

**FAR EAST HOLDINGS BERHAD**  
 [Registration No. 197301001753 (14809-W )]  
 (Incorporated in Malaysia)

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**For the Three - Months Ended 31 March 2021**  
 (The figures have not been audited)

	<b>Cummulative Quarter</b>	
	<b>3 months ended</b>	
	<b>31-Mar-21</b>	<b>31-Mar-20</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue	119,751	82,123
Other operating income	804	1,342
Fair value gain on biological assets	4,128	966
Depreciation and amortisation	(6,477)	(6,148)
Operating expenses	(93,373)	(71,149)
Finance income	170	167
Finance cost	(1,185)	(205)
Share of profit after tax of associates	10,780	(10,583)
Profit/(loss) before taxation	<u>34,598</u>	<u>(3,487)</u>
Taxation	(6,424)	(2,294)
<b>Net profit/(loss) for the period</b>	<b><u>28,174</u></b>	<b><u>(5,781)</u></b>
<b>Attributable to:</b>		
Owners of the Company	<b>26,860</b>	<b>(5,670)</b>
Non-controlling interests	<u>1,314</u>	<u>(111)</u>
	<b><u>28,174</u></b>	<b><u>(5,781)</u></b>
<b>Earnings per share attributable to owners of the Company (sen):</b>		
Basic	<u>4.52</u>	<u>(0.95)</u>
Diluted	<u>4.52</u>	<u>(0.95)</u>

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying notes attached to the interim financial statements.

**FAR EAST HOLDINGS BERHAD**  
**[Registration No. 197301001753 (14809-W )]**  
(Incorporated in Malaysia)

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

**As At 31 March 2021**

(The figures have not been audited)

	Note	As at 31-Mar-21 RM'000 Unaudited	As at 31-Dec-20 RM'000 Audited
<b>Non-current assets</b>			
Property, plant and equipment		328,089	328,030
Investment property		60,000	60,000
Investment in associates		484,128	474,063
Right of use assets		443,734	445,920
Biological assets		497	474
		1,316,448	1,308,487
<b>Current assets</b>			
Inventories		8,292	6,067
Biological assets		8,931	4,802
Receivables		64,435	64,885
Tax recoverable		120	119
Deposits, bank and cash balances		97,087	79,123
Finance lease receivables		2,500	8,500
		181,365	163,496
<b>Total assets</b>		<b>1,497,813</b>	<b>1,471,983</b>
<b>Capital and reserves attributable to owners of the Company</b>			
Share capital		197,946	197,946
Retained earnings		974,334	947,474
Shareholders' equity		1,172,280	1,145,420
Non-controlling interests		38,468	37,154
<b>Total equity</b>		<b>1,210,748</b>	<b>1,182,574</b>
<b>Non current liabilities</b>			
Deferred tax liabilities		73,709	73,709
Lease liabilities		16,371	16,293
Borrowings	24	127,500	131,250
		217,580	221,252
<b>Current liabilities</b>			
Payables		46,773	47,441
Tax payables		7,561	5,410
Borrowings	24	15,000	15,000
Lease liabilities		151	306
		69,485	68,157
<b>Total liabilities</b>		287,065	289,409
<b>Total equity and liabilities</b>		<b>1,497,813</b>	<b>1,471,983</b>
Net assets per share attributable to Owners of the Company (RM)		<b>2.04</b>	<b>1.99</b>

Note: Total numbers of share capital is 593,837,985 units.

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying notes attached to the interim financial statements.

**FAR EAST HOLDINGS BERHAD**  
**[Registration No. 197301001753 (14809-W )]**  
(Incorporated in Malaysia)

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**For the Three - Months Ended 31 March 2021**  
(The figures have not been audited)

	----- Attributable to owners of the Company -----			Non-controlling interests	Total equity
	Share capital RM'000	Retained earnings RM'000	Total RM'000	RM'000	RM'000
Balance at 1 January 2021	197,946	947,474	1,145,420	37,154	<b>1,182,574</b>
Profit for the period	-	26,860	26,860	1,314	<b>28,174</b>
<b>Balance at 31 March 2021</b>	<b>197,946</b>	<b>974,334</b>	<b>1,172,280</b>	<b>38,468</b>	<b>1,210,748</b>
Balance at 1 January 2020	197,946	873,337	1,071,283	35,365	<b>1,106,648</b>
Loss for the period	-	(5,670)	(5,670)	(111)	<b>(5,781)</b>
<b>Balance at 31 March 2020</b>	<b>197,946</b>	<b>867,667</b>	<b>1,065,613</b>	<b>35,254</b>	<b>1,100,867</b>

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial statements.

