(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 JULY 2021

	Individual Quarter 3 Months Ended 31 July		Cumulative 3 Months 31 Ju	Ended Ily
-	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Revenue	114,868	86,786	114,868	86,786
Cost of sales	(83,200)	(80,467)	(83,200)	(80,467)
Gross profit	31,668	6,319	31,668	6,319
Other income	3,048	4,535	3,048	4,535
Administrative expenses	(6,056)	(6,869)	(6,056)	(6,869)
Other expenses	(16)	(18)	(16)	(18)
Operating profit	28,644	3,967	28,644	3,967
Interest expense	(1,390)	(2,061)	(1,390)	(2,061)
Profit before tax	27,254	1,906	27,254	1,906
Taxation	(5,973)	832	(5,973)	832
Profit for the period	21,281	2,738	21,281	2,738
Other comprehensive income: Item that will be subsequently reclassified to profit or loss: Exchange differences on translation of foreign operations	6,293 6,293	1,733 1,733	6,293 6,293	1,733 1,733
Total comprehensive income for the period	27,574	4,471	27,574	4,471
Profit/(loss) for the period attributable to:				
Owners of the Company	20,845	3,554	20,845	3,554
Non-controlling interests	436	(816)	436	(816)
•	21,281	2,738	21,281	2,738
Total comprehensive income/(loss) for the period attributable to:				
Owners of the Company	26,120	5,005	26,120	5,005
Non-controlling interests	1,454	(534)	1,454	(534)
	27,574	4,471	27,574	4,471
Earnings per share attributable to owners of the Company:				
Basic (sen)	9.94	1.69	9.94	1.69
Diluted (sen)	9.94	1.69	9.94	1.69

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 April 2021 and the accompanying explanatory notes attached to the interim financial statements.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

### **CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at End of Current Quarter 31 July 2021 RM'000	As at Preceding Financial Year End 30 April 2021 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	667,838	665,066
Right-of-use assets	795,579	796,067
Goodwill on consolidation	82,474	82,474
Intangible asset	12,434	12,562
Other asset	3,638	3,538
	1,561,963	1,559,707
One and Access		<u> </u>
Current Assets	20,000	20 101
Inventories	38,990	28,101 12,429
Biological assets Trade and other receivables	12,468 87,239	•
Tax recoverable	371	85,774 3,029
Short term funds	21,644	10,337
Cash and bank balances	43,385	33,204
Cash and bank balances	204,097	172,874
TOTAL ASSETS	1,766,060	1,732,581
101/12/100210	1,1 00,000	1,7 02,001
EQUITY AND LIABILITIES Equity		
Share capital	255,375	255,375
Other reserves	(11,112)	(16,387)
Retained earnings	1,075,875	1,069,714
Equity attributable to owners of the Company	1,320,138	1,308,702
Non-controlling interests	34,177	32,723
Total equity	1,354,315	1,341,425
Non-Current Liabilities		
Bank borrowings	49,567	49,357
Lease liabilities	6,571	6,754
Retirement benefit obligation	886	805
Other payable	-	179
Deferred tax liabilities	198,776	198,983
	255,800	256,078
Onemant Linkilities	·	·
Current Liabilities	77.000	75 207
Bank borrowings	77,683	75,397
Lease liabilities	712 62,866	705 59.076
Trade and other payables	62,866 14,684	58,976
Dividend payable	155,945	135,078
Total liabilities	411,745	391,156
TOTAL EQUITY AND LIABILITIES	1,766,060	1,732,581
	1,700,000	1,132,301
Net assets per share attributable to owners		<b>-</b>
of the Company (RM)	6.29	6.24

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 April 2021 and the accompanying explanatory notes attached to the interim financial statements.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 JULY 2021

