

**BLD PLANTATION BHD.**(562199-A)

**Interim Financial Report**  
30 September 2020

**BLD PLANTATION BHD**

(Company No: 562199-A)

**Interim Financial Report for the Period Ended 30 September 2020**

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**BLD PLANTATION BHD**

(Company No: 562199-A)

**Condensed Consolidated Statement of Comprehensive Income**

For the Period Ended 30 September 2020

(The figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		30.09.2020 RM'000	30.09.2019 RM'000	30.09.2020 RM'000	30.09.2019 RM'000
Revenue		517,536	446,359	914,054	785,171
Cost of sales		(480,584)	(432,299)	(858,200)	(783,091)
Gross profit		36,952	14,060	55,854	2,080
Other operating income		6,928	5,050	10,684	7,453
Selling expenses		(11,562)	(9,318)	(22,314)	(15,507)
Administrative expenses		(4,211)	(4,070)	(7,745)	(8,081)
Finance costs		(2,341)	(2,503)	(4,461)	(4,865)
Profit/(loss) before taxation		25,766	3,219	32,018	(18,920)
Income tax expenses	<b>18</b>	(6,020)	(1,853)	(7,734)	2,580
Profit/(loss) for the period, net of tax representing total Comprehensive Income for the period		19,746	1,366	24,284	(16,340)
Profit/(loss) for the period attributable to:					
Owners of the Company		19,478	1,335	23,893	(16,245)
Non-controlling interests		268	31	391	(95)
		19,746	1,366	24,284	(16,340)
<b>Earnings/(loss) per share (sen) attributable to Owners of the Company:</b>	<b>25</b>				
- Basic		20.83	1.43	25.55	(17.37)
- Diluted		N/A	N/A	N/A	N/A

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes.

**BLD PLANTATION BHD**

(Company No: 562199-A)

**Condensed Consolidated Statement of Financial Position**

(The figures have not been audited)

	<b>As At 30.09.2020 RM'000</b>	<b>As At 31.03.2020 RM'000</b>
<b>Non-current Assets</b>		
Property, plant and equipment	580,451	581,131
Right-of-use assets	124,790	125,458
Deferred tax assets	5,049	6,063
	710,290	712,652
<b>Current Assets</b>		
Inventories	137,987	154,312
Biological assets	18,707	13,898
Receivables	117,384	101,159
Prepaid operating expenses	264	1,275
Tax refundable	7,318	7,024
Deposits, cash and bank balances	193,194	144,005
Derivative financial instruments	251	-
	475,105	421,673
<b>Total assets</b>	1,185,395 =====	1,134,325 =====
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	173,180	173,180
Reserves	418,914	395,021
	592,094	568,201
<b>Non-controlling interests</b>	(783)	(1,174)
<b>Total equity</b>	591,311	567,027

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes.

**BLD PLANTATION BHD**

(Company No: 562199-A)

**Condensed Consolidated Statement of Financial Position**

(The figures have not been audited)

	<b>As At 30.09.2020 RM'000</b>	<b>As At 31.03.2020 RM'000</b>
<b>Non-current liabilities</b>		
Borrowings	114,946	115,353
Lease liabilities	812	581
Deferred tax liabilities	79,406	72,897
	195,164	188,831
<b>Current liabilities</b>		
Payables	136,968	126,719
Borrowings	260,699	246,668
Lease liabilities	1,148	398
Tax payable	105	78
Derivative financial instruments	-	4,604
	398,920	378,467
<b>Total liabilities</b>	594,084	567,298
<b>Total equity and liabilities</b>	1,185,395	1,134,325
	1,185,395	1,134,325
<b>Net assets per share attributable to Owners of the Company (RM)</b>	6.33	6.08
	6.33	6.08

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes.

**BLD PLANTATION BHD**

(Company No: 562199-A)

**Condensed Consolidated Statement of Changes in Equity**

For the Period Ended 30 September 2020

(The figures have not been audited)

	Attributable to owners of the Company			Non- controlling Interests	Total Equity
	Share Capital RM'000	Retained Profit RM'000	Total RM'000		
<b>At 1 April 2020</b>	173,180	395,021	568,201	(1,174)	567,027
Total comprehensive income	-	23,893	23,893	391	24,284
<b>At 30 September 2020</b>	173,180	418,914	592,094	(783)	591,311

	Attributable to owners of the Company			Non- controlling Interests	Total Equity
	Share Capital RM'000	Retained Profit RM'000	Total RM'000		
<b>At 1 April 2019 (as previously stated)</b>	173,180	390,026	563,206	(1,436)	561,770
Initial application of MFRS 16	-	(50)	(50)	-	(50)
<b>At 1 April 2019 (as restated)</b>	173,180	389,976	563,156	(1,436)	561,720
Total comprehensive loss	-	(16,245)	(16,245)	(95)	(16,340)
<b>At 30 September 2019</b>	173,180	373,731	546,911	(1,531)	545,380

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes.

