

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

Consolidated Statement of Comprehensive Income
For the Financial Period Ended 30 September 2023
(The figures have not been audited)

	Note	Individual Quarter		Change		Period-to-Date		Change	
		30.09.23	30.09.22	(Unfavourable)/ Favourable	%	30.09.23	30.09.22	(Unfavourable)/ Favourable	%
		RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	4	19,697	13,358	6,339	47	19,697	13,358	6,339	47
Other income		4	2	2	100	4	2	2	100
Changes in inventories		387	1,427	(1,040)	(73)	387	1,427	(1,040)	(73)
Staff costs		(1,217)	(1,063)	(154)	(14)	(1,217)	(1,063)	(154)	(14)
Depreciation		(705)	(668)	(37)	(6)	(705)	(668)	(37)	(6)
Subcontract labour costs, fertilizer and chemical costs		(4,702)	(5,312)	610	11	(4,702)	(5,312)	610	11
Foreign exchange loss		(1,054)	(3,464)	2,410	70	(1,054)	(3,464)	2,410	70
Other expenses		(2,945)	(3,600)	655	18	(2,945)	(3,600)	655	18
Lease interest		(32)	(34)	2	6	(32)	(34)	2	6
Fair value gain on biological assets		456	270	186	69	456	270	186	69
Fair value loss on investments		(549)	(6,067)	5,518	91	(549)	(6,067)	5,518	91
Profit/(loss) from operations	4	9,340	(5,151)	14,491	281	9,340	(5,151)	14,491	281
Share of loss of associates		(4,307)	(4,556)	249	5	(4,307)	(4,556)	249	5
Profit/(loss) before tax	20	5,033	(9,707)	14,740	152	5,033	(9,707)	14,740	152
Income tax expense	21	(238)	(491)	253	52	(238)	(491)	253	52
Profit/(loss) after tax		4,795	(10,198)	14,993	147	4,795	(10,198)	14,993	147
Other comprehensive income/(loss)									
Fair value gain/(loss) on investments		5,547	(13,016)	18,563	143	5,547	(13,016)	18,563	143
Foreign currency translation		(1,624)	25,373	(26,997)	(106)	(1,624)	25,373	(26,997)	(106)
Other comprehensive income for the period, net of tax		3,923	12,357	(8,434)	(68)	3,923	12,357	(8,434)	(68)
Total comprehensive income for the period		8,718	2,159	6,559	304	8,718	2,159	6,559	304
Profit/(loss) attributable to:									
Owners of the parent		1,817	(5,727)	7,544	132	1,817	(5,727)	7,544	132
Non-controlling interest		2,978	(4,471)	7,449	167	2,978	(4,471)	7,449	167
		4,795	(10,198)	14,993	147	4,795	(10,198)	14,993	147
Total comprehensive income attributable to:									
Owners of the parent		3,479	1,012	2,467	244	3,479	1,012	2,467	244
Non-controlling interest		5,239	1,147	4,092	357	5,239	1,147	4,092	357
		8,718	2,159	6,559	304	8,718	2,159	6,559	304
Earnings/(loss) per share attributable to owners of the parent:									
Basic (Sen)	26(a)	2.92	(9.19)			2.92	(9.19)		
Diluted (Sen)	26(b)	2.92	(9.19)			2.92	(9.19)		

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 30 September 2023

	(Unaudited)	(Audited)
	As at	As at
	30.09.2023	30.06.2023
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	296,121	296,252
Right-of-use asset	2,535	2,576
Bearer plants	37,186	37,510
Investment properties	131,652	133,938
Investment in associates	100,380	104,460
Investments	444,020	434,253
Other receivable	500	500
	<u>1,012,394</u>	<u>1,009,489</u>
Current assets		
Inventories	501	113
Biological assets	1,292	836
Trade and other receivables	4,138	3,528
Prepayments	530	630
Short-term investments	20,417	24,006
Tax recoverable	1,044	1,190
Cash and bank balances	283,935	275,607
	<u>311,857</u>	<u>305,910</u>
TOTAL ASSETS	<u>1,324,251</u>	<u>1,315,399</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent		
Share capital	68,388	68,388
Reserves	647,684	644,205
Treasury shares	(3,734)	(3,734)
	<u>712,338</u>	<u>708,859</u>
Non-controlling interests	570,971	565,732
Total equity	<u>1,283,309</u>	<u>1,274,591</u>
Non-current liabilities		
Other payables	679	656
Lease liabilities	2,524	2,493
Provision for retirement benefits	115	111
Deferred tax liabilities	29,828	29,829
	<u>33,146</u>	<u>33,089</u>
Current liabilities		
Trade and other payables	7,011	7,128
Lease liabilities	123	121
Tax payable	662	470
	<u>7,796</u>	<u>7,719</u>
Total liabilities	<u>40,942</u>	<u>40,808</u>
TOTAL EQUITY AND LIABILITIES	<u>1,324,251</u>	<u>1,315,399</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 30 September 2023
(The figures have not been audited)

