

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (195801000191 (3327-U))
(Incorporated in Malaysia)

Consolidated Statement of Comprehensive Income
For the Financial Period Ended 30 September 2023

(The figures have not been audited)

		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	12,072	9,173	2,899	32	12,072	9,173	2,899	32
Other income		4	2	2	100	4	2	2	100
Changes in inventories		388	1,091	(703)	-64	388	1,091	(703)	-64
Staff costs		(644)	(560)	(84)	-15	(644)	(560)	(84)	-15
Depreciation		(590)	(569)	(21)	-4	(590)	(569)	(21)	-4
Subcontract labour costs, fertilizer and chemical costs		(3,819)	(4,437)	618	14	(3,819)	(4,437)	618	14
Foreign exchange loss		(809)	(2,944)	2,135	73	(809)	(2,944)	2,135	73
Other expenses		(1,637)	(2,097)	460	22	(1,637)	(2,097)	460	22
Fair value gain on biological assets		375	443	(68)	-15	375	443	(68)	-15
Fair value loss on investments		(251)	(4,555)	4,304	94	(251)	(4,555)	4,304	94
Lease interest		(32)	(34)	2	6	(32)	(34)	2	6
Profit/(Loss) from operations	4	5,057	(4,487)	9,544	213	5,057	(4,487)	9,544	213
Share of loss of associates		(3,485)	(3,688)	203	6	(3,485)	(3,688)	203	6
Profit/(loss) before tax	20	1,572	(8,175)	9,747	119	1,572	(8,175)	9,747	119
Income tax expense	21	(80)	(209)	129	62	(80)	(209)	129	62
Profit/(loss) after tax		1,492	(8,384)	9,876	118	1,492	(8,384)	9,876	118
Other Comprehensive Income/(Loss)									
Fair value gain/(loss) on investments		1,655	(4,160)	5,815	140	1,655	(4,160)	5,815	140
Foreign currency translation		(1,314)	15,900	(17,214)	-108	(1,314)	15,900	(17,214)	-108
Other comprehensive income for the period, net of tax		341	11,740	(11,399)	-97	341	11,740	(11,399)	-97
Total comprehensive income for the period		1,833	3,356	(1,523)	-45	1,833	3,356	(1,523)	-45
Profit/(loss) per share attributable to equity holders									
Basic (Sen)	26(a)	2.25	(12.64)			2.25	(12.64)		
Diluted (Sen)	26(b)	2.25	(12.64)			2.25	(12.64)		

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

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (195801000191 (3327-U))
(Incorporated in Malaysia)

Consolidated Statement of Financial Position

As at 30 September 2023

(The figures have not been audited)

	(Unaudited)	(Audited)
	As at	As at
	30.09.23	30.06.23
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	99,517	99,604
Right-of-use assets	2,535	2,576
Bearer plants	32,162	32,485
Other receivable	500	500
Investment properties	73,395	75,597
Investment in associates	82,112	85,413
Investments	203,386	197,737
	<u>493,607</u>	<u>493,912</u>
Current assets		
Inventories	494	106
Biological assets	975	600
Trade and other receivables	2,567	1,855
Prepayments	349	372
Short-term investments	17,014	20,566
Cash and bank balances	150,829	145,935
	<u>172,228</u>	<u>169,434</u>
Total Assets	<u>665,835</u>	<u>663,346</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	74,978	74,978
Reserves	575,131	573,298
Treasury shares	(509)	(509)
	<u>649,600</u>	<u>647,767</u>
Non-current liabilities		
Other payables	426	369
Lease liabilities	2,524	2,493
Provision for retirement benefits	14	56
Deferred tax liabilities	8,745	8,745
	<u>11,709</u>	<u>11,663</u>
Current liabilities		
Trade and other payables	4,226	3,671
Lease liabilities	122	121
Tax payable	178	124
	<u>4,526</u>	<u>3,916</u>
Total liabilities	<u>16,235</u>	<u>15,579</u>
Total Equity and liabilities	<u>665,835</u>	<u>663,346</u>

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

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (195801000191 (3327-U))

(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			
	Share Capital RM'000	Capital Reserves RM'000	Treasury Shares RM'000	Fair Value Reserves RM'000	Foreign Currency Translation Reserves RM'000	Pooling of Interest Reserves RM'000	Retained Earnings RM'000	Total Equity RM'000
Balance at 1 July 2023	74,978	91,320	(509)	104,031	73,629	11,040	293,278	647,767
Total comprehensive income/(loss) for the period	-	-	-	1,655	(1,314)	-	1,492	1,833
Balance at 30 September 2023	<u>74,978</u>	<u>91,320</u>	<u>(509)</u>	<u>105,686</u>	<u>72,315</u>	<u>11,040</u>	<u>294,770</u>	<u>649,600</u>
Balance at 1 July 2022	74,978	97,118	-	105,029	66,925	11,040	259,694	614,784
Total comprehensive (loss)/income for the period	-	-	-	(4,160)	15,900	-	(8,384)	3,356
Balance at 30 September 2022	<u>74,978</u>	<u>97,118</u>	<u>-</u>	<u>100,869</u>	<u>82,825</u>	<u>11,040</u>	<u>251,310</u>	<u>618,140</u>

