

UNITED MALACCA BERHAD 191001000010 (1319 - V)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023****CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

	Individual Quarter 3 Months Ended 31 October		Cumulative Quarter 6 Months Ended 31 October	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Revenue	144,509	140,128	280,462	307,568
Cost of sales	(115,440)	(110,542)	(237,473)	(235,678)
Gross profit	29,069	29,586	42,989	71,890
Other income	2,273	2,378	5,478	3,330
Administrative expenses	(6,047)	(5,780)	(12,695)	(12,191)
Other expenses	(2,835)	(2,011)	(7,184)	(5,552)
Operating profit	22,460	24,173	28,588	57,477
Interest expense	(2,197)	(1,786)	(4,392)	(3,301)
Profit before tax	20,263	22,387	24,196	54,176
Taxation	(6,907)	(7,908)	(8,884)	(16,194)
Profit for the period	13,356	14,479	15,312	37,982
Other comprehensive income:				
Item that will be subsequently reclassified to profit or loss:				
Exchange differences on translation of foreign operations	307	1,944	(3,545)	1,747
	307	1,944	(3,545)	1,747
Total comprehensive income for the period	13,663	16,423	11,767	39,729
Profit/(loss) for the period attributable to:				
Owners of the Company	13,723	15,709	16,399	40,012
Non-controlling interests	(367)	(1,230)	(1,087)	(2,030)
	13,356	14,479	15,312	37,982
Total comprehensive income/(loss) for the period attributable to:				
Owners of the Company	13,910	17,251	13,390	41,365
Non-controlling interests	(247)	(828)	(1,623)	(1,636)
	13,663	16,423	11,767	39,729
Earnings per share attributable to owners of the Company:				
Basic (sen)	6.54	7.49	7.82	19.07
Diluted (sen)	6.54	7.49	7.82	19.07

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 30 April 2023 and the accompanying explanatory notes attached to the interim financial statements.

UNITED MALACCA BERHAD 191001000010 (1319 - V)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at End of Current Quarter 31 October 2023	As at Preceding Financial Year End 30 April 2023
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	678,807	681,180
Right-of-use assets	796,205	806,120
Goodwill on consolidation	82,474	82,474
Intangible asset	227	233
	<u>1,557,713</u>	<u>1,570,007</u>
Current Assets		
Inventories	62,521	36,288
Biological assets	12,843	10,840
Trade and other receivables	107,434	97,054
Tax recoverable	9,312	3,951
Short term funds	33,496	50,133
Cash and bank balances	47,632	73,670
	<u>273,238</u>	<u>271,936</u>
TOTAL ASSETS	<u>1,830,951</u>	<u>1,841,943</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	255,375	255,375
Foreign currency translation reserve	(6,958)	(3,949)
Retained earnings	1,184,100	1,182,385
Equity attributable to owners of the Company	<u>1,432,517</u>	<u>1,433,811</u>
Non-controlling interests	31,955	33,578
Total equity	<u>1,464,472</u>	<u>1,467,389</u>
Non-Current Liabilities		
Lease liabilities	2,280	2,404
Retirement benefit obligation	1,218	1,059
Deferred tax liabilities	194,167	194,640
	<u>197,665</u>	<u>198,103</u>
Current Liabilities		
Bank borrowings	109,047	110,496
Lease liabilities	643	590
Trade and other payables	59,124	65,365
	<u>168,814</u>	<u>176,451</u>
Total liabilities	<u>366,479</u>	<u>374,554</u>
TOTAL EQUITY AND LIABILITIES	<u>1,830,951</u>	<u>1,841,943</u>
Net assets per share attributable to owners of the Company (RM)	<u>6.83</u>	<u>6.84</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 30 April 2023 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

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

	Attributable to Owners of the Company				Non-Controlling Interests	Total Equity
	Share Capital	Non-distributable Foreign Currency Translation Reserve	Distributable Retained Earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Period Ended 31 October 2023</u>						
Balance at 1 May 2023	255,375	(3,949)	1,182,385	1,433,811	33,578	1,467,389
Total comprehensive (loss)/income for the period	-	(3,009)	16,399	13,390	(1,623)	11,767
Transaction with owners:						
Dividend	-	-	(14,684)	(14,684)	-	(14,684)
	-	-	(14,684)	(14,684)	-	(14,684)
Balance at 31 October 2023	255,375	(6,958)	1,184,100	1,432,517	31,955	1,464,472

