

KLUANG RUBBER COMPANY (MALAYA) BERHAD (195901000092 (3441-K))
(Incorporated in Malaysia)

Consolidated Statement of Comprehensive Income
For the Financial Period Ended 31 March 2023
(The figures have not been audited)

	Note	Individual Quarter 3 months ended		Change (Unfavourable)/ Favourable		Period-to-Date 9 months ended		Change (Unfavourable)/ Favourable	
		31.03.23 RM'000	31.03.22 RM'000	RM'000	%	31.03.23 RM'000	31.03.22 RM'000	RM'000	%
Revenue		8,085	9,626	(1,541)	(16)	33,259	35,701	(2,442)	(7)
Other income		-	-	-	N.M.	5	2	3	150
Changes in inventories		34	(197)	231	117	300	190	110	58
Staff costs		(1,247)	(891)	(356)	(40)	(3,811)	(2,671)	(1,140)	(43)
Depreciation		(681)	(682)	1	0	(2,034)	(2,015)	(19)	(1)
Subcontract labour costs, fertilizer and chemical costs		(4,369)	(3,942)	(427)	(11)	(15,951)	(11,822)	(4,129)	(35)
Foreign exchange gain/(loss)		2,029	(160)	2,189	1,368	8,800	(1,012)	9,812	970
Other expenses		(2,017)	(1,982)	(35)	(2)	(6,790)	(6,905)	115	2
Lease interest		(34)	(36)	2	6	(102)	(106)	4	4
Fair value (loss)/gain on biological assets		(192)	309	(501)	(162)	(778)	412	(1,190)	(289)
Bearer plants written-off		(18)	-	(18)	N.M.	(18)	-	(18)	N.M.
Gain on compulsory land acquisition		3,442	-	3,442	N.M.	3,442	-	3,442	N.M.
Gain on sale of investment		741	-	741	N.M.	741	-	741	N.M.
Fair value gain/(loss) on investments		1,520	(4,316)	5,836	135	(1,043)	(10,847)	9,804	90
Profit/(Loss) from operations	4	7,293	(2,271)	9,564	421	16,020	927	15,093	1,628
Share of profit/(loss) of associates		869	(2,691)	3,560	132	(1,615)	(5,064)	3,449	68
Profit/(Loss) before tax	20	8,162	(4,962)	13,124	264	14,405	(4,137)	18,542	448
Income tax credit/(expense)	21	275	(84)	359	427	(84)	(200)	116	58
Profit/(Loss) after tax		8,437	(5,046)	13,483	267	14,321	(4,337)	18,658	430
Other comprehensive (loss)/income									
Investments:									
- Fair value (loss)/gain		(11,973)	20,210	(32,183)	(159)	(25,610)	(9,315)	(16,295)	(175)
- Reclassification to profit or loss		(792)	-	(792)	N.M.	(792)	-	(792)	N.M.
Foreign currency translation									
- Translation difference		4,818	5,026	(208)	(4)	15,655	8,354	7,301	87
- Reclassification to profit or loss		51	-	51	N.M.	51	-	51	N.M.
Other comprehensive (loss)/income for the period, net of tax		(7,896)	25,236	(33,132)	(131)	(10,696)	(961)	(9,735)	(1,013)
Total comprehensive income/(loss) for the period		541	20,190	(19,649)	(97)	3,625	(5,298)	8,923	168
Profit/(Loss) attributable to:									
Owners of the parent		3,908	(2,358)	6,266	266	6,880	(2,365)	9,245	391
Non-controlling interest		4,529	(2,688)	7,217	268	7,441	(1,972)	9,413	477
		8,437	(5,046)	13,483	267	14,321	(4,337)	18,658	430
Total comprehensive income/(loss) attributable to:									
Owners of the parent		1,003	8,899	(7,896)	(89)	2,728	(2,165)	4,893	226
Non-controlling interest		(462)	11,291	(11,753)	(104)	897	(3,133)	4,030	129
		541	20,190	(19,649)	(97)	3,625	(5,298)	8,923	168
Earnings/(loss) per share attributable to owners of the parent:									
Basic (Sen)	26(a)	6.28	(3.77)			11.05	(3.78)		
Diluted (Sen)	26(b)	6.28	(3.77)			11.05	(3.78)		

