

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Nine - Months Ended 30 September 2024
 (The figures have not been audited)

	Current Quarter 3 months ended		Cummulative Quarter 9 months ended	
	30-Sep-24 RM'000	30-Sep-23 RM'000	30-Sep-24 RM'000	30-Sep-23 RM'000
Revenue	252,824	143,742	579,152	352,070
Other operating income	482	523	1,462	2,010
Fair value gain on biological assets	1,694	3,049	6,673	1,919
Depreciation and amortisation	(9,111)	(8,683)	(26,173)	(25,886)
Operating expenses	(182,812)	(111,042)	(416,608)	(287,613)
Finance income	1,072	505	3,962	3,648
Finance cost	(1,310)	(1,335)	(3,509)	(3,635)
Share of profit after tax of associates	24,368	14,899	51,264	27,172
Profit before tax	<u>87,207</u>	<u>41,658</u>	<u>196,223</u>	<u>69,685</u>
Tax expense	(16,740)	(7,772)	(39,309)	(15,786)
Net profit for the period	<u>70,467</u>	<u>33,886</u>	<u>156,914</u>	<u>53,899</u>
Attributable to:				
Owners of the Company	64,448	31,546	144,503	53,326
Non-controlling interests	6,019	2,340	12,411	573
	<u>70,467</u>	<u>33,886</u>	<u>156,914</u>	<u>53,899</u>
Basic earnings per share attributable to owners of the Company (sen)	<u>10.85</u>	5.31	<u>24.33</u>	8.98

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2023 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 2024

(The figures have not been audited)

	Note	As at 30-Sep-24 RM'000 Unaudited	As at 31-Dec-23 RM'000 Audited
Non-current assets			
Property, plant and equipment		341,720	299,014
Investment property		63,000	63,000
Investments in associates		648,389	611,365
Goodwill on consolidation		4,998	-
Other financial assets - Bonds		7,072	1,997
Right-of-use assets		432,582	437,135
		<u>1,497,761</u>	<u>1,412,511</u>
Current assets			
Inventories		21,171	7,223
Biological assets		14,406	7,733
Receivables		132,627	63,221
Tax recoverable		4,986	5,476
Deposits, cash and bank balances		159,769	205,498
		<u>332,959</u>	<u>289,151</u>
Total assets		<u>1,830,720</u>	<u>1,701,662</u>
Equity			
Share capital		197,946	197,946
Fair value reserve		73	23
Retained earnings		1,264,055	1,184,874
Equity attributable to Owners of the Company		<u>1,462,074</u>	<u>1,382,843</u>
Non-controlling interests		51,774	47,573
Total equity		<u>1,513,848</u>	<u>1,430,416</u>
Non-current liabilities			
Deferred tax liabilities		74,033	74,033
Lease liabilities		17,995	15,958
Borrowings	24	75,000	86,250
		<u>167,028</u>	<u>176,241</u>
Current liabilities			
Payables		109,684	49,791
Dividend payable		-	29,692
Tax payables		24,878	217
Borrowings	24	15,000	15,000
Lease liabilities		282	305
		<u>149,844</u>	<u>95,005</u>
Total liabilities		<u>316,872</u>	<u>271,246</u>
Total equity and liabilities		<u>1,830,720</u>	<u>1,701,662</u>
Net tangible assets per share (RM)		2.55	2.41
Net assets per share attributable to Owners of the Company (RM)		2.46	2.33

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 2023 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 2024**

(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 2024	197,946	23	1,184,874	1,382,843	47,573	1,430,416
Profit for the period	-	-	144,503	144,503	12,411	156,914
Other comprehensive income	-	50	-	50	-	50
Total comprehensive income	-	50	144,503	144,553	12,411	156,964
Dividend	-	-	(65,322)	(65,322)	(8,210)	(73,532)
Balance at 30 September 2024	197,946	73	1,264,055	1,462,074	51,774	1,513,848
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)
Balance at 30 September 2023	197,946	16	1,168,695	1,366,657	41,242	1,407,899

