



MKH OIL PALM (EAST KALIMANTAN) BERHAD
(Registration No. 200401023680 (662186-D))
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
INTERIM REPORT FOR THE THIRD QUARTER
AND FINANCIAL PERIOD ENDED 30 JUNE 2024 ⁽¹⁾**

	3 months ended		Period ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Revenue	93,275	N/A	261,625	N/A
Cost of sales	(58,542)	N/A	(167,137)	N/A
Gross profit	34,733	N/A	94,488	N/A
Other income	2,068	N/A	5,216	N/A
Sales and marketing expenses	(2,837)	N/A	(7,930)	N/A
Administrative expenses	(7,822)	N/A	(24,052)	N/A
Other expenses	(4,968)	N/A	(9,265)	N/A
Profit from operations	21,174	N/A	58,457	N/A
Interest expenses	(129)	N/A	(1,370)	N/A
Profit before tax	21,045	N/A	57,087	N/A
Tax expense	(4,950)	N/A	(13,879)	N/A
Profit for the period	16,095	N/A	43,208	N/A
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Foreign exchange translation differences	(14,190)	N/A	(20,967)	N/A
Other comprehensive income for the period	(14,190)	N/A	(20,967)	N/A
Total comprehensive income for the period	1,905	N/A	22,241	N/A
Profit attributable to:				
Owners of the parent	16,095	N/A	42,562	N/A
Non-controlling interests	-	N/A	646	N/A
	16,095	N/A	43,208	N/A
Total comprehensive income attributable to:				
Owners of the parent	1,905	N/A	21,931	N/A
Non-controlling interests	-	N/A	310	N/A
	1,905	N/A	22,241	N/A
Earnings per share ("EPS")				
Basic Earnings per ordinary share (sen) ⁽²⁾	2.09	N/A	5.53	N/A
Proposed/Declared Dividend per share (sen)	2.00	N/A	2.00	N/A

This is the second interim financial report announced in compliance with Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). There are no comparative figures for the preceding year corresponding quarter and year to date financial period as there is no interim report prepared for the comparative quarter and financial period concerned.

Notes:

N/A means "Not applicable"

⁽¹⁾ The basis of preparation of the unaudited condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of MKH Oil Palm (East Kalimantan) Berhad ("the Company") dated 29 March 2024 and the accompanying explanatory notes attached to this unaudited interim financial report.

⁽²⁾ Basic EPS computed based on profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue of 770,035,098 after completion of the Initial Public Offering ("IPO") of the company on 30 April 2024.



MKH OIL PALM (EAST KALIMANTAN) BERHAD
(Registration No. 200401023680 (662186-D))
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
INTERIM FINANCIAL REPORT AS AT 30 JUNE 2024 ⁽¹⁾

	(Unaudited) 30.06.2024	(Audited) 30.09.2023
	RM'000	RM'000
Assets		
Property, plant and equipment	324,199	257,422
Intangible assets	7,068	6,078
Prepaid lease payments	38,357	18,191
Receivables, deposits and prepayments	1,081	1,811
Total Non-Current Assets	370,705	283,502
Inventories	35,909	40,818
Biological assets	7,494	6,011
Receivables, deposits and prepayments	29,679	39,904
Current tax assets	1,994	7,974
Cash and bank balances	199,648	72,006
Total Current Assets	274,724	166,713
TOTAL ASSETS	645,429	450,215
Equity		
Share capital	378,294	80,468
Translation reserve	(12,025)	8,378
Revaluation reserve	7,177	6,775
Retained earnings	200,585	214,730
Equity attributable to owners of the parent	574,031	310,351
Non-Controlling Interests	-	17,601
Total Equity	574,031	327,952
Liabilities		
Deferred tax liabilities	14,993	1,745
Provisions	19,224	18,149
Payables and accruals	-	3,422
Loans and borrowings	506	457
Total Non-Current Liabilities	34,723	23,773
Payables and accruals	36,516	96,010
Loans and borrowings	159	2,480
Total Current Liabilities	36,675	98,490
Total Liabilities	71,398	122,263
TOTAL EQUITY AND LIABILITIES	645,429	450,215
Net Assets per share attributable to shareholders of the Company (RM) ⁽²⁾	0.56	2.81

Notes:

⁽¹⁾ The basis of preparation of the unaudited condensed Consolidated Statement of Financial Position is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 29 March 2024 and the accompanying explanatory notes attached to this unaudited interim financial report.