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 OCTOBER 2023 - CONT'D**

	Attributable to Owners of the Company					Non-Controlling Interests	Total Equity
	Share Capital	Non-distributable Foreign Currency Translation Reserve	Distributable Retained Earnings	Total			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<u>Period Ended 31 October 2022</u>							
Balance at 1 May 2022	255,375	(6,026)	1,152,552	1,401,901	38,914	1,440,815	
Total comprehensive income/(loss) for the period	-	1,353	40,012	41,365	(1,636)	39,729	
Transaction with owners:							
Dividends	-	-	(20,977)	(20,977)	-	(20,977)	
	-	-	(20,977)	(20,977)	-	(20,977)	
Balance at 31 October 2022	255,375	(4,673)	1,171,587	1,422,289	37,278	1,459,567	

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 April 2023 and the accompanying explanatory notes attached to the interim financial statements.

UNITED MALACCA BERHAD 191001000010 (1319 - V)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 OCTOBER 2023**

	Period Ended 31 October 2023	Period Ended 31 October 2022
	RM'000	RM'000
Operating Activities		
Profit before tax	24,196	54,176
Adjustments for:		
Depreciation of:		
- Property, plant and equipment	27,624	24,309
- Right-of-use assets	7,697	7,427
Fair value changes on biological assets (net)	(2,034)	2,211
Gain on disposal of property, plant and equipment	(97)	(301)
Interest expense	4,392	3,301
Interest income	(763)	(1,147)
Net fair value gains on short term funds:		
- Realised	(691)	(296)
- Unrealised	(89)	(120)
Net unrealised foreign exchange loss	7,115	3,294
Property, plant and equipment written off	70	47
Operating cash flows before changes in working capital	67,420	92,901
<u>Changes in working capital:</u>		
Inventories	(26,797)	(5,440)
Trade and other receivables	(11,499)	(18,477)
Trade and other payables	(5,881)	3,840
Cash flows from operations	23,243	72,824
Interest received	782	1,057
Interest paid	(4,343)	(3,236)
Taxes paid	(14,293)	(25,108)
Net cash flows from operating activities	5,389	45,537
Investing Activities		
Net withdrawals of short term funds	17,417	57,570
Proceeds from disposal of property, plant and equipment	557	1,033
Purchase of property, plant and equipment	(28,803)	(20,226)
Additions of right-of-use assets	-	(18,354)
Withdrawal of short term deposits with maturity period of more than 3 months	5,272	-
Net cash flows (used in)/from investing activities	(5,557)	20,023

UNITED MALACCA BERHAD 191001000010 (1319 - V)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 OCTOBER 2023 - CONT'D**

	Period Ended 31 October 2023	Period Ended 31 October 2022
	RM'000	RM'000
Financing Activities		
Dividends paid	(14,684)	(20,977)
Repayment of term loan	(5,542)	(3,647)
Payment of principal portion of lease liabilities	(300)	(467)
Net cash flows used in financing activities	(20,526)	(25,091)
Net change in cash and cash equivalents	(20,694)	40,469
Effect of foreign exchange rate changes	(72)	(80)
Cash and cash equivalents at beginning of period	68,398	58,161
Cash and cash equivalents at end of period	47,632	98,550
Cash and cash equivalents comprise:		
Cash on hand and at banks	8,773	7,133
Short-term deposits with licensed financial institutions	38,859	91,417
	47,632	98,550

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 30 April 2023 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

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 2023. 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 2023.

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 2023 except for the adoption of the following amended standards effective for the financial year beginning 1 May 2023:

Description	Effective for annual periods beginning on or after
• MFRS 17: <i>Insurance Contracts</i>	1 January 2023
• Amendments to MFRS 17: <i>Insurance Contracts</i>	1 January 2023
• Amendment to MFRS 17: <i>Insurance Contracts – Initial Application of MFRS 17 and MFRS 9 – Comparative Information</i>	1 January 2023
• Amendments to MFRS 101: <i>Disclosure of Accounting Policies</i>	1 January 2023
• Amendments to MFRS 108: <i>Disclosure of Accounting Estimates</i>	1 January 2023
• Amendments to MFRS 112: <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
• Amendments to MFRS 112: <i>Income Taxes</i>	1 January 2023

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

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

A3. Seasonal or Cyclical Nature of Operations

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

The FFB production of the Group for the six months ended 31 October 2023 was higher than that of the corresponding period in the preceding year by 6% or 13,389 tonnes.

