

BLD PLANTATION BHD.(562199-A)

Interim Financial Report
30 June 2022

BLD PLANTATION BHD

(Company No: 562199-A)

Interim Financial Report for the Period Ended 30 June 2022

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BLD PLANTATION BHD

(Company No: 562199-A)

Condensed Consolidated Statement of Comprehensive Income

For the Period Ended 30 June 2022

(The figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		30.06.2022	30.06.2021	30.06.2022	30.06.2021
		RM'000	RM'000	RM'000	RM'000
Revenue		696,360	540,488	696,360	540,488
Cost of sales		(630,807)	(487,937)	(630,807)	(487,937)
Gross profit		65,553	52,551	65,553	52,551
Other operating expenses		(8,471)	(1,082)	(8,471)	(1,082)
Selling expenses		(32,229)	(22,517)	(32,229)	(22,517)
Administrative expenses		(3,763)	(3,593)	(3,763)	(3,593)
Finance costs		(2,303)	(1,715)	(2,303)	(1,715)
Profit before taxation		18,787	23,644	18,787	23,644
Income tax expenses	18	(4,865)	(6,842)	(4,865)	(6,842)
Profit for the period, net of tax representing total Comprehensive Income for the period		13,922	16,802	13,922	16,802
		=====	=====	=====	=====
Profit for the period attributable to:					
Owners of the Company		12,849	16,212	12,849	16,212
Non-controlling interests		1,073	590	1,073	590
		13,922	16,802	13,922	16,802
		=====	=====	=====	=====
Earnings per share (sen) attributable to Owners of the Company:	25				
- Basic		13.74	17.34	13.74	17.34
- 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 2022 and the accompanying explanatory notes.

BLD PLANTATION BHD

(Company No: 562199-A)

Condensed Consolidated Statement of Financial Position

(The figures have not been audited)

	As At 30.06.2022 RM'000	As At 31.03.2022 RM'000
Non-current Assets		
Property, plant and equipment	590,226	594,009
Right-of-use assets	122,744	123,657
	<u>712,970</u>	<u>717,666</u>
Current Assets		
Inventories	162,559	171,554
Biological assets	34,347	36,683
Receivables	94,501	117,949
Prepaid operating expenses	867	1,093
Tax refundable	11,086	11,478
Deposits, cash and bank balances	345,208	300,614
	<u>648,568</u>	<u>639,371</u>
Total assets	<u>1,361,538</u> =====	<u>1,357,037</u> =====
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	173,180	173,180
Reserves	548,130	535,281
	<u>721,310</u>	<u>708,461</u>
Non-controlling interests	3,281	2,208
	<u>724,591</u>	<u>710,669</u>
Total equity	<u>724,591</u>	<u>710,669</u>

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2022 and the accompanying explanatory notes.

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(Company No: 562199-A)

Condensed Consolidated Statement of Financial Position

(The figures have not been audited)

	As At 30.06.2022 RM'000	As At 31.03.2022 RM'000
Non-current liabilities		
Borrowings	89,248	91,366
Lease liabilities	536	947
Deferred tax liabilities	107,467	107,209
	<u>197,251</u>	<u>199,522</u>
Current liabilities		
Payables	147,109	137,864
Borrowings	290,325	308,040
Lease liabilities	1,088	896
Tax payable	727	-
Derivative financial instruments	447	46
	<u>439,696</u>	<u>446,846</u>
Total liabilities	636,947	646,368
	<u>1,361,538</u>	<u>1,357,037</u>
Total equity and liabilities		
	=====	=====
Net assets per share attributable to Owners of the Company (RM)	7.71	7.58
	=====	=====

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 March 2022 and the accompanying explanatory notes.

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Condensed Consolidated Statement of Changes in Equity

For the Period Ended 30 June 2022

(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		
At 1 April 2022	173,180	535,281	708,461	2,208	710,669
Total comprehensive income	-	12,849	12,849	1,073	13,922
At 30 June 2022	173,180	548,130	721,310	3,281	724,591

	Attributable to owners of the Company			Non- controlling Interests	Total Equity
	Share Capital RM'000	Retained Profit RM'000	Total RM'000		
At 1 April 2021	173,180	460,305	633,485	71	633,556
Total comprehensive income	-	16,212	16,212	590	16,802
At 30 June 2021	173,180	476,517	649,697	661	650,358

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 2022 and the accompanying explanatory notes.

BLD PLANTATION BHD

(Company No: 562199-A)

Condensed Consolidated Statement of Cash Flows

For the Period Ended 30 June 2022

(The figures have not been audited)

	Cumulative 3 months 30.06.2022 RM'000	Cumulative 3 months 30.06.2021 RM'000
Cash flows from operating activities		
Profit before taxation	18,787	23,644
Adjustments for:		
Depreciation of property, plant and equipment	12,577	10,617
Depreciation of right-of-use assets	913	1,012
Gain on disposal of property, plant and equipment	-	(357)
Change in fair value of biological assets	2,336	3,169
Interest income	(1,062)	(822)
Interest expense	2,283	1,690
Interest on lease liabilities	20	25
Net change in fair value on derivative	401	(2,391)
Net change in unrealised foreign exchange	(1,116)	269
Operating profit before changes in working capital	35,139	36,856
Changes in inventories	8,995	(45,033)
Changes in receivables and other assets	23,664	4,594
Changes in payables	9,245	21,109
Cash generated from operations	77,043	17,526
Income tax paid, net of refund	(3,488)	(326)
Interest received	1,062	822
Net cash generated from operating activities	74,617	18,022
Cash flows from investing activities		
Acquisition of property, plant and equipment (net of interest capitalised)	(8,605)	(11,621)
Proceeds from disposal of property, plant and equipment	-	415
Net cash used in investing activities	(8,605)	(11,206)

