

BOUSTEAD PLANTATIONS BERHAD (1245-M)

UNAUDITED CONDENSED STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

For the quarter ended 30 September 2017 (All figures are stated in RM'000)	Current Period		Cumulative Period	
	2017	2016	2017	2016
Revenue	183,427	199,326	541,934	511,225
Operating cost	(134,810)	(143,630)	(398,130)	(414,172)
Profit from operations	48,617	55,696	143,804	97,053
Gain on disposal of plantation asset	554,868	-	554,868	124,170
Interest income	3,748	3,580	10,410	10,895
Finance cost	(8,588)	(10,542)	(26,587)	(32,105)
Share of results of Associate	485	1,463	2,484	1,406
Profit before taxation	599,130	50,197	684,979	201,419
Taxation	(38,271)	(12,269)	(58,869)	(26,237)
Profit for the period	560,859	37,928	626,110	175,182
Other comprehensive income				
Share of exchange fluctuation of Associate	-	-	222	294
Total comprehensive income for the period	560,859	37,928	626,332	175,476
Profit/(loss) attributable to:				
Shareholders of the Company	562,424	37,362	628,795	177,497
Non-controlling interests	(1,565)	566	(2,685)	(2,315)
Profit for the period	560,859	37,928	626,110	175,182
Total comprehensive income/ (expense) attributable to:				
Shareholders of the Company	562,424	37,362	629,017	177,791
Non-controlling interests	(1,565)	566	(2,685)	(2,315)
Total comprehensive income for the period	560,859	37,928	626,332	175,476
Earnings per share - sen				
Basic	35.15	2.34	39.30	11.09

The Unaudited Condensed Statement of Consolidated Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016.

BOUSTEAD PLANTATIONS BERHAD (1245-M)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 30 September 2017	Audited As at 31 December 2016
As at 30 September 2017		
(All figures are stated in RM'000)		
ASSETS		
Non-current assets		
Property, plant and equipment	1,316,861	1,324,444
Biological assets	1,248,585	1,248,585
Prepaid land lease payments	48,286	49,754
Investment in Associate	26,278	30,323
Goodwill on consolidation	2,281	2,281
Deferred tax assets	2,517	2,517
	<u>2,644,808</u>	<u>2,657,904</u>
Current assets		
Inventories	37,233	24,462
Receivables	73,118	88,027
Tax recoverable	2,324	2,438
Cash and bank balances	548,891	424,570
	<u>661,566</u>	<u>539,497</u>
Asset held for sale	-	60,085
	<u>661,566</u>	<u>599,582</u>
TOTAL ASSETS	<u>3,306,374</u>	<u>3,257,486</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	1,422,344	800,000
Reserves	1,248,374	1,385,701
Shareholders' equity	<u>2,670,718</u>	<u>2,185,701</u>
Non-controlling interests	<u>26,364</u>	<u>29,049</u>
Total equity	<u>2,697,082</u>	<u>2,214,750</u>
Non-current liabilities		
Borrowings	87,500	100,000
Deferred tax liabilities	24,086	24,113
Payables	5,372	5,372
	<u>116,958</u>	<u>129,485</u>
Current liabilities		
Borrowings	358,712	801,152
Payables	114,847	105,362
Taxation	18,775	6,737
	<u>492,334</u>	<u>913,251</u>
Total liabilities	<u>609,292</u>	<u>1,042,736</u>
TOTAL EQUITY AND LIABILITIES	<u>3,306,374</u>	<u>3,257,486</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016.

BOUSTEAD PLANTATIONS BERHAD (1245-M)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial period ended	← Attributable to Shareholders of the Company →						Total Equity
	Non-distributable		Distributable		Non-controlling interests		
	Share Capital	Share Premium	Other Capital Reserve	Retained Profits		Total	
30 September 2017							
(All figures are stated in RM'000)							
2017							
Balance at 1 January 2017	800,000	622,344	151	763,206	2,185,701	29,049	2,214,750
Total comprehensive income for the period	-	-	222	628,795	629,017	(2,685)	626,332
Transactions with owners:							
Dividends	-	-	-	(144,000)	(144,000)	-	(144,000)
Transition in accordance with section 618(2) of the Companies Act 2016 (Note)	622,344	(622,344)	-	-	-	-	-
Balance at 30 September 2017	1,422,344	-	373	1,248,001	2,670,718	26,364	2,697,082
2016							
Balance at 1 January 2016	800,000	622,344	(143)	759,415	2,181,616	46,448	2,228,064
Total comprehensive income for the period	-	-	294	177,497	177,791	(2,315)	175,476
Transactions with owners:							
Dividends	-	-	-	(144,000)	(144,000)	-	(144,000)
Balance at 30 September 2016	800,000	622,344	151	792,912	2,215,407	44,133	2,259,540

