

FIRST QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 - unaudited

CONDENSED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	30/09/2022	30/09/2021	30/09/2022	30/09/2021
	RM'000	RM'000	RM'000	RM'000
Revenue	207,807	145,997	207,807	145,997
Cost of sales	(139,692)	(98,148)	(139,692)	(98,148)
Gross profit	68,115	47,849	68,115	47,849
Other income	3,335	3,481	3,335	3,481
Selling expenses	(5,883)	(4,186)	(5,883)	(4,186)
Administrative expenses	(8,245)	(8,185)	(8,245)	(8,185)
Fair value change in biological assets	(3,587)	5,952	(3,587)	5,952
Operating profit	53,735	44,911	53,735	44,911
Finance costs	(7,263)	(7,788)	(7,263)	(7,788)
Profit before tax	46,472	37,123	46,472	37,123
Income tax expense	(12,524)	(12,592)	(12,524)	(12,592)
Profit net of tax	33,948	24,531	33,948	24,531
Other comprehensive income:				
Net loss on equity instrument designated as fair value through other comprehensive income	(2,780)	(695)	(2,780)	(695)
Total comprehensive income for the period	31,168	23,836	31,168	23,836
Profit attributable to:				
Owner of the parent	33,985	24,570	33,985	24,570
Non-controlling interests	(37)	(39)	(37)	(39)
	33,948	24,531	33,948	24,531
Total comprehensive income attributable to:				
Owner of the parent	31,205	23,875	31,205	23,875
Non-controlling interests	(37)	(39)	(37)	(39)
	31,168	23,836	31,168	23,836
Basic earnings per share attributable to owners of the parent (Sen)	3.51	2.54	3.51	2.54

The unaudited condensed consolidated profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 30 June 2022 and the accompanying explanatory notes attached to this quarterly report.

FIRST QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 - unaudited

CONDENSED STATEMENTS OF FINANCIAL POSITION

	AS AT 30/09/2022 RM'000	AS AT 30/06/2022 RM'000 (Audited)
ASSETS		
Non-current Assets		
Property, plant and equipment	1,528,435	1,558,772
Biological assets	96,952	98,133
Intangible assets	459	495
Investment securities	9,035	11,815
Deferred tax assets	18,827	18,453
	<u>1,653,708</u>	<u>1,687,668</u>
Current Assets		
Inventories	75,043	48,246
Biological assets	14,481	18,068
Trade and other receivables	46,041	57,987
Other current assets	9,097	6,746
Cash and cash equivalents	223,494	247,217
	<u>368,156</u>	<u>378,264</u>
TOTAL ASSETS	<u><u>2,021,864</u></u>	<u><u>2,065,932</u></u>
EQUITY AND LIABILITIES		
Current Liabilities		
Loans and borrowings	53,038	57,450
Trade and other payables	105,761	100,816
Income tax payable	1,959	982
Dividend payable	27,104	-
	<u>187,862</u>	<u>159,248</u>
EQUITY AND LIABILITIES		
Non-current Liabilities		
Loans and borrowings	427,510	515,389
Deferred tax liabilities	132,735	121,602
	<u>560,245</u>	<u>636,991</u>
Total Liabilities	<u>748,107</u>	<u>796,239</u>
Net assets	<u>1,273,757</u>	<u>1,269,693</u>
Equity Attributable to owners of the parent		
Share capital	977,402	977,402
Treasury shares	(13,687)	(13,687)
Other Reserves and Retained Earnings	311,316	307,215
	<u>1,275,031</u>	<u>1,270,930</u>
Non-controlling interests	<u>(1,274)</u>	<u>(1,237)</u>
Total Equity	<u>1,273,757</u>	<u>1,269,693</u>
TOTAL EQUITY AND LIABILITIES	<u><u>2,021,864</u></u>	<u><u>2,065,932</u></u>
Net assets per share attributable to equity holders (RM)	1.32	1.31
Number of ordinary shares net of treasury shares	967,991	967,991

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 30 June 2022 and the accompanying explanatory notes attached.