**FAR EAST HOLDINGS BERHAD**  
**[Registration No. 197301001753 (14809-W )]**  
(Incorporated in Malaysia)

**CONSOLIDATED STATEMENTS OF CASH FLOW**  
**For the Three - Months Ended 31 March 2021**  
(The figures have not been audited)

	Quarter ended	
	31-Mar-21 RM'000	31-Mar-20 RM'000
<b>Operating activities</b>		
Profit/(loss) for the period attributable to owners of the Company	26,860	(5,670)
Adjustments for:		
Non-controlling interests	1,314	(111)
Depreciation and amortisation	6,477	6,148
Gain on disposal of property, plant and equipment	-	(55)
Fair value gain on biological assets	(4,128)	(966)
Share of (profit)/loss of associates, net of tax	(10,780)	10,583
Finance income	(170)	(167)
Finance cost	1,185	205
Tax expense	6,424	2,294
Operating profit before working capital	<u>27,182</u>	<u>12,261</u>
Changes in working capital:		
- inventories	(2,225)	388
- receivables, deposits and prepayments	8,405	(38,659)
- payables	1,775	3,210
Cash inflow/(outflow) from operations	<u>35,137</u>	<u>(22,800)</u>
Finance cost paid	(1,185)	(205)
Finance income received	170	167
Tax paid	(3,906)	(3,153)
Net cash inflow/(outflow) from operating activities	<u><b>30,216</b></u>	<u><b>(25,991)</b></u>
<b>Investing activities</b>		
Property, plant and equipment		
- purchase	(4,373)	(3,422)
- proceed from disposal	-	55
Dividend from associate companies	-	381
Addition to biological assets	(4,129)	(109)
Net cash flow used in investing activities	<u><b>(8,502)</b></u>	<u><b>(3,095)</b></u>
<b>Financing activities</b>		
Drawdown of short term borrowing	-	12,000
Repayment of term loan	(3,750)	-
Net cash used in financing activities	<u><b>(3,750)</b></u>	<u><b>12,000</b></u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	17,964	(17,086)
Cash and cash equivalents		
-at start of the period	79,123	45,405
-at end of the period	<u><b>97,087</b></u>	<u><b>28,319</b></u>

The condensed consolidated statements of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying notes attached to the interim financial statements.

## FAR EAST HOLDINGS BERHAD

[Registration No. 197301001753 (14809 - W)]  
(Incorporated in Malaysia)

### 1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

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 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 year ended 31 December 2020. 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 year ended 31 December 2020.

The accounting policies applied in this interim financial report is the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2020.

The interim financial statements of the Group for the financial period ended 31 March 2021 was prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") Framework.

At the date of authorisation of these interim financial of these interim financial statements, the following MFRS, IC Interpretations and Amendments to IC Interpretations were issued but not yet effective and have not been applied by the Group:-

#### Effective for financial period beginning on or after 1 January 2022

Amendments to MFRS 3	Reference to the conceptual framework
Amendments to MFRS 116	Property, plant and equipment - proceeds before intended use
Amendments to MFRS 137	Onerous contract - cost of fulfilling a contract
Annual improvement to MFRSs 2018 - MFRS 2020	

#### Effective for financial period beginning on or after 1 January 2023

Amendments to MFRS 101	Classification of liabilities as current or non-current
MFRS 17	Insurance contracts
Amendments to MFRS 17	Insurance contracts
Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosure of accounting policies
Amendments to MFRS 108	Definition of accounting estimates

#### Effective date to be announced

Amendments to MFRS 10 and MFRS 128	Sale or contribution of assets between an investor and its associate or joint venture
------------------------------------	---

**FAR EAST HOLDINGS BERHAD**

[Registration No. 197301001753 (14809 - W)]  
(Incorporated in Malaysia)

**2. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

The Group's plantations business is affected by seasonal crop productions, weather condition, fluctuating commodity prices and impact on COVID - 19 pandemic.

**3. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence in the current quarter ended 31 March 2021.

**4. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES**

There were no material changes in estimates of amounts that have any material effect in the current quarter ended 31 March 2021.

**5. DISCLOSURE ON QUALIFICATION ON AUDIT REPORT**

The audit report of the Group's financial statements for the financial year ended 31 December 2020 was not qualified.

**6. ISSUANCE, CANCELLATIONS, REPURCHASES, RESALE AND REPAYMENTS OR DEBTS AND EQUITY SECURITIES**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the current quarter ended 31 March 2021.

**7. DIVIDEND PAID**

No dividend was paid in the period ended 31 March 2021 (31 March 2020: Nil).

**8. SEGMENTAL REPORTING**

No segmental reporting has been prepared as the group activities are predominantly in plantation activity, which is mainly carried out in Malaysia.

**9. PROPERTY, PLANT AND EQUIPMENT**

The Group upon the adoption of MFRS has elected to use the cost model from previous revaluation policy by using the last revaluation as deemed cost.

