Boustead Holdings Berhad (3871-H)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

For the quarter ended 30 September 2017	**Current Period**		**Cumulative Period**	
(All figures are stated in RM million)	**2017**	**2016**	**2017**	**2016**
Revenue	**2,471.9**	2,023.4	**7,233.3**	5,949.1
Operating cost	**(2,344.3)**	(1,880.6)	**(6,788.9)**	(5,660.8)
Profit from operations	**127.6**	142.8	**444.4**	288.3
Gain on disposal of plantation land	**554.9**	-	**554.9**	124.2
Interest income	**11.5**	9.3	**30.2**	30.5
Other investment results	**0.2**	0.2	**0.8**	210.3
Finance cost	**(64.6)**	(66.1)	**(193.1)**	(224.8)
Share of results of associates	**15.9**	34.4	**73.8**	82.2
Share of results of joint ventures	**(2.4)**	(0.2)	**(34.5)**	(12.8)
Profit before taxation	**643.1**	120.4	**876.5**	497.9
Taxation	**(61.7)**	(27.1)	**(127.2)**	(93.7)
Profit for the period	**581.4**	93.3	**749.3**	404.2
Profit for the period attributable to:				
Shareholders of the Company	**312.4**	44.0	**375.9**	248.3
Holders of Perpetual Sukuk	**18.6**	18.6	**55.1**	55.1
Non-controlling interests	**250.4**	30.7	**318.3**	100.8
Profit for the period	**581.4**	93.3	**749.3**	404.2
Earnings per share - sen				
Basic/diluted	**15.41**	2.17	**18.54**	13.38

The condensed consolidated income statement should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2016.

Boustead Holdings Berhad (3871-H)

UNAUDITED CONDENSED STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

For the quarter ended 30 September 2017	**Current Period**		**Cumulative Period**	
(All figures are stated in RM million)	**2017**	**2016**	**2017**	**2016**
Profit for the period	**581.4**	93.3	**749.3**	404.2
Other comprehensive income/(loss)				
Items that may be reclassified to profit or loss				
Currency translation difference in respect of foreign operations	**(4.1)**	4.4	**(8.8)**	1.7
Net (loss)/gain on available for sale investments				
- fair value changes	**(0.8)**	(0.3)	**2.8**	(1.1)
Share of OCI of investments accounted for using the equity method	**3.4**	18.5	**22.7**	36.3
Total comprehensive income for the period	**579.9**	115.9	**766.0**	441.1
Attributable to:				
Shareholders of the Company	**313.2**	(14.7)	**397.8**	284.3
Holders of Perpetual Sukuk	**18.6**	36.9	**55.1**	55.1
Non-controlling interests	**248.1**	93.7	**313.1**	101.7
Total comprehensive income for the period	**579.9**	115.9	**766.0**	441.1

The unaudited condensed statement of consolidated comprehensive income should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2016.

Boustead Holdings Berhad (3871-H)

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 September 2017	**Unaudited As at 30 September**	**Audited As at 31 December**
(All figures are stated in RM million)	**2017**	**2016**
ASSETS		
Non current assets		
Property, plant and equipment	**4,913.9**	4,938.2
Biological assets	**1,248.6**	1,248.6
Investment properties	**1,711.1**	1,641.1
Development properties	**626.1**	636.6
Prepaid land lease payments	**52.3**	54.0
Long term prepayment	**191.6**	183.1
Deferred tax assets	**48.1**	46.3
Associates	**2,050.6**	1,973.7
Joint ventures	**584.8**	619.0
Available for sale investments	**34.9**	32.1
Intangible assets	**1,430.4**	1,435.2
	12,892.4	12,807.9
Current assets		
Inventories	**748.5**	863.9
Property development in progress	**68.7**	32.6
Due from customers on contracts	**1,275.6**	831.8
Receivables	**1,945.0**	1,617.6
Deposits, cash and bank balance	**1,518.5**	1,717.6
Assets classified as held for sale	**-**	60.1
	5,556.3	5,123.6
TOTAL ASSETS	**18,448.7**	17,931.5
EQUITY AND LIABILITIES		
Equity attributable to shareholders of the Company		
Share capital	**2,735.7**	1,013.5
Reserves	**3,165.6**	4,672.8
Shareholders' equity	**5,901.3**	5,686.3
Perpetual Sukuk	**1,219.7**	1,207.7
Non-controlling interests	**1,827.3**	1,606.9
Total equity	**8,948.3**	8,500.9
Non current liabilities		
Borrowings	**1,589.3**	1,440.6
Other payables	**34.2**	34.8
Deferred tax liabilities	**137.7**	125.6
	1,761.2	1,601.0
Current liabilities		
Borrowings	**5,465.8**	5,876.1
Trade and other payables	**2,171.4**	1,799.7
Due to customer on contracts	**65.1**	127.1
Taxation	**36.9**	26.7
	7,739.2	7,829.6
Total liabilities	**9,500.4**	9,430.6
TOTAL EQUITY AND LIABILITIES	**18,448.7**	17,931.5

The condensed consolidated statement of financial position should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2016.