	——— Attributable to Owners of the Company ——— Non-					
	Share	distributable Other	Distributable Retained		Non- Controlling	Total
	Capital RM'000	Reserves RM'000	Earnings RM'000	Total RM'000	Interests RM'000	Equity RM'000
Period Ended 31 July 2021						
Balance at 1 May 2021	255,375	(16,387)	1,069,714	1,308,702	32,723	1,341,425
Total comprehensive income for the period	-	5,275	20,845	26,120	1,454	27,574
Transaction with owners:			(1.4.69.4)	(14 694)		(14 694)
Dividend	-		(14,684) (14,684)	(14,684) (14,684)	<u>-</u> -	(14,684) (14,684)
Balance at 31 July 2021	255,375	(11,112)	1,075,875	1,320,138	34,177	1,354,315

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 JULY 2021 - CONT'D

	——— Attributable to Owners of the Company ——— Non-					
	Share Capital	distributable Other Reserves	Distributable Retained Earnings	Total	Non- Controlling Interests	Total Equity
Period Ended 31 July 2020	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 May 2020	255,375	(11,748)	1,074,135	1,317,762	36,163	1,353,925
Total comprehensive income/(loss) for the period	-	1,451	3,554	5,005	(534)	4,471
Transactions with owners: Employee share options expired	-	(1,332)	1,332	-	<del>-</del>	-
Dividend	-	(1,332)	(12,586) (11,254)	(12,586) (12,586)	-	(12,586) (12,586)
Balance at 31 July 2020	255,375	(11,629)	1,066,435	1,310,181	35,629	1,345,810

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 April 2021 and the accompanying explanatory notes attached to the interim financial statements.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 JULY 2021

	Period Ended 31 July 2021 RM'000	Period Ended 31 July 2020 RM'000
Operating Activities		
Profit before tax	27,254	1,906
Adjustments for:	27,201	1,000
Depreciation of property, plant and equipment	11,885	11,693
Depreciation of right-of-use assets	3,646	3,579
Fair value changes on biological assets (net) *	-	(1,416)
Gain on disposal of property, plant and equipment	(12)	(34)
Interest expense	1,390	2,061
Interest income	(111)	(146)
Property, plant and equipment written off	` 16 <sup>′</sup>	-
Realised fair value gains on short term funds	(67)	(162)
Unrealised foreign exchange gain	(2,390)	(2,157)
Operating cash flows before changes in working		· / /
capital	41,611	15,324
Changes in working capital:	·	·
Inventories	(10,409)	6,131
Trade and other receivables	386	(4,607)
Trade and other payables	2,861	(11,939)
Cash flows from operations	34,449	4,909
Interest received	110	160
Interest paid	(1,360)	(2,104)
Taxes paid	(4,008)	(941)
Net cash flows from operating activities	29,191	2,024
Investige Astroities		
Investing Activities  Proceeds from disposal of property, plant and equipment	17	102
Purchase of property, plant and equipment	(6,764)	(7,651)
Additions of right-of-use assets	(0,704)	(100)
Net placements of short term funds	(11,240)	(2,100)
Net cash flows used in investing activities	(17,987)	(9,749)
_		, · ,

No fair value changes on biological assets (net) provided for the period ended 31 July 2021 as the amount involved was immaterial.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 JULY 2021 - CONT'D

	Period Ended 31 July 2021 RM'000	Period Ended 31 July 2020 RM'000
Financing Activities		
Repayment of term loan	(1,168)	-
Payment of principal portion of lease liabilities	(175)	(131)
Net cash flows used in financing activities	(1,343)	(131)
Net change in cash and bank balances	9,861	(7,856)
Effect of foreign exchange rate changes	320	(143)
Cash and bank balances at beginning of year	33,204	35,121
Cash and bank balances at end of year	43,385	27,122
Cash and bank balances comprise:		
Cash on hand and at banks	15,561	10,048
Short-term deposits with licensed financial institutions	27,824	17,074
	43,385	27,122

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 April 2021 and the accompanying explanatory notes attached to the interim financial statements.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

#### NOTES TO THE INTERIM FINANCIAL STATEMENTS

# A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134: INTERIM FINANCIAL REPORTING AND BURSA LISTING REQUIREMENTS

#### A1. Basis of Preparation

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.