For Malaysian operations, FFB production for the six months ended 31 October 2023 declined by 6% or 11,842 tonnes from the corresponding period in the preceding year due to seasonal low yielding trend in Peninsular estates.

For Indonesian operations, FFB production for the six months ended 31 October 2023 grew by 104% or 25,231 tonnes from the corresponding period in the preceding year.

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 October 2023.

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 October 2023.

A6. Changes in Debt and Equity Securities

There were no issuance, repurchase and repayment of debt and equity securities during the period ended 31 October 2023.

A7. Dividend Paid

The dividend paid during the period ended 31 October 2023 was as follows:

	RM'000
In respect of financial year ended 30 April 2023	
Second interim single-tier dividend of 7 sen, on 209,769,201 ordinary shares, paid on 18 August 2023	<u>14,684</u>

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

A8. Segmental Information

(a) Business Segments

	Current Quarter Ended 31 October 2023 RM'000	Cumulative 6 Months Ended 31 October 2023 RM'000
Segment Revenue		
Plantation revenue	162,440	310,303
Elimination of inter-companies' sales	(17,931)	(29,841)
External sales	<u>144,509</u>	<u>280,462</u>
Segment Profit/(Loss)		
Plantations:		
- Malaysian operations	24,128	30,313
- Indonesian operations (Kalimantan)	(486)	1,810
- Indonesian operations (Sulawesi)	(42)	(96)
Investment holding	<u>(3,337)</u>	<u>(7,831)</u>
Profit before tax	20,263	24,196
Taxation	<u>(6,907)</u>	<u>(8,884)</u>
Profit for the period	<u>13,356</u>	<u>15,312</u>
		As at End of Current Quarter 31 October 2023 RM'000
Segment Assets		
Plantations		1,749,771
Investment holding		81,180
Consolidated total assets		<u>1,830,951</u>
Segment Liabilities		
Plantations		257,238
Investment holding		109,241
Consolidated total liabilities		<u>366,479</u>

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

A8. Segmental Information - Cont'd

(b) Geographical Segments

	Current Quarter Ended 31 October 2023	Cumulative 6 Months Ended 31 October 2023
	RM'000	RM'000
Segment Revenue		
Malaysia	100,667	191,573
Indonesia	43,842	88,889
Consolidated total revenue	<u>144,509</u>	<u>280,462</u>
Segment Profit/(Loss)		
Malaysia	19,779	24,560
Indonesia	484	(364)
Profit before tax	<u>20,263</u>	<u>24,196</u>
Taxation	(6,907)	(8,884)
Profit for the period	<u>13,356</u>	<u>15,312</u>
		As at End of Current Quarter 31 October 2023
		RM'000
Segment Assets		
Malaysia		1,260,899
Indonesia		570,052
Consolidated total assets		<u>1,830,951</u>
Segment Liabilities		
Malaysia		287,315
Indonesia		79,164
Consolidated total liabilities		<u>366,479</u>

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

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 October 2023 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 October 2023.

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 2023.

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	2,038
Purchase of other property, plant and equipment	<u>14,871</u>
	<u>16,909</u>
Capital expenditure approved but not contracted for:	
Additions of bearer plants	13,770
Construction of new palm oil mill - Malaysia	56,279
Purchase of other property, plant and equipment	<u>27,932</u>
	<u>97,981</u>
	<u>114,890</u>

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

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 balances with related parties during the current quarter and current financial year-to-date ended 31 October 2023:

(a) Transactions with Related Parties

	Current Quarter Ended 31 October 2023 RM'000	Cumulative 6 Months Ended 31 October 2023 RM'000
Companies in which certain directors have deemed interest		
- Purchase of fertiliser	177	1,048
- Purchase of FFB	362	583
	<hr/>	<hr/>