Boustead Holdings Berhad (3871-H)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial period ended 30 September 2017	Attributable to shareholders of the Company							Perpetual Sukuk	Non-Controlling Interests	Total Equity
	Share Capital	*Share Premium	*Revaluation & Fair Value Reserve	*Statutory & Regulatory Reserve	*Other Reserves	Retained Profit	Total			
As at 1 January 2017	**1,013.5**	**1,722.2**	**54.3**	**425.8**	**439.5**	**2,031.0**	**5,686.3**	**1,207.7**	**1,606.9**	**8,500.9**
Adjustment for effects of Companies Act (2016) #	**1,722.2**	**(1,722.2)**	-	-	-	-	-	-	-	-
Currency translation difference in respect of foreign operations	-	-	-	-	**(3.6)**	-	**(3.6)**	-	**(5.2)**	**(8.8)**
Net gain on available for sale investments										
- fair value changes	-	-	**2.8**	-	-	-	**2.8**	-	-	**2.8**
Share of OCI investments accounted for using equity method	-	-	**22.7**	-	-	-	**22.7**	-	-	**22.7**
Total other comprehensive income for the period	-	-	**25.5**	-	**(3.6)**	-	**21.9**	-	**(5.2)**	**16.7**
Profit for the period	-	-	-	-	-	**375.9**	**375.9**	**55.1**	**318.3**	**749.3**
Total comprehensive income for the period	-	-	**25.5**	-	**(3.6)**	**375.9**	**397.8**	**55.1**	**313.1**	**766.0**
Transactions with owners										
Perpetual Sukuk										
- Distribution	-	-	-	-	-	-	-	**(43.1)**	-	**(43.1)**
Adjustments arising from the finalisation of purchase price allocation on acquisition of a Subsidiary	-	-	-	-	-	-	-	-	**0.3**	**0.3**
Changes in ownership interests in Subsidiaries										
- Issued of shares by a Subsidiary	-	-	-	-	-	**(0.4)**	**(0.4)**	-	**3.0**	**2.6**
- Share options granted by a Subsidiary	-	-	-	-	-	-	-	-	**3.6**	**3.6**
Transfers during the period										
- Statutory reserve of an Associate ^	-	-	-	**(373.8)**	-	**373.8**	-	-	-	-
- Regulatory reserve of an Associate	-	-	-	**70.9**	-	**(70.9)**	-	-	-	-
Dividends	-	-	-	-	-	**(182.4)**	**(182.4)**	-	**(99.6)**	**(282.0)**
Balance at 30 September 2017	**2,735.7**	-	**79.8**	**122.9**	**435.9**	**2,527.0**	**5,901.3**	**1,219.7**	**1,827.3**	**8,948.3**

Boustead Holdings Berhad (3871-H)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D.)

For the financial period ended 30 September 2016	Share Capital	*Share Premium	*Revaluation & Fair Value Reserve	*Statutory & Regulatory Reserve	*Other Reserves	Retained Profit	Total	Perpetual Sukuk	Non-Controlling Interests	Total Equity
	Attributable to shareholders of the Company									
As at 1 January 2016	517.1	1,165.1	54.2	387.3	437.6	1,981.3	4,542.6	1,207.7	1,607.5	7,357.8
Currency translation difference in respect of foreign operations	-	-	-	-	0.9	-	0.9	-	0.8	1.7
Net loss on available for sale investments										
- fair value changes	-	-	(1.1)	-	-	-	(1.1)	-	-	(1.1)
Share of OCI investments accounted for using equity method	-	-	45.7	-	(9.5)	-	36.2	-	0.1	36.3
Total other comprehensive income for the period	-	-	44.6	-	(8.6)	-	36.0	-	0.9	36.9
Profit for the period	-	-	-	-	-	248.3	248.3	55.1	100.8	404.2
Total comprehensive income for the period	-	-	44.6	-	(8.6)	248.3	284.3	55.1	101.7	441.1
Transactions with owners										
Share capital										
- Right issue	206.8	846.7	-	-	-	-	1,053.5	-	-	1,053.5
- Bonus issue	289.6	(289.6)	-	-	-	-	-	-	-	-
Perpetual Sukuk										
- Distribution	-	-	-	-	-	-	-	(43.1)	-	(43.1)
Changes in ownership interests in Subsidiaries										
- Acquisition of a Subsidiary	-	-	-	-	-	-	-	-	0.1	0.1
- Additional investment in a Subsidiary	-	-	-	-	-	(4.8)	(4.8)	-	(7.1)	(11.9)
- Issue of shares by a Subsidiary	-	-	-	-	-	(0.1)	(0.1)	-	2.7	2.6
- Share options granted by a Subsidiary	-	-	-	-	-	-	-	-	1.7	1.7
Transfers during the period										
- Statutory reserve of an Associate	-	-	-	23.2	-	(23.2)	-	-	-	-
- Regulatory reserve of an Associate	-	-	-	(7.6)	-	7.6	-	-	-	-
Dividends	-	-	-	-	-	(174.2)	(174.2)	-	(92.4)	(266.6)
Balance at 30 September 2016	1,013.5	1,722.2	98.8	402.9	429.0	2,034.9	5,701.3	1,219.7	1,614.2	8,535.2

NOTES

* Denotes non distributable reserves.

With the Companies Act 2016 (New Act) coming into effect on 31 January 2017, the credit standing in the share premium account of RM1.722 billion has been transferred to the share capital account. Pursuant to subsection 618(3) of the New Act, the Company may exercise its right to use the credit amounts being transferred from share premium within 24 months after the commencement of the New Act. The Board of Directors will make a decision thereon by 31 January 2019.

^ Pursuant to Revised Policy Documents on Capital Funds and Capital Funds for Islamic Banks issued by Bank Negara Malaysia on 3 May 2017, the banking subsidiaries of an associate no longer require to maintain the Statutory Reserve. Hence, during the period, the entire balance of Statutory Reserve of RM1,806.7 million, of which our share is RM373.8 million, was transferred to Retained Profit.

All figures are stated in RM million. The condensed consolidated statements of changes in equity should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2016.

Boustead Holdings Berhad (3871-H)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the quarter ended 30 September 2017

(All figures are stated in RM million)	**2017**	**2016**
Operating activities		
Receipts from customers	**6,958.8**	5,740.8
Cash paid to suppliers and employees	**(6,516.2)**	(5,581.6)
	442.6	159.2
Income taxes paid less refund	**(125.5)**	(67.3)
Net cash from operating activities	**317.1**	91.9
Investing activities		
Biological assets and property, plant & equipment purchased	**(163.0)**	(194.3)
Purchase and development of investment property & development property	**(82.3)**	(115.0)
Contribution to a joint venture's capital expenditure	**(61.6)**	(144.7)
Purchase of intangible assets	**(19.9)**	(30.4)
Disposal of property plant & equipment and biological assets	**618.9**	166.6
Acquisition of a Subsidiary, net of cash acquired	**-**	(3.5)
Additional investment in a Subsidiary	**-**	(11.9)
Disposal of an associate	**-**	167.2
Deposit paid on acquisition of land	**(15.0)**	-
Others	**50.2**	55.2
Net cash from/(used in) investing activities	**327.3**	(110.8)
Financing activities		
Transactions with owners	**(182.4)**	817.3
Transactions with holders of Perpetual Sukuk	**(43.1)**	(43.1)
New loans	**1,045.0**	142.6
Loans repayment	**(466.9)**	(315.6)
Other borrowings	**(834.8)**	(498.7)
Interest paid	**(265.4)**	(309.2)
Dividends paid to non-controlling interests	**(99.6)**	(92.4)
Net cash used in financing activities	**(847.2)**	(299.1)
Net decrease in cash and cash equivalent	**(202.8)**	(318.0)
Foreign currency translation difference	**(0.5)**	0.3
Cash and cash equivalent at beginning of period	**1,692.9**	1,278.5
Cash and cash equivalent at end of period	**1,489.6**	960.8
Analysis of cash and cash equivalents		
Deposits, cash and bank balances	**1,518.5**	985.8
Overdrafts	**(28.9)**	(25.0)
Cash and cash equivalent at end of period	**1,489.6**	960.8

The Condensed Consolidated Cash Flow Statement is unaudited, and should be read in conjunction with the Audited Financial Statements for the Year Ended 31 December 2016.