The interim financial statements should be read in conjunction with the annual audited financial statements of the Group for the year ended 30 April 2021. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 April 2021.

#### A2. Changes in Accounting Policies

The accounting policies and methods of computation applied by the Group in the interim financial statements are consistent with those applied in the latest audited financial statements for the financial year ended 30 April 2021 except for the adoption of the following amended standards effective for the financial year beginning 1 May 2021:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 16: Covid-19 - Related Rent Concessions	1 June 2020
<ul> <li>Amendments to MFRS 4: Extension of the Temporary         Exemption from Applying MFRS 9     </li> </ul>	1 August 2020
<ul> <li>Amendments to MFRS 4, MFRS 7, MFRS 9, MFRS 16 and MFRS 139: Interest Rate Benchmark Reform - Phase 2</li> </ul>	1 January 2021
<ul> <li>Amendments to MFRS 16: Covid - 19 - Related Rent Concessions beyond 30 June 2021</li> </ul>	1 April 2021

The adoption of the above amended standards do not have any material impact on the financial statements of the Group.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

#### A3. Seasonal or Cyclical Nature of Operations

Production of oil palm fresh fruits bunches ("FFB") is influenced by weather.

The FFB production of the Group for the three months ended 31 July 2021 was marginally higher than that of the corresponding period in the preceding year by 1,380 tonnes.

For Malaysian operations, FFB production for the three months ended 31 July 2021 declined by 5% or 4,064 tonnes from the corresponding period in the preceding year mainly due to the seasonal downtrend of FFB production in Peninsular estates.

For Indonesian operations, FFB production for the three months ended 31 July 2021 grew by 46% or 5,444 tonnes from the corresponding period in the preceding year mainly due to increase in mature area and the changes in production trend of oil palm estates in Kalimantan.

#### A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the period ended 31 July 2021.

#### A5. Material Changes in Estimates

There were no material changes in estimates that have a material effect against results in the current quarter and current financial year-to-date ended 31 July 2021.

### A6. Changes in Debt and Equity Securities

There were no issuance, repurchase and repayment of debt and equity securities during the period ended 31 July 2021.

#### A7. Dividend Paid

A second interim single-tier dividend of 7 sen in respect of financial year ended 30 April 2021 amounting to RM14,684,000 was declared on 24 June 2021 and paid on 16 August 2021.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

### A8. Segmental Information

### (a) Business Segments

	Current Quarter Ended 31 July 2021 RM'000	Cumulative 3 Months Ended 31 July 2021 RM'000
Segment Revenue		
Plantation revenue Elimination of inter-companies' sales External sales	129,231 (14,363) 114,868	129,231 (14,363) 114,868
Segment Profit/(Loss)		
Plantations: - Malaysian operations - Indonesian operations (Kalimantan) - Indonesian operations (Sulawesi) Investment holding Profit before tax Taxation Profit for the period	24,145 906 (73) 2,276 27,254 (5,973) 21,281	24,145 906 (73) 2,276 27,254 (5,973) 21,281 As at End of Current Quarter 31 July 2021 RM'000
Segment Assets		
Plantations Investment holding Consolidated total assets		1,701,025 65,035 1,766,060
Segment Liabilities		
Plantations Investment holding Consolidated total liabilities		284,449 127,296 411,745