	← Non distributable →					Distributable				
	Equity Attributable				Fair Value Reserve	Foreign Exchange Fluctuation Reserves		Pooling of Interest Reserve		Non- Controlling Interests
	to Owners of					Treasury Shares	Retained Earnings	Share	Capital Reserve	
	Equity, Total	the Parent, Total	Share Capital	Capital Reserve						
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance at 1 July 2023	1,274,591	708,859	68,388	193,825	94,199	103,862	(3,734)	1,685	250,634	565,732
Total comprehensive income/(loss) for the period	8,718	3,479	-	-	2,261	(599)	-	-	1,817	5,239
Balance at 30 September 2023	1,283,309	712,338	68,388	193,825	96,460	103,263	(3,734)	1,685	252,451	570,971
Balance at 1 July 2022	1,204,982	674,669	68,388	196,347	103,153	77,901	(2,734)	1,685	229,929	530,313
Total comprehensive income/(loss) for the period	2,159	1,012	-	-	(5,893)	12,632	-	-	(5,727)	1,147
Buy-back of shares	(448)	(448)	-	-	-	-	(448)	-	-	-
Balance at 30 September 2022	1,206,693	675,233	68,388	196,347	97,260	90,533	(3,182)	1,685	224,202	531,460

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 30 September 2023
(The figures have not been audited)

	3 months ended	
	30.09.23	30.09.22
	RM'000	RM'000
OPERATING ACTIVITIES		
Profit/(loss) before taxation	5,033	(9,707)
Adjustments for:		
Depreciation	705	668
Provision for retirement benefit	4	9
Dividend income from quoted investments	(5,723)	(1,532)
Interest income	(2,559)	(1,080)
Lease interest	32	34
Share of loss of associates	4,307	4,556
Fair value gain on biological assets	(456)	(270)
Fair value loss on other investments	549	6,067
Unrealised foreign exchange loss	1,058	3,435
Operating cash flows before working capital changes	2,950	2,180
Receivables	(1,246)	(176)
Prepayments	100	270
Inventories	(387)	(1,427)
Payables	(91)	585
Cash flows generated from operations	1,326	1,432
Retirement benefit paid	-	(8)
Taxes refunded	185	-
Taxes paid	(78)	(157)
Net cash flows generated from operating activities	1,433	1,267
INVESTING ACTIVITIES		
Dividends received	5,723	1,532
Interest received	3,555	986
Placement of fixed deposits	(14,165)	(25,819)
Purchase of investments	(15,834)	(2,505)
Purchase of property, plant and equipment	(23)	(80)
Maturity of investments	14,011	4,888
Addition to bearer plants	(187)	(230)
Net cash flows used in investing activities	(6,920)	(21,228)
FINANCING ACTIVITY		
Buy-back of shares, representing net cash flows used in financing activity	-	(448)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,487)	(20,409)
EFFECTS OF EXCHANGE RATE CHANGES	(350)	4,826
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	76,001	121,532
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD (Note 27)	70,164	105,949

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 financial statements of the Group for the financial period ended 30 September 2023 are prepared in accordance with Malaysian Financial Reporting Standards ("MFRS").

The 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 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 2023 except for the adoption of the amended MFRSs and annual improvements which are relevant to the Group's operations with effect from 1 July 2023 as set out below:

MFRS 17 Insurance Contracts

Amendments to MFRS 1 and MFRS Practice Statement 2 - Disclosure of Accounting Policies

Amendments to MFRS 108 – Definition of Accounting Estimates

Amendments to MFRS 112: Income Tax - Deferred Tax related to Assets and
Liabilities arising from a Single Transaction

Amendment to MFRS 17: Insurance Contracts - Initial Application of MFRS 17 and MFRS 9
- Comparative Information

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 2023 was not qualified.

