099</u>	<u>33,102</u>
TOTAL LIABILITIES	<u>75,270</u>	<u>72,310</u>
TOTAL EQUITY AND LIABILITIES	<u>652,053</u>	<u>639,100</u>
Net Assets per share (RM)	<u>7.71</u>	<u>7.57</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 2022 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2023**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31 Mar 2023 RM'000	Preceding Corresponding Quarter Ended 31 Mar 2022 RM'000	Current Year To Date 31 Mar 2023 RM'000	Preceding Corresponding Year To Date 31 Mar 2022 RM'000
Revenue	29,579	13,433	29,579	13,433
Cost of sales	(12,943)	(4,295)	(12,943)	(4,295)
Gross profit	16,636	9,138	16,636	9,138
Interest and distribution income	1,106	605	1,106	605
Other income	1,510	1,516	1,510	1,516
Depreciation and amortisation	(919)	(880)	(919)	(880)
Administration and other expenses	(4,216)	(3,490)	(4,216)	(3,490)
Finance cost	(4)	(2)	(4)	(2)
Profit before taxation	14,113	6,887	14,113	6,887
Taxation	(3,730)	(1,659)	(3,730)	(1,659)
Profit for the period	10,383	5,228	10,383	5,228
Other comprehensive (expense)/income:				
Changes in fair value of investments	(390)	655	(390)	655
Total comprehensive income	9,993	5,883	9,993	5,883
Profit attributable to owners of the Company	10,383	5,228	10,383	5,228
Total comprehensive income attributable to owners of the Company	9,993	5,883	9,993	5,883
Earnings per share attributable to owners of the Company	sen	sen	sen	sen
Basic / Diluted	13.87	6.98	13.87	6.98

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2023**

	Attributable to owners of the Company				Total equity RM'000
	Share capital	Non-distributable Fair value reserves	Distributable		
			General reserves	Accumulated profits	
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>3 months period ended 31 March 2023</u>					
At 1 January 2023	74,945	29,583	250	462,012	566,790
Profit for the period	-	-	-	10,383	10,383
Other comprehensive expense for the period	-	(390)	-	-	(390)
Total comprehensive (expense)/income for the period	-	(390)	-	10,383	9,993
Transfer within reserves	-	(52)	-	52	-
At 31 March 2023	74,945	29,141	250	472,447	576,783

	Attributable to owners of the Company				Total equity RM'000
	Share capital	Non-distributable Fair value reserves	Distributable		
			General reserves	Accumulated profits	
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>3 months period ended 31 March 2022</u>					
At 1 January 2022	74,945	29,554	250	433,928	538,677
Profit for the period	-	-	-	5,228	5,228
Other comprehensive income for the period	-	655	-	-	655
Total comprehensive income for the period	-	655	-	5,228	5,883
Transfer within reserves	-	(14)	-	14	-
At 31 March 2022	74,945	30,195	250	439,170	544,560

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 2022 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2023**

	3 Months Ended	
	Current Year to date 31 Mar 2023 RM'000	Preceding Year to date 31 Mar 2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	14,113	6,887
Adjustments for :		
Depreciation and amortisation	919	880
Fair value loss / (gain) on biological assets	(55)	(539)
Dividend income	(22)	(2)
Interest expenses	4	2
Interest and distribution income	(1,106)	(605)
Operating profit before working capital changes	<u>13,853</u>	<u>6,623</u>
Decrease/(Increase) in inventories and contract costs	1,843	(441)
(Increase)/Decrease in receivables and contract assets	(6,251)	11,192
Increase/(Decrease) in payables and contract liabilities	2,912	(4,425)
Cash generated from operations	<u>12,357</u>	<u>12,949</u>
Interest and distribution income received	1,159	657
Tax paid	(3,985)	(2,243)
Net cash generated from operating activities	<u>9,531</u>	<u>11,363</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,572)	(474)
Purchase of investment properties	-	(29)
Payment for inventories-land held for property development	(491)	(328)
Withdrawal/(Placement) of short-term deposits	178	(14)
Dividend received from quoted equity securities in Malaysia	22	2
Net cash used in investing activities	<u>(2,863)</u>	<u>(843)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(48)	(51)
Interest paid	(4)	(2)
Net cash used in financing activities	<u>(52)</u>	<u>(53)</u>
Net increase in cash and cash equivalents	6,616	10,467
Cash and cash equivalents at the beginning of the period	200,102	174,161
Cash and cash equivalents at the end of the period	<u>206,718</u>	<u>184,628</u>
Cash and cash equivalents comprise :		
Short term investments	165,088	164,999
Short term deposits	152	314
Cash and bank balances	41,612	19,607
	<u>206,852</u>	<u>184,920</u>
Pledged short-term deposits	(134)	(292)
Cash and cash equivalents	<u>206,718</u>	<u>184,628</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 2022 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 2022. 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 2022.