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

## NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

## A8. Segmental Information - Cont'd

## (b) Geographical Segments

	Current Quarter Ended 31 July 2021 RM'000	Cumulative 3 Months Ended 31 July 2021 RM'000
Segment Revenue		
Malaysia Indonesia Consolidated total revenue	93,406 21,462 114,868	93,406 21,462 114,868
Segment Profit		
Malaysia Indonesia Profit before tax Taxation Profit for the period	22,575 4,679 27,254 (5,973) 21,281	22,575 4,679 27,254 (5,973) 21,281 As at End of Current Quarter 31 July 2021 RM'000
Segment Assets		
Malaysia Indonesia Consolidated total assets		1,199,799 566,261 1,766,060
Segment Liabilities		
Malaysia Indonesia Consolidated total liabilities		306,020 105,725 411,745

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

## NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

### A9. Material Events Subsequent to the End of the Interim Period

There were no material events from the current quarter ended 31 July 2021 to the date of this announcement that had not been reflected in this interim financial statements.

### A10. Changes in the Composition of the Group

There were no changes in the composition of the Group during the period ended 31 July 2021.

### A11. Changes in Contingent Liabilities and Contingent Assets

At the date of this report, no contingent liabilities and contingent assets had arisen since the end of preceding financial year 30 April 2021.

#### **A12. Capital Commitments**

At the end of the current quarter, the Group has the following capital commitments:

	RM'000
Capital expenditure approved and contracted for:	
Additions of bearer plants	734
Purchase of other property, plant and equipment	19,747
	20,481
Capital expenditure approved but not contracted for:	
Additions of bearer plants	21,303
Purchase of other property, plant and equipment	40,784
	62,087
	82,568

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

### A13. Related Party Disclosures

In addition to the inter-companies' sales as disclosed in Note A8(a), the Group had the following transactions and balance with related parties during the current quarter and current financial year-to-date ended 31 July 2021:

## (a) Transactions with Related Parties

	Current Quarter Ended 31 July 2021 RM'000	Cumulative 3 Months Ended 31 July 2021 RM'000
Companies in which certain directors of the Company are directors		
<ul><li>Purchase of FFB</li><li>Purchase of fertiliser</li></ul>	240 282	240 282
(b) Balance with Related Party		
		As at End of Current Quarter 31 July 2021 RM'000
Company in which certain director of the Company is director - Trade payable		250

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

# B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

#### **B1.** Review of Performance

### **Current Quarter vs. Preceding Year Corresponding Quarter**

		Individual Quarter	
		Preceding Year	
	Current	Corresponding	
	Quarter Ended	Quarter Ended	
	31 July 2021	31 July 2020	Variance
	RM'000	RM'000	%
Revenue	114,868	86,786	32%
Operating profit	28,644	3,967	622%
Profit before tax	27,254	1,906	1330%
Profit after tax	21,281	2,738	677%
Profit attributable to owners of the			
Company	20,845	3,554	487%
Additional information:			
Segmental results (RM'000)			
Plantations:			
- Malaysian operations	24,145	5,818	315%
- Indonesian operations (Kalimantan)	906	(5,468)	117%
- Indonesian operations (Sulawesi)	(73)	(237)	69%
Investment holding	2,276	1,793	27%
Profit before tax	27,254	1,906	1330%
Breakdown of profit before tax			
(RM'000)			
Plantations:			
- Malaysian operations	34,694	14,902	133%
- Indonesian operations (Kalimantan)	6,956	687	913%
- Indonesian operations (Sulawesi)	(44)	(213)	79%
EBITDA	41,606	15,376	171%
Depreciation and amortisation	(15,531)	(15,272)	-2%
Fair value changes on biological			
assets (net) *	-	1,416	-100%
Investment income	178	308	-42%
Net foreign exchange gain	2,391	2,139	12%
Interest expense	(1,390)	(2,061)	33%
Profit before tax	27,254	1,906	1330%

<sup>\*</sup> No fair value changes on biological assets (net) provided in the current quarter as the amount involved was immaterial.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