Boustead Holdings Berhad (3871-H)

Notes to the interim financial report for the quarter ended 30 September 2017

Part A - Explanatory Notes Pursuant to FRS 134

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2016. All figures are stated in RM million, unless otherwise stated. Certain comparative figures had been restated to conform with current year's presentation.

2. Accounting Policies

(i) Adoption of FRSs, Amendments to FRSs and IC Interpretations

On 1 January 2017, the Group adopted the following amended FRS:-

- Amendments to FRS 12 Disclosure of Interests in Other Entities (Annual Improvements 2014 – 2016 Cycle)
- Amendments to FRS 107 Statement of Cash Flow - Disclosure initiative
- Amendment to FRS 112 Income Taxes - Recognition of Deferred Tax Assets for Unrealised Losses

Adoption of the above amendments did not have a material effect on the financial statements of the Group.

(ii) Standards Issued but not yet Effective

The Group has not early adopted the following amended FRS that are not yet effective:

Effective for annual period beginning on or after 1 January 2018

- Amendments to FRS 1 First Time Adoption of Financial Reporting Standards (Annual Improvements 2014 – 2016 Cycle)
- Amendment to FRS 2 Share-based Payment - Classification and Measurement of Share-based Payment Transactions
- Amendments to FRS 4 Insurance Contracts (Applying FRS 9 Financial Instruments with FRS 4 Insurance Contracts)
- FRS 9 Financial Instruments (2014)
- Amendments to FRS 128 Investment in Associates and Joint Ventures (Annual Improvements 2014 – 2016 Cycle)
- Amendments to FRS 140 Investment Properties : Transfer of Investment Property
- IC Interpretation 22 Foreign Currency Transactions and Advance Consideration

Deferred

- Amendments to FRS 10 Consolidated Financial Statements and FRS 128 Investments in Associates and Joint Ventures (2011) – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

(iii) MFRS Framework

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework). The MFRS Framework is effective for annual periods beginning on or after 1 January 2012 for all entities except for entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called Transitioning Entities). On 8 September 2015, MASB announced that the adoption of the MFRS framework by Transitioning Entities will only be mandatory for annual periods beginning on or after 1 January 2018.

The Group falls under the scope definition of Transitioning Entities and has opted to adopt MFRS for annual periods beginning on 1 January 2018. When the Group presents its first MFRS financial statements in 2018, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made retrospectively against opening retained profits.

Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of MFRS 141. Instead, MFRS 116 will apply. After initial recognition, bearer plants will be measured under MFRS 116 at accumulated cost (before maturity) and using either the cost model or revaluation model (after maturity). The amendments also require that produce that grows on bearer plants will remain in the scope of MFRS 141 and are measured at fair value less costs of disposal.

2. Net decreased in cash and cash equivalent

(iii) MFRS Framework (Cont'd.)

The Group will also adopt MFRS 15 Revenue from Contracts with Customers which is effective on 1 January 2018. MFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. Under MFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The core principle of MFRS 15 is that an entity should recognise revenue which depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new revenue standard will supersede all current revenue recognition requirements under the FRS Framework. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 January 2018, with early adoption permitted.

At the date of these financial statements, the Group has not completed its quantification of the financial effects on the financial statements of the differences arising from the change from FRS to MFRS. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the financial years ended 31 December 2015 and 31 December 2016 could be different if prepared under the MFRS Framework.

The Group is in the process of assessing the impact of the new pronouncements that are yet to be adopted, including MFRS 141, MFRS 15 and MFRS 16. MFRS 16 Leases was issued by MASB on 15 April 2016 and is applicable to annual periods beginning on or after 1 January 2019.

3. Auditors' Report on Preceding Annual Financial Statements

The audit report of the preceding audited financial statements was not qualified.

4. Comments about Seasonal or Cyclical Factors

Plantation's result is influenced by both CPO prices and FFB crop production. The cropping pattern for oil palm is influenced by weather conditions. FFB production normally starts with a trough and thereafter increases gradually to reach a peak during the second half of the year.

5. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows.

6. Change in Estimates

Other than as disclosed in the audited financial statement for year ended 31 December 2016, there were no other material changes in estimates of amounts reported in the prior interim periods of the current financial year or the previous financial year.

7. Dividends

(i) On 28 March 2017, the Company paid 4th interim dividend of 3.5 sen (2015: 4.0 sen) per share on the enlarged share capital of 2,027.0 million shares (2015: 1,034.2 million shares) in respect of the previous financial year ended 31 December 2016 amounting to RM70.9 million (2015: RM41.4 million).

(ii) On 23 June 2017, the Company paid 1st interim dividend of 2.5 sen (2016: 5.0 sen) per share on enlarged share capital of 2,027.0 million shares (2016: 1,034.2 million shares) in respect of financial year ending 31 December 2017 amounting to RM50.7 million (2016: RM51.7 million).

(iii) On 28 September 2017, the Company paid 2nd interim dividend of 3.0 sen (2016: 4.0 sen) per share in respect of the financial year ending 31st December 2017 amounting to RM60.8 million (2016: RM81.1 million).

For the current quarter, the Directors have declared a 3rd interim dividend of 3.0 sen (2016: 5.0 sen) per share in respect of the financial year ending 31 December 2017. The dividend will be paid on 29 December 2017 to shareholders registered in the Register of Members at the close of business on 18 December 2017.