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 2022, 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 2023:

Effective for financial periods beginning on or after 1 January 2023

- | | |
|--------------------------|--|
| • Amendments to MFRS 101 | Classification of Liabilities as Current or Non-Current |
| • Amendments to MFRS 101 | Disclosure of Accounting Policies |
| • Amendments to MFRS 108 | Definition of Accounting Estimates |
| • Amendments to MFRS 112 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction |

The initial application of these amendments is expected to have an immaterial impact on the Group's financial statements, other than those summarised below:

- | | |
|--------------------------|-----------------------------------|
| • Amendments to MFRS 101 | Disclosure of Accounting Policies |
|--------------------------|-----------------------------------|

The Amendments to MFRS 101 require the Group to disclose its material accounting policy information rather than its significant accounting policies. The Amendments, amongst others, also include examples of circumstances in which the Group is likely to consider an accounting policy information to be material to its financial statements.

These amendments are to be applied prospectively. The Group is making an assessment of the effects on disclosures ensuing from the initial application of the amendments.

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.

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

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.

5 Debt and equity securities

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

6 Dividends paid

There was no dividend paid during the period under review.

7 Events after the interim period

There was no significant event after the end of the period 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 31 March 2023 amounted to RM2.6 million.

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

11 Significant Related Party Transactions

None.

12. Restatement of Segmental Information

During the quarter and period under review, the Group had undertaken revision in its segmental result presentation for a more meaningful presentation of the business segments' financial information ("Segmental Revision"). The Segmental Revision includes reclassification of inter-segment income from other income to revenue, and revision in presentation of inter-segment transactions. Accordingly, the segmental information for the preceding corresponding quarter and period have been restated for the Segmental Revision ("Segmental Restatement") for consistency in presentation. The Group's consolidated revenue and segment results for the preceding corresponding quarter and period were not impacted by the Segmental Restatement. The effects of the Segmental Restatement are shown below.

	As previously reported RM'000	Restatement RM'000	As restated RM'000
31 March 2022			
Revenue			
Property development	4,231	-	4,231
Plantation	9,200	-	9,200
Others	2	802	804
Total reportable segments	13,433	802	14,235
Inter-segment elimination	-	(802)	(802)
Consolidated	13,433	-	13,433
Segment results			
Property development	97	(434)	(337)
Plantation	7,229	(216)	7,013
Others	(439)	650	211
Total reportable segments	6,887	-	6,887
Inter-segment elimination	-	-	-
Consolidated	6,887	-	6,887

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

13 Segmental information

Segmental information for the financial period ended 31 March 2023 is as follows:

	Property Development RM'000	Plantation RM'000	Others RM'000	Total Reportable Segments RM'000	Inter- Segment Elimination RM'000	Consolidated RM'000
31 March 2023						
Revenue						
External revenue	24,166	5,391	22	29,579	-	29,579
Inter-segment revenue	-	-	1,632	1,632	(1,632)	-
Total revenue	<u>24,166</u>	<u>5,391</u>	<u>1,654</u>	<u>31,211</u>	<u>(1,632)</u>	<u>29,579</u>
Results						
Segment results	<u>10,572</u>	<u>2,120</u>	<u>1,421</u>	<u>14,113</u>	-	<u>14,113</u>
Taxation						<u>(3,730)</u>
Profit for the period						<u>10,383</u>
Assets						
Segment assets	<u>324,202</u>	<u>107,261</u>	<u>220,590</u>	<u>652,053</u>	-	<u>652,053</u>
Liabilities						
Segment liabilities	<u>29,800</u>	<u>1,856</u>	<u>43,614</u>	<u>75,270</u>	-	<u>75,270</u>

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

13 Segmental information (Cont'd)

Segmental information for the financial period ended 31 March 2022 (restated) is as follows:

	Property Development RM'000	Plantation RM'000	Others RM'000	Total Reportable Segments RM'000	Inter- Segment Elimination RM'000	Consolidated RM'000
31 March 2022 (Restated)						
Revenue						
External revenue	4,231	9,200	2	13,433	-	13,433
Inter-segment revenue	-	-	802	802	(802)	-
Total revenue	4,231	9,200	804	14,235	(802)	13,433
Results						
Segment results	(337)	7,013	211	6,887	-	6,887
Taxation						(1,659)
Profit for the period						5,228
Assets						
Segment assets	282,188	102,943	222,242	607,373	-	607,373
Liabilities						
Segment liabilities	17,401	3,043	42,369	62,813	-	62,813

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

14 Review of performance

For the current quarter/period under review, the Group recorded revenue of RM29.6 million, an increase of 120% compared to RM13.4 million in the preceding corresponding quarter/period. Profit before taxation for the current quarter/period under review was RM14.1 million, an increase of 105% compared to RM6.9 million in the preceding corresponding quarter/period.