#### B1. Review of Performance - Cont'd

### Current Quarter vs. Preceding Year Corresponding Quarter - Cont'd

		Individual Quarter	
		Preceding Year	
	Current	Corresponding	
	Quarter Ended	Quarter Ended	
	31 July 2021	31 July 2020	Variance
Additional information (cont'd):			
Planted area (hectare)			
Mature area:			
- Malaysia	18,176	18,347	-1%
- Indonesia	5,827	5,583	4%
Total mature area	24,003	23,930	0%
Immature area:			
- Malaysia	703	654	7%
- Indonesia	2,032	2,130	-5%
Total immature area	2,735	2,784	-2%
Total planted area	26,738	26,714	0%
FFB production (tonne)			
- Malaysia	81,708	85,772	-5%
- Indonesia	17,313	11,869	46%
Total FFB production	99,021	97,641	1%
FFB yield (tonne/hectare)			
- Malaysia	4.49	4.68	-4%
- Indonesia	2.97	2.13	40%
Group FFB yield	4.12	4.08	1%
Average price for Malaysian			
operations (RM)			
Average CPO price/tonne	3,776	2,328	62%
Average PK price/tonne	2,542	1,334	91%
Average price for Indonesian			
operations (RM)		_	
Average CPO price/tonne	3,075	2,091	47%
Average PK price/tonne	1,985	1,044	90%

During the current quarter ended 31 July 2021, the Group recorded a pretax profit of RM27.3 million which was 14 times higher than RM1.9 million in the corresponding quarter of the preceding year.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

#### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

#### B1. Review of Performance - Cont'd

#### Current Quarter vs. Preceding Year Corresponding Quarter - Cont'd

Comments on the business segments are as follows:

#### **Plantations**

#### Malaysian operations

During the current quarter ended 31 July 2021, the Malaysian operations recorded a plantation profit of RM24.1 million which was 315% higher than RM5.8 million in the corresponding quarter of the preceding year. Excluding depreciation, fair value changes on biological assets (net) and interest expense, the Malaysian operations recorded an Earnings Before Interest, Taxes, Depreciation and Amortisation ("EBITDA") of RM34.7 million which was 133% higher than RM14.9 million in the corresponding quarter of the preceding year.

Higher EBITDA in the current quarter was mainly due to higher average CPO price of RM3,776/tonne (preceding year: RM2,328/tonne) and PK price of RM2,542/tonne (preceding year: RM1,334/tonne) even though FFB production declined by 5% or 4,064 tonnes.

#### Indonesian operations (Kalimantan)

During the current quarter ended 31 July 2021, the Indonesian operations (Kalimantan) recorded a plantation profit of RM0.9 million compared with a plantation loss of RM5.5 million in the corresponding quarter of the preceding year. Excluding depreciation, fair value changes on biological assets (net) and interest expense, the Indonesian operations (Kalimantan) recorded an EBITDA of RM7.0 million which was 913% higher than RM0.7 million in the corresponding quarter of the preceding year.

Higher EBITDA in the current quarter was mainly due to higher average CPO price of RM3,075/tonne (preceding year: RM2,091/tonne) and PK price of RM1,985/tonne (preceding year: RM1,044/tonne), higher FFB production by 46% or 5,444 tonnes as well as lower unit cost of production incurred.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

#### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

#### B1. Review of Performance - Cont'd

## <u>Current Quarter vs. Preceding Year Corresponding Quarter - Cont'd</u>

#### **Investment Income**

Detailed breakdown of investment income is as follows:

	Individual Quarter		
	Preceding Year		
	Current	Corresponding	
	Quarter Ended	Quarter Ended	
	31 July 2021	31 July 2020	Variance
	RM'000	RM'000	%
Interest income	111	146	-24%
Fair value gains on short term funds	67	162	-59%
	178	308	-42%

Investment income of current quarter and corresponding quarter of the preceding year consist of interest income and fair value gains on short term funds. Lower investment income in the current quarter compared with that in the corresponding quarter of the preceding year was mainly due to lower funds placement after repayment of term loans.