Note:

(i) Pursuant to section 74 of the Companies Act, 2016 ('the Act'), the Company's shares no longer have a par or nominal value with effect from 31 January 2017. In accordance with the transitional provision set out in Section 618 of the Act, any amount standing to the credit of the share premium account becomes part of the Company's share capital.

(ii) There is no impact on the number of shares in issue or the relative entitlement of any of the members as a result of this transition. During the financial period, the Company did not utilise the credit in the share premium account which are now part of share capital.

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016.

BOUSTEAD PLANTATIONS BERHAD (1245-M)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the quarter ended 30 September 2017

(All figures are stated in RM'000)

	2017	2016
Operating Activities		
Receipts from customers	562,613	497,457
Cash paid to suppliers and employees	(373,765)	(370,895)
Cash generated from operations	188,848	126,562
Tax paid	(38,814)	(17,631)
Net cash generated from operating activities	150,034	108,931
Investing Activities		
Purchase of property, plant and equipment	(23,469)	(17,637)
Purchase of biological assets	-	(840)
Proceeds from disposal of property, plant and equipment and biological assets	33	46,841
Deposit on proposed acquisition of plantation asset	(15,000)	-
Proceeds from disposal of plantation asset	618,018	-
Acquisition of plantation assets	-	(29,977)
Interest received	10,487	11,322
Dividend received	6,750	-
Net cash generated from investing activities	596,819	9,709
Financing Activities		
(Decrease)/Increase in revolving credits	(435,000)	50,000
Repayment of term loan	(12,500)	(18,750)
Interest paid	(26,926)	(30,486)
Dividend paid	(144,000)	(144,000)
Net cash used in financing activities	(618,426)	(143,236)
Net increase/ (decrease) in cash and cash equivalents	128,427	(24,596)
Foreign currency translation difference	-	(134)
Cash and cash equivalents at beginning of period	420,441	412,244
Cash and cash equivalents at end of period	548,868	387,514
Comprising:		
Cash and bank balances	548,891	400,008
Bank overdrafts	(23)	(12,494)
	548,868	387,514

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016.

BOUSTEAD PLANTATIONS BERHAD (1245-M)

Notes to the interim financial report for the quarter ended 30 September 2017

Part A - Explanatory Notes Pursuant to FRS 134

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), and should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2016. All figures are stated in RM'000, unless otherwise stated.

2. Accounting Policies

(i) Adoption of FRSs, Amendments to FRSs and IC Interpretations

On 1 January 2017, the Group adopted the following new and amended FRS:

- Amendments to FRS 107 - Statement of Cash Flows: Disclosure Initiative
- Amendments to FRS 112 - Income Taxes - Recognition of Deferred Tax Assets for Unrealised Losses
- Annual Improvements to 2014-2016 Cycle

Adoption of the above amendments did not have any material effect on the financial statements of the Group.

(ii) Standards Issued but not yet Effective

The Group has not early adopted the following amended FRS that are not yet effective:

	Effective Date
• FRS 9 - Financial Instruments	1 January 2018
• Amendments to FRS 2 - Classification and Measurement of Share-based Payment Transactions	1 January 2018
• Amendments to FRS 4 - Applying FRS 9 Financial Instruments with FRS 4 Insurance Contracts	1 January 2018
• Amendments to FRS 140 - Transfer of Investment Property	1 January 2018
• IC Interpretation 22 - Foreign Currency Transactions and Advance Consideration	1 January 2018
• Annual Improvements to 2014-2016 Cycle	1 January 2018
• Amendments to FRS 10 and FRS 128 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

(iii) MFRS Framework

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework"). The MFRS Framework is effective for annual periods beginning on or after 1 January 2012 for all entities except for entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called Transitioning Entities). Adoption of the MFRS Framework by Transitioning Entities will only be mandatory for annual periods beginning on or after 1 January 2018.