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

Part A - Explanatory Notes Pursuant to MFRS 134

4. Segmental Information

	3 months ended	
	30.09.23	30.09.22
	RM'000	RM'000
Segment revenue		
Plantation	10,795	10,176
Investment	8,902	3,182
	<u>19,697</u>	<u>13,358</u>
Segment results		
Plantation	4,829	5,423
Investment	7,263	(7,175)
	<u>12,092</u>	<u>(1,752)</u>
Unallocated corporate expenses	<u>(2,752)</u>	<u>(3,399)</u>
Profit from operations	<u>9,340</u>	<u>(5,151)</u>
Segment assets		
Plantation	414,326	409,068
Investment	908,866	839,283
	<u>1,323,192</u>	<u>1,248,351</u>
Unallocated corporate assets	<u>1,059</u>	<u>923</u>
Total assets	<u>1,324,251</u>	<u>1,249,274</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 30 September 2023.

6. Changes in Estimates

There were no changes in estimates that have had a material effect on the current quarter and period-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))
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Part A - Explanatory Notes Pursuant to MFRS 134

8. Dividends Paid

No dividend was paid during the current quarter.

9. Debt and Equity Securities

There were no issuance, repurchase and repayment of debts and equity securities for the financial period ended 30 September 2023.

10. Changes in Composition of the Group

There were no changes in the composition of the Group for the period ended 30 September 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 30 September 2023.

12. Changes in Contingent Liabilities and Contingent Assets

There were no contingent liabilities or contingent assets as at 30 September 2023.

13. Related Party Transactions

Transactions with related parties are as follows:

	Individual Quarter		Period-To-Date	
	3 months ended		3 months ended	
	30.09.23	30.09.22	30.09.23	30.09.22
	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)	268	250	268	250
Administration and accounting support services payable to The Nyalas Rubber Estates Limited, the immediate holding company (recurrent)	597	591	597	591
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)	163	93	163	93
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	63	63

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

14. Subsequent Events

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

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
30.09.23				
Investments in financial instruments	295,876	46,538	-	342,414
Investment in precious metal - gold bullion	31,034	-	-	31,034
Investment properties	-	-	131,652	131,652
Biological assets	-	-	1,292	1,292
	<u>326,910</u>	<u>46,538</u>	<u>132,944</u>	<u>506,392</u>
30.06.23				
Investments in financial instruments	289,904	46,976	-	336,880
Investment in precious metal - gold bullion	31,639	-	-	31,639
Investment properties	-	-	133,938	133,938
Biological assets	-	-	836	836
	<u>321,543</u>	<u>46,976</u>	<u>134,774</u>	<u>503,293</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))
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**Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of
Bursa Malaysia Securities Berhad**

16. Performance Review

The Group recorded revenue of RM19.70 million for the first fiscal quarter of financial year ending 30 June 2024, which was higher than last year corresponding quarter's revenue of RM13.36 million. The increase in revenue was mainly due to higher dividend, interest and rental income. Crop sales for the current quarter was also higher than last year's corresponding quarter on account of higher tonnage harvested despite lower average price of fresh fruit bunches ("FFB").

For the current quarter, the Group recorded an after-tax profit of RM4.80 million while it was a loss of RM10.20 million for the corresponding quarter of last year. This was mainly due to:-

- 1) Higher revenue achieved for the current quarter.
- 2) Foreign exchange loss of RM1.05 million was reported for the current quarter which was lower than last year's corresponding quarter's loss of RM3.46 million.
- 3) Revaluation loss on investments at fair value through profit or loss ("FVTPL") of RM549,000 was reported for the current quarter. It was lower than last year's corresponding quarter's loss of RM6.07 million.
- 4) Share of loss of associates of RM4.31 million for the current quarter was lower than last year's corresponding quarter's loss of RM4.56 million.