### **B2.** Comparison with Preceding Quarter's Results

		Individual Quarter	
1	Current	Preceding	
	Quarter Ended	Quarter Ended	
	31 July 2021	30 April 2021	Variance
	RM'000	RM'000	%
Revenue	114,868	106,357	8%
Operating profit/(loss)	28,644	(3,885)	837%
Profit/(loss) before tax	27,254	(5,182)	626%
Profit/(loss) after tax	21,281	(13,145)	262%
Profit/(loss) attributable to owners of			
the Company	20,845	(11,699)	278%
Additional information: Segmental results (RM'000)			
Plantations:			
- Malaysian operations	24,145	15,214	59%
- Indonesian operations (Kalimantan)	906	(1,050)	186%
- Indonesian operations (Sulawesi)	(73)	(86)	15%
Investment holding	2,276	(3,226)	171%
Impairment of intangible asset	-	(16,034)	100%
Profit/(loss) before tax	27,254	(5,182)	626%

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

## **NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D**

### B2. Comparison with Preceding Quarter's Results - Cont'd

		Individual Quarter	
1	Current	Preceding	
	Quarter Ended	Quarter Ended	
	31 July 2021	30 April 2021	Variance
Additional information (cont'd):		•	
Breakdown of profit/(loss) before tax			
(RM'000)			
Plantations:			
- Malaysian operations	34,694	22,874	52%
- Indonesian operations (Kalimantan)	6,956	5,000	39%
- Indonesian operations (Sulawesi)	(44)	(57)	23%
EBITDA	41,606	27,817	50%
Depreciation and amortisation	(15,531)	(15,685)	1%
Fair value changes on biological assets	, ,	, ,	
(net) *	-	3,053	-100%
Investment income	178	76	134%
Net foreign exchange gain/(loss)	2,391	(3,112)	177%
Interest expense	(1,390)	(1,297)	-7%
Plantations + investment holding results	27,254	10,852	151%
Impairment of intangible asset	-	(16,034)	100%
Profit/(loss) before tax	27,254	(5,182)	626%
Planted area (hectare)			
Mature area:			
- Malaysia	18,176	18,218	0%
- Indonesia	5,827	5,583	4%
Total mature area	24,003	23,801	1%
Immature area:			
- Malaysia	703	770	-9%
- Indonesia	2,032	2,272	-11%
Total immature area	2,735	3,042	-10%
Total planted area	26,738	26,843	0%
FFB production (tonne)			
- Malaysia	81,708	72,149	13%
- Indonesia	17,313	11,220	54%
Total FFB production	99,021	83,369	19%
FFB yield (tonne/hectare)			
- Malaysia	4.49	3.96	13%
- Indonesia	2.97	2.01	48%
Group FFB yield	4.12	3.50	18%
Average price for Malaysian operations			
<u>(RM)</u>			
Average CPO price/tonne	3,776	3,454	9%
Average PK price/tonne	2,542	2,549	0%

<sup>\*</sup> No fair value changes on biological assets (net) provided in the current quarter as the amount involved was immaterial.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

#### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

### B2. Comparison with Preceding Quarter's Results - Cont'd

	Individual Quarter		
	Current	Preceding	
	Quarter Ended	Quarter Ended	
	31 July 2021	30 April 2021	Variance
Additional information (cont'd):			
Average price for Indonesian operations			
(RM)			
Average CPO price/tonne	3,075	2,833	9%
Average PK price/tonne	1,985	1,991	0%

During the current quarter ended 31 July 2021, the Group recorded a pretax profit of RM27.3 million compared with a pretax loss of RM5.2 million in the preceding quarter which included an impairment of intangible asset of RM16.0 million.

Comments on the business segments are as follows:

#### **Plantations**

#### Malaysian operations

During the current quarter ended 31 July 2021, the Malaysian operations recorded a plantation profit of RM24.1 million which was 59% higher than RM15.2 million in the preceding quarter. Excluding depreciation, fair value changes on biological assets (net) and interest expense, the Malaysian operations recorded an EBITDA of RM34.7 million which was 52% higher than RM22.9 million in the preceding quarter.