8. Segmental Information

Segment information for the cumulative period is presented in respect of the Group's business segments as follows:

RM million	Plantation	Heavy Industries	Property	Finance & Investment	Pharma-ceutical	Trading & Industrial	Elim'n	Total
2017								
Revenue								
Group total sales	541.9	1,170.3	405.6	141.2	1,710.8	3,272.8	(9.3)	7,233.3
Inter-segment sales	-	-	(9.3)	-	-	-	9.3	-
External sales	541.9	1,170.3	396.3	141.2	1,710.8	3,272.8	-	7,233.3
Result								
Segment result								
- external	143.8	76.5	62.3	(3.4)	67.6	97.6	-	444.4
Gain on disposal of plantation land	554.9	-	-	-	-	-	-	554.9
Finance cost	(26.6)	(67.8)	(51.8)	(68.4)	(28.6)	(12.5)	62.6	(193.1)
Interest income	10.4	3.1	11.4	66.9	0.3	0.7	(62.6)	30.2
Other investment result	-	-	-	0.1	-	0.7	-	0.8
Share of result of associates	2.5	-	(2.8)	73.3	-	0.8	-	73.8
Share of result of joint ventures	-	11.4	(24.9)	(21.0)	-	-	-	(34.5)
Profit/(loss) before taxation	685.0	23.2	(5.8)	47.5	39.3	87.3	-	876.5
Taxation								(127.2)
Profit after taxation								749.3
Other Information								
Depreciation and amortisation	(32.5)	(65.6)	(15.7)	(15.0)	(41.1)	(50.2)	-	(220.1)
Profit on disposal								
- Plantation land	554.9	-	-	-	-	-	-	554.9
- Other assets	-	-	-	-	-	1.1	-	1.1
Other non-cash income/(expenses)*	3.4	(13.5)	(0.5)	(1.4)	(7.4)	(13.2)	-	(32.6)

8. Segmental Information (Cont'd.)

RM million	Plantation	Heavy Industries	Property	Finance & Investment	Pharma-ceutical	Trading & Industrial	Elim'n	Total
2016								
Revenue								
Group total sales	511.2	650.9	494.4	145.1	1,606.2	2,553.1	(11.8)	5,949.1
Inter-segment sales	-	-	(11.8)	-	-	-	11.8	-
External sales	511.2	650.9	482.6	145.1	1,606.2	2,553.1	-	5,949.1
Result								
Segment result								
- external	97.0	(77.3)	96.0	(3.9)	84.9	91.6	-	288.3
Gain on disposal of plantation land	124.2	-	-	-	-	-	-	124.2
Finance cost	(32.1)	(68.2)	(57.2)	(79.4)	(32.7)	(15.0)	59.8	(224.8)
Interest income	10.9	3.9	10.9	61.6	0.7	2.3	(59.8)	30.5
Other investment result	-	-	209.5	0.1	-	0.7	-	210.3
Share of result of associates	1.4	-	(5.2)	84.7	-	1.3	-	82.2
Share of result of joint ventures	-	7.8	(3.0)	(17.6)	-	-	-	(12.8)
Profit/(loss) before taxation	201.4	(133.8)	251.0	45.5	52.9	80.9	-	497.9
Taxation								(93.7)
Profit after taxation								404.2
Other Information								
Depreciation and amortisation	(32.1)	(68.8)	(16.3)	(15.1)	(39.8)	(46.4)	-	(218.5)
Profit on disposal								
Plantation land	124.2	-	-	-	-	-	-	124.2
Associates	-	-	209.5	-	-	-	-	209.5
Other assets	-	(5.1)	10.6	-	-	18.7	-	24.2
Other non-cash income/(expenses)*	1.8	4.2	(14.5)	(0.7)	(4.3)	(1.9)	-	(15.4)

* Other non-cash income/expenses exclude profit/loss on disposal of plantation land, Associate and other assets and depreciation and amortisation

The segment information based on geographical segment is not presented as the Group operates predominantly in Malaysia

9. Debts and Equity Securities

In September 2017, the Company issued RM1.0 billion Islamic Medium Term Notes (IMTN) that comprised 2 tranches of RM500 million IMTN each, under the RM2.0 billion and RM500 million 10-year Sukuk Murabahah Programmes respectively. The maturity dates of the tranches issued are for 7 years, at a profit rate of 5.90% per annum.

There were no other issuances and repayment of debt and equity securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares in the current financial period.

10. Carrying Amount of Revalued Assets

There has been no revaluation of property, plant and equipment during the current financial period.

11. Subsequent Events

There were no other subsequent events as at 27 November 2017 that will materially affect the financial statements of the financial period under review.

12. Changes in Group Composition

There was no change in the composition of the Group during the period under review.

13. Changes in Contingent Liabilities and Contingent Assets

The status of the contingent liability as disclosed in the FY2016 annual financial statements remains unchanged as at 27 November 2017. No other contingent liability has arisen since the financial year end.

14. Commitments

The Group has the following commitments as at 30 September 2017:

	Authorised but not contracted RM million	Authorised and contracted RM million
Capital expenditure	253.7	221.6
Acquisition of plantation land	735.0	-
Share of joint venture's capital commitment	20.3	86.8
	1,009.0	308.4

15. Financial Risk Management

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2016.

16. Intangible Assets

RM' million	Goodwill	Concession right	Pharmacy manufacturing licence and patents	Rights to supply	Total
Cost					
At 1 January 2017	1,233.9	75.0	23.9	234.7	1,567.5
Additions	-	-	3.1	16.8	19.9
Adjustment arising from the finalisation of					
purchase price allocation	(0.7)	-	0.6	-	(0.1)
Foreign exchange fluctuation	(3.7)	-	(1.7)	-	(5.4)
At 30 September 2017	1,229.5	75.0	25.9	251.5	1,581.9
Accumulated amortisation and impairment					
At 1 January 2017	11.9	50.0	8.3	62.1	132.3
Amortisation	-	6.5	2.3	10.9	19.7
Foreign exchange fluctuation	-	-	(0.5)	-	(0.5)
At 30 September 2017	11.9	56.5	10.1	73.0	151.5
Net carrying amount					
At 30 September 2017	1,217.6	18.5	15.8	178.5	1,430.4
At 31 December 2016	1,222.0	25.0	15.6	172.6	1,435.2

On completion of the purchase price allocation in the current financial period, the fair value of the identifiable net assets of Bio-Collagen Technologies Sdn Bhd ("Bio-Collagen") attributable to the Group at acquisition date was increased from RM0.1 million to RM0.7 million with a corresponding decrease in goodwill of the same amount.