FIRST QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 - unaudited

CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Share Capital RM'000	Treasury Shares RM'000	Other Reserves RM'000	Retained Profits RM'000	Total RM'000	Non- controlling Interest RM'000	Total Equity RM'000
At 01 July 2022	977,402	(13,687)	(22,934)	330,149	1,270,930	(1,237)	1,269,693
Profit for the period	-	-	-	33,985	33,985	(37)	33,948
Other comprehensive income	-	-	(2,780)	-	(2,780)	-	(2,780)
Total comprehensive income	-	-	(2,780)	33,985	31,205	(37)	31,168
Dividends on ordinary shares	-	-	-	(27,104)	(27,104)		(27,104)
At 30 September 2022	977,402	(13,687)	(25,714)	337,030	1,275,031	(1,274)	1,273,757
At 01 July 2021	977,402	(13,687)	(19,111)	195,596	1,140,200	(1,094)	1,139,106
Profit for the period	-	-	-	24,570	24,570	(39)	24,531
Other comprehensive income	-	-	(695)	-	(695)		(695)
Total comprehensive income	-	-	(695)	24,570	23,875	(39)	23,836
At 30 September 2021	977,402	(13,687)	(19,806)	220,166	1,164,075	(1,133)	1,162,942

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2022 and the accompanying explanatory notes attached to this quarterly report.

FIRST QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 - unaudited

CONDENSED STATEMENTS OF CASH FLOWS

	Current 3 months ended 30/09/2022 RM'000	Corresponding 3 months ended 30/09/2021 RM'000
Cash Flows from Operating Activities		
Profit before taxation	46,472	37,123
Adjustments for:		
Depreciation and amortisation	36,710	38,763
Fair value change in biological assets	3,587	(5,952)
Interest expenses	6,331	6,726
Interest income	(1,049)	(3)
Net gain on disposal of property, plant and equipment	(599)	(1,109)
Operating cash flows before working capital changes	<u>91,452</u>	<u>75,548</u>
Net change in current assets	(15,643)	(21,232)
Net change in current liabilities	5,057	1,344
Cash flows from operations	<u>80,866</u>	<u>55,660</u>
Interest received	1,049	3
Interest paid	(6,331)	(6,726)
Income taxes paid, net of refund	(2,458)	397
Net cash flows from operating activities	<u><u>73,126</u></u>	<u><u>49,334</u></u>
Cash Flows used in Investing Activities		
Acquisition of property, plant and equipment	(6,455)	(2,209)
Acquisition of biological assets	(2,510)	(1,379)
Proceeds from disposal of property, plant and equipment	6,122	1,481
Net cash flows used in investing activities	<u><u>(2,843)</u></u>	<u><u>(2,107)</u></u>
Cash Flows (used in)/from Financing Activities		
Increase in debt service reserve account	(45)	-
Net repayment of revolving credit and bankers' acceptances	(6,914)	(258,325)
Repayments of lease liabilities	(216)	(1,629)
Repayments of term loans	(86,354)	(249,150)
Proceeds from term loans	-	589,818
Net cash flows (used in)/from financing activities	<u><u>(93,529)</u></u>	<u><u>80,714</u></u>
Net change in cash and cash equivalent	<u>(23,246)</u>	<u>127,941</u>
Cash and cash equivalents at the beginning of the year	<u>228,344</u>	<u>(61,593)</u>
Cash and cash equivalents at the end of the year	<u><u>205,098</u></u>	<u><u>66,348</u></u>
Fixed Deposit with licensed bank	174,020	-
Cash and bank balances	49,474	73,615
Bank overdrafts	-	(7,267)
	<u>223,494</u>	<u>66,348</u>
Less: Debt service reserve account	(18,396)	-
	<u><u>205,098</u></u>	<u><u>66,348</u></u>

The unaudited condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 30 June 2022 and the accompanying explanatory notes attached to this quarterly report.

Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements

1 Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and Chapter 9 Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2022. The explanatory notes attached to the interim financial report 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 June 2022.

The significant accounting policies adopted in the quarterly report are consistent with those adopted in the Group's audited financial statements for the financial year ended 30 June 2022. At the date of authorisation of these interim financial statements, the Group had not adopted the following accounting standards that have been issued by the Malaysian Accounting Standards Board ("MASB"). The Group intend to adopt these amendments/standards, if applicable, when they become effective.