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

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (195801000191 (3327-U))
(Incorporated in Malaysia)

Consolidated Statement of Cash Flows
For the Financial Period Ended 30 September 2023

(The figures have not been audited)

	3 months period	
	30.09.23	30.09.22
	RM'000	RM'000
OPERATING ACTIVITIES		
Profit/(loss) before tax	1,572	(8,175)
Adjustments for:		
Depreciation	590	569
Provision for retirement benefit	2	14
Unrealised foreign exchange loss	812	2,930
Dividend income	(2,084)	(559)
Interest income	(1,421)	(578)
Lease interest	32	34
Fair value gain on biological assets	(375)	(443)
Fair value loss on other investments	251	4,555
Share of loss of associates	3,485	3,688
Operating cash flows before working capital changes	<u>2,864</u>	<u>2,035</u>
Receivables	(979)	(151)
Prepayments	23	208
Inventories	(388)	(1,091)
Payables	567	1,017
Cash flows generated from operating activities	<u>2,087</u>	<u>2,018</u>
Retirement benefit paid	-	(8)
Taxes paid	(18)	(17)
Net cash flows generated from operating activities	<u>2,069</u>	<u>1,993</u>
INVESTING ACTIVITIES		
Placement of fixed deposits	(7,867)	(16,785)
Dividends received	2,084	559
Maturity of investments	10,557	1,655
Interest received	2,356	515
Purchase of property, plant and equipment	(18)	(73)
Purchase of investments	(11,340)	(1,686)
Addition to bearer plants	(120)	(132)
Net cash flows used in investing activities	<u>(4,348)</u>	<u>(15,947)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,279)	(13,954)
EFFECTS OF EXCHANGE RATE CHANGES	(693)	2,849
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	<u>48,815</u>	<u>78,157</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD (Note 27)	<u>45,843</u>	<u>67,052</u>

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

**SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (195801000191 (3327-U))
(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, except for 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 MFRS 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.

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (195801000191 (3327-U))
(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	8,216	7,716
Investment	3,505	1,137
Rental	351	320
Total	<u>12,072</u>	<u>9,173</u>
Segment results		
Plantation	3,578	4,442
Investment	2,722	(6,852)
Rental	(6)	(32)
	<u>6,294</u>	<u>(2,442)</u>
Unallocated corporate expenses	<u>(1,237)</u>	<u>(2,045)</u>
Profit/(Loss) from operations	<u>5,057</u>	<u>(4,487)</u>
Segment assets		
Plantation	206,116	198,293
Investment	<u>459,719</u>	<u>437,877</u>
Total assets	<u>665,835</u>	<u>636,170</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.

**SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (195801000191 (3327-U))
(Incorporated in Malaysia)**

Part A - Explanatory Notes Pursuant to MFRS 134

6. Changes in Estimates

There were no changes in estimates that have had a material effect in the current quarter 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 oil palms.

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 financial 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.

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (195801000191 (3327-U))
(Incorporated in Malaysia)

Part A - Explanatory Notes Pursuant to MFRS 134

13. Related Party Transactions

Transactions with related parties are as follows:

	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
Administration and accounting support services payable to The Nyalas Rubber Estates Limited, the intermediate holding company (recurrent)	254	254	254	254
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)	80	54	80	54
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)	<u>63</u>	<u>63</u>	<u>63</u>	<u>63</u>

14. Subsequent Events

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

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (195801000191 (3327-U))
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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
30.09.23				
Investment in financial instruments	107,613	32,556	-	140,169
Investment in precious metal - gold bullion	23,144	-	-	23,144
Investment properties	-	-	73,395	73,395
Biological assets	-	-	975	975
	<u>130,757</u>	<u>32,556</u>	<u>74,370</u>	<u>237,683</u>
30.06.23				
Investment in financial instruments	105,441	32,719	-	138,160
Investment in precious metal - gold bullion	23,595	-	-	23,595
Investment properties	-	-	75,597	75,597
Biological assets	-	-	600	600
	<u>129,036</u>	<u>32,719</u>	<u>76,197</u>	<u>237,952</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 were no changes in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (195801000191 (3327-U))
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Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of
For the Financial Period Ended 30 September 2023

16. Performance Review

The Group achieved revenue of RM12.07 million for the first fiscal quarter of the financial year ending 30 June 2024, which was higher than last year corresponding quarter's revenue of RM9.17 million. The increase in revenue was mainly due to higher crop sales on account of higher tonnage harvested despite lower average price of fresh fruit bunches ("FFB"). In addition, dividend and interest income were also higher than last year's corresponding quarter.