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2023 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 2024
(The figures have not been audited)

	Quarter ended	
	30-Sep-24	30-Sep-23
	RM'000	RM'000
Operating activities		
Profit for the period attributable to owners of the Company	144,503	53,326
Adjustments for:		
Non-controlling interests	12,411	573
Depreciation and amortisation	26,173	25,886
Property, plant and equipment written off	705	-
Gain on disposal of property, plant and equipment	(187)	(144)
Fair value gain on other financial assets - unquoted shares	-	(581)
Fair value gain on biological assets	(6,673)	(1,919)
Share of profit after tax of associates	(51,264)	(27,172)
Finance income	(3,962)	(3,648)
Finance cost	3,509	3,635
Tax expense	39,309	15,786
Operating profit before working capital	<u>164,524</u>	<u>65,742</u>
Changes in working capital:		
- inventories	(10,412)	(6,089)
- receivables, deposits and prepayments	(60,536)	(1,578)
- payables	14,284	(7,092)
Cash from operations	<u>107,860</u>	<u>50,983</u>
Finance cost paid	(3,509)	(3,635)
Finance income received	3,962	3,648
Tax paid	(14,158)	(28,848)
Net cash flow from operating activities	<u>94,155</u>	<u>22,148</u>
Investing activities		
Property, plant and equipment		
- purchase	(10,351)	(10,790)
- proceed from disposal	187	144
Refund of investment in other financial assets - unquoted shares	-	581
Dividend received from associates	14,940	27,234
Net cash from acquisition of subsidiary	8,433	-
Investment in other financial assets	(5,025)	(1,973)
Acquisition of subsidiary	(10,000)	-
Investment in associate	(700)	-
Purchase of biological assets	-	(292)
Net cash flow (used in)/from investing activities	<u>(2,516)</u>	<u>14,904</u>
Financing activities		
Repayment of lease liabilities	(74)	(292)
Repayment of term loan	(34,070)	(11,250)
Dividend paid	(103,224)	(114,200)
Net cash flow used in financing activities	<u>(137,368)</u>	<u>(125,742)</u>
Net decrease in cash and cash equivalents	(45,729)	(88,690)
Cash and cash equivalents		
- at start of the period	<u>205,498</u>	<u>244,150</u>
- at end of the period	<u>159,769</u>	<u>155,460</u>

The condensed consolidated statements of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2023 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 2023. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2023.

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 2023.

The interim financial statements of the Group for the financial period ended 30 September 2024 was prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") Framework.

At the date of authorisation 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 2025

Amendments to MFRS 121	Lack of Exchangeability
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Effective for financial period beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7 Annual Improvements - Volume 11	Amendments to the Classification and Measurement of Financial Instruments Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107
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Effective for financial period beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosures in Financial Statements
MFRS 19	Subsidiaries without Public Accountability: Disclosures

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 2024.

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 2024.

5. DISCLOSURE ON QUALIFICATION ON AUDIT REPORT

The audit report of the Group's financial statements for the financial year ended 31 December 2023 was not qualified.

6. ISSUANCE, CANCELLATIONS, REPURCHASES, RESALE AND REPAYMENTS OF 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 2024.

7. DIVIDENDS PAID

Dividends paid are as follow:-

	3 months ended		9 months ended	
	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000
Interim dividend	-	-	29,692 ¹	-
Interim dividend	29,692 ²	-	29,692 ²	47,507 ⁴
Final dividend	35,630 ³	59,384 ⁵	35,630 ³	59,384 ⁵
Total	65,322	59,384	95,014	106,891

Note:

- 1 An interim single tier dividend of five (5) sen per share for the financial year ended 31 December 2023 was paid on 10 January 2024.
- 2 An interim single tier dividend of five (5) sen per share for the financial year ending 31 December 2024 was paid on 27 September 2024.
- 3 A final single tier dividend of six (6) sen per share for the financial year ended 31 December 2023 was paid on 5 July 2024.