<i>MFRSs and/or IC Interpretations (Including the Consequential Amendments)</i>	<i>Effective Date</i>
MFRS17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts (including amendments on Initial Application of MFRS17 and MFRS 9 – Comparative Information)	1 January 2023
Amendments to MFRS101: Classification of Liabilities as Current or Non- current	1 January 2023
Amendments to MFRS101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS112: Deferred tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate of Joint Venture	Deferred

Initial application of these pronouncements is not expected to have material impact on the financial statements of the Group.

2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 30 June 2022 was not qualified.

3 Seasonal and Cyclical Factors

Production of fresh fruit bunches ("FFB") is cyclical in nature. The peak crops season of FFB normally is in the second half of the year but depends on weather conditions.

Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements

4 *Unusual Items*

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial period-to-date.

5 *Changes in Estimates*

There were no changes in estimates that have had a material effect on the results of the Group for the period under review.

6 *Debt and Equity Securities*

There were no issuances or repayments of debt and equity securities during the financial period. The number of shares retained as treasury shares amounted to 5,727,000 as at 30 June 2022.

7 *Dividends Paid*

An interim dividend of 2.8 cents per ordinary share for the financial year ended 30 June 2022 amounting to RM27,103,742 was paid on 18 October 2022 to Depositors whose names appear in the Record of Depositors on 28 September 2022.

8 *Carrying Amount of Revalued Assets*

The Group did not carry out any valuations on its property, plant and equipment during the current quarter and financial period-to-date. The carrying value of property, plant and equipment is based on the valuation incorporated in the annual financial statements for the year ended 30 June 2022.

9 *Subsequent Events*

No material events have arisen during the interval between the end of the current quarter and the date of this announcement that have not been reflected in the current quarterly report.

10 *Changes in Composition of the Group*

There were no changes in the composition of the Group during the current quarter, which were previously not announced.

11 *Contingent Liabilities and Contingent Assets*

There are no significant changes in contingent liabilities or assets as at the end of the current quarter.

JAYA TIASA HOLDINGS BHD [Registration No. 196001000095 (3751-V)]
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Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements

12 Capital Commitments

The amount of commitments for the purchase of property, plant and equipment not provided for in the quarterly report is as follows:

	As at 30 September 2022 RM'000	As at 30 June 2022 RM'000
Approved and contracted for	<u>7,274</u>	<u>8,346</u>

13 Segmental Information

The financial information in respect of the Group's business segments for the current financial period ended 30 September 2022 is as follows:

	Oil Palm RM'000	Timber RM'000	Others RM'000	Elimination RM'000	Total RM'000
REVENUE					
External	188,316	19,334	157		207,807
Inter segment	166,548	26,393	941	(193,882)	-
Total Revenue	<u>354,864</u>	<u>45,727</u>	<u>1,098</u>	<u>(193,882)</u>	<u>207,807</u>
EBITDA	86,403	6,652	(229)	-	92,826
Finance cost	(5,465)	(1,755)	(43)	-	(7,263)
Depreciation and amortisation	(34,123)	(2,204)	(383)	-	(36,710)
Segmental result	<u>46,815</u>	<u>2,693</u>	<u>(655)</u>	<u>-</u>	<u>48,853</u>
Group admin and overhead cost					(2,381)
Profit before tax					<u><u>46,472</u></u>
Segment assets	<u>1,584,421</u>	<u>406,999</u>	<u>30,444</u>	<u>-</u>	<u>2,021,864</u>
Segment liabilities	<u>243,788</u>	<u>501,145</u>	<u>3,174</u>	<u>-</u>	<u>748,107</u>

Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements

14 Property, Plant and Equipment

Acquisition and disposal of items of property, plant and equipment by the Group for the current financial period ended 30 September 2022 is as follows:

	Acquisition RM'000	Disposal RM'000
Factory, building and quarter	1,122	(210)
Road and bridge	-	(2,812)
Furniture, fitting and equipment	526	(134)
Aircraft and Motor vehicle	1,114	(4,827)
Plant and machinery	744	(1,743)
Total	3,506	(9,726)

15 Fair value of Financial Instruments

The Group uses the following levels of fair value hierarchy in measuring the fair value of financial instruments.

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

As at 30 September 2022, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial assets				
Equity investments quoted in Malaysia	9,035	-	-	9,035
	9,035	-	-	9,035

The methods and valuation techniques used for the purpose of measuring fair value are consistent with the previous financial period ended 30 June 2022. There have been no transfers between the levels during the year.

Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements

16 Significant Related Party Transactions

The Group entered into the following significant related parties transactions with companies connected to certain Directors of the Companies and its subsidiaries for the current financial period ended 30 September 2022.

	Period-to-date	
	30.09.2022 RM'000	30.09.2021 RM'000
i) Purchase of lubricant and spare parts from Kejuruteraan Utama Sentiasa Sdn Bhd	10	-
ii) Purchase of lubricant and spare parts from Oriental Evermore Group	4	1
iii) Purchase of lubricant and spare parts from Rimbunan Hijau General Trading Sdn Bhd	1,103	1,010
iv) Land rental for oil palm plantation development by RH Group	1,518	1,072
v) Sale of timber products to RH Forestry Sdn Bhd		
vi) Sale of CPO to Borneo Edible Oil Sdn Bhd	117,618	54,571
vii) Sales of lubricant and spare parts to Oriental Evermore Group	111	35
viii) Provision of freight and towage services by Oriental Evermore Group	1,450	1,004
ix) Provision of construction services by Moverstar (M) Sdn Bhd	-	119
x) Provision of security contract to Oriental Evermore Group	16	12
xi) Provision of electricity & water to Oriental Evermore Group	11	16
xii) Hotel accomodation and purchase of food and beverages from Regalia Rits Enterprise Sdn Bhd	4	-
xiii) Technical and advisory fee paid to Palm Biolab Sdn Bhd	13	2

Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements

17 Performance Review for Current Quarter and Financial Period to Date

	Individual Period		Changes
	Current Year First Quarter 30.09.2022 RM'000	Preceding Year Corresponding First Quarter 30.09.2021 RM'000	
<u>Revenue</u>			
<i>Oil Palm</i>	188,316	116,646	61%
<i>Timber</i>	19,334	29,251	-34%
<i>Others</i>	157	100	57%
	207,807	145,997	42%
<u>Operating Profit/(Loss)</u>			
<i>Oil Palm</i>	52,280	39,233	33%
<i>Timber</i>	4,448	10,725	-59%
<i>Others</i>	(2,993)	(5,047)	41%
	53,735	44,911	20%
<u>Profit/(Loss) Before Tax</u>			
<i>Oil Palm</i>	46,815	33,487	40%
<i>Timber</i>	2,693	8,700	-69%
<i>Others</i>	(3,036)	(5,064)	40%
	46,472	37,123	25%
Profit After Tax	33,948	24,531	38%
Profit Attributable to Owner of the Parent	33,985	24,570	38%

For the financial quarter under review, the Group recorded a 42% increase in total revenue as a result of higher contribution from Oil Palm division. The sales volume of CPO and PK increased by 32% and 38% respectively coupled with 33% higher average selling price of CPO when compared to the corresponding quarter last year.

The pre-tax profit of the current quarter was 25% higher than the corresponding quarter last year mainly due to better profit margin in Oil Palm division as a result of 35% higher FFB production volume.

Lower profit contribution from Timber division was due to reduction in log sales volume by 37% when compared to the corresponding quarter last year.

Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements

18 Performance Review for Current Quarter with Immediate Preceding Quarter

	Individual Period		Changes
	Current Quarter 30.09.2022 RM'000	Immediate Preceding Quarter 30.06.2022 RM'000	
<u>Revenue</u>			
<i>Oil Palm</i>	188,316	197,863	-5%
<i>Timber</i>	19,334	16,844	15%
<i>Others</i>	157	92	71%
	207,807	214,799	-3%
<u>Operating Profit/(Loss)</u>			
<i>Oil Palm</i>	52,280	64,875	-19%
<i>Timber</i>	4,448	(1,151)	>100%
<i>Others</i>	(2,993)	(4,403)	32%
	53,735	59,321	-9%
<u>Profit/(Loss) Before Tax</u>			
<i>Oil Palm</i>	46,815	49,043	-5%
<i>Timber</i>	2,693	8,829	-69%
<i>Others</i>	(3,036)	(4,643)	35%
	46,472	53,229	-13%
Profit After Tax	33,948	42,157	-19%
Profit Attributable to Owner of the Parent	33,985	42,195	-19%

The Group's revenue was lower when compared to the immediate preceding quarter due to lower average selling price of CPO and PK by 28% and 33% respectively despite an increase in CPO and PK sales volume by 23% and 63% respectively.