**BLD PLANTATION BHD**

(Company No: 562199-A)

**Condensed Consolidated Statement of Cash Flows**

For the Period Ended 30 September 2020

(The figures have not been audited)

	<b>Cumulative 6 months 30.09.2020 RM'000</b>	<b>Cumulative 6 months 30.09.2019 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit/(loss) before taxation	32,018	(18,920)
Adjustments for:		
Depreciation of property, plant and equipment	24,023	23,241
Depreciation of right-of-use assets	2,031	370
Gain on disposal of property, plant and equipment	(3,920)	(29)
Change in fair value of biological assets	(4,809)	(5,775)
Interest income	(1,364)	(1,549)
Interest expense	4,413	4,840
Interest on lease liabilities	48	25
Net fair value gain on derivative	(4,855)	(374)
Net unrealised foreign exchange gain	(290)	(116)
Operating profit before changes in working capital	47,295	1,713
Decrease / (Increase) in inventories	16,325	(53,379)
(Increase) / Decrease in receivables and other assets	(14,586)	31,212
Increase in payables	10,249	50,466
<b>Cash generated from operations</b>	59,283	30,012
Income tax paid, net of refund	(478)	(1,290)
Interest received	1,364	1,549
<b>Net cash generated from operating activities</b>	60,169	30,271
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment (net of interest and depreciation capitalised)	(22,840)	(38,752)
Proceeds from disposal of property, plant and equipment	4,936	29
<b>Net cash used in investing activities</b>	(17,904)	(38,723)

**BLD PLANTATION BHD**

(Company No: 562199-A)

**Condensed Consolidated Statement of Cash Flows**

For the Period Ended 30 September 2020

(The figures have not been audited)

	<b>Cumulative 6 months 30.09.2020 RM'000</b>	<b>Cumulative 6 months 30.09.2019 RM'000</b>
<b>Cash flows from financing activities</b>		
Interest paid	(5,932)	(7,145)
Interest paid on lease liabilities	(48)	(25)
Proceeds from bank borrowings	633,992	824,755
Repayment of bank borrowings	(618,426)	(796,344)
Repayment of lease liabilities	(382)	(383)
	<hr/>	<hr/>
<b>Net cash generated from financing activities</b>	9,204	20,858
	<hr/>	<hr/>
<b>Net increase in cash and cash equivalents</b>	51,469	12,406
<b>Effect of foreign exchange rate changes</b>	(338)	(388)
<b>Cash and cash equivalents at the beginning of the year</b>	141,225	158,678
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the period</b>	192,356	170,696
	=====	=====

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and the accompanying explanatory notes.

## **BLD PLANTATION BHD**

(Company No: 562199-A)

### **Notes to the Financial Information**

#### **1. Basis of preparation**

The condensed consolidated interim financial statements are unaudited and have been principally prepared in accordance with Malaysian Financial Reporting Standards (“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 audited financial statements for the year ended 31 March 2020.

#### **2. Significant Accounting Policies**

The significant accounting policies and methods of computation applied in the interim financial statements are consistent with prevailing established guidelines described in MFRS and IC Interpretations wherever applicable and relevant.

The initial application of the accounting standards, interpretations and amendments that are effective from annual periods beginning on or after 1 January 2020 and 1 June 2020 has no material impact on the Group’s consolidated financial statements.

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

- Amendments to MFRS 3 (Reference to the Conceptual Framework)
- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 (Interest Rate Benchmark Reform – Phase 2)
- Amendments to MFRS 10 and MFRS 128 (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)
- Amendments to MFRS 101 (Classification of Liabilities as Current or Non-current)
- Amendments to MFRS 116 (Property, Plant and Equipment – Proceeds before Intended Use)
- Amendments to MFRS 137 (Onerous Contracts – Cost of Fulfilling a Contract)
- Annual Improvements to MFRS Standards 2018-2020 relating to MFRS 1, MFRS 9, MFRS 16 and MFRS 141)
- MFRS 17 Insurance Contracts

#### **3. Auditors’ report on preceding annual financial statements**

The auditors’ report on the financial statements for the financial year ended 31 March 2020 was not qualified.

#### **4. Comments about seasonal or cyclical factors**

The production of fresh fruit bunches is seasonal in nature and low during the first half of the year.

## **Notes to the Financial Information**

### **5. Unusual items due to their nature, size or incidence**

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

### **6. Changes in estimates**

There was no significant change in estimates of amounts reported which have a material impact on the reporting quarter.

### **7. Debt and equity securities**

There was no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current period ended 30 September 2020.

### **8. Dividend paid**

There was no dividend paid in the current quarter.

### **9. Segmental information**

No segment analysis is prepared as the Company is primarily engaged in the oil palm industry in Malaysia.

### **10. Carrying amount of revalued assets**

As at the end of this reporting quarter, the Group does not have any revalued assets.

### **11. Subsequent events**

There is no other material event subsequent to this reporting quarter as at the date of this announcement.

### **12. Changes in the composition of the Group**

There were no changes in the composition of the Group as at the date of this announcement.

### **13. Contingent liabilities and contingent assets**

The Company has given corporate guarantee for credit facilities of subsidiaries amounting to RM1,016 million.