(b) Balances with Related Parties

	As at End of Current Quarter 31 October 2023 RM'000
Companies in which certain directors have deemed interest	
- Trade payables	265
	<hr/>

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

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

(a) Current Quarter vs. Preceding Year Corresponding Quarter

	Individual Quarter		
	Current Quarter Ended 31 October 2023	Preceding Year Corresponding Quarter Ended 31 October 2022	Variance
	RM'000	RM'000	%
Revenue	144,509	140,128	3%
Operating profit	22,460	24,173	-7%
Profit before tax	20,263	22,387	-9%
Profit after tax	13,356	14,479	-8%
Profit attributable to owners of the Company	13,723	15,709	-13%
Additional information: <u>Segmental results (RM'000)</u>			
Plantations:			
- Malaysian operations	24,128	29,794	-19%
- Indonesian operations (Kalimantan)	(486)	(5,527)	91%
- Indonesian operations (Sulawesi)	(42)	(48)	13%
Investment holding	(3,337)	(1,832)	-82%
Profit before tax	20,263	22,387	-9%
<u>Breakdown of profit/(loss) before tax (RM'000)</u>			
Plantations:			
- Malaysian operations	34,675	40,307	-14%
- Indonesian operations (Kalimantan)	6,819	314	2072%
- Indonesian operations (Sulawesi)	(13)	(17)	24%
EBITDA	41,481	40,604	2%
Depreciation	(17,483)	(15,908)	-10%
Fair value changes on biological assets (net)	627	597	5%
Investment income	665	840	-21%
Net foreign exchange loss	(2,830)	(1,960)	-44%
Interest expense	(2,197)	(1,786)	-23%
Profit before tax	20,263	22,387	-9%

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

B1. Review of Performance - Cont'd

(a) Current Quarter vs. Preceding Year Corresponding Quarter - Cont'd

	Individual Quarter		
	Current Quarter Ended 31 October 2023	Preceding Year Corresponding Quarter Ended 31 October 2022	Variance
Additional information (cont'd):			
<u>Planted area (hectare)</u>			
Mature area:			
- Malaysia	17,959	17,955	0%
- Indonesia	6,763	6,073	11%
Total mature area	24,722	24,028	3%
Immature area:			
- Malaysia	914	948	-4%
- Indonesia	1,121	1,791	-37%
Total immature area	2,035	2,739	-26%
Total planted area	26,757	26,767	0%
<u>FFB production (tonne)</u>			
- Malaysia	95,261	101,982	-7%
- Indonesia	22,463	13,606	65%
Total FFB production	117,724	115,588	2%
<u>FFB yield (tonne/hectare)</u>			
- Malaysia	5.29	5.66	-7%
- Indonesia	3.32	2.24	48%
Group FFB yield	4.75	4.80	-1%
<u>Average price for Malaysian operations (RM)</u>			
Average CPO price/tonne	3,758	3,985	-6%
Average PK price/tonne	2,001	2,334	-14%
<u>Average price for Indonesian operations (RM)</u>			
Average CPO price/tonne	3,303	2,769	19%
Average PK price/tonne	1,537	1,882	-18%

During the current quarter ended 31 October 2023, the Group recorded a pre-tax profit of RM20.3 million which was 9% lower than RM22.4 million in the corresponding quarter of the preceding year.

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

B1. Review of Performance - Cont'd

(a) 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 October 2023, the Malaysian operations recorded a plantation profit of RM24.1 million which was 19% lower than RM29.8 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 14% lower than RM40.3 million in the corresponding quarter of the preceding year.

Lower EBITDA in the current quarter was mainly due to lower average CPO price of RM3,758/tonne (preceding year: RM3,985/tonne) and PK price of RM2,001/tonne (preceding year: RM2,334/tonne) and lower FFB production by 7% or 6,721 tonnes.

Indonesian operations (Kalimantan)

Plantation losses were recorded for current quarter and corresponding quarter of the preceding year amounting to RM0.5 million and RM5.5 million respectively. Excluding depreciation, fair value changes on biological assets (net) and interest expense, the Indonesian operations (Kalimantan) recorded an EBITDA of RM6.8 million which was 22 times higher than RM0.3 million in the corresponding quarter of the preceding year.