For the current quarter, the Group reported an after-tax profit of RM1.49 million while last year corresponding quarter's was an after-tax loss of RM8.38 million. This positive variance of RM9.88 million was mainly due to: -

- 1) Foreign exchange loss of RM809,000 was reported for the current quarter which was significantly lower than last year corresponding quarter's loss of RM2.94 million.
- 2) The revaluation on investments measured at fair value through profit or loss ("FVTPL") for the current quarter resulted in a loss of RM251,000 which was significantly lower than last year corresponding quarter's loss of RM4.56 million.
- 3) Share of the associates' financial results was a loss of RM3.49 million for the current quarter which was slightly lower than last year corresponding quarter's loss of RM3.69 million.

The Group's total other comprehensive income for the current quarter was RM341,000 which was lower than last year corresponding quarter's income of RM11.74 million. This was mainly due to the foreign currency translation for the current quarter was a loss of RM1.31 million while last year corresponding quarter's was a gain of RM15.90 million. However, the revaluation of the Group's investments measured at fair value through other comprehensive income ("FVTOCI") for the current quarter was a gain of RM1.66 million while last year corresponding quarter's was a loss of RM4.16 million.

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (195801000191 (3327-U))
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Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of
For the Financial Period Ended 30 September 2023

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	Favourable/(Unfavourable)	
			RM'000	%
Revenue	12,072	8,855	3,217	36
Operating profit/(loss)	5,057	(167)	5,224	3,128
Share of (loss)/profit of associate	(3,485)	4,806	(8,291)	(173)
Profit before tax	1,572	4,639	(3,067)	(66)
Profit after tax	1,492	5,036	(3,544)	(70)
Profit attributable to the equity holders of the company	<u>1,492</u>	<u>5,036</u>	(3,544)	(70)

For the current quarter under review, the Group's revenue of RM12.07 million was higher than the immediate preceding quarter's of RM8.86 million. This was contributed by higher crop sales of RM8.22 million for the current quarter which was substantially higher than the immediate preceding quarter's of RM3.92 million on account of higher tonnage harvested despite lower FFB prices.

The Group reported a pre-tax profit of RM1.57 million for the current quarter which was lower than the immediate preceding quarter's profit of RM4.64 million. This was mainly due to :-

- 1) Share of profit of associates for the current quarter was a loss of RM3.49 million while the immediate preceding quarter's was a profit of RM4.81 million.
- 2) However, foreign exchange loss of RM809,000 was reported for the current quarter which was lower than the immediate preceding quarter's loss of RM1.12 million.
- 3) Additionally, the revaluation of the Group's investment properties for the immediate preceding quarter was a loss of RM1.62 million while there was none during the current quarter.
- 4) Lastly, fair value loss of RM251,000 of its FVTPL investments for the current quarter was reported which was lower than the immediate preceding quarter's loss of RM572,000.

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (195801000191 (3327-U))
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Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of
For the Financial Period Ended 30 September 2023

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 mainly due to maturity profile of Kuala Pergau Estate.

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.

19. Profit Forecast or Profit Guarantee

There is no profit forecast or profit guarantee.

20. Profit/(loss) before Tax

Profit for the period 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	(1,421)	(578)	(1,421)	(578)
Other income including investment income and rental income	(2,435)	(879)	(2,435)	(879)
Depreciation	590	569	590	569
Fair value loss on investments	251	4,555	251	4,555
Fair value gain on biological assets	(375)	(443)	(375)	(443)
Foreign exchange loss				
- realised	3	14	3	14
- unrealised	(812)	2,930	(812)	2,930
	<u>(809)</u>	<u>2,944</u>	<u>(809)</u>	<u>2,944</u>

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (195801000191 (3327-U))
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Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of
For the Financial Period Ended 30 September 2023

21. Income Tax Expense

	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
Current tax:				
Malaysian income tax	24	173	24	173
Foreign tax	56	36	56	36
Total current tax expense	<u>80</u>	<u>209</u>	<u>80</u>	<u>209</u>

The effective tax rate for 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.

For the current quarter, the Malaysian tax liability was lower than last year's corresponding quarter. The foreign taxes incurred by the Group primarily stem from various sources, including rental income generated by the Group's investment properties located in London, interest income derived from fixed deposits and bond investment 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.

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.

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (195801000191 (3327-U))
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Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of
For the Financial Period Ended 30 September 2023

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 ordinary equity holders 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 ordinary equity holders (RM'000)	1,492	(8,384)	1,492	(8,384)
Weighted average number of ordinary shares in issue ('000)	66,182	66,333	66,182	66,333
Basic earning/(loss) per share (Sen)	2.25	(12.64)	2.25	(12.64)

(b) Diluted

Diluted earnings/(loss) per share is the same as basic earnings per share as there are no dilutive potential ordinary shares outstanding as at 30 September 2023.

27. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	Period-to-Date	
	30.09.23	30.09.22
	RM'000	RM'000
Cash and bank balances	150,829	157,373
Less: Short-term deposits with a licensed bank with maturities more than 3 months	(104,986)	(90,321)
Cash and cash equivalents	<u>45,843</u>	<u>67,052</u>

28. Authorisation for Issue

The interim financial statements were approved by the Board of Directors on 23 November 2023 and authorised for issue on 24 November 2023.