

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

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**For the Nine - Months Ended 30 September 2023**  
 (The figures have not been audited)

	Current Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30-Sep-23 RM'000	30-Sep-22 RM'000	30-Sep-23 RM'000	30-Sep-22 RM'000
Revenue	143,742	188,976	352,070	618,405
Other operating income	523	1,643	1,429	4,046
Fair value gain on biological assets	3,049	701	1,919	2,419
Fair value gain on other financial assets - unquoted shares	-	-	581	-
Depreciation and amortisation	(8,683)	(8,264)	(25,886)	(24,566)
Operating expenses	(111,042)	(140,243)	(287,613)	(445,854)
Finance income	505	623	3,648	1,468
Finance cost	(1,335)	(1,157)	(3,635)	(3,039)
Share of profit after tax of associates	14,899	35,282	27,172	89,088
Profit before tax	<u>41,658</u>	<u>77,561</u>	<u>69,685</u>	<u>241,967</u>
Tax expense	(7,772)	(11,955)	(15,786)	(41,639)
<b>Net profit for the period</b>	<b><u>33,886</u></b>	<b><u>65,606</u></b>	<b><u>53,899</u></b>	<b><u>200,328</u></b>
<b>Attributable to:</b>				
Owners of the Company	<b>31,546</b>	62,909	<b>53,326</b>	190,376
Non-controlling interests	<b>2,340</b>	2,697	<b>573</b>	9,952
	<b><u>33,886</u></b>	<b><u>65,606</u></b>	<b><u>53,899</u></b>	<b><u>200,328</u></b>
<b>Earnings per share attributable to owners of the Company (sen):</b>				
Basic	<b><u>5.31</u></b>	<u>10.59</u>	<b><u>8.98</u></b>	<u>32.06</u>
Diluted	<b><u>5.31</u></b>	<u>10.59</u>	<b><u>8.98</u></b>	<u>32.06</u>

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2022 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 30 September 2023**

(The figures have not been audited)

	Note	As at 30-Sep-23 RM'000 Unaudited	As at 31-Dec-22 RM'000 Audited
<b>Non-current assets</b>			
Property, plant and equipment		301,243	310,543
Investment property		61,000	61,000
Investments in associates		595,870	595,932
Other financial assets - Bonds		1,989	-
Right-of-use assets		437,218	443,014
Biological assets		980	688
		1,398,300	1,411,177
<b>Current assets</b>			
Inventories		15,625	9,536
Biological assets		10,394	8,475
Receivables		66,349	64,771
Tax recoverable		12,850	3,562
Deposits, cash and bank balances		155,460	244,150
		260,678	330,494
<b>Total assets</b>		<b>1,658,978</b>	<b>1,741,671</b>
<b>Equity</b>			
Share capital		197,946	197,946
Fair value reserve		16	-
Retained earnings		1,168,695	1,174,753
Equity attributable to Owners of the Company		1,366,657	1,372,699
Non-controlling interests		41,242	47,978
<b>Total equity</b>		<b>1,407,899</b>	<b>1,420,677</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		73,714	73,714
Lease liabilities		15,960	16,090
Borrowings	24	90,000	101,250
		179,674	191,054
<b>Current liabilities</b>			
Payables		56,244	63,336
Dividend payable		-	47,507
Tax payables		-	3,774
Borrowings	24	15,000	15,000
Lease liabilities		161	323
		71,405	129,940
<b>Total liabilities</b>		251,079	320,994
<b>Total equity and liabilities</b>		<b>1,658,978</b>	<b>1,741,671</b>
Net tangible assets per share (RM)		<b>2.37</b>	<b>2.39</b>
Net assets per share attributable to Owners of the Company (RM)		<b>2.30</b>	<b>2.31</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 2022 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 Nine - Months Ended 30 September 2023**

(The figures have not been audited)

	----- Attributable to owners of the Company -----			Non-controlling interests	Total equity	
	Share capital RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total RM'000	RM'000	RM'000
Balance at 1 January 2023	197,946	-	1,174,753	1,372,699	47,978	1,420,677
Profit for the period	-	-	53,326	53,326	573	53,899
Other comprehensive income	-	16	-	16	-	16
Total comprehensive income	-	16	53,326	53,342	573	53,915
Dividend	-	-	(59,384)	(59,384)	(7,309)	(66,693)
<b>Balance at 30 September 2023</b>	<b>197,946</b>	<b>16</b>	<b>1,168,695</b>	<b>1,366,657</b>	<b>41,242</b>	<b>1,407,899</b>
Balance at 1 January 2022	197,946	-	1,052,499	1,250,445	43,990	1,294,435
Profit for the period	-	-	190,376	190,376	9,952	200,328
Dividend	-	-	(47,507)	(47,507)	(6,658)	(54,165)
<b>Balance at 30 September 2022</b>	<b>197,946</b>	<b>-</b>	<b>1,195,368</b>	<b>1,393,314</b>	<b>47,284</b>	<b>1,440,598</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 2022 and the accompanying explanatory notes attached to the interim financial statements.