N.M. - Not Meaningful

The consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the financial statements.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (195901000092 (3441-K))
(Incorporated in Malaysia)

Consolidated Statement of Financial Position
As at 31 March 2023

	(Unaudited) As at 31.03.2023 RM'000	(Audited) As at 30.06.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	296,197	298,072
Right-of-use asset	2,617	2,739
Bearer plants	37,369	37,642
Investment properties	108,657	106,782
Investment in associates	93,049	96,898
Investments	414,975	432,254
	<u>952,864</u>	<u>974,387</u>
Current assets		
Inventories	380	80
Biological assets	536	1,314
Trade and other receivables	3,026	3,015
Prepayments	578	773
Short-term investments	19,696	-
Tax recoverable	1,143	852
Cash and bank balances	264,463	266,092
	<u>289,822</u>	<u>272,126</u>
TOTAL ASSETS	<u>1,242,686</u>	<u>1,246,513</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	68,388	68,388
Reserves	610,456	609,015
Treasury shares	(3,734)	(2,734)
	<u>675,110</u>	<u>674,669</u>
Non-controlling interests	526,253	530,312
Total equity	<u>1,201,363</u>	<u>1,204,981</u>
Non-current liabilities		
Other payables	606	562
Lease liabilities	2,712	2,614
Provision for retirement benefits	120	102
Deferred tax liabilities	30,097	30,309
	<u>33,535</u>	<u>33,587</u>
Current liabilities		
Trade and other payables	7,324	7,386
Lease liabilities	120	115
Tax payable	344	444
	<u>7,788</u>	<u>7,945</u>
Total liabilities	<u>41,323</u>	<u>41,532</u>
TOTAL EQUITY AND LIABILITIES	<u>1,242,686</u>	<u>1,246,513</u>

The consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to the financial statements.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (195901000092 (3441-K))

(Incorporated in Malaysia)

**Consolidated Statement of Changes in Equity
For the Financial Period Ended 31 March 2023**

(The figures have not been audited)

	← Non distributable →						Distributable			
	Equity, Total RM'000	Equity Attributable to Owners of the Parent, Total RM'000	Share Capital RM'000	Capital Reserve RM'000	Fair Value Reserve RM'000	Foreign Exchange Fluctuation Reserves RM'000	Treasury Shares RM'000	Pooling of Interest Reserve RM'000	Retained Earnings RM'000	Non- Controlling Interests RM'000
Balance at 1 July 2022	1,204,982	674,669	68,388	196,347	103,153	85,015	(2,734)	1,685	222,815	530,313
Total comprehensive income/(loss) for the period	3,625	2,728	-	-	(10,833)	6,681	-	-	6,880	897
Transfer of reserve upon compulsory land acquisition	-	-	-	(1,017)	-	-	-	-	1,017	-
Buy-back of shares	(1,000)	(1,000)	-	-	-	-	(1,000)	-	-	-
Buy-back of shares by a subsidiary	(509)	-	-	-	-	-	-	-	-	(509)
Effects of change in stake	-	393	-	-	-	-	-	-	393	(393)
Dividends (Note 8)	(5,735)	(1,680)	-	-	-	-	-	-	(1,680)	(4,055)
Balance at 31 March 2023	1,201,363	675,110	68,388	195,330	92,320	91,696	(3,734)	1,685	229,425	526,253
Balance at 1 July 2021	1,198,293	679,560	68,388	196,347	119,353	63,523	(1,698)	-	233,647	518,733
Total comprehensive (loss)/income for the period	(5,298)	(2,165)	-	-	(3,769)	3,969	-	-	(2,365)	(3,133)
Buy-back of shares	(830)	(830)	-	-	-	-	(830)	-	-	-
Transfer of fair value reserve upon disposal of equity instruments designed at FVTOCI	-	-	-	-	(1,022)	-	-	-	1,022	-
Exchange of assets with immediate holding company	31,317	1,256	-	-	-	-	-	1,256	-	30,061
Dividends	(5,139)	(1,971)	-	-	-	-	-	-	(1,971)	(3,168)
Balance at 31 March 2022	1,218,343	675,850	68,388	196,347	114,562	67,492	(2,528)	1,256	230,333	542,493

The consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the financial statements.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (195901000092 (3441-K))
(Incorporated in Malaysia)

Consolidated Statement of Cash Flows
For the Financial Period Ended 31 March 2023
(The figures have not been audited)

	9 months ended	
	31.03.23	31.03.22
	RM'000	RM'000
OPERATING ACTIVITIES		
Profit/(Loss) before taxation	14,405	(4,137)
Adjustments for:		
Depreciation	2,034	2,015
Bearer plants written-off	18	-
Gain on compulsory land acquisition	(3,442)	-
Provision for retirement benefit	26	20
Dividend income from quoted investments	(1,549)	(1,475)
Interest income	(5,269)	(1,225)
Lease interest	102	106
Share of loss of associates	1,615	5,064
Gain on sale of investment	(741)	-
Fair value loss/(gain) on biological assets	778	(412)
Fair value loss on other investments	1,043	10,847
Unrealised foreign exchange (gain)/loss	(8,813)	972
Operating cash flows before working capital changes	207	11,775
Receivables	943	(382)
Prepayments	193	(253)
Inventories	(300)	(190)
Payables	(365)	(413)
Cash flows generated from operations	678	10,537
Retirement benefit paid	(8)	(7)
Taxes refunded	-	3
Taxes paid	(724)	(321)
Net cash flows (used in)/generated from operating activities	(54)	10,212
INVESTING ACTIVITIES		
Dividends received	3,953	5,594
Interest received	5,129	1,359
Placement of fixed deposits	(46,428)	(42,961)
Proceeds from sale of investments	3,991	3,208
Investment in bonds	(6,468)	(20,814)
Investment in T-bills	(19,978)	-
Purchase of property, plant and equipment	(951)	(481)
Early redemption of investment in bonds	4,782	-
Addition to bearer plants	(1,187)	(1,363)
Proceeds from compulsory land acquisition	6,102	19,268
Net cash inflow on assets with immediate holding company	-	980
Net cash flows used in investing activities	(51,055)	(35,210)
FINANCING ACTIVITIES		
Dividends paid to owners of the company	(1,680)	(1,971)
Dividends paid to non-controlling interest	(4,055)	(3,168)
Buy-back of shares	(1,000)	(830)
Buy-back of shares by a subsidiary	(509)	-
Net cash flows used in financing activities	(7,244)	(5,969)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(58,353)	(30,967)
EFFECTS OF EXCHANGE RATE CHANGES	10,296	1,419
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	121,532	175,338
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD (Note 27)	73,475	145,790

The consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the financial statements.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (195901000092 (3441-K))
(Incorporated in Malaysia)

Part A - Explanatory Notes Pursuant to MFRS 134

1. Basis of Preparation

The interim financial statements of the Group for the financial period ended 31 March 2023 are prepared in accordance with Malaysian Financial Reporting Standards ("MFRS").

The interim financial statements have been prepared on a historical cost basis, other than investment properties, certain investments and biological assets that have been measured at their fair values.

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.

2. Significant accounting policies

Changes in accounting policies

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2022 except for the adoption of the amended FRSs and annual improvements which are relevant to the Group's operations with effect from 1 July 2022 as set out below:

Annual Improvements to MFRS Standards 2018-2020

Amendments to MFRS 3: Business Combinations - Reference to the Conceptual Framework

Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use

Amendments to MFRS 137: Provisions, Contingent Liabilities and Contingent Assets

- Onerous Contracts - Cost of Fulfilling a Contract

The adoption of the above amendments to MFRS did not have any significant impact on the financial statements.