The Group's total other comprehensive income for the current quarter was RM3.92 million which was lower than last year corresponding quarter's income of RM12.36 million. This was mainly due to foreign currency translation for the current quarter was a loss of RM1.62 million while last year corresponding quarter's was a gain of RM25.37 million. However, the investments measured at fair value through other comprehensive income ("FVTOCI") was a gain of RM5.55 million while it was a loss of RM13.02 million during 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**

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

	Current Quarter 30.09.23 RM'000	Preceding Quarter 30.06.23 RM'000	Change (Unfavourable)/Favourable	
			RM'000	%
Revenue	19,697	17,138	2,559	15
Operating profit	9,340	22,623	(13,283)	(59)
Share of (loss)/profit of associates	(4,307)	5,926	(10,233)	(173)
Profit before tax	5,033	28,549	(23,516)	(82)
Profit after tax	4,795	28,731	(23,936)	(83)
Profit attributable to:				
Owners of the parent	1,817	12,589	(10,772)	(86)
Non-controlling interest	2,978	16,142	(13,164)	(82)
	<u>4,795</u>	<u>28,731</u>		

For the current quarter under review, the Group's revenue of RM19.70 million which was higher than the immediate preceding quarter's RM17.14 million. This was mainly due to crop sales of RM10.79 million for the current quarter being higher than immediate preceding quarter's RM5.29 million on account of higher tonnage harvested despite lower FFB prices. However, the receipt of dividend income of RM5.72 million for the current quarter was lower than the immediate preceding quarter's RM8.75 million.

The Group reported a pre-tax profit of RM5.03 million which was lower than the immediate preceding quarter's RM28.55 million. This was mainly due to:-

- 1) Revaluation of its investment properties for the immediate preceding quarter was a gain of RM16.46 million while there was none during the current quarter.
- 2) Share of the financial results of associates for the current quarter was a loss of RM4.31 million while the immediate preceding quarter's was a gain of RM5.93 million.

18. Commentary on Prospects

For the financial year ending 30 June 2024, the Group expects FFB production to be higher than the financial year ended 30 June 2023.

The Group's results are also dependent on Crude Palm Oil ("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.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (195901000092 (3441-K))
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Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

19. Profit Forecast or Profit Guarantee

There is no profit forecast or profit guarantee.

20. Profit/(loss) before tax

Profit/(loss) for the year is arrived after (crediting)/charging:

	Individual Quarter		Period-To-Date	
	30.09.23	30.09.22	30.09.23	30.09.22
	RM'000	RM'000	RM'000	RM'000
Interest income	(2,559)	(1,080)	(2,559)	(1,080)
Other income including				
investment income and rental income	(6,347)	(2,104)	(6,347)	(2,104)
Fair value loss on investments	549	6,067	549	6,067
Fair value gain on biological assets	(456)	(270)	(456)	(270)
Depreciation	705	668	705	668
Foreign exchange (gain)/loss				
- realised	(4)	29	(4)	29
- unrealised	1,058	3,435	1,058	3,435
	<u>1,054</u>	<u>3,464</u>	<u>1,054</u>	<u>3,464</u>

21. Income Tax Expense

	Individual Quarter		Period-To-Date	
	3 months ended	3 months ended	3 months ended	3 months ended
	30.09.23	30.09.22	30.09.23	30.09.22
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Malaysian income tax	48	425	48	425
Foreign tax	190	66	190	66
Total current tax expense	<u>238</u>	<u>491</u>	<u>238</u>	<u>491</u>

The effective tax rate for the last year's corresponding quarter was higher than the statutory tax rate applicable in Malaysia. These was due to the non-deductible expenses even though the Group was in loss position. As for the current quarter, the effective tax rate was lower as certain income were not subject to income tax.

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.

22. Corporate Proposals

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

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**

23. Borrowings

There were no borrowings and debt securities as at 30 September 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.

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	
	30.09.23	30.09.22	30.09.23	30.09.22
Profit/(loss) attributable to owners of the parent (RM'000)	<u>1,817</u>	<u>(5,727)</u>	<u>1,817</u>	<u>(5,727)</u>
Weighted average number of ordinary shares in issue ('000)	<u>62,167</u>	<u>62,351</u>	<u>62,167</u>	<u>62,351</u>
Basic earnings/(loss) per share (Sen)	<u>2.92</u>	<u>(9.19)</u>	<u>2.92</u>	<u>(9.19)</u>

(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 30 September 2023.

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(Incorporated in Malaysia)

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

27. Cash and cash equivalents

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

	30.09.23	30.09.22
	RM'000	RM'000
Cash and bank balances	283,935	276,328
Less: Short-term deposits with a licensed bank with maturities more than 3 months	(213,771)	(170,379)
Cash and cash equivalents	<u>70,164</u>	<u>105,949</u>

28. Authorisation for Issue

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