The operating profit and pre-tax profit for the current quarter were also affected by the slimmer profit margin as a result of lower average selling price of CPO and PK.

Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements

19 Group's Prospects

We expect the average crude palm oil prices and demand to remain supported as a result of tight global vegetable oil supply with its price competitiveness against other edible oils and the disruption to sunflower oil supply which may shift demand to crude palm oil.

With the Indonesian workers gradually returning to Malaysia and thereby gradually easing labour shortages, the Group anticipates an overall increase in FFB production volume in the current financial year. The Group continues to emphasise on ramping up our labour recruitment, maximising resources utilisation, improving productivity and cost efficiency to mitigate the rising cost of operation and fertilizers.

In view of the above, the Group anticipates a satisfactory financial performance for the financial year 2023.

20 Profit Forecast or Profit Guarantee

The disclosure requirements for explanatory notes on the variation of actual profit after tax and non-controlling interest, and shortfall in profit guarantee are not applicable.

21 Taxation

Tax charge for the current financial period comprise:-

	Current quarter		Year-to-date	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
	RM'000	RM'000	RM'000	RM'000
Current taxation	1,766	2,373	1,766	2,373
Deferred taxation	10,758	10,219	10,758	10,219
	<u>12,524</u>	<u>12,592</u>	<u>12,524</u>	<u>12,592</u>

The effective tax rate for the Group is higher than the statutory tax rate of 24%. This is mainly due to certain expenses not allowable for tax deduction.

22 Corporate Proposals

There were no corporate proposals pending completion as at the date of this quarterly report.

23 Quoted Securities

There was no purchase or disposal of quoted securities during the current quarter and financial period-to-date.

24 Unquoted Securities

There was no purchase or disposal of unquoted securities during the current quarter and financial period-to-date.

Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements

25 Profit for the Year

Included in the profit before tax are the following items:

	Current quarter		Year-to-date	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
	RM'000	RM'000	RM'000	RM'000
Amortisation	14,970	14,960	14,970	14,960
Depreciation	21,740	23,803	21,740	23,803
Fair value change in biological assets	3,587	(5,952)	3,587	(5,952)
Interest expenses	6,331	6,726	6,331	6,726
Net gain on disposal of property, plant and equipment	(599)	(1,109)	(599)	(1,109)
Interest income	(1,049)	(3)	(1,049)	(3)

26 Borrowings and Debt Securities

	As at 30 September 2022					
	Long term		Short term		Total borrowings	
	USD'000	RM'000	USD'000	RM'000	USD'000	RM'000
Secured						
Lease Liabilities	-	5,293	-	811	-	6,104
Banker acceptance	-	-	-	1,798	-	1,798
Term loans	-	422,217	-	50,429	-	472,646
Total	-	427,510	-	53,038	-	480,548

	As at 30 June 2022					
	Long term		Short term		Total borrowings	
	USD'000	RM'000	USD'000	RM'000	USD'000	RM'000
Secured						
Lease Liabilities	-	4,312	-	293	-	4,605
Bank overdraft	-	-	-	522	-	522
Banker acceptance	-	-	-	8,712	-	8,712
Term loans	-	511,077	-	47,923	-	559,000
Total	-	515,389	-	57,450	-	572,839

Explanatory notes pursuant to MFRS 134 and Appendix 9B of the Listing Requirements

27 Dividend Payable

No interim dividend has been declared by the Board of Directors for the current quarter.

28 Material litigation

There is no pending material litigation as at the date of this announcement.

29 Earnings per share - EPS

i) Basic EPS

Basic earnings per share is calculated by dividing the net profit of the period over the weighted average number of ordinary shares in issue during the period excluding treasury shares held by the Company.

	Current Quarter		Year-to-date	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
Profit attributable to the equity holders of the Company (RM'000)	33,985	24,570	33,985	24,570
Weighted average number of ordinary shares in issue ('000)	967,991	967,991	967,991	967,991
Basic EPS (sen)	3.51	2.54	3.51	2.54

ii) Diluted EPS

There are no dilutive potential ordinary shares. As such, the dilutive earnings per share of the Group is equivalent to basic earnings per share.

30 Authorization for issue

The Board of Directors in accordance with a resolution of the directors has authorized the quarterly report for issue on 23rd November 2022.