Higher EBITDA in the current quarter was mainly due to higher FFB production by 65% or 8,857 tonnes and higher average CPO price of RM3,303/tonne (preceding year: RM2,769/tonne).

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

B1. Review of Performance - Cont'd

(a) Current Quarter vs. Preceding Year Corresponding Quarter - Cont'd

Investment Holding

Detailed breakdown of investment holding results is as follows:

	Individual Quarter		
	Current Quarter Ended 31 October 2023	Preceding Year Corresponding Quarter Ended 31 October 2022	Variance
	RM'000	RM'000	%
Interest income	343	728	-53%
Fair value gains on short term funds	322	112	188%
Interest expense	(1,172)	(712)	-65%
Net foreign exchange loss	(2,830)	(1,960)	-44%
	(3,337)	(1,832)	-82%

Investment loss of RM3.3 million in the current quarter was attributable to net foreign exchange loss of RM2.8 million and interest expense of RM1.2 million, net of interest income of RM0.3 million and fair value gains on short term funds of RM0.3 million.

Investment loss of RM1.8 million in the corresponding quarter of the preceding year was attributable to net foreign exchange loss of RM2.0 million and interest expense of RM0.7 million, net of interest income of RM0.7 million and fair value gains on short term funds of RM0.1 million.

(b) Current Year-to-date vs. Preceding Year-to-date

	Cumulative Quarter		
	Current Year-to-date Ended 31 October 2023	Preceding Year-to-date Ended 31 October 2022	Variance
	RM'000	RM'000	%
Revenue	280,462	307,568	-9%
Operating profit	28,588	57,477	-50%
Profit before tax	24,196	54,176	-55%
Profit after tax	15,312	37,982	-60%
Profit attributable to owners of the Company	16,399	40,012	-59%

UNITED MALACCA BERHAD 191001000010 (1319 - V)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

B1. Review of Performance - Cont'd

(b) Current Year-to-date vs. Preceding Year-to-date - Cont'd

	Cumulative Quarter		
	Current Year-to-date Ended 31 October 2023	Preceding Year-to-date Ended 31 October 2022	Variance
Additional information:			
<u>Segmental results (RM'000)</u>			
Plantations:			
- Malaysian operations	30,313	65,965	-54%
- Indonesian operations (Kalimantan)	1,810	(8,765)	121%
- Indonesian operations (Sulawesi)	(96)	(96)	0%
Investment holding	(7,831)	(2,928)	-167%
Profit before tax	24,196	54,176	-55%
<u>Breakdown of profit/(loss) before tax (RM'000)</u>			
Plantations:			
- Malaysian operations	50,738	89,511	-43%
- Indonesian operations (Kalimantan)	16,745	3,670	356%
- Indonesian operations (Sulawesi)	(36)	(34)	-6%
EBITDA	67,447	93,147	-28%
Depreciation	(35,321)	(31,736)	-11%
Fair value changes on biological assets (net)	2,034	(2,211)	192%
Investment income	1,543	1,563	-1%
Net foreign exchange loss	(7,115)	(3,286)	-117%
Interest expense	(4,392)	(3,301)	-33%
Profit before tax	24,196	54,176	-55%
<u>Planted area (hectare)</u>			
Mature area:			
- Malaysia	17,959	17,955	0%
- Indonesia	6,763	6,073	11%
Total mature area	24,722	24,028	3%
Immature area:			
- Malaysia	914	948	-4%
- Indonesia	1,121	1,791	-37%
Total immature area	2,035	2,739	-26%
Total planted area	26,757	26,767	0%
<u>FFB production (tonne)</u>			
- Malaysia	171,722	183,564	-6%
- Indonesia	49,390	24,159	104%
Total FFB production	221,112	207,723	6%

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

B1. Review of Performance - Cont'd

(b) Current Year-to-date vs. Preceding Year-to-date - Cont'd

	Cumulative Quarter		
	Current Year-to-date Ended 31 October 2023	Preceding Year-to-date Ended 31 October 2022	Variance
Additional information (cont'd):			
<u>FFB yield (tonne/hectare)</u>			
- Malaysia	9.52	10.16	-6%
- Indonesia	7.30	3.98	84%
Group FFB yield	8.91	8.61	4%
<u>Average price for Malaysian operations (RM)</u>			
Average CPO price/tonne	3,769	4,727	-20%
Average PK price/tonne	1,975	2,575	-23%
<u>Average price for Indonesian operations (RM)</u>			
Average CPO price/tonne	3,240	3,465	-6%
Average PK price/tonne	1,531	2,491	-39%

During the current six months ended 31 October 2023, the Group recorded a pre-tax profit of RM24.2 million which was 55% lower than RM54.2 million in the corresponding period of the preceding year.