**FAR EAST HOLDINGS BERHAD**  
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**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the Nine - Months Ended 30 September 2023**  
(The figures have not been audited)

	Quarter ended	
	30-Sep-23	30-Sep-22
	RM'000	RM'000
<b>Operating activities</b>		
Profit for the period attributable to owners of the Company	53,326	190,376
Adjustments for:		
Non-controlling interests	573	9,952
Depreciation and amortisation	25,886	24,566
Gain on disposal of property, plant and equipment	(144)	(52)
Fair value gain on other financial assets - unquoted shares	(581)	-
Fair value gain on biological assets	(1,919)	(2,419)
Share of profit after tax of associates	(27,172)	(89,088)
Finance income	(3,648)	(1,468)
Finance cost	3,635	3,039
Tax expense	15,786	41,639
Operating profit before working capital	<u>65,742</u>	<u>176,545</u>
Changes in working capital:		
- inventories	(6,089)	(4,568)
- receivables, deposits and prepayments	(1,578)	(29,409)
- payables	<u>(7,092)</u>	<u>5,484</u>
Cash from operations	50,983	148,052
Finance cost paid	(3,635)	(3,039)
Finance income received	3,648	1,468
Tax paid	<u>(28,848)</u>	<u>(33,432)</u>
Net cash flow from operating activities	<u><b>22,148</b></u>	<u><b>113,049</b></u>
<b>Investing activities</b>		
Property, plant and equipment		
- purchase	(10,790)	(10,762)
- proceed from disposal	144	52
Refund of investment in other financial assets - unquoted shares	581	-
Dividend received from associates	27,234	13,570
Investment in other financial assets	(1,973)	-
Purchase of biological assets	<u>(292)</u>	<u>(55)</u>
Net cash flow from investing activities	<u><b>14,904</b></u>	<u><b>2,805</b></u>
<b>Financing activities</b>		
Repayment of lease liabilities	(292)	(257)
Repayment of term loan	(11,250)	(11,250)
Dividend paid	<u>(114,200)</u>	<u>(54,165)</u>
Net cash flow used in financing activities	<u><b>(125,742)</b></u>	<u><b>(65,672)</b></u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(88,690)	50,182
Cash and cash equivalents		
- at start of the period	244,150	148,351
- at end of the period	<u><b>155,460</b></u>	<u><b>198,533</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 2022 and the accompanying notes attached to the interim financial statements.

**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 2022. 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 2022.

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 2022.

The interim financial statements of the Group for the financial period ended 30 September 2023 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 2024

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements

Effective for financial period beginning on or after 1 January 2025

Amendments to MFRS 121	Lack of Exchangeability
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Effective date has been deferred and yet to be announced

Amendments to MFRS 10 and MFRS 128	Sale or contribution of assets between an investor and its associate or joint venture
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**2. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

The Group's plantations business is affected by seasonal crop production, weather condition, fluctuating commodity prices and labour supplies.

**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 and cumulative quarter ended 30 September 2023.

**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 and cumulative quarter ended 30 September 2023.

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

The audit report of the Group's financial statements for the financial year ended 31 December 2022 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 and cumulative quarter ended 30 September 2023.

**7. DIVIDEND PAID**

Dividend paid is as follow:-

	3 months ended		9 months ended	
	30.09.2023 RM'000	30.09.2022 RM'000	30.09.2023 RM'000	30.09.2022 RM'000
Interim dividend	-	-	47,507 <sup>3</sup>	-
Final dividend	59,384 <sup>1</sup>	47,507 <sup>2</sup>	59,384 <sup>1</sup>	47,507 <sup>2</sup>
<b>Total</b>	<b>59,384</b>	<b>47,507</b>	<b>106,891</b>	<b>47,507</b>

Note:

- 1 A final single tier dividend of ten (10) sen per share for the financial year ended 31 December 2022 was paid on 6 July 2023.
- 2 A final single tier dividend of five (5) sen per share and a special single tier dividend of three (3) sen per share for the financial year ended 31 December 2021 was paid on 6 July 2022.
- 3 An interim single tier dividend of eight (8) sen per share for the financial year ended 31 December 2022 was paid on 10 January 2023.