2. Accounting Policies (cont.)

(iii) MFRS Framework (cont.)

The Group falls under the scope definition of Transitioning Entities and has opted to adopt MFRS for annual periods beginning on 1 January 2018. When the Group presents its first MFRS financial statements in 1 January 2018, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made retrospectively against opening retained profits.

3. Auditor's Report on Preceding Annual Financial Statements

The audit report of the preceding audited financial statements was not qualified.

4. Comments about Seasonal or Cyclical Factors

The Group's operating result is influenced by both CPO prices and FFB crop production. The cropping pattern for oil palm is influenced by weather conditions. FFB production normally starts with a trough and thereafter increases gradually to reach a peak during the second half year.

5. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income and cash flows for the quarter under review.

6. Change in Estimates

There were no material changes in estimates of amounts reported in previous financial year.

7. Dividends

- (i) On 16 March 2017, the Company paid 4th interim single tier dividend of 3.5 sen per share in respect of the financial year ended 31 December 2016 amounting to RM56.0 million.
- (ii) On 16 June 2017, the Company paid 1st interim single tier dividend of 2.5 sen per share in respect of the current financial year ending 31 December 2017 amounting to RM40.0 million.
- (iii) On 19 September 2017, the Company paid 2nd interim single tier dividend of 3.0 sen per share in respect of the current financial year ending 31 December 2017 amounting to RM48.0 million.

For the current quarter, the Directors have declared a dividend of 3.0 sen per share and a special dividend of 7.0 sen per share in respect of the year ending 31 December 2017. The dividends will be paid on 19 December 2017 to shareholders registered in the Register of Members at the close of business on 8 December 2017.

8. Segmental Information

Segment information for the cumulative period in respect of the Group's operations by geographical location is set out as follows:

RM'000	Peninsular Malaysia	Sabah	Sarawak	Total
2017				
Revenue	229,926	236,734	75,274	541,934
Reportable segment operating profit	76,597	58,693	5,180	140,470
Unrealised gain on foreign exchange				3,334
Gain on disposal of plantation asset				554,868
Interest income				10,410
Finance cost				(26,587)
Share of results of Associate				2,484
Profit before taxation				684,979
Taxation				(58,869)
Profit for the period				626,110

RM'000	Peninsular Malaysia	Sabah	Sarawak	Total
2016				
Revenue	201,911	235,066	74,248	511,225
Reportable segment operating profit	47,006	47,228	1,086	95,320
Unrealised gain on foreign exchange				1,733
Gain on disposal of plantation asset				124,170
Interest income				10,895
Finance cost				(32,105)
Share of results of Associate				1,406
Profit before taxation				201,419
Taxation				(26,237)
Profit for the period				175,182

9. Debt and Equity Securities

There were no issuances and repayment of debt and equity securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares in the current financial period.

10. Carrying Amount of Revalued Assets

There has been no revaluation of property, plant and equipment during the current financial period.

11. Subsequent Events

There were no subsequent events as at 21 November 2017 that will materially affect the financial statements for the financial period under review.

12. Changes in Group Composition

There were no changes in the Group composition during the period under review.

13. Changes in Contingent Liabilities and Contingent Assets

No contingent liability has arisen since the previous financial year end.

14. Capital Commitments

The Group has the following commitments as at 30 September 2017:

	Cumulative period	
	2017	2016
	RM'000	RM'000
Capital expenditure		
- Authorised but not contracted for:		
- Acquisition of plantation asset	735,000	-
- Others	63,225	49,323
	<u>798,225</u>	<u>49,323</u>

15. Financial Risk Management

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2016.

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia

16. Performance Review

	Current Period		Changes		Cumulative Period		Changes	
	2017	2016			2017	2016		
	RM'000	RM'000	(RM)	(%)	RM'000	RM'000	(RM)	(%)
Revenue	183,427	199,326	(15,899)	(8%)	541,934	511,225	30,709	6%
Profit from operations	48,617	55,696	(7,079)	(13%)	143,804	97,053	46,751	48%
Profit before taxation	599,130	50,197	548,933	1,094%	684,979	201,419	483,560	240%
Profit for the period	560,859	37,928	522,931	1,379%	626,110	175,182	450,928	257%
Profit attributable to Shareholders of the Company	562,424	37,362	525,062	1,405%	628,795	177,497	451,298	254%

For the third quarter of 2017, the Group achieved an unaudited pre-tax profit of RM599.1 million as compared with RM50.2 million for the corresponding quarter last year. The profit rose by 1,094% mainly because of the exceptional gain on disposal of plantation asset of RM554.9 million.