- 4 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.
- 5 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.

8. SEGMENTAL REPORTING

No segmental reporting has been prepared as the group activities are predominantly in plantation activity, which is 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

During the period ended 30 September 2024, the transactions involving acquisition of a wholly owned subsidiary Merchong Palm Oil Mill Sdn. Bhd. and the subscription of shares in an associate company PARAS (Progressive Agricultural Research and Services) Sdn. Bhd. were completed.

13. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no contingent liabilities or contingent assets as at 30 September 2024.

14. REVIEW OF PERFORMANCE

Financial Information	3 months ended			9 months ended		
	30.9.2024 RM'000	30.9.2023 RM'000	Variance %	30.9.2024 RM'000	30.9.2023 RM'000	Variance %
Revenue	252,824	143,742	76	579,152	352,070	64
Profit before tax	87,207	41,658	109	196,223	69,685	182
Profit after tax	70,467	33,886	108	156,914	53,899	191

Production	3 months ended			9 months ended		
	30.9.2024 Mt	30.9.2023 Mt	Variance %	30.9.2024 Mt	30.9.2023 Mt	Variance %
FFB production	116,403	82,586	41	288,691	197,808	46
CPO production	22,270	15,624	43	54,825	37,175	47
PK production	5,669	3,911	45	14,126	9,505	49
FFB processed by mills	219,020	126,550	73	480,390	287,170	67

Average Price	3 months ended			9 months ended		
	30.9.2024 RM/mt	30.9.2023 RM/mt	Variance %	30.9.2024 RM/mt	30.9.2023 RM/mt	Variance %
Average CPO price/mt	3,992	3,797	5	4,008	3,866	4
Average PK price/mt	2,625	2,043	28	2,447	2,031	20

Current Quarter vs Preceding Corresponding Quarter

For the current quarter ended 30 September 2024, the Group posted a higher revenue, profit before tax and profit after tax when compared to the corresponding quarter 2023 mainly due to:-

- (a) Higher FFB production by 33,817 metric tonne (41%) coupled with higher average CPO and PK prices per metric tonne by 5% and 28% respectively. The average CPO price per metric tonne was RM3,992 (2023: RM3,797) and the average PK price per metric tonne was RM2,625 (2023: RM2,043);
- (b) Higher FFB processed by 92,470 metric tonne (73%); and
- (c) Higher share of profit after tax of associates by RM9.47 million (63%).

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

The Group posted a higher revenue, profit before tax and profit after tax for the cumulative current quarter when compared to the corresponding cumulative quarter 2023 was mainly due to:-

- (a) Higher FFB produced by 90,883 metric tonne (46%) coupled with higher average CPO and PK prices per metric tonne by 4% and 20% respectively. The average CPO price per metric tonne was RM4,008 (2023: RM3,866) and the average PK price per metric tonne was RM2,447 (2023: RM2,031);
- (b) Higher FFB processed by 193,220 metric tonne (67%); and
- (c) Higher share of profit after tax of associates by RM24.09 million (69%).

15. COMPARISON WITH PRECEDING QUARTER'S RESULTS

Financial Information	3 months ended			
	30.9.2024 RM'000	30.6.2024 RM'000	Variance RM'000	Variance %
Revenue	252,824	180,818	72,006	40
Profit before tax	87,207	69,906	17,301	25
Profit after tax	70,467	56,024	14,443	26

Production	3 months ended			
	30.9.2024 Mt	30.6.2024 Mt	Variance Mt	Variance %
FFB production	116,403	97,894	18,509	19
CPO production	22,270	18,485	3,785	20
PK production	5,669	4,761	908	19
FFB processed by mills	219,020	148,910	70,110	47

Average Price	3 months ended			
	30.9.2024 RM/Mt	30.6.2024 RM/Mt	Variance RM/Mt	Variance %
Average CPO price/mt	3,992	4,033	(41)	(1)
Average PK price/mt	2,625	2,405	220	9

For the current quarter ended 30 September 2024, 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 18,509 metric tonne (19%);
- (b) Higher FFB processed by the Group's palm oil mills by 70,110 metric tonne (47%); and
- (c) Higher share of profit after tax of associates by RM6.70 million (38%).