**10. INVESTMENT PROPERTY**

The Group owns a piece of land at Bandar Indera Mahkota, Kuantan, Pahang. The asset was classified under investment property based on a fair value model under MFRS 140.

**11. SUBSEQUENT MATERIAL EVENTS**

There was no subsequent material event after the balance sheet date.

**FAR EAST HOLDINGS BERHAD**

[Registration No. 197301001753 (14809 - W)]  
(Incorporated in Malaysia)

**12. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no other changes in the composition of the Group during the current quarter ended 31 March 2021.

**13. CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

There were no contingent liabilities or contingent assets as at 25 May 2021.

**14. REVIEW OF PERFORMANCE****(A) Current Quarter vs Preceding Corresponding Quarter**

Financial Information	3 months ended			
	31.3.2021 RM'000	31.3.2020 RM'000	Variance RM'000	Variance %
Revenue	119,751	82,123	37,628	46
Profit before tax	34,598	(3,487)	38,085	1,092
Profit after tax	28,174	(5,781)	33,955	587

Production	3 months ended			
	31.3.2021 Mt	31.3.2020 Mt	Variance Mt	Variance %
FFB production	59,765	53,262	6,503	12
CPO production	11,219	10,044	1,175	12
PK production	2,953	2,626	327	12
FFB processed by mills	85,410	79,130	6,280	8

Yield per hectare	3 months ended			
	31.3.2021 Mt/ha	31.3.2020 Mt/ha	Variance Mt/ha	Variance %
FFB yield	3.46	3.39	0.07	2
CPO yield	0.65	0.64	0.01	2

Average Price	3 months ended			
	31.3.2021 RM/Mt	31.3.2020 RM/Mt	Variance RM/Mt	Variance %
Average CPO price/mt	3,582	2,655	927	35
Average PK price/mt	2,518	1,442	1,076	75

Hectarage	3 months ended			
	31.3.2021 Hectare	31.3.2020 Hectare	Variance Hectare	Variance %
Mature area	17,250	15,696	1,554	10
Immature area	1,541	1,130	411	36
<b>Total area</b>	<b>18,791</b>	<b>16,826</b>	<b>1,965</b>	<b>12</b>

**FAR EAST HOLDINGS BERHAD**

[Registration No. 197301001753 (14809 - W)]

(Incorporated in Malaysia)

For the current quarter ended 31 March 2021, the Group posted a higher revenue, profit before tax and profit after tax when compared to the corresponding quarter 2020 which mainly due to:-

- (a) Higher average CPO and PK prices per metric tonne by 35% and 75% respectively. The average CPO price per metric tonne was RM3,582 (2020: RM2,655) and the average PK price per metric tonne was RM2,518 (2020: RM1,442);
- (b) Higher FFB production by 6,503 metric tonne (12%);
- (c) Higher FFB processed by the Group's palm oil mills by 6,280 metric tonne (8%); and
- (d) Higher share of profit from associated companies by RM21.36 million (202%).

**15. COMPARISON WITH PRECEDING QUARTER'S RESULTS**

Financial Information	3 months ended			
	31.3.2021 RM'000	31.12.2020 RM'000	Variance RM'000	Variance %
Revenue	119,751	205,615	(85,864)	(42)
Profit before tax	34,598	35,475	(877)	(2)
Profit after tax	28,174	43,615	(15,441)	(35)

Production	3 months ended			
	31.3.2021 Mt	31.12.2020 Mt	Variance Mt	Variance %
FFB production	59,765	84,082	(24,317)	(29)
CPO production	11,219	16,048	(4,829)	(30)
PK production	2,953	4,142	(1,189)	(29)
FFB processed by mills	85,410	129,340	(43,930)	(34)

Yield per hectare	3 months ended			
	31.3.2021 Mt/ha	31.12.2020 Mt/ha	Variance Mt/ha	Variance %
FFB yield	3.46	5.24	(1.78)	(34)
CPO yield	0.65	1.00	(0.35)	(35)

Average Price	3 months ended			
	31.3.2021 RM/Mt	31.12.2020 RM/Mt	Variance RM/Mt	Variance %
Average CPO price/mt	3,582	3,140	442	14
Average PK price/mt	2,518	2,074	444	21

Hectarage	3 months ended			
	31.3.2021 Hectare	31.12.2020 Hectare	Variance Hectare	Variance %
Mature area	17,250	16,044	1,206	8
Immature area	1,541	2,747	(1,206)	(44)
<b>Total area</b>	<b>18,791</b>	<b>18,791</b>	<b>-</b>	<b>-</b>



**FAR EAST HOLDINGS BERHAD**

[Registration No. 197301001753 (14809 - W)]

(Incorporated in Malaysia)

For the current quarter ended 31 March 2021, the Group posted a lower revenue, profit before tax and profit after tax as compared to the preceding quarter, mainly due to:-

- (a) Lower FFB production by 24,317 metric tonne (29%); and
- (b) Lower FFB processed by the Group's palm oil mills by 43,930 metric tonne (34%).