Comments on the business segments are as follows:

Plantations

Malaysian operations

During the current six months ended 31 October 2023, the Malaysian operations recorded a plantation profit of RM30.3 million which was 54% lower than RM66.0 million in the corresponding period of the preceding year. Excluding depreciation, fair value changes on biological assets (net) and interest expense, the Malaysian operations recorded an EBITDA of RM50.7 million which was 43% lower than RM89.5 million in the corresponding period of the preceding year.

Lower EBITDA in the current six months was mainly due to lower average CPO price of RM3,769/tonne (preceding year: RM4,727/tonne) and PK price of RM1,975/tonne (preceding year: RM2,575/tonne) as well as lower FFB production by 6% or 11,842 tonnes.

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

B1. Review of Performance - Cont'd

(b) Current Year-to-date vs. Preceding Year-to-date - Cont'd

Plantations - Cont'd

Indonesian operations (Kalimantan)

During the current six months ended 31 October 2023, the Indonesian operations (Kalimantan) recorded a plantation profit of RM1.8 million compared with a plantation loss of RM8.8 million in the corresponding period of the preceding year. Excluding depreciation, fair value changes on biological assets (net) and interest expense, the Indonesian operations (Kalimantan) recorded an EBITDA of RM16.7 million which was 356% higher than RM3.7 million in the corresponding period of the preceding year.

Higher EBITDA in the current six months was mainly due to higher FFB production by 104% or 25,231 tonnes.

Investment Holding

Detailed breakdown of investment holding results is as follows:

	Cumulative Quarter		
	Current Year-to-date Ended 31 October 2023	Preceding Year-to-date Ended 31 October 2022	Variance
	RM'000	RM'000	%
Interest income	763	1,147	-33%
Fair value gains on short term funds	780	416	88%
Interest expense	(2,259)	(1,205)	-87%
Net foreign exchange loss	(7,115)	(3,286)	-117%
	(7,831)	(2,928)	-167%

Investment loss of RM7.8 million in the current six months was attributable to net foreign exchange loss of RM7.1 million and interest expense of RM2.3 million, net of fair value gains on short term funds of RM0.8 million and interest income of RM0.8 million.

Investment loss of RM2.9 million in the corresponding period of the preceding year was attributable to net foreign exchange loss of RM3.3 million and interest expense of RM1.2 million, net of the interest income of RM1.1 million and fair value gains on short term funds of RM0.4 million.

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

B2. Comparison with Preceding Quarter's Results

	Individual Quarter		
	Current Quarter Ended 31 October 2023	Preceding Quarter Ended 31 July 2023	Variance
	RM'000	RM'000	%
Revenue	144,509	135,953	6%
Operating profit	22,460	6,128	267%
Profit before tax	20,263	3,933	415%
Profit after tax	13,356	1,956	583%
Profit attributable to owners of the Company	13,723	2,676	413%
Additional information: Segmental results (RM'000)			
Plantations:			
- Malaysian operations	24,128	6,185	290%
- Indonesian operations (Kalimantan)	(486)	2,296	-121%
- Indonesian operations (Sulawesi)	(42)	(54)	22%
Investment holding	(3,337)	(4,494)	26%
Profit before tax	20,263	3,933	415%
Breakdown of profit/(loss) before tax (RM'000)			
Plantations:			
- Malaysian operations	34,675	16,063	116%
- Indonesian operations (Kalimantan)	6,819	9,926	-31%
- Indonesian operations (Sulawesi)	(13)	(23)	43%
EBITDA	41,481	25,966	60%
Depreciation	(17,483)	(17,838)	2%
Fair value changes on biological assets (net)	627	1,407	-55%
Investment income	665	878	-24%
Net foreign exchange loss	(2,830)	(4,285)	34%
Interest expense	(2,197)	(2,195)	0%
Profit before tax	20,263	3,933	415%