For the first nine months of 2017, the Group's unaudited pre-tax profit of RM685.0 million was up by 240% from last year's corresponding period. Excluding the gain on disposal of plantation asset of RM554.9 million (2016: RM124.2 million), the profit was an improvement of 68% from 2016. The profit was largely contributed by better CPO prices.

FFB production for the nine-month period increased by 5% to 696,668 MT. The increase in crop was largely attributed to improvement in yields post El-Nino in the 1st half year of 2017. OER averaged at 20.9% as compared with 21.5% for first nine months of 2016. The average KER of 4.3% was marginally behind the rate for last year.

CPO achieved an average selling price of RM2,871 per MT for the nine-month period this year, an increase of RM396 per MT or 16% from RM2,475 per MT from the corresponding period last year whilst PK achieved an average price of RM2,478 per MT, up by RM183 per MT or 8%.

16. Performance Review (cont.)

Peninsular Malaysia region

Peninsular Malaysia region achieved a segment profit of RM76.6 million as compared with RM47.0 million year-on-year. The increase in profit of RM29.6 million or 63% was mainly attributed to improved selling prices of CPO. The region's FFB crop of 305,713 MT was up from 2016 by 10% and this was attributed to improved production from the northern estates and the young palms on the east coast.

Sabah region

Sabah region achieved a segment profit of RM58.7 million, up by 24% from RM47.2 million profit year-on-year. FFB production of 294,243 MT reflected a year-on-year surplus of 4%. This was impacted by lower than expected production in the current quarter due to erratic weather conditions and frequent turnover of workers.

Sarawak region

Sarawak region registered a segment profit of RM5.2 million as compared with RM1.1 million year-on-year. The improved profit was mainly contributed by better selling prices of palm products. The region produced 96,712 MT of FFB, down 3% from the same period last year.

17. Material Changes in Quarterly Results Compared to the Results of the Immediate Preceding Quarter

	Current Quarter	Immediate Preceding Quarter	Changes	
	RM'000	RM'000	(RM)	(%)
Revenue	183,427	169,487	13,940	8%
Profit from operations	48,617	33,144	15,473	47%
Profit before taxation	599,130	28,763	570,367	1,983%
Profit for the period	560,859	21,026	539,833	2,567%
Profit attributable to Shareholders of the Company	562,424	22,695	539,729	2,378%

For the current quarter, the unaudited profit before tax of RM599.1 million was up by 1,983% from the immediate preceding quarter of RM28.8 million. In addition to the exceptional gain on disposal of plantation asset of RM554.9 million, the profit was supported mainly by better crop production from the Peninsular region and consequently, sales volume of palm products.

The Group's revenue of RM183.4 million was higher than the immediate preceding quarter of RM169.5 million by 8%. CPO realised an average price of RM2,700 per MT, which was a decline of RM86 from the immediate preceding quarter while PK price of RM2,229 per MT rose by RM161 per MT. FFB production increased by 11% to 256,593 MT from the immediate preceding quarter.

18. Prospects for Rest of the Year

The Group's profitability is dependent on the price direction of CPO and crop production. Although Peninsular Malaysia and Sabah regions have shown some improvements in FFB yields, the erratic weather conditions and labour shortage coupled with difficult ground conditions in Sarawak may dampen crop production. For the current financial year, the gain on disposal of plantation of RM554.9 million should contribute significantly to profits.

To-date CPO prices have outperformed expectations as production recovery was not as strong as expected after 2015/2016 El-Nino. September CPO stockpiles rose to their highest since February 2016 to 2.02 million tonnes on the back of weaker than expected export growth, as more of Malaysia's export share was lost to Indonesia which catered to price-sensitive customers such as India and China. However, this did not give rise to extreme selling pressure. The current price levels are expected to continue, if not move upward should CPO production fail to meet recovery expectations. In addition, good global import demand and comfortable stock levels are also expected to lend continuing support to prices.