	Current Quarter Ended 31 Mar 2023 RM'000	Preceding Corresponding Quarter Ended 31 Mar 2022 RM'000 Restated	Changes + / (-) %	Current Year To Date Ended 31 Mar 2023 RM'000	Preceding Corresponding Year To Date Ended 31 Mar 2022 RM'000 Restated	Changes + / (-) %
Revenue						
Property	24,166	4,231	471%	24,166	4,231	471%
Plantation	5,391	9,200	(41%)	5,391	9,200	(41%)
Others	1,654	804	106%	1,654	804	106%
Total reportable segment	31,211	14,235	119%	31,211	14,235	119%
Inter-segment elimination	(1,632)	(802)	(103%)	(1,632)	(802)	(103%)
Consolidated	29,579	13,433	120%	29,579	13,433	120%
Profit Before Taxation						
Property	10,572	(337)	3,237%	10,572	(337)	3,237%
Plantation	2,120	7,013	(70%)	2,120	7,013	(70%)
Others	1,421	211	573%	1,421	211	573%
Total reportable segment	14,113	6,887	105%	14,113	6,887	105%
Inter-segment elimination	-	-	-	-	-	-
Consolidated	14,113	6,887	105%	14,113	6,887	105%

(a) Property

1Q'23 vs 1Q'22 and 3M'22 vs 3M'21

Property segment's revenue for the quarter/period ended 31 March 2023 increased by 471% to RM24.2 million. The segment recorded profit before taxation of RM10.6 million for the current quarter/period under review as compared to loss of RM0.3 million in the preceding corresponding quarter/period.

The increase in revenue was due to higher revenue recognition from an on-going development project, namely Bromelia, following improvement in its construction and sales 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 increase in profit before taxation in the current quarter/period under review was mainly attributable to increase in revenue and improvement in gross profit margin.

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

14 Review of performance (Cont'd)

(b) Plantation

1Q'23 vs 1Q'22 and 3M'22 vs 3M'21

Revenue for the current quarter/period decreased by 41% to RM5.4 million while profit before taxation decreased by 70% to RM2.1 million as compared to preceding corresponding quarter/period.

Lower revenue and profit before taxation for the current quarter/period 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 partly attributable to replanting activities.

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

	Current Quarter Ended 31 Mar 2023 RM'000	Preceding Quarter Ended 31 Dec 2022 RM'000	Changes + / (-) %
Revenue	29,579	40,413	(27%)
Profit Before Taxation	<u>14,113</u>	<u>18,500</u>	(24%)

Revenue for the current quarter of RM29.6 million was lower than the preceding quarter of RM40.4 million by 27%, mainly due to lower revenue from the Property segment by RM8.3 million and the Plantation Segment of RM2.5 million.

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

The lower revenue generated by the Plantation segment as compared to the preceding quarter was primarily attributable to lower harvest of FFB.

Profit before taxation for the current quarter of RM14.1 million was lower than the preceding quarter of RM18.5 million by 24%, mainly due to lower revenue recorded in the current quarter under review.

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

16 Commentary on prospects

Amidst continued challenges from the external environment, such as geopolitical dynamics, inflationary pressure, rising interest rates, CPO price fluctuation and moderate economic growth, the Group had seen improvement in the labour conditions. The development projects have performed better than the preceding corresponding quarter. The availability of foreign workers for its plantation operations has improved. We are cautious of the impending El Niño phenomenon which may adversely impact the Group's continuous efforts in growing its FFB yield.

For the remaining quarters, the Group will continue to monitor the external environment while implementing its strategies, among others, to complete the replanting exercises, building of worker quarters, completion of its ongoing development projects, and preparation of new launches in the future, as well as environmental, social and governance ("ESG") initiatives.

17 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.

18 Variance of actual profit from forecast profit or profit guarantee

Not applicable.

19 Taxation

	Current Quarter Ended 31 Mar 2023 RM'000	Current Year To Date Ended 31 Mar 2023 RM'000
Malaysian income tax:		
Current tax	2,767	2,767
Deferred tax	963	963
	<u>3,730</u>	<u>3,730</u>

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

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

20 Corporate proposals

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

21 Group borrowings and debt security

There were no borrowings and debt security as at 31 March 2023 other than the lease liability recognised in relation to leased property.

22 Changes in material litigation

There was no material litigation since the date of the last financial position as at 31 December 2022.

23 Dividends

No interim dividend has been declared for the current quarter ended 31 March 2023.

The first and final tax exempt dividend of 20.0 sen per ordinary share for the financial year ended 31 December 2022 (“Final Dividend”) was approved by the shareholders at the Company’s 112th Annual General Meeting held on 24 May 2023. The entitlement and payment dates for the Final Dividend are 30 May 2023 and 14 June 2023, respectively.

24 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 31 Mar 2023	Current Year To Date Ended 31 Mar 2023
Profit net of tax (RM'000)	10,383	10,383
Weighted average number of ordinary shares in issue ('000)	74,853	74,853
Basic earnings per share (sen)	13.87	13.87

(b) Diluted earnings per share

Not applicable.

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

25 Disclosure requirements to the Statement of Comprehensive Income

	Current Quarter Ended 31 Mar 2023 RM'000	Current Year To Date Ended 31 Mar 2023 RM'000
(a) Dividend income	22	22
(b) Interest expense	4	4
(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		

26 Auditors' Report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2022 was not qualified.

27 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors on 24 May 2023.