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

17. Performance Review

For the quarter ended 30 September 2017	**Current Period**		**+/(-)**	**Cumulative Period**		**+/(-)**
(All figures are stated in RM million)	**2017**	**2016**	**%**	**2017**	**2016**	**%**
Revenue	2,471.9	2,023.4	22%	7,233.3	5,949.1	22%
Profit from operations	127.6	142.8	-11%	444.4	288.3	54%
Profit before interest and taxation	707.7	186.5	279%	1,069.6	722.7	48%
Profit before taxation	643.1	120.4	434%	876.5	497.9	76%
Profit for the period	581.4	93.3	523%	749.3	404.2	85%
Profit attributable to shareholders of the Company	312.4	44.0	610%	375.9	248.3	51%

For the 3rd quarter of FY2017 (3QFY17), the Group registered a commendable pre-tax profit (PBT) of RM643.1 million, an increase of 434% over 3rd quarter of FY2016 (3QFY16) of RM120.4 million, on the back of gain on disposal of plantation land of RM554.9 million. The Group's after-tax profit (PAT) for 3QFY17 totalling RM581.4 million was also superior than 3QFY16 of RM93.3 million. The Group's PBT for the cumulative nine-month period of FY2017 (9MFY17) rose by 76% to RM876.5 million from RM497.9 million recorded in last year's corresponding period (9MFY16). The vast improvement was mainly due to higher gain on disposal of plantation land, better palm products prices and lower finance cost. The Group's PAT for 9MFY17 of RM749.3 million was also higher than 9MFY16 of RM404.2 million.

For 9MFY17, the Group posted a revenue of RM7.2 billion, up by 22% from RM5.9 billion recorded in 9MFY16. For the cumulative period, the Plantation Division's revenue increased by 6% on the back of better palm product prices and higher FFB production. The Trading & Industrial Division's revenue for 9MFY17 of RM3.3 billion was 28% better than 9MFY16 mainly due to higher fuel prices. For 9MFY17, the revenue for Heavy Industries Division was 80% better when compared to 9MFY16 on higher billing for LCS and ship repair projects as well as recognition of revenue from Littoral Mission Ship (LMS) project. Revenue from Pharmaceutical Division was also higher by 6% mainly due to higher orders from government hospitals and growth in Indonesian segment. On the other hand, Property Division's revenue for 9MFY17 reduced by 18% from 9MFY16 mainly due to lower contribution from property development activities in Taman Mutiara Rini, Johor. Revenue from Finance & Investment Division for 9MFY17 was also down by 3%.

For 9MFY17, the Plantation Division recorded a higher PBT of RM685.0 million (9MFY16: RM201.4 million) mainly due to better gain on disposal of plantation land of RM554.9 million (9MFY16: RM124.2 million). Excluding this gain, the PBT for the period was also higher by 69% on the back of better palm product prices and lower finance cost. The average CPO selling price for 9MFY17 was RM2,871 per MT, up by RM396 or 16% from RM2,475 per MT achieved in 9MFY16. Similarly, the average PK price of RM2,478 per MT for 9MFY17 was higher by RM183 or 8% from RM2,295 per MT attained in 9MFY16. FFB production for 9MFY17 stood at 696,668 MT, an increase of 5% from 9MFY16's crop, reflecting the improvement in yields post El-Nino. Oil and kernel extraction rates averaged at 20.9% (9MFY16: 21.5%) and 4.3% (9MFY16: 4.4%) respectively.

Trading & Industrial Division ended 9MFY17 with a higher PBT of RM87.3 million (9MFY16: RM80.9 million) mainly due to higher stockholding gain registered by Boustead Petroleum Marketing (BPM) as a result of improvement in fuel prices. In addition, contribution from UAC Berhad was also better in 9MFY17. Finance & Investment Division closed 9MFY17 with a PBT of RM47.5 million (9MFY16: RM45.5 million) as the Division's bottom line had benefitted from lower net finance cost of RM1.5 million (9MFY16: RM17.9 million) arising from reduced borrowings and placement of surplus funds from Right issue proceeds. Nevertheless, this favourable impact was partly negated by lower contribution from Affin Holdings. During the period, Affin Holdings registered a lower PBT as the increase in other operating income, Islamic banking income and net interest income was offset by the higher overhead expenses and allowance for loan impairment.

For 9MFY17, the Heavy Industries Division recorded a PBT of RM23.2 million, which was an improvement from the deficit of RM133.8 million recorded in 9MFY16. This was achieved on the back of better result from Boustead Naval Shipyard (BNS) and MHS Aviation (MHSA). BNS closed 9MFY17 with a surplus, mainly due to good progress of works on LCS and ship repair projects as well as recognising income from LMS project. BNS had also benefitted from reversal of provision for Liquidated Ascertain Damages on ship repair projects. MHSA also recorded a lower deficit for 9MFY17 mainly due to recognition of monthly standing charges that were previously deferred pending negotiation with Petronas on Joint Operations contract.

For 9MFY17, Pharmaceutical Division registered a lower PBT of RM39.3 million (9MFY16: RM52.9 million) as the good contribution from concession business and Indonesia segments was negated by the lower production from our manufacturing facilities in 2QFY17. Property Division ended 9MFY17 with a deficit of RM5.8 million (9MFY16: surplus of RM251.0 million). The bottom line for 9MFY16 had benefitted from the one-off gain in disposal of associate company of RM209.5 million. For 9MFY17, the Division's result was also impacted by higher share of loss in a joint venture due to start-up cost of MyTOWN, the newly opened shopping centre and lower earnings from property development activities in Taman Mutiara Rini, Johor. On the other hand, hotel segment achieved better result for 9MFY17 on the back of improved occupancy rate.

17. Performance Review (Cont'd.)

Statement of Financial Position

As at 30 September 2017, the Group's receivables was higher as compared to 31 December 2016 on increased in trade balances for Pharmaniaga Berhad and contribution for capital expenditure of joint ventures. The increase in due from customers on contracts and trade & other payables as compared with the audited for last year was mainly due to variation in milestones achieved for LCS project under BNS. Meanwhile, the decrease in cash and bank balances from 31 December 2016's position was mainly due to the settlement of borrowings during 9MFY2017.