**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.

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

There were no other changes in the composition of the Group during the current quarter and cumulative quarter ended 30 September 2023.

**13. CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

There were no contingent liabilities or contingent assets as at 30 September 2023.

**14. REVIEW OF PERFORMANCE**

Financial Information	3 months ended			9 months ended		
	30.9.2023 RM'000	30.9.2022 RM'000	Variance %	30.9.2023 RM'000	30.9.2022 RM'000	Variance %
Revenue	143,742	188,976	(24)	352,070	618,405	(43)
Profit before tax	41,658	77,561	(46)	69,685	241,967	(71)
Profit after tax	33,886	65,606	(48)	53,899	200,328	(73)

Production	3 months ended			9 months ended		
	30.9.2023 Mt	30.9.2022 Mt	Variance %	30.9.2023 Mt	30.9.2022 Mt	Variance %
FFB production	82,586	100,400	(18)	197,808	230,277	(14)
CPO production	15,624	18,878	(17)	37,175	43,325	(14)
PK production	3,911	4,947	(21)	9,505	11,334	(16)
FFB processed by mills	126,550	134,000	(6)	287,170	327,970	(12)

Average Price	3 months ended			9 months ended		
	30.9.2023 RM/mt	30.9.2022 RM/mt	Variance %	30.9.2023 RM/mt	30.9.2022 RM/mt	Variance %
Average CPO price/mt	3,797	3,979	(5)	3,866	5,309	(27)
Average PK price/mt	2,043	2,413	(15)	2,031	3,321	(39)

**Current Quarter vs Preceding Corresponding Quarter**

For the current quarter ended 30 September 2023, the Group posted a lower revenue, profit before tax and profit after tax when compared to the corresponding quarter 2022 was mainly due to:-

- (a) Lower average CPO and PK prices per metric tonne by 5% and 15% respectively. The average CPO price per metric tonne was RM3,797 (2022: RM3,979) and the average PK price per metric tonne was RM2,043 (2022: RM2,413);
- (b) Lower share of profit after tax of associates by RM20.38 million (58%);
- (c) Lower FFB production by 17,814 metric tonne (18%); and
- (d) Lower FFB processed by 7,450 metric tonne (6%).

**Current Year-to-date vs Preceding Year-to-date**

The Group posted a lower revenue, profit before tax and profit after tax for the cumulative current quarter when compared to the corresponding cumulative quarter 2022 was mainly due to:-

- (a) Lower average CPO and PK prices per metric tonne by 27% and 39% respectively. The average CPO price per metric tonne was RM3,866 (2022: RM5,309) and the average PK price per metric tonne was RM2,031 (2022: RM3,321);
- (b) Lower share of profit after tax of associates by RM61.92 million (69%);
- (c) Lower FFB production by 32,469 metric tonne (14%); and
- (d) Lower FFB processed by 40,800 metric tonne (12%).

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

Financial Information	3 months ended			
	30.9.2023 RM'000	30.6.2023 RM'000	Variance RM'000	Variance %
Revenue	143,742	98,571	45,171	46
Profit before tax	41,658	8,087	33,571	415%
Profit after tax	33,886	5,259	28,627	544%

Production	3 months ended			
	30.9.2023 Mt	30.6.2023 Mt	Variance Mt	Variance %
FFB production	82,586	53,529	29,057	54
CPO production	15,624	10,213	5,411	53
PK production	3,911	2,550	1,361	53
FFB processed by mills	126,550	73,340	53,210	73

Average Price	3 months ended			
	30.9.2023 RM/Mt	30.6.2023 RM/Mt	Variance RM/Mt	Variance %
Average CPO price/mt	3,797	3,893	(96)	(2)
Average PK price/mt	2,043	1,988	55	3



For the current quarter ended 30 September 2023, the Group posted higher revenue, profit before tax and profit after tax as compared to the preceding quarter, mainly due to:-

- (a) Higher FFB production by 29,057 metric tonne (54%);
- (b) Higher FFB processed by the Group's palm oil mills by 53,210 metric tonne (73%); and
- (c) Higher share of profit after tax of associates by RM10.29 million (223%).