19. Notes on Variance in Actual Profit and Shortfall in Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interests and shortfall in profit guarantee are not applicable.

20. Taxation

	Current Period	Cumulative Period
	2017	2017
	RM'000	RM'000
Malaysian taxation based on profit for the period:		
- Current	38,083	58,927
- Deferred	-	(231)
	38,083	58,696
Underprovision of prior years	188	173
	38,271	58,869

The Group's effective tax rate for the cumulative quarter is lower than the statutory tax rate due mainly to income which was taxed based on RPGT tax rates.

21. Status of Corporate Proposals

i) Utilisation of Proceeds from Initial Public Offering (IPO)

On 26 June 2014, the Company raised RM928 million from its IPO exercise and listed its entire issued and paid up capital on the Main Market of Bursa Securities. The status of utilisation of proceeds raised from the IPO is as follows:

Purpose	IPO		Utilisation	Balance of IPO Proceeds	Timeframe for utilisation
	Proceeds	Variation			
	RM'000	RM'000	RM'000	RM'000	
Acquisitions of plantation lands	420,000	(356,192)	(63,808)	-	By 25 June 2017 (a)
Replanting and capital expenditure	96,000	-	(96,000)	-	By 25 June 2015
Repayment to Immediate Holding Company	390,000	-	(390,000)	-	By 25 December 2014
IPO and Listing expenses	22,000	-	(21,046)	954	By 25 December 2014 (b)
Repayment of bank borrowings	-	356,192	(356,192)	-	By 31 December 2017 (a)
Total gross proceeds	928,000	-	(927,046)	954	

Notes:

- (a) On 22 August 2017, the Board of Directors approved the variation to IPO proceeds, whereby the balance of IPO proceeds allocated for acquisition of land was reallocated for repayment of bank borrowings by 31 December 2017.
- (b) The excess amount budgeted for share issuance and listing expenses of RM954,000 has been utilised for working capital purposes.

(ii) Proposed Land Disposal

On 22 December 2016, CIMB Islamic Trustee Berhad ("CITB"), acting as trustee for the Company and Setia Recreation Sdn. Bhd. ("SRSB") entered into a sale and purchase agreement for the disposal of 677.78 hectares of freehold land situated in Mukim 6, Daerah Seberang Perai Utara, Pulau Pinang by the Company to SRSB for cash consideration of approximately RM620 million. The disposal was completed on 26 September 2017 and the gain of RM554.9 million was recognised during the quarter.

(iii) Proposed Land Acquisition

On 30 October 2017, Boustead Rimba Nilai Sdn Bhd ("BRNSB"), a wholly owned subsidiary of the Company and Pertama Land & Development Sdn Bhd ("PLDSB") entered into a sale and purchase agreement ("SPA") for the acquisition of 42 parcels of plantation land located in the District of Labuk and Sugut, Sabah measuring about 11,579.31 hectares inclusive of all buildings, plant & machinery, vehicles and equipment located at the property ("Plantation Asset") for a total cash consideration of RM750 million. BRNSB has paid a 10% deposit. The SPA is conditional upon the approvals of shareholders of the Company, shareholders of DutaLand Berhad and regulatory authorities, where applicable.

(iv) Proposed Bonus Issue

On 21 November 2017, the Company ("BPB") announced its proposal to undertake a bonus issue of 640,000,000 new Bonus Shares to be credited as fully paid-up on the basis of 2 Bonus Shares for every 5 existing BPB Shares held by shareholders of the Company whose names appear in the Record of Depositors on an entitlement date to be determined later ("Proposed Bonus Issue").

21. Status of Corporate Proposals (cont.)

(iv) Proposed Bonus Issue (cont.)

The issuance of 640,000,000 Bonus Shares was based on the issued share capital of the Company as at 31 October 2017 of RM800,000,000 comprising 1,600,000,000 BPB Shares. The Proposed Bonus Issue will be effected by capitalising RM320,000,000 from the Company's share premium account. Subject to the approval of Bursa Securities for the listing of and quotation for the Bonus Shares on the Main Market of Bursa Securities, and the shareholders of the Company, the Proposed Bonus Issue is expected to be completed by 1st quarter of 2018.

There were no other corporate proposals announced or pending completion as at 21 November 2017.

22. Changes in Material Litigations

As at 21 November 2017, there was no material litigation involving the Group or the Company.