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Condensed Consolidated Statement of Cash Flows

For the Period Ended 30 June 2022

(The figures have not been audited)

	Cumulative 3 months 30.06.2022 RM'000	Cumulative 3 months 30.06.2021 RM'000
Cash flows from financing activities		
Interest paid	(2,472)	(2,317)
Interest paid on lease liabilities	(20)	(25)
Proceeds from bank borrowings	646,659	587,646
Repayment of bank borrowings	(671,828)	(583,266)
Repayment of lease liabilities	(220)	(190)
	<hr/>	<hr/>
Net cash (used in) / generated from financing activities	(27,881)	1,848
	<hr/>	<hr/>
Net increase in cash and cash equivalents	38,131	8,664
Effect of foreign exchange rate changes	1,127	(131)
Cash and cash equivalents at the beginning of the period	300,587	270,550
	<hr/>	<hr/>
Cash and cash equivalents at the end of the period	339,845	279,083
	=====	=====

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 March 2022 and the accompanying explanatory notes.

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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 2022.

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 April 2022 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 10 and MFRS 128 (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)
- Amendments to MFRS 17 (Initial Application of MFRS 17 and MFRS 9 – Comparative Information)
- Amendments to MFRS 112 (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)
- 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 2022 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.

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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 year ended 30 June 2022.

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 RM820 million.

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Notes to the Financial Information

14. Capital commitments

The amount of commitments not provided for in the interim financial statements as at 30 June 2022 is as follows:

	RM'000
Approved and contracted for	5,004
Approved and not contracted for	16,740

	21,744
	=====

15. Review of Performance

The Group's revenue for the current quarter was higher by about RM156 million than the corresponding period of the preceding year due to higher average selling price of products. The Group recorded a profit before tax of about RM18.7 million as compared to the corresponding period of the preceding year's profit before tax of about RM23.6 million which was principally due to lower sales volume combined with unfavourable changes in derivative during the current quarter.

16. Comparison with Preceding Quarter's Results

The Group recorded profit before tax of about RM18.7 million in the current quarter as compared to profit before tax of about RM14.7 million of the immediate preceding quarter. This was mainly attributable to higher average selling price of certain products during the current quarter.

17. Commentary on prospects

As of the current reporting quarter, CPO price has fallen steeply from its recent peak due to the sudden surge in inventories following the uplifting of export ban by the Indonesian government. On top of the seasonally higher output in the months ahead, weaker-than-expected economic growth coupled with concerns over elevated global inflationary risks are likely to contribute to further consolidation of CPO prices in second half of 2022. Notwithstanding the highly volatile market conditions, expected easing of labour shortage and normalising of export sales volume would be supportive of CPO prices in the near future.

In the view of the above, the Group will focus on the recent development and determinants that would impact the market volatility. The Group is poised to deal with potential challenges that may affect the performance of the Group by formulating strategies and aligning them with our business goals.

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

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Tax expense for the year:				
Deferred taxation	258	5,144	258	5,144
Current year provision	4,607	1,698	4,607	1,698
	-----	-----	-----	-----
	4,865	6,842	4,865	6,842
	=====	=====	=====	=====

The difference between the effective tax rate and statutory tax rate for the financial year ended 30 June 2022 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 year.

20. Quoted securities

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

21. Borrowings and debt securities

	RM'000
Short term borrowings	
Secured	290,325
Long term borrowings	
Secured	89,248

	379,573
	=====

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

A final single-tier dividend of 5 sen per ordinary share in respect of the financial year ended 31 March 2022 is proposed and subject to approval by the shareholders at the forthcoming 20th Annual General Meeting, and if approved, will be payable on 13 October 2022 to depositors whose names appear in the Company's Record of Depositors on 22 September 2022.

25. Earnings per share

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to Owners of the Company	12,849 =====	16,212 =====	12,849 =====	16,212 =====
Weighted average number of ordinary shares in issue ('000)	93,500 =====	93,500 =====	93,500 =====	93,500 =====
Basic earnings per share (sen)	13.74 =====	17.34 =====	13.74 =====	17.34 =====
Diluted earnings per share (sen)	N/A =====	N/A =====	N/A =====	N/A =====

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

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Result from operating activities is arrived at after charging:				
Finance costs	2,303	1,715	2,303	1,715
Depreciation of property, plant and equipment	12,577	10,617	12,577	10,617
Depreciation of right-of-use assets	913	1,012	913	1,012
Unrealised foreign exchange loss	-	269	-	269
Change in fair value of biological assets	2,336	3,169	2,336	3,169
Loss on derivative	401	-	401	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Result from operating activities is arrived at after crediting:				
Finance income	1,062	822	1,062	822
Other operating income	51	25	51	25
Gain on disposal of property, plant and equipment	-	357	-	357
Unrealised foreign exchange gain	1,116	-	1,116	-
Gain on derivative	-	2,391	-	2,391
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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