**16. GAIN OR LOSS ON DISPOSAL OF QUOTED OR UNQUOTED INVESTMENT OR PROPERTIES**

There were no gain or loss on disposal of quoted or unquoted investment or properties for the current quarter ended 31 March 2021.

**17. FOREIGN EXCHANGE GAIN OR LOSS**

The Group does not have any foreign exchange gain or loss for the current quarter ended 31 March 2021.

**18. GAIN OR LOSS ON DERIVATIVES**

The Group does not have any gain or loss on derivatives for the current quarter ended 31 March 2021.

**19. PROSPECTS**

The Group's performance for the upcoming financial year would continue to be a challenging one due to the COVID-19 pandemic, rising operation costs, higher wages and labour shortages.

FFB production is expected to be stable in year 2021 and the Group's financial result for year 2021 is anticipated to be higher than preceding year in view of higher CPO price.

**20. CAPITAL COMMITMENTS**

The amount of capital commitments not provided for in the financial statements is as follow:-

	As at 31.3.2021 RM'000	As at 31.3.2020 RM'000
Property, plant and equipment	7,785	11,741
Oil palm estates development	8,540	11,631
Acquisition of land	7,950	9,283
<b>Total</b>	<b>24,275</b>	<b>32,655</b>

**21. VARIANCE FROM PROFIT FORECAST/PROFIT GUARANTEE**

Not applicable as there was no profit forecast nor profit guarantee published.

**FAR EAST HOLDINGS BERHAD**

[Registration No. 197301001753 (14809 - W)]

(Incorporated in Malaysia)

**22. TAXATION**

	3 months ended	
	31.3.2021 RM'000	31.3.2020 RM'000
Tax expense	6,424	2,294

The effective tax rate of the Group for the financial period ended 31 March 2021 and 31 March 2020 is calculated at Malaysian statutory tax rate of 24% based on the assessable profit for the period.

**23. STATUS OF CORPORATE PROPOSALS**

There were no corporate proposals for the current quarter ended 31 March 2021.

**24. BORROWING**

Particular of the Group's borrowing is as follow:-

	31.3.2021 RM'000	31.3.2020 RM'000
<b>Non-current liability</b>		
Term loan (secured)	127,500	-
<b>Current liabilities</b>		
Term loan (secured)	15,000	-
Revolving credit facility (secured)	-	12,000
<b>Total</b>	<b>142,500</b>	<b>12,000</b>

**25. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

During the current quarter ended 31 March 2021, the Group did not enter into any contract involving off balance sheet instruments other than normal contract of the operation of the Company.

**26. STATUS OF THE MATERIAL LITIGATIONS**

There was no material litigation of the Group during the current quarter ended 31 March 2021.

**27. STATUS ON THE JOINT VENTURE PROJECTS**

**The status on the joint venture projects for the development of oil palm plantation between Far East Holdings Berhad and Rangkaian Delima Sdn. Bhd.**

**(a) Far East Delima Plantations Sdn. Bhd. ("FEDP")**

FEDP had recorded an unaudited profit before tax of RM1.99 million for the current quarter ended 31 March 2021.

**(b) F.E.Rangkaian Sdn. Bhd. ("FERSB")**

FERSB had recorded an unaudited profit before tax of RM1.76 million for the current quarter ended 31 March 2021.

**FAR EAST HOLDINGS BERHAD**

[Registration No. 197301001753 (14809 - W)]  
(Incorporated in Malaysia)

**28. INVESTMENT IN FUTURE PRELUDE SDN. BHD. (“FPSB”)**

FPSB recorded an unaudited profit before tax of RM3.19 million for the current quarter ended 31 March 2021.

**29. DIVIDENDS**

No interim dividend was declared in the current quarter ended 31 March 2021 (31 March 2020: Nil).

**30. EARNINGS PER SHARE (“EPS”)****(a) Basic EPS**

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity holders of the owners of the Company by the number of ordinary shares in issue during the period:-

	3 months ended	
	31.3.2021	31.3.2020
Profit/(loss) attributable to equity holder of the owners of the Company (RM'000)	26,860	(5,670)
Number of ordinary shares in issue ('000)	593,838	593,838
<b>Basic EPS (sen)</b>	<b>4.52</b>	<b>(0.95)</b>

**(b) Diluted EPS**

There was no diluting factor to earnings per share for the current quarter.

**31. AUTHORISED FOR ISSUE**

The financial statements were authorised for issue on 25 May 2021 by the Board of Directors in accordance with the resolution of the Directors.