**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 and cumulative quarter ended 30 September 2023.

**17. FOREIGN EXCHANGE GAIN OR LOSS**

The Group does not have any foreign exchange gain or loss for the current quarter and cumulative quarter ended 30 September 2023.

**18. GAIN OR LOSS ON DERIVATIVES**

The Group does not have any gain or loss on derivatives for the current quarter and cumulative quarter ended 30 September 2023.

**19. PROSPECTS**

The average selling prices of CPO and PK has weakened since the end of the financial year ended 31 December 2022 and this would have a corresponding effect on the financial performance for the year ending 31 December 2023. However, barring unforeseen circumstances, FFB production is forecasted to be stable in 2023.

The Group's performance would continue to be challenging due to rising operation costs and lower CPO and PK prices.

**20. CAPITAL COMMITMENTS**

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

	<b>As at 30.9.2023 RM'000</b>	<b>As at 30.9.2022 RM'000</b>
Property, plant and equipment	3,751	806
Oil palm estates development	3,310	4,611
Acquisition of land	-	7,550
<b>Total</b>	<b>7,061</b>	<b>12,967</b>

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

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

**22. TAXATION**

	3 months ended		9 months ended	
	30.9.2023 RM'000	30.9.2022 RM'000	30.9.2023 RM'000	30.9.2022 RM'000
Current period	7,772	11,955	15,781	41,994
Over/(Under) accrued previous period	-	-	5	(355)
<b>Tax expense</b>	<b>7,772</b>	<b>11,955</b>	<b>15,786</b>	<b>41,639</b>

The effective tax rate of the Group for the financial period ended 30 September 2023 and 30 September 2022 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 and cumulative quarter ended 30 September 2023.

**24. BORROWING**

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

	30.9.2023 RM'000	30.9.2022 RM'000
<b>Non-current liability</b>		
Term loan (secured)	90,000	105,000
<b>Current liabilities</b>		
Term loan (secured)	15,000	15,000
<b>Total</b>	<b>105,000</b>	<b>120,000</b>

**25. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

During the current quarter and cumulative quarter ended 30 September 2023, the Group did not enter into any contract involving off balance sheet instruments.

**26. STATUS OF THE MATERIAL LITIGATIONS**

There was no material litigation of the Group during the current quarter and cumulative quarter ended 30 September 2023.

**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 loss before tax of RM0.56 million for the period ended 30 September 2023. The loss is due to lower prices of CPO and PK by 26% and 38% respectively coupled with lower production of FFB by 18%. 2,650 hectares (6,548.15 acres) of the total areas was affected by flood from January 2023 to March 2023 and had dampened the harvesting of FFB. Prolonged flood also damaged the palm root, which lead to poor palm growth and lower yield.

(b) **F.E. Rangkaian Sdn. Bhd. (“FERSB”)**

FERSB had recorded an unaudited profit before tax of RM2.54 million for the period ended 30 September 2023.

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

FPSB recorded an unaudited profit after tax of RM12.41 million for the financial period ended 30 September 2023 and based on the 47.17% equity held by the Company, a total of RM5.85 million has been recognised in the Group’s results.

**29. DIVIDENDS**

(a) **Current quarter for the financial period ended 30 September 2023**

The Board had approved an interim single tier dividend of five (5.00) sen per share be declared in respect of the financial year ending 31 December 2023. The payment will be made on 10 January 2024 to the shareholders whose names appear in the Record of Depositors of the Company at the close of business on 20 December 2023.

(b) **Current quarter for the financial period ended 30 September 2022**

**Dividend for the financial year ended 31 December 2022:**

The Board had approved an interim single tier dividend of eight (8.00) sen per share be declared in respect of the financial year ended 31 December 2022. The payment was made on 10 January 2023 to the shareholders whose names appear in the Record of Depositors of the Company at the close of business on 20 December 2022.

**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		9 months ended	
	30.9.2023	30.9.2022	30.9.2023	30.9.2022
Profit attributable to equity holder of the owners of the Company (RM'000)	<b>31,546</b>	62,909	<b>53,326</b>	190,376
Number of ordinary shares in issue ('000)	<b>593,838</b>	593,838	<b>593,838</b>	593,838
<b>Basic EPS (sen)</b>	<b>5.31</b>	10.59	<b>8.98</b>	32.06

(b) **Diluted EPS**

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

**31. AUTHORISED FOR ISSUE**

The unaudited quarterly results were authorised for issue on 24 November 2023 by the Board of Directors in accordance with the resolution of the Directors.