⁽²⁾ Computed based on total equity of the Group divided by the number of ordinary shares in issue of 1,023,590,845 as at 30 June 2024 and 110,468,000 as at 30 September 2023 respectively.



MKH OIL PALM (EAST KALIMANTAN) BERHAD

(Registration No. 200401023680 (662186-D))

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
INTERIM REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2024 ⁽¹⁾**

< ----- Attributable to owners of the parent ----- >
< -----Non-distributable ----- > Distributable

Group	Share Capital RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Financial period ended 30 June 2024							
At 1.10.2023 (audited)	80,468	8,378	6,775	214,730	310,351	17,601	327,952
Total comprehensive income for the period	-	(20,631)	-	42,562	21,931	310	22,241
Transactions with owners							
Changes of ownership interests in a subsidiary	53,516	228	402	(36,235)	17,911	(17,911)	-
Issuance of shares in respect of a subsidiary acquired	27,864	-	-	-	27,864	-	27,864
Issuance of shares in respect of debt capitalisation	88,967	-	-	-	88,967	-	88,967
Issuance of ordinary shares pursuant to Initial Public Offering	136,400	-	-	-	136,400	-	136,400
Share issuance expenses	(8,921)	-	-	-	(8,921)	-	(8,921)
Dividend paid	-	-	-	(20,472)	(20,472)	-	(20,472)
At 30.06.2024 (unaudited)	378,294	(12,025)	7,177	200,585	574,031	-	574,031

Notes:

⁽¹⁾ The basis of preparation of the unaudited condensed Consolidated Statement of Changes in Equity is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 29 March 2024 and the accompanying explanatory notes attached to this unaudited interim financial report.



MKH OIL PALM (EAST KALIMANTAN) BERHAD
 (Registration No. 200401023680 (662186-D))
 (Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 INTERIM REPORT FOR THE THIRD QUARTER
 AND FINANCIAL PERIOD ENDED 30 JUNE 2024 ⁽¹⁾**

	For the 9 months period ended	
	30.06.2024	30.06.2023
	RM'000	RM'000
Cash Flows From/(Used In) Operating Activities		
Profit before tax	57,087	N/A
Adjustments for non-cash items	26,072	N/A
Operating profit before changes in working capital	83,159	N/A
Change in inventories	4,898	N/A
Change in receivables, deposits and prepayments	11,202	N/A
Change in payables and accruals	(43,859)	N/A
Cash generated from operations	55,400	N/A
Interest received	2,026	N/A
Interest paid	(1,370)	N/A
Tax paid	(11,815)	N/A
Tax refunded	3,513	N/A
Retirement benefits obligations paid	(1,160)	N/A
Net cash from operating activities	46,594	N/A
Cash Flows From/(Used In) Investing Activities		
Acquisition of subsidiaries, net of cash acquired	2,395	N/A
Acquisition of property, plant and equipment	(19,588)	N/A
Net cash used in investing activities	(17,193)	N/A
Cash Flows From/(Used In) Financing Activities		
Dividend paid	(20,472)	N/A
Net repayment of bank borrowings	(2,331)	N/A
Payments of hire purchase liabilities	(102)	N/A
Proceeds from issuance of ordinary shares	136,400	N/A
Share issuance expenses	(8,921)	N/A
Net cash from financing activities	104,574	N/A
Net increase in cash and cash equivalents	133,975	N/A
Effect of exchange rate fluctuations	(6,334)	N/A
Cash and cash equivalents at beginning of the period	72,007	N/A
Cash and cash equivalents at end of the period (Represents cash and bank balances)	199,648	N/A
Analysis of cash and cash equivalents		
Cash and bank balances	199,648	N/A

This is the second interim financial report announced in compliance with Listing Requirements of Bursa Securities. There are no comparative figures for the preceding year corresponding quarter as there is no interim report prepared for the comparative financial period concerned.

Notes:

N/A means "Not applicable"

⁽¹⁾ The basis of preparation of the unaudited condensed Consolidated Statement of Cash Flows is disclosed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 29 March 2024 and the accompanying explanatory notes attached to this unaudited interim financial report.