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 30 June 2022 was not qualified.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (195901000092 (3441-K))
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Part A - Explanatory Notes Pursuant to MFRS 134

4. Segmental Information

	9 months ended	
	31.03.23	31.03.22
	RM'000	RM'000
Segment revenue		
Plantation	24,716	31,601
Investment	8,543	4,100
	<u>33,259</u>	<u>35,701</u>
Segment results		
Plantation	8,799	15,652
Investment	15,047	(8,179)
	<u>23,846</u>	<u>7,473</u>
Unallocated corporate expenses	<u>(7,826)</u>	<u>(6,546)</u>
Profit from operations	<u>16,020</u>	<u>927</u>
Segment assets		
Plantation	404,938	399,576
Investment	836,564	856,986
	<u>1,241,502</u>	<u>1,256,562</u>
Unallocated corporate asset	<u>1,184</u>	<u>466</u>
Total assets	<u>1,242,686</u>	<u>1,257,028</u>

5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 March 2023.

6. Changes in Estimates

There were no changes in estimates that have had a material effect on the current quarter and year-to-date results.

7. Comments about Seasonal or Cyclical Factors

The revenue and earnings are impacted by the production of fresh fruit bunches and volatility of the selling price of crude palm oil. The production of fresh fruit bunches is influenced by weather conditions, production cycle and age of palms.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (195901000092 (3441-K))
(Incorporated in Malaysia)

Part A - Explanatory Notes Pursuant to MFRS 134

8. Dividends Paid

In respect of the financial year ended 30 June 2022, as reported in the directors' report of that year, the following cash dividends were paid during the financial period ended 31 March 2023:

	Amount	Net dividend
	RM	per share
		Sen
First and final tax exempt (single-tier) dividend	622,084	1.00
Bonus tax exempt (single-tier) dividend	1,057,548	1.70
	<u>1,679,632</u>	<u>2.70</u>

9. Debt and Equity Securities

Purchase of shares Pursuant to Section 127 of the Companies Act 2016

During the current financial period ended 31 March 2023, the Company acquired 247,800 of its own ordinary shares from the open market for a cash consideration of RM999,745. The share buy-back was made pursuant to the approval of the renewal of shareholders' mandate for share buy-back authority approved at the Company's Annual General Meeting. The repurchased shares are held as treasury shares in accordance with the requirement of Section 127 (4) of the Companies Act 2016.

Other than the above, there were no issuance, repurchase of debts and equity securities for the financial period ended 31 March 2023.

10. Changes in Composition of the Group

On 22 April 2022, a subsidiary of the Company, Kuchai Development Berhad ("KDB") announced the proposed distribution of 17,584,030 ordinary shares in Sungei Bagan Rubber Company (Malaya) Berhad ("SG Bagan"), which is also the subsidiary of the Company, representing all of the 26.51% equity interest held by KDB in SG Bagan, to entitled shareholders of the KDB by way of dividend-in-specie. This was approved by the shareholders of KDB during the Extraordinary General Meeting on 3 August 2022 and was completed on 9 September 2022.

Following the completion of the above exercise, the Group's effective interest of 11.19% in SG Bagan which was previously held through KDB, is now directly held by the Company. There is no significant impact on the financial statements of the Group arising from the above exercise.

Other than the above, there were no changes in the composition of the Group for the financial period ended 31 March 2023.

11. Capital Commitments

There are no commitments for the purchase of property, plant and equipment not provided for in the financial statements as at 31 March 2023.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (195901000092 (3441-K))
(Incorporated in Malaysia)

Part A - Explanatory Notes Pursuant to MFRS 134

12. Changes in Contingent Liabilities and Contingent Assets

There were no contingent liabilities or contingent assets as at 31 March 2023.