Higher EBITDA in the current quarter was mainly due to higher average CPO price of RM3,776/tonne (preceding quarter: RM3,454/tonne), higher FFB production by 13% or 9,559 tonnes as well as lower unit cost of production incurred.

### Indonesian operations (Kalimantan)

During the current quarter ended 31 July 2021, the Indonesian operations (Kalimantan) recorded a plantation profit of RM0.9 million compared with a plantation loss of RM1.0 million in the preceding quarter. Excluding depreciation, fair value changes on biological assets (net) and interest expense, the Indonesian operations (Kalimantan) recorded an EBITDA of RM7.0 million which was 39% higher than RM5.0 million in the preceding quarter.

Higher EBITDA in the current quarter was mainly due to higher FFB production by 54% or 6,093 tonnes, higher average CPO price of RM3,075/tonne (preceding quarter: RM2,833/tonne) as well as lower unit cost of production incurred.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

#### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

#### B2. Comparison with Preceding Quarter's Results - Cont'd

#### **Investment Income**

Detailed breakdown of investment income is as follows:

	Individual Quarter		
	Current Preceding		
	Quarter Ended	Quarter Ended	
	31 July 2021	30 April 2021	Variance
	RM'000	RM'000	%
Interest income	111	55	102%
Fair value gains on short term funds	67	21	219%
	178	76	134%

Investment income of current and preceding quarters consist of interest income and fair value gains on short term funds. Higher investment income in the current quarter compared with that in the preceding quarter was mainly due to higher funds placement which generated from plantations segment.

#### **B3.** Current Year Prospects

The Group expects FFB production to increase during the financial year ending 30 April 2022 due to higher yields, better age profile and an increase in mature area in oil palm estates in Kalimantan, Indonesia.

However, the Group remains cautious in view of the volatility of CPO prices, increasing fertiliser costs and shortage of labour for Malaysian operations as a consequence of the restriction of foreign labour recruitment.

Management's priority remains focused on improving labour productivity, mechanisation initiatives and cost efficiency as well as increasing FFB yield.

The Group expects to fully vaccinate all employees and workers for Malaysian operations by the end of September 2021. This would minimise the disruption of operations.

At the same time, the Group would expedite the vaccination for all employees and workers in Indonesian operations.

#### B4. Variance of Actual Profit from Profit Forecast or Profit Guarantee

No profit forecast or profit guarantee was issued by the Group during the period ended 31 July 2021.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

#### **B5.** Profit Before Tax

The following items have been (credited)/charged in arriving at profit before tax:

	Current Quarter Ended 31 July 2021 RM'000	Cumulative 3 Months Ended 31 July 2021 RM'000
Gain on disposal of property, plant and equipment Interest income	(12) (111)	(12) (111)
Net foreign exchange gain:	()	()
- realised	(1)	(1)
- unrealised	(2,390)	(2,390)
Realised fair value gains on short term funds	(67)	(67)
Depreciation of property, plant and equipment	11,885 <sup>°</sup>	11,885
Depreciation of right-of-use assets	3,646	3,646
Interest expense	1,390	1,390
Property, plant and equipment written off	16	16

The other minimum disclosure items which are currently not applicable to the Group are as follows:

- Provision for and write off of receivables
- Provision for and write off of inventories
- Impairment of assets
- Gain or loss on derivatives
- Exceptional items

#### **B6.** Taxation

	Current Quarter Ended 31 July 2021 RM'000	Cumulative 3 Months Ended 31 July 2021 RM'000
Current tax expense Withholding tax Deferred tax expense	6,473 237 (737) 5,973	6,473 237 (737) 5,973

The effective tax rate for the current quarter and current financial year-to-date was lower than the statutory tax rate due to certain income which is not taxable.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

### **B7.** Status of Corporate Proposals

There is no corporate proposal announced by the Group or pending completion as at 23 September 2021.