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 2024.

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 2024.

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 2024.

19. PROSPECTS

The Group's financial performance for 2024 is expected to be higher than the previous year, in line with higher FFB production, CPO and PK prices.

20. CAPITAL COMMITMENTS

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

	As at 30.9.2024 RM'000	As at 30.9.2023 RM'000
Property, plant and equipment	5,982	3,751
Oil palm estates expenditure	4,032	3,310
Total	10,014	7,061

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	
	30.9.2024 RM'000	30.9.2023 RM'000	30.9.2024 RM'000	30.9.2023 RM'000
Current period	16,895	7,772	39,464	15,781
(Over)/Under accrued previous period	(155)	-	(155)	5
Tax expense	16,740	7,772	39,309	15,786

The effective tax rate of the Group for the financial period ended 30 September 2024 and 30 September 2023 is calculated at Malaysian statutory tax rate of 24% based on the assessable profit for the period.

23. STATUS OF CORPORATE PROPOSALS

(a) Acquisition of Merchong Palm Oil Mill Sdn. Bhd. (MPOM)

The acquisition was completed on 15 July 2024 and the financial results of MPOM was consolidated in this current quarter of which a post acquisition profit before tax of RM769,144 was recognised.

(b) Shareholders Agreement regarding PARAS (Progressive Agricultural Research and Services) Sdn. Bhd. ("PARAS")

On 23 July 2024, FEHB has entered into a Shareholders Agreement with United Malacca Berhad and Prosper Capital Holdings Sdn. Bhd. to jointly operate a shared service centre through a joint venture company under the name of PARAS. A share of profit of RM93,450 was equity accounted for in FEHB's Group results in this current quarter.

24. BORROWING

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

	30.9.2024 RM'000	30.9.2023 RM'000
Non-current liability		
Term loan (secured)	75,000	90,000
Current liabilities		
Term loan (secured)	15,000	15,000
Total	90,000	105,000

25. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

During the current quarter and cumulative quarter ended 30 September 2024, 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 2024.

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 RM5.58 million for the period ended 30 September 2024.

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

FERSB had recorded an unaudited profit before tax of RM6.87 million for the period ended 30 September 2024.

28. INVESTMENT IN FUTURE PRELUDE SDN. BHD. ("FPSB")

FPSB recorded an unaudited profit after tax of RM14.76 million for the financial period ended 30 September 2024 and based on the 46.24% equity held by the Company, a total of RM6.82 million has been recognised in the Group's results.

29. DIVIDENDS

(a) **Current quarter for the financial period ended 30 September 2024**

The Board had approved a special interim single tier dividend of seven (7.00) sen per share be declared in respect of the financial year ending 31 December 2024. The payment will be made on 23 December 2024 to the shareholders whose names appear in the Record of Depositors of the Company at the close of business on 6 December 2024.

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

The Board approved an interim single tier dividend of five (5.00) sen per share for the financial year ended 31 December 2023. The payment was 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.

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	
	30.9.2024	30.9.2023	30.9.2024	30.9.2023
Profit attributable to equity holder of the owners of the Company (RM'000)	64,448	31,546	144,503	53,326
Number of ordinary shares in issue ('000)	593,838	593,838	593,838	593,838
Basic EPS (sen)	10.85	5.31	24.33	8.98

(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 21 November 2024 by the Board of Directors in accordance with the resolution of the Directors.