13. Related Party Transactions

Transactions with related parties are as follows:

	Individual Quarter		Period-To-Date	
	3 months ended		9 months ended	
	31.03.23	31.03.22	31.03.23	31.03.22
	RM'000	RM'000	RM'000	RM'000
Rental income from Ice Cold Beer Pte. Ltd., a company in which a director, Lee Chung-Shih Justin has an interest (recurrent)	257	242	764	604
Rental expense payable to Kluang Estates (1977) Sdn Bhd, a company in which a director, Lee Chung-Shih Justin, has an interest and Mugana Kerisnan A/L Karpiah is a common director	-	9	-	27
Administration and accounting support services payable to The Nyalas Rubber Estates Limited, the immediate holding company	593	589	1,945	1,752
Administration and support services payable to Estate & Trust Agencies (1927) Limited, a company in which a director, Lee Chung-Shih Justin has an interest (recurrent)	138	227	325	413
Land lease rental payable to Kuala Pergau Rubber Plantations Plc, a company in which a director, Lee Chung-Shih Justin, has an interest, Mugana Kerisnan A/L Karpiah and Cheong Mun Hong are common directors (recurrent)	63	63	188	188
Assets exchange with The Nyalas Rubber Estates Limited, the immediate holding company	-	-	-	25,340

14. Subsequent Events

There were no material events subsequent to the end of the current quarter.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (195901000092 (3441-K))
(Incorporated in Malaysia)

Part A - Explanatory Notes Pursuant to MFRS 134

15. Fair Value Hierarchy

The Group uses the following hierarchy for determining the fair value of all assets and liabilities carried at fair value:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
31.03.23				
Investments in financial instruments	276,853	45,337	-	322,190
Investment in precious metal - gold bullion	30,929	-	-	30,929
Investment properties	-	-	108,657	108,657
Biological assets	-	-	536	536
	<u>307,782</u>	<u>45,337</u>	<u>109,193</u>	<u>462,312</u>
30.06.22				
Investments in financial instruments	295,880	46,138	-	342,018
Investment in precious metal - gold bullion	32,213	-	-	32,213
Investment properties	-	-	106,782	106,782
Biological assets	-	-	1,314	1,314
	<u>328,093</u>	<u>46,138</u>	<u>108,096</u>	<u>482,327</u>

There have been no transfers between Level 1, Level 2 and Level 3 fair value measurements during the current financial period and the comparative period. There was no change in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (195901000092 (3441-K))
(Incorporated in Malaysia)

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

16. Performance Review

The Group's revenue of RM8.09 million for the current quarter was lower than last year's corresponding quarter of RM9.63 million despite higher interest income. The decrease in revenue was mainly due to lower crop sales on account of decrease in average price of fresh fruit bunches ("FFB"). As for the current period-to-date, revenue of RM33.26 million was reported. It was also lower than last year's RM35.70 million. The decrease in revenue was mainly due to lower crop sales on account of decrease in FFB price despite higher tonnage harvested. However, rental, interest and dividend income for the current-period-to-date were higher than last year's corresponding period-to-date.

The Group recorded an after-tax profit of RM8.44 million and RM14.32 million for the current quarter and period-to-date respectively. These were positive turnarounds from the last year corresponding's quarter's loss of RM5.05 million and period-to-date's loss of RM4.34 million, mainly due to:-

- 1) Foreign exchange gains of RM2.03 million and RM8.80 million were reported for the current quarter and period-to-date while last year's corresponding quarter and period-to-date's were losses of RM160,000 and RM1.01 million respectively.
- 2) Revaluation gain on investments at fair value through profit or loss ("FVTPL") of RM1.52 million was reported for the current quarter while last year's corresponding quarter's was a loss of RM4.32 million. As for current-period-date, fair value loss on the Group's FVTPL investments of RM1.04 million was lower than last year's loss of RM10.85 million.
- 3) During the current quarter, 62 acres of the Group's land was compulsorily acquired by the State Government for a consideration of RM5.80 million. This resulted in a gain of RM3.44 million while there was no acquisition in last year's corresponding quarter and period-to-date.
- 4) The sale of investment in precious metal resulted in a gain of RM741,000 while there was none during the last year's corresponding quarter and period-to-date.
- 5) Share of the associates' financial results for the current quarter was a gain of RM869,000 while last year's corresponding quarter's share was a loss of RM2.69 million. As for the current period-to-date, share of loss of the associates of RM1.62 million was reported. It was lower than last year's corresponding period-to-date's loss of RM5.06 million.