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

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

	Individual Quarter		
	Current Quarter Ended 31 October 2023	Preceding Quarter Ended 31 July 2023	Variance
Additional information (cont'd):			
<u>Planted area (hectare)</u>			
Mature area:			
- Malaysia	17,959	18,094	-1%
- Indonesia	6,763	6,763	0%
Total mature area	24,722	24,857	-1%
Immature area:			
- Malaysia	914	784	17%
- Indonesia	1,121	1,105	1%
Total immature area	2,035	1,889	8%
Total planted area	26,757	26,746	0%
<u>FFB production (tonne)</u>			
- Malaysia	95,261	76,461	25%
- Indonesia	22,463	26,927	-17%
Total FFB production	117,724	103,388	14%
<u>FFB yield (tonne/hectare)</u>			
- Malaysia	5.29	4.23	25%
- Indonesia	3.32	3.98	-17%
Group FFB yield	4.75	4.16	14%
<u>Average price for Malaysian operations (RM)</u>			
Average CPO price/tonne	3,758	3,781	-1%
Average PK price/tonne	2,001	1,944	3%
<u>Average price for Indonesian operations (RM)</u>			
Average CPO price/tonne	3,303	3,179	4%
Average PK price/tonne	1,537	1,525	1%

During the current quarter ended 31 October 2023, the Group recorded a pre-tax profit of RM20.3 million which was 415% higher than RM3.9 million in the preceding quarter.

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

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

Comments on the business segments are as follows:

Plantations

Malaysian operations

During the current quarter ended 31 October 2023, the Malaysian operations recorded a plantation profit of RM24.1 million which was 290% higher than RM6.2 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 116% higher than RM16.1 million in the preceding quarter.

Higher EBITDA in the current quarter was mainly due to higher FFB production by 25% or 18,800 tonnes and lower unit cost of production incurred.

Indonesian operations (Kalimantan)

During the current quarter ended 31 October 2023, the Indonesian operations (Kalimantan) recorded a plantation loss of RM0.5 million compared with a plantation profit of RM2.3 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 RM6.8 million which was 31% lower than RM9.9 million in the preceding quarter.

Lower EBITDA in the current quarter was mainly due to lower FFB production by 17% or 4,464 tonnes and higher unit cost of production incurred.

Investment Holding

Detailed breakdown of investment holding results is as follows:

	Individual Quarter		
	Current Quarter Ended 31 October 2023	Preceding Quarter Ended 31 July 2023	Variance
	RM'000	RM'000	%
Interest income	343	420	-18%
Fair value gains on short term funds	322	458	-30%
Interest expense	(1,172)	(1,087)	-8%
Net foreign exchange loss	(2,830)	(4,285)	34%
	(3,337)	(4,494)	26%

Investment loss of RM3.3 million in the current quarter was attributable to net foreign exchange loss of RM2.8 million and interest expense of RM1.2 million, net of interest income of RM0.3 million and fair value gains on short term funds of RM0.3 million.

UNITED MALACCA BERHAD 191001000010 (1319 - V)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023****NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D****B2. Comparison with Preceding Quarter's Results - Cont'd****Investment Holding - Cont'd**

Investment loss of RM4.5 million in the preceding quarter was attributable to net foreign exchange loss of RM4.3 million and interest expense of RM1.1 million, net of fair value gains on short term funds of RM0.5 million and interest income of RM0.4 million.

B3. Current Year Prospects

The Group expects FFB production to increase in the financial year ending 30 April 2024 ("FY 2024") due to better age profile and expected improvement in Indonesian operations.

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

Assuming CPO prices remain at the current level, the Group expects satisfactory results for FY 2024.

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 October 2023.