Statement of Cash Flows

For 9MFY17, the Group recorded a higher cash flow from operating activities of RM317.1 million (9MFY16: RM91.9 million) mainly due to better palm product and fuel prices as well as higher collection for projects under BNS and concession business under Pharmaniaga Berhad. During the period, the Group also received RM618.0 million from the sale of plantation assets which was partly used to pare down borrowings

18. Material Changes in Quarterly Results Compared to The Results of the Immediate Preceding Quarter

For the quarter ended 30 September 2017	**Current Period**	**Immediate Preceding Period**	**+/(-)**
(All figures are stated in RM million)	**30.9.2017**	**30.6.2017**	**%**
Revenue	2,471.9	2,386.2	4%
Profit from operations	127.6	201.7	-37%
Profit before interest and taxation	707.7	227.3	211%
Profit before taxation	643.1	161.8	297%
Profit for the period	581.4	127.0	358%
Profit attributable to shareholders of the Company	312.4	59.3	427%

For 3QFY17, the Group posted a sterling PBT of RM643.1 million, an improvement of 297% over the preceding quarter’s (2QFY17) PBT of RM161.8 million. This was mainly due to gain on disposal of plantation land during the quarter of RM554.9 million.

The Plantation Division, buoyed by the gain on disposal of plantation land, closed 3QFY17 with a PBT of RM599.1 million (2QFY17: RM28.8 million). Excluding this gain, the PBT of 3QFY17 was higher by 53% than 2QFY17 mainly due to stronger crop production and better sales volume of palm products. In 3QFY17, average price for CPO was lower at RM2,700 (2QFY17: RM2,786) per MT while PK price was better at RM2,229 (2QFY17: RM2,068) per MT. FFB production for 3QFY17 of 256,593 MT was an increase of 11% from 2QFY17 of 230,549 MT.

The Trading & Industrial Division closed 3QFY17 with a higher PBT of RM39.9 million (2QFY17: RM18.9 million) mainly due to stockholding gain recorded by BPM. In 3QFY17, Pharmaceutical Division recorded a higher PBT of RM10.6 million (2QFY17: RM5.5 million) on the back of better contribution from concession business segment and Indonesia operation.

Property Division closed 3QFY17 with a surplus of RM9.2 million (2QFY17: deficit of RM7.6 million) mainly due to reduced share of loss in a joint venture, Boustead Ikano on higher occupancy rate and lower rental rebate given to tenants. In addition, contribution from hotel segment had also increased, on the back of higher occupancy and room rates attained.

On the other hand, the Finance & Investment Division registered a decreased PBT for 3QFY17 of RM7.0 million (2QFY17: RM19.7 million) on lower share of profit in an Associate, Affin Group. During the quarter, Affin Group posted a lower PBT, resulted from higher overhead expenses and reduction in other operating income.

For 3QFY17, the Heavy Industries Division incurred a deficit of RM22.7 million as compared to a surplus of RM96.5 million in 2QFY17 on weaker performance from all operating units. For 3QFY17, BNS registered a deficit mainly due to provision for LAD made on certain ship repair projects as opposed to a write back on provision for LAD in 2QFY17.

19. Prospects

The remainder of the year is expected to continue to be challenging, on both global and domestic fronts. Whilst global economy is projected to expand in 2017, downside risks such as sluggish productivity in major economies, rising protectionism, geopolitical tensions, effect of climate changes and volatility in the financial markets might hamper growth. On the domestic front, volatility of commodity price and concern on rising cost of living may impede growth. Nevertheless, long-term prospects are positive for Malaysian economy, which is supported by strong economic fundamentals, a sound financial system, an accommodative monetary policy as well as the implementation of various Government initiatives. As such, the diversified nature of BHB in six core areas of the Malaysian economy certainly augurs well for the Group.

Plantation Division's prospect for the rest of 2017 is dependent on the price direction of CPO and crop production. Although Peninsular Malaysia and Sabah regions have shown some improvements in FFB yields, the erratic weather conditions and labour shortage coupled with difficult ground conditions in Sarawak may dampen crop production. For the current financial year, the gain on disposal of plantation land of RM554.9 million should contribute significantly to the Group's and Division's profit. To-date CPO prices have outperformed expectations as production recovery was not as strong as expected after 2015/2016 El-Nino. September’s CPO stockpiles rose to their highest since February 2016, 2.02 million tonnes on the back of weaker than expected export growth, as more of Malaysia's export share was lost to Indonesia which catered to price-sensitive customers such as India and China. However, this did not give rise to extreme selling pressure. The current price levels are expected to continue, if not move upward, should CPO production fail to meet recovery expectations. In addition, good global import demand and comfortable stock levels are also expected to lend continuing support to prices.

Pharmaceutical Division, driven by research and development effort, is on track to deliver new products offering for both local and overseas markets in the coming years ahead which should further strengthen earnings potential. Progress billings from the ongoing and upcoming housing projects will contribute positively to the Property Division's bottom line. The Division's portfolio of well-located investment properties will generate good rentals as well as appreciation in value over time. Meanwhile, the Division's hotel activities are expected to achieve satisfactory performance going forward but will continue to face challenges of occupancies and rates.

The LCS and LMS projects as well as defence related maintenance, repair and overhaul activities will contribute to Heavy Industries Division's performance going forward. Finance & Investment Division's earnings will largely be driven by our associate, Affin Holding.

20. Notes on Variance in Actual Profit and Shortfall in Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interests and shortfall in profit guarantee are not applicable.

21. Taxation

	Current Quarter 2017 RM million	Cumulative Quarter 2017 RM million
Malaysian taxation based on profit for the period:		
- Current	55.7	113.6
- Deferred	(0.3)	9.3
	55.4	122.9
Under provision of prior years	6.3	4.3
	61.7	127.2

The Group's effective rate for the current and cumulative quarter is lower than the statutory tax rate as certain income is taxable based on RPGT rate of tax, while certain expenses are non-deductible for tax purposes and non-availability of group relief for certain Subsidiaries.