During the current quarter, the Group posted total other comprehensive loss of RM7.90 million as compared to the income of RM25.24 million reported during last year's corresponding quarter. This was mainly due to the revaluation loss of RM11.97 million of its investments measured at fair value through other comprehensive income ("FVTOCI") for the current quarter while it was a gain of RM20.21 million during last year's corresponding quarter. In addition, foreign currency translation gain of RM4.82 million for the current quarter was lower than last year's corresponding quarter's gain of RM5.03 million. The reclassification of RM741,000 to profit or loss for the current quarter was on account of the sale of investment in precious metal while there was none during the last year's corresponding quarter.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (195901000092 (3441-K))
(Incorporated in Malaysia)

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

16. Performance Review (cont'd)

For the current 9-month period, the Group posted total other comprehensive loss of RM10.70 million which was significantly higher than last year's corresponding period-to-date's loss of RM961,000. This was mainly due to the revaluation loss of RM25.61 million of its investments measured at FVTOCI for the current period-to-date was higher than last year's corresponding period-to-date's loss of RM9.32 million. However, foreign currency translation gain of RM15.66 million for the current period-to-date was higher than last year's corresponding period-to-date's gain of RM8.35 million. The reclassification of RM741,000 to profit or loss for the current period-to-date was on account of the sale of investment in precious metal while there was none a year ago.

17. Commentary on Material Change in Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter

	Current Quarter 31.03.23 RM'000	Preceding Quarter 31.12.22 RM'000	Change (Unfavourable)/Favourable	
			RM'000	%
Revenue	8,085	11,816	(3,731)	(32)
Operating profit	7,293	13,878	(6,585)	(47)
Share of profit of associates	869	2,072	(1,203)	(58)
Profit before tax	8,162	15,950	(7,788)	(49)
Profit after tax	8,437	16,082	(7,645)	(48)
Profit attributable to:				
Owners of the parent	3,908	8,699	(4,791)	(55)
Non-controlling interest	4,529	7,383	(2,854)	(39)
	<u>8,437</u>	<u>16,082</u>		

For the current quarter under review, the Group's revenue of RM8.09 million was lower than the immediate preceding quarter's RM11.82 million despite higher interest income. This was mainly due to crop sales of RM5.10 million for the current quarter was lower than the immediate preceding quarter's RM9.44 million on the account of lower tonnage harvested despite higher FFB prices. The harvested tonnage for the current quarter was only about 54.0% of the immediate preceding quarter's. This was due to the prolonged extreme weather condition affecting both the harvesting operation and availability of ripe fruit bunches.

**KLUANG RUBBER COMPANY (MALAYA) BERHAD (195901000092 (3441-K))
(Incorporated in Malaysia)**

**Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of
Bursa Malaysia Securities Berhad**

**17. Commentary on Material Change in Profit Before Taxation for the Current Quarter as
Compared with the Immediate Preceding Quarter (cont'd)**

The Group reported a pre-tax profit of RM8.16 million which was lower than the immediate preceding quarter's RM15.95 million. This was mainly due to:-

- 1) The foreign exchange gain for the current quarter of RM2.03 million was lower than the immediate preceding quarter's gain of RM10.24 million.
- 2) Fair value gain of RM1.52 million of its FVTPL investments reported for the current quarter was lower than the immediate preceding quarter's gain of RM3.50 million.
- 3) Share of the associates' financial profit of RM869,000 for the current quarter was lower than the immediate preceding quarter's share of profit of RM2.07 million.

However, a gain on compulsory land acquisition of RM3.44 million was reported for the current quarter while there was none during the immediate preceding quarter. In addition, the sale of investment in precious metal for the current quarter was a gain of RM741,000 while there was none for the immediate preceding quarter. Subcontract labour costs, fertilizer and chemical costs of RM4.37 million for the current quarter was also lower than the immediate preceding quarter's costs of RM6.27 million.

18. Commentary on Prospects

For the financial year ending 30 June 2023, the Group expects FFB production to be higher than the financial year ended 30 June 2022.

The Group's results are also dependent on CPO prices, dividend income receivable from its investments, market valuation of its investments and the effect of currency fluctuations.

The results of the associates may be affected by the market valuations of its investments and currency fluctuations.