B5. Profit Before Tax

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

	Current Quarter Ended 31 October 2023	Cumulative 6 Months Ended 31 October 2023
	RM'000	RM'000
Depreciation of:		
- Property, plant and equipment	13,694	27,624
- Right-of-use assets	3,789	7,697
Fair value changes on biological assets (net)	(627)	(2,034)
Gain on disposal of property, plant and equipment	(45)	(97)
Interest expense	2,197	4,392
Interest income	(343)	(763)

UNITED MALACCA BERHAD 191001000010 (1319 - V)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023****NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D****B5. Profit Before Tax - Cont'd**

	Current Quarter Ended 31 October 2023 RM'000	Cumulative 6 Months Ended 31 October 2023 RM'000
Net fair value (gains)/loss on short term funds:		
- realised	(596)	(691)
- unrealised	274	(89)
Net foreign exchange (gain)/loss:		
- realised	(1)	-
- unrealised	2,831	7,115
Property, plant and equipment written off	<u>5</u>	<u>70</u>

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 October 2023 RM'000	Cumulative 6 Months Ended 31 October 2023 RM'000
Current tax expense	5,716	8,179
Withholding tax	434	860
Deferred tax expense	757	(155)
	<u>6,907</u>	<u>8,884</u>

The effective tax rate for the current quarter and current financial year-to-date was higher than the statutory tax rate due to certain expenses which are not deductible.

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

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 18 December 2023.

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 October 2023

	Foreign Currency	RM Equivalent RM'000
Secured:		
Short-term		
- Term loan (IDR million)	125,292	37,587
- Revolving credit (USD'000)	15,000	71,460
Total bank borrowings		109,047
Exchange rate used:	USD1	RM4.764
	IDR1,000	RM0.300

As at End of Preceding Year Corresponding Quarter 31 October 2022

	Foreign Currency	RM Equivalent RM'000
Secured:		
Long-term		
- Term loan (IDR million)	125,292	37,963
Short-term		
- Term loan (IDR million)	36,375	11,022
- Revolving credit (USD'000)	15,000	70,920
Total bank borrowings		119,905
Exchange rate used:	USD1	RM4.728
	IDR1,000	RM0.303

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

B8. Group Borrowings and Debt Securities - Cont'd

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

There was no debt security as at 31 October 2023.

B9. Material Litigation

There was no material litigation since the last reporting date as at 30 April 2023.

B10. Disclosure of Realised and Unrealised Profits/Losses

	As at End of Current Quarter 31 October 2023	As at Preceding Financial Year End 30 April 2023
	RM'000	RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	781,680	767,936
- unrealised	432,608	442,206
	<u>1,214,288</u>	<u>1,210,142</u>
Less: Consolidation adjustments	(30,188)	(27,757)
Total Group's retained earnings as per consolidated statement of financial position	<u>1,184,100</u>	<u>1,182,385</u>

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

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 October 2023	Cumulative 6 Months Ended 31 October 2023
Profit for the period attributable to owners of the Company (RM'000)	13,723	16,399
Weighted average number of ordinary shares in issue ('000 unit)	209,769	209,769
Basic earnings per share (sen)	<u>6.54</u>	<u>7.82</u>

(b) Diluted earnings per share

The diluted earnings per ordinary share for the current quarter and current financial year-to-date ended 31 October 2023 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 2023.

B13. Dividend

The directors declare a first interim single-tier dividend of 5 sen in respect of financial year ending 30 April 2024 (previous financial year 2022/23: single-tier dividend of 5 sen).

The first interim single-tier dividend will be paid on 31 January 2024.

UNITED MALACCA BERHAD 191001000010 (1319 - V)

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 OCTOBER 2023**

NOTES TO THE INTERIM FINANCIAL STATEMENTS - CONT'D

B14. Closure of Books

NOTICE IS HEREBY GIVEN that a first interim single-tier dividend of 5 sen per share, in respect of the financial year ending 30 April 2024 will be paid on 31 January 2024 to shareholders whose names appear in the Record of Depositors at the close of business at 5.00 p.m. on 19 January 2024.

A Shareholder shall qualify for dividend entitlement only in respect of:

- (a) Shares transferred into the Depositor's Securities Account before 4.30 p.m. on 19 January 2024 in respect of transfers;
- (b) Shares deposited into the Depositor's Securities Account before 12.30 p.m. on 17 January 2024 in respect of shares which are exempted from mandatory deposit;
- (c) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

B15. 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 18 December 2023.

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, 18 December 2023