22. Corporate Proposals - Status

(a) Status of Corporate Proposal

(i) On 19 December 2016, the Group's wholly owned Subsidiary Boustead Construction Sdn Bhd (BCSB) entered into a sale and purchase agreement with Lembaga Tabung Angkatan Tentera, to purchase lands measuring 10.74 acres out of 53.39 acres held under PN 31560, Lot No. 37825, Mukim Petaling, District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur (collectively known as the Bukit Jalil Lands) for a total cash consideration of RM172,780,035.48 (Proposed Acquisition).

The Proposed Acquisition is pending the approval of the State Authority for the transfer of the Bukit Jalil Lands to BCSB and completion of the infrastructure works by the Vendor.

(ii) On 22 December 2016, the Group's Subsidiary, Boustead Plantations Berhad (BPB), announced that CIMB Islamic Trustee Berhad, acting solely in the capacity as a trustee for BPB, entered into a sale and purchase agreement (SPA) with Setia Recreation Sdn Bhd (SRSB) for the disposal of 677.78 hectares of freehold land situated in Mukim 6, Daerah Seberang Perai Utara, Pulau Pinang by BPB to SRSB for a total cash consideration of RM620.1 million. The disposal was completed on 26 September 2017 and the gain of RM554.9 million was recognised during the quarter.

(iii) On 22 August 2017, BPB announced that its wholly-owned Subsidiary, Boustead Rimba Nilai Sdn Bhd (BRNSB) had issued a letter of intent (LOI) dated 18 August 2017 to Pertama Land & Development Sdn Bhd (PLBSB). The LOI is for the Intention to Acquire 42 parcels of plantation land measuring 11,579.31 hectares within the district of Labuk & Sugut, Sabah inclusive of all buildings, agricultural machineries, vehicles, equipment and other amenities located at the property (Plantation Asset) for a total cash consideration of RM750 million. On 30 October 2017, BRNSB entered into a Sale & Purchase Agreement (SPA) with PDLSB and paid 10% deposit of the purchase consideration. The SPA is conditional upon approval of shareholders of BPB, shareholders of Dutaland Berhad (parent company of PLDSB) and applicable regulatory authorities.

(iv) On 12 September 2017, the Company had issued RM500 million of IMTN under the RM2.0 billion programme and on 28 September 2017, the Company issued another RM500 million of IMTN under the RM500 million programme. Both IMTN programmes have a combined size of RM2.5 billion with tenure of 10 years. The IMTN programmes are unrated and are implemented under Securities Commission Malaysia's Guidelines on Unlisted Capital Market Products under The Lodge and Launch Framework. The proceeds to be raised from the IMTN programmes are to be utilised, amongst others, to finance future property development projects and capital expenditures, investments in subsidiaries and/or associates, working capital requirements and to finance existing borrowings of the Company.

There were no other corporate proposals announced or pending completion as at 27 November 2017.

(b) Status on Utilisation of Proceeds from Rights Issue as at 31 October 2017

	Proposed	Actual		Deviation		
(In RM Million)	**Utilisation**	**Utilisation**	**Time Frame**	**Amount**	**%**	**Explanation**
Repayment of bank borrowings	486.0	486.0	Within 12 months	-		
Property development activities	507.0	66.9	Within 24 months	440.1	87%	To be utilised
Working capital	60.5	60.5	Within 12 months	-		
Right issue expenses	1.3	1.3	Within 6 months	-		
	1,054.8	614.7		440.1		

22. Corporate Proposals - Status (Cont'd.)

(c) Status on Utilisation of Proceeds from Issue of IMTNs as at 31 October 2017

(In RM Million)	Proposed Utilisation	Actual Utilisation	Time Frame	Deviation Amount
Refinancing of existing borrowings	962.4	962.4	Not applicable	-
Funding of reserve account of IMTN programme	37.6	37.6	Not applicable	-
	1,000.0	1,000.0		-

23. Changes in Material Litigations

(i) In respect of the litigation referred to in Note 38 (a) of 2016 Annual Report, subsequent to the hearing of discharge application on 21 March 2017, new solicitors were appointed by the Plaintiff. During the hearing of appeal at the Federal Court on 22 August 2017, the judges unanimously set aside the decision of the Court of Appeal and High Court and ordered the matter to be tried at the Ipoh High Court. The court also ordered cost in cause and deposit to be refunded. During the case management on 16 November 2017, the court had directed the Plantiff to file the application to examine the evidence of the case on or before 24 November 2017. The hearing as well as the decision for Plantitff's said application is fixed on 26 January 2018.

(ii) In respect of Notice of Arbitration issued by MHS Aviation (MHSA) to PETRONAS Carigali Sdn Bhd referred to in Note 44 (e) of 2016 Annual Report, MHSA had received a termination notice dated 9 June 2017 from PCSB giving 90 days notice to terminate the Contract without cause. MHSA received the said notice of termination while discussions between the parties regarding the above arbitration proceedings were ongoing.

Pursuant to the PCSB's termination of the Contract, on 16 June 2017, MHSA had also received termination notice from Sapura Exploration Production (PM) Inc. On 19 June 2017, MHSA received the termination notice from EQ Petroleum Production Malaysia Ltd and ExxonMobil Exploration and Production Malaysia Inc. Together with PCSB, all the three companies above are Joint Operating Partners for the Contract.

MHSA has put on record that it did not agree that these termination notices have been validly issued. MHSA views this as a breach of the Contract and will treat any attempt to terminate the said Contract on the basis of such notice as a repudiatory breach of the Contract.

Currently, MHSA has not proceeded with the arbitration proceeding as negotiations for settlement of claims are ongoing. The negotiation are in the final stage as the parties are trying to reach an acceptable settlement amount. The decision on whether or not to proceed with the arbitration is expected to be made before year end.

As at 27 November 2017, there were no other changes in material litigation, including the status of pending material litigation since the date of the last annual statement of financial position as at 31 December 2016.