19. Profit Forecast or Profit Guarantee

There is no profit forecast or profit guarantee.

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**Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of
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20. Profit/(Loss) before tax

Profit/(Loss) for the period is arrived after (crediting)/charging:

	Individual Quarter		Period-To-Date	
	31.03.23	31.03.22	31.03.23	31.03.22
	RM'000	RM'000	RM'000	RM'000
Interest income	(2,404)	(468)	(5,269)	(1,225)
Other income including investment income	(2,957)	(582)	(3,279)	(2,877)
Fair value (gain)/loss on investments	(1,520)	4,316	1,043	10,847
Fair value loss/(gain) on biological assets	192	(309)	778	(412)
Depreciation	681	682	2,034	2,015
Foreign exchange (gain)/loss	(2,029)	160	(8,800)	1,012
Bearer plants written-off	18	-	18	-
Gain on compulsory land acquisition	(3,442)	-	(3,442)	-

21. Income Tax (Credit)/Expense

	Individual Quarter		Period-To-Date	
	3 months ended		9 months ended	
	31.03.23	31.03.22	31.03.23	31.03.22
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Malaysian income tax	49	18	244	45
Foreign tax	167	94	331	183
Total current tax expense	216	112	575	228
Overprovision of income tax in prior years				
Malaysian income tax	(257)	-	(257)	-
Foreign tax	-	(28)	-	(28)
Deferred tax:				
Relating to origination and reversal of temporary differences	(234)	-	(234)	-
Total income tax (credit)/expense	(275)	84	84	200

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21. Income Tax (Credit)/Expense (cont'd)

The effective tax rate for the last year's corresponding quarter and period-to-date were higher than the statutory tax rate applicable in Malaysia even though the Group was in a loss position. The tax liabilities were derived from the taxable interest income. As for the current quarter and period-to-date, the effective tax rates were lower due to the reversal of deferred tax liability of RM234,000, as this provision is no longer required due to the 62 acre compulsorily acquired by the State Government.

The foreign taxes mainly arose from the rental income of the Group's investment properties in Singapore and London, interest income received from fixed deposits and bond investments in Singapore.

For the current quarter and period-to-date, Malaysian income tax credit in prior year arose from overprovision of tax on foreign source dividend income in the last financial year.

22. Corporate Proposals

There was no corporate proposal announced by the Company as at the date of the issue of this quarterly report.

23. Borrowings

There were no borrowings and debt securities as at 31 March 2023.

24. Changes in Material Litigation

There was no pending material litigation as at the date of the issue of this quarterly report.

25. Dividend Payable

The directors do not recommend any dividend for the current quarter under review.

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Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

26. Earnings/(Loss) Per Share

(a) Basic

Basic earnings/(loss) per share amounts are calculated by dividing profit/(loss) for the period attributable to owners of the parent by the weighted average number of ordinary shares in issue excluding treasury shares held by the Company during the financial period.

	Individual Quarter		Period-To-Date	
	3 months ended	3 months ended	9 months ended	9 months ended
	31.03.23	31.03.22	31.03.23	31.03.22
Profit/(Loss) attributable to owners of the parent (RM'000)	3,908	(2,358)	6,880	(2,365)
Weighted average number of ordinary shares in issue ('000)	62,187	62,512	62,252	62,580
Basic earnings/(loss) per share (Sen)	6.28	(3.77)	11.05	(3.78)

(b) Diluted

Diluted earnings/(loss) per share is the same as basic profit/(loss) per share as there are no dilutive potential ordinary shares outstanding as at 31 March 2023.

27. Cash and cash equivalents

For the purposes of the statements of cash flows, cash and cash equivalents comprise the following:

	31.03.23	31.03.22
	RM'000	RM'000
Cash and bank balances	264,463	250,648
Less: Short-term deposits with a licensed bank with maturities more than 90 days	(190,988)	(104,858)
Cash and cash equivalents	<u>73,475</u>	<u>145,790</u>

28. Authorisation for Issue

The interim financial statements were approved by the Board of Directors on 29 May 2023 and authorised for issue on 30 May 2023.