23. Statement of Financial Position

As at 30 September 2017, cash and bank balance increased significantly upon the receipt of proceeds from disposal of plantation asset. The disposal proceeds together with IPO proceeds were used to partly retire some of Company's revolving credits in September 2017. This led to significant reduction in bank borrowings at month end.

24. Statement of Cash Flows

For the nine-month period ended 30 September 2017, the Group's surplus cash from disposal proceeds of plantation asset coupled with IPO funds were mainly used to repay revolving credits.

25. Earnings Per Share - Basic

	Current period		Cumulative period	
	2017	2016	2017	2016
Net profit for the period (RM'000)	562,424	37,362	628,795	177,497
Weighted average number of ordinary shares in issue ('000)	1,600,000	1,600,000	1,600,000	1,600,000
Basic earnings per ordinary share (Sen)	35.15	2.34	39.30	11.09

26. Group Borrowings

Total group borrowings as at 30 September 2017 are as follows:

	30.9.2017	31.12.2016	30.9.2016
	RM'000	RM'000	RM'000
Non-Current:			
<u>Unsecured</u>			
Term loan	87,500	100,000	106,250
	87,500	100,000	106,250
Current:			
<u>Unsecured</u>			
Bank overdrafts	23	4,129	12,494
Revolving credits	280,000	715,000	745,000
Term loans			
- Denominated in RM	25,000	25,000	25,000
- Denominated in USD	53,689	57,023	52,648
	358,712	801,152	835,142
Total borrowings	446,212	901,152	941,392
Exchange rate applicable to the US Dollar denominated loan:	4.23	4.49	4.15

26. Group Borrowings (cont.)

During the nine-month period ended 30 September 2017,

- (i) the bank overdrafts bore interest at rates ranging from 7.35% to 7.65% (2016: 7.35% to 7.85%) per annum.
- (ii) the revolving credits bore interest at rates ranging from 3.85% to 4.85% (2016: 3.80% to 5.05%) per annum.
- (iii) the Islamic term loan of RM112.5 million (2016: RM131.25 million) is repayable over quarterly payments of RM6.25 million each and carried an average profit rate of 5.05% (2016: 5.28%) per annum.
- (iv) the short term loans of RM87.5 million (2016: RM106.25 million) include a term loan of RM53.689 million (2016: RM52.648 million) which is denominated in USD. The USD denominated term loan bears interest at an average rate of 2.79% (2.31%) per annum.

The debt for the current year and last year comprised wholly floating interest rate debt. The amount borrowed in foreign currencies is not hedged but is closely monitored by management.

27. Retained Earnings

	30.9.2017 RM'000	31.12.2016 RM'000
Total retained earnings of the Company and Subsidiaries		
- Realised	838,406	356,581
- Unrealised	(26,997)	(30,359)
	<u>811,409</u>	<u>326,222</u>
Total share of retained earnings of Associate		
- Realised	22,181	26,514
- Unrealised	466	550
	<u>834,056</u>	<u>353,286</u>
Consolidation adjustments	413,945	409,920
Total retained earnings of the Group as per consolidated accounts	<u>1,248,001</u>	<u>763,206</u>

28. Additional Disclosures

The Group's profit before taxation is stated after (debiting) /crediting the following:

	Current Quarter		Cumulative Quarter	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Depreciation and amortisation	(10,790)	(10,658)	(32,521)	(32,143)
Foreign exchange gain/ (loss)	839	(1,729)	3,344	1,727

29. Plantation Statistics

	Cumulative Period	
	2017	2016
(a) Production and yield		
FFB (MT)	696,668	660,497
FFB (MT/ha)	11.9	11.3
Crude palm oil production (MT)	160,073	157,683
(b) Oil extraction rate (%)		
Crude palm oil	20.9	21.5
Palm kernel	4.3	4.4
(c) Average Selling Prices (RM per MT)		
FFB	629	570
CPO	2,871	2,475
PK	2,478	2,295
(d) Planted areas (hectares)		
	At	At
	30 September	31 December
	<u>2017</u>	<u>2016</u>
Oil palm - past prime	13,353	12,234
- prime mature	32,363	33,199
- young mature	12,179	11,964
- immature	5,876	7,071
	<u>63,771</u>	<u>64,468</u>