### **B8.** Group Borrowings and Debt Securities

At the end of the current quarter and preceding year corresponding quarter, the Group's borrowings were as follows:

### As at End of Current Quarter 31 July 2021

	Foreign	RM
	Currency	Equivalent
		RM'000
Secured:		
Long-term		
- Term loan (IDR million)	169,750	49,567
Short-term		
- Term loan (IDR million)	20,208	5,900
- Revolving credit (USD'000)	17,000	71,783
Total bank borrowings		127,250
Exchange rate used:	USD1	RM4.223
	IDR1,000	RM0.292

### As at End of Preceding Year Corresponding Quarter 31 July 2020

	Foreign	RM
	Currency	Equivalent
		RM'000
Secured:		
Long-term		
- Term loan (IDR million)	192,768	56,096
Short-term		
- Term loan (USD'000)	5,000	21,215
- Term loan (IDR million)	9,316	2,711
- Revolving credit (USD'000)	17,000	72,131
Total bank borrowings		152,153
Exchange rate used:	USD1	RM4.243
	IDR1,000	RM0.291

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

### B8. Group Borrowings and Debt Securities - Cont'd

- (a) The USD term loan carries an interest rate based on the bank's cost of funds + 0.75% per annum.
- (b) The USD revolving credit carries an interest rate based on the bank's cost of funds + 0.75% per annum.
- (c) The IDR term loan carries an interest rate based on the 1-month Jakarta Interbank Offered Rate ("JIBOR") + 3.45% per annum.
- (d) The Group does not hedge the USD and IDR borrowings in Ringgit Malaysia ("RM").

There was no debt security as at 31 July 2021.

### **B9.** Material Litigation

There was no material litigation since the last reporting date as at 30 April 2021.

#### B10. Disclosure of Realised and Unrealised Profits/Losses

	As at End of Current Quarter 31 July 2021 RM'000	As at Preceding Financial Year End 30 April 2021 RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	641,808	635,165
- unrealised	454,501	453,991
	1,096,309	1,089,156
Less: Consolidation adjustments	(20,434)	(19,442)
Total Group's retained earnings as per consolidated statement of financial position	1,075,875	1,069,714

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

#### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

#### **B11. Earnings Per Share**

#### (a) Basic earnings per share

Basic earnings per share are calculated by dividing profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period as follows:

	Current Quarter Ended 31 July 2021	Cumulative 3 Months Ended 31 July 2021
Profit for the period attributable to owners of the Company (RM'000)	20,845	20,845
Weighted average number of ordinary shares in issue ('000 unit)	209,769	209,769
Basic earnings per share (sen)	9.94	9.94

#### (b) Diluted earnings per share

The diluted earnings per ordinary share for the current quarter and current financial year-todate ended 31 July 2021 are the same as the basic earnings per ordinary share as the Company has no potential dilutive ordinary shares.

#### **B12.** Auditors' Report on Preceding Annual Financial Statements

There were no qualifications in the auditors' report of the Group's latest annual financial statements ended 30 April 2021.

#### B13. Dividends

A second interim single-tier dividend of 7 sen in respect of financial year ended 30 April 2021 amounting to RM14,684,000 was declared on 24 June 2021 and paid on 16 August 2021.

No dividend has been declared in respect of the current guarter ended 31 July 2021.

(Incorporated in Malaysia)

# UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 JULY 2021

### NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

#### **B14.** Authorised for Issue

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board on 23 September 2021.

By order of the Board, Yong Yoke Hiong (SSM PC No. 201908001562) (MAICSA 7021707) Pang Poh Chen (SSM PC No. 201908001514) (MAICSA 7069479) Company Secretaries Melaka, 23 September 2021