24. Earnings Per Share - Basic/diluted

	Current Period		Cumulative Period	
	2017	**2016**	**2017**	**2016**
Net profit for the period (RM million)	**312.4**	44.0	**375.9**	248.3
Weighted average number of ordinary shares in issue (million)	**2,027.0**	2,027.0	**2,027.0**	1,855.6
Basic/diluted earnings per share (sen)	**15.41**	2.17	**18.54**	13.38

25. Group Borrowings and Debt Securities

Total group borrowings as at 30 September 2017 are as follows:-

	30.9.2017 RM million	31.12.2016 RM million	30.9.2016 RM million
Non-current:			
Term loans			
- Denominated in US Dollar	**53.7**	137.3	133.0
- Denominated in Great Britain Pound	**69.0**	68.7	70.7
- Denominated in Indonesian Rupiah	**109.3**	116.6	114.9
- Denominated in RM	**668.7**	845.9	796.8
	900.7	1,168.5	1,115.4
Asset-backed bonds	**758.7**	758.2	758.1
Bank guaranteed medium term notes	**607.7**	763.7	919.6
Islamic medium term notes	**992.3**	-	-
	3,259.4	2,690.4	2,793.1
Less: repayable in 1 year	**1,670.1**	1,249.8	537.5
	1,589.3	1,440.6	2,255.6
Current:			
Bank overdrafts	**28.9**	24.7	20.2
Bankers' acceptances			
- Denominated in Indonesian Rupiah	**13.7**	11.1	10.1
- Denominated in RM	**238.1**	363.5	293.5
Revolving credits	**3,515.0**	4,227.0	4,199.7
Short term loans	**1,670.1**	1,249.8	537.5
	5,465.8	5,876.1	5,061.0
Total borrowings	**7,055.1**	7,316.7	7,316.6

The Islamic medium term notes (IMTN), which was issued during the period, comprise 2 tranches of RM500 million Sukuk Murabahah with maturity 7 years from the date of issue and carries profit rates of 5.90% per annum.

The bank guaranteed medium term notes comprise 4 series (FY2016: 5 series) with maturity dates ranging between 1 to 2 years from the date of issue. The bank guaranteed medium term notes which are repayable on maturity have a long term rating of AAA(bg).

The asset-backed bonds comprise 3 classes of senior bonds which are rated AAA and 2 classes of guaranteed bonds which are rated AA2(bg) and AAA(fg). The senior bonds are secured by a debenture over the assets of the Subsidiary, a special purpose vehicle created for the bonds issuance.

A Subsidiary has a term loan of RM235.9 million (FY2016: RM391.9 million) which is repayable within 4 years. This Subsidiary also has revolving credits of RM1,065.7 million (FY2016: RM1,289.5 million) which are secured by way of an assignment on contract proceeds.

A Subsidiary has a term loan of RM128.3 million (FY2016: RM142.5 million) which is secured by five aircrafts of the Subsidiary, proceeds account and the said Subsidiary’s present and future rights, title, benefit and interest in and under the lease agreement of those aircrafts.

A Subsidiary has a term loan denominated in Great Britain Pound equivalent to RM69.0 million (FY2016: RM68.7 million) which is secured against a property owned by the Subsidiary.

All the other borrowings are unsecured.

The amount of borrowings denominated in foreign currencies:
(All figures are stated in million)

	30.9.2017	31.12.2016	30.9.2016
Denominated in US Dollar	**12.7**	30.6	32.0
Denominated in Great Britain Pound	**12.2**	12.5	12.6
Denominated in Indonesian Rupiah	**393,403**	350,039	402,110
Exchange rate:			
- US Dollar	**4.23**	4.49	4.15
- Great Britain Pound	**5.67**	5.51	5.62
- Indonesian Rupiah	**0.0313**	0.0333	0.0317

As at 30 September 2017, the Group's borrowing was lower at RM7.1 billion (As at 30 September 2016: RM7.3 billion).The decrease was mainly due to utilisation of proceeds from the disposal of plantation asset and collection from BNS's projects to pare down borrowings. Nevertheless, this was partly offset by the issuance of IMTN by the Company and drawdown of borrowings for property development activities.

As at 30 September 2017, the weighted average interest rate of borrowings is 5.3% (As at 30 September 2016: 5.1%) per annum. The proportion of debt based on fixed and floating interest rate is 33% (As at 30 September 2016: 32%) and 67% (As at 30 September 2016: 68%) respectively.

The amount borrowed in foreign currencies is not hedged as the Group does not expect material fluctuation in the exchange rate.

26. Retained Earnings

	30.9.2017 RM million	31.12.2016 RM million
Total retained earnings of Boustead Holdings Berhad and its Subsidiaries		
Realised	**2,538.8**	2,168.1
Unrealised	**466.6**	479.4
	3,005.4	2,647.5
Total share of retained earnings of associates and joint ventures		
Realised	**935.9**	490.2
Unrealised	**184.6**	216.2
	4,125.9	3,353.9
Consolidation adjustments	**(1,598.9)**	(1,322.9)
Total retained earnings of the Group as per consolidated accounts	**2,527.0**	2,031.0

27. Additional Disclosures

The Group's profit before taxation is stated after (crediting)/deducting the following:

	Current Quarter		Cumulative Quarter	
	2017 RM million	2016 RM million	2017 RM million	2016 RM million
Depreciation and amortisation	**70.7**	60.1	**220.1**	218.5
Provision for and write off of receivables	**1.6**	2.2	**6.4**	5.9
Provision for and write off of inventories	**2.4**	2.4	**6.9**	4.6
Gain on disposal of properties & plantation land	**(554.9)**	(12.8)	**(554.9)**	(152.6)
(Gain)/loss on disposal of other property, plant and equipment	**(0.2)**	-	**(1.1)**	4.2
Gain on disposal of an associate	**-**	-	-	209.5
Stockholding loss/(gain)	**(18.7)**	3.5	**(6.1)**	0.4
Foreign exchange (gain)/loss	**3.5**	0.5	**(10.5)**	0.2
Net fair value loss/(gain) on derivatives	**4.0**	(1.8)	**14.0**	4.1

28. Plantation Statistics

	Cumulative Period	
	2017	2016
(a) Crop production and yield		
FFB (MT)	**696,668**	660,497
FFB (MT/ha)	**11.9**	11.3
CPO production (MT)	**160,073**	157,683
(b) Average selling prices (RM per MT)		
FFB	**629**	570
Crude palm oil (CPO)	**2,871**	2,475
Palm kernel (PK)	**2,478**	2,295
(c) Oil extraction rate (%)		
Crude palm oil	**20.9**	21.5
Palm kernel	**4.3**	4.4

(d) Planted areas (hectares)

		As at 30.9.2017	As at 31.12.2016
Oil palm	- immature	**5,876**	7,071
	- young mature	**12,179**	11,964
	- prime mature	**32,363**	33,199
	- past prime	**13,353**	12,234
		63,771	64,468