## **BLD PLANTATION BHD**

(Company No: 562199-A)

### **Notes to the Financial Information**

#### **14. Capital commitments**

The amount of commitments not provided for in the interim financial statements as at 30 September 2020 is as follows:

	<b>RM'000</b>
Approved and contracted for	8,476
Approved and not contracted for	28,032
	-----
	36,508
	=====

#### **15. Review of Performance**

The Group's revenue for the current quarter was higher by about RM71 million than the corresponding period of the preceding year due to higher average selling price of products. Similarly, the Group recorded a profit before tax of about RM25.7 million as compared to the corresponding period of the preceding year's profit before tax of about RM3.2 million on the back of higher average selling price of products in the current quarter.

With improvements in the average selling price of products, the Group's revenue increased by about RM129 million during the current financial period as compared to the preceding year. Furthermore, the Group reported profit before tax of about RM32 million for the current financial period as compared to the preceding year's loss before tax of approximately RM19 million mainly due to higher average selling price of products.

#### **16. Comparison with Preceding Quarter's Results**

The Group recorded profit before tax of about RM25.7 million in the current quarter as compared to profit before tax of about RM6.3 million of the immediate preceding quarter mainly due to higher average selling price of products coupled with higher sales volume in the current quarter.

#### **17. Commentary on prospects**

With the implementation of Movement Control Order ("MCO"), Conditional Movement Control Order ("CMCO") and Recovery Movement Control Order ("RMCO") have been imposed by the Malaysian government to curb the spread of Covid-19, it is anticipated to further pose uncertainties on the group's operations and performance in the near term. Furthermore, other uncertain external economic conditions are likely to cause volatility in global markets. Notwithstanding the challenging economic outlook in the near term, the Group continues to stay vigilant and place its priority on productivity improvement and cost reduction in light of the ongoing economic volatility and uncertainty.

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**Notes to the Financial Information****18. Income tax expenses**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30.09.2020</b>	<b>30.09.2019</b>	<b>30.09.2020</b>	<b>30.09.2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Tax expense for the year:				
Deferred taxation	5,818	1,880	7,523	(2,568)
Current year provision	202	15	211	30
Over provision for prior year	-	(42)	-	(42)
	-----	-----	-----	-----
	6,020	1,853	7,734	(2,580)
	=====	=====	=====	=====

The difference between the effective tax rate and statutory tax rate for the financial period ended 30 September 2020 was mainly due to certain non-deductible expenses.

**19. Sale of unquoted investments and properties**

There were no sales of unquoted investments and properties during the current financial period.

**20. Quoted securities**

There were no purchases or sales of quoted securities during the current financial period.

**21. Borrowings and debt securities**

	<b>RM'000</b>
<b>Short term borrowings</b>	
Secured	260,699
<b>Long term borrowings</b>	
Secured	114,946
	-----
	375,645
	=====

The above borrowings are denominated in Ringgit Malaysia.

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**Notes to the Financial Information****22. Changes in material litigation**

There are no material litigations pending since the last annual reporting date to this announcement date.

**23. Profit Forecast or Profit Guarantee**

The Group did not issue any profit forecast and profit guarantee.

**24. Dividend**

No dividend has been proposed for the current reporting quarter.

**25. Earnings/(loss) per share**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>	<b>3 months ended</b>	<b>6 months ended</b>	<b>6 months ended</b>
	<b>30.09.2020</b>	<b>30.09.2019</b>	<b>30.09.2020</b>	<b>30.09.2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Net profit/(loss) attributable to Owners of the Company	19,478 =====	1,335 =====	23,893 =====	(16,245) =====
Weighted average number of ordinary shares in issue ('000)	93,500 =====	93,500 =====	93,500 =====	93,500 =====
Basic earnings/(loss) per share (sen)	20.83 =====	1.43 =====	25.55 =====	(17.37) =====
Diluted earnings/(loss) per share (sen)	N/A =====	N/A =====	N/A =====	N/A =====

**BLD PLANTATION BHD**

(Company No: 562199-A)

**Notes to the Financial Information****26. Comprehensive Income Disclosures**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>30.09.2020</b>	<b>30.09.2019</b>	<b>30.09.2020</b>	<b>30.09.2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Result from operating activities is arrived at after charging:</b>				
Finance costs	2,341	2,503	4,461	4,865
Depreciation of property, plant and equipment	11,866	11,354	24,023	23,241
Depreciation of right-of-use assets	1,025	156	2,031	370
Loss on derivative	-	623	-	-
	_____	_____	_____	_____
<b>Result from operating activities is arrived at after crediting:</b>				
Finance income	604	776	1,364	1,549
Other operating income	27	23	51	45
Gain on disposal of property, plant and equipment	3,918	29	3,920	29
Change in fair value of biological assets	982	3,981	4,809	5,775
Unrealised foreign exchange gain	1,616	791	290	116
Gain on derivative	288	-	4,855	374
	_____	_____	_____	_____

The Group does not have other material items, other than the items disclosed above, that are recognised in the Statement of Comprehensive Income.