MKH OIL PALM (EAST KALIMANTAN) BERHAD

(Registration No. 200401023680 (662186-D))

(Incorporated in Malaysia)

EXPLANATORY NOTES

A1. BASIS OF PREPARATION

The interim financial report of the Company and its subsidiaries (“the Group”) are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 – *Interim Financial Reporting* and Appendix 9B of the Bursa Securities Listing Requirements, and should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus of the Company dated 29 March 2024.

This is the second interim financial report of the Company’s for the third quarter ended 30 June 2024 announced by the Company in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding corresponding period.

CHANGES IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the audited consolidated financial statements for the financial year ended 30 September 2023 as well as amendments to MFRSs that take effects on annual financial year commencing on or after 1 October 2023. Adoption of amendments to MFRSs are as follows:

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform – Pillar Two Model Rulers

The adoption of the abovementioned Amendments to MFRSs did not have any significant effect on this interim financial statement of the Group.

Amendments to MFRS 101 Disclosure of Accounting Policies

The Group has adopted Amendments to MFRS 101 Presentation of Financial Statements and MFRS Practice Statement 2 – Disclosure of Accounting Policies from 1 January 2023. The amendments require the disclosure of ‘material’, rather than ‘significant’ account policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group’s accounting policies, it impacted the accounting policy information disclosed in the financial statements.

Amendments to MFRS 112 International Tax Reform – Pillar Two Model Rules

The Amendments to MFRS 112 apply to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development (“OECD”), including tax law that implements qualified domestic minimum top-up taxes described in those rules. Such tax law, and the income taxes arising from it, are hereafter referred to as “Pillar Two Legislation” and “Pillar Two Income Taxes”.

The Group has applied the temporary exception from accounting for deferred taxes arising from Pillar Two Model Rules, as provided in the International Tax Reform – Pillar Two Model Rules (Amendments to MFRS 112 Income Taxes) issued on 2 June 2023. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two Income Taxes.

New and revised Standards and Amendments that are issued, but not yet effective and have not been early adopted

The Group has not adopted the following new and revised Standards and Amendments that have been issued as at the date of authorisation of this interim financial statement but are not yet effective for the Group:

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback ¹
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current ¹
Amendments to MFRS 101	Non-current Liabilities with Covenants ¹
Amendments to MFRS 107 and MFRS 7	Supplier Financing Arrangements ¹
Amendments to MFRS 121	Lack of Exchangeability ²
Amendments to MFRS 7 and MFRS 9	Classification and Measurement of Financial Instruments ³
MFRS 18	Presentation and Disclosure in Financial Statements ⁴
MFRS 19	Subsidiaries without Public Accountability: Disclosures ⁴

¹ Effective for annual periods beginning on or after 1 January 2024.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

⁵ Effective date deferred to a date to be announced by MASB.

The directors anticipate that the abovementioned Standards and Amendments will be adopted in the annual financial statements of the Group when they become effective. The adoption of these Standards and amendments may have an impact on the financial statements of the Group in the period of initial application. However, it is not practicable to provide a reasonable estimate of these effect from the adoption of the said MFRSs and amendments to MFRSs until the Group undertake a detailed review.

A2. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors have expressed an unqualified opinion on the Company’s statutory financial statements for the financial year ended 30 September 2023 in their report dated 22 December 2023.

A3. SEASONAL OR CYCLICAL FACTORS

The Group’s operation is affected by fresh fruit bunches (“FFB”) production which may be affected by cropping patterns, weather conditions and fluctuating commodity prices.

A4. 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 current quarter and the financial year-to-date.

A5. CHANGES IN ESTIMATES

There were no material changes in estimates that have had material effect in the current quarter and the financial year-to-date.

A6. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

On 30 April 2024, the Company was listed on the Main Market of Bursa Malaysia Securities Berhad pursuant to the Initial Public Offering of 220,000,000 new ordinary shares at IPO Price of RM0.62 per share.

Other than the above, there were no other issuance, cancellations, repurchases, resale and repayment of debt and equity securities in the current quarter and the financial year-to-date.

A7. DIVIDEND PAID

A first interim single tier dividend of 2.0 sen per ordinary share in respect of financial year ending 30 September 2024 amounting RM20,471,817 was declared on 8 May 2024 and paid on 12 June 2024.

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A8. OPERATING SEGMENTS

(a) Segment Analysis – Business Segments

Financial period ended 30 June 2024

	Plantation	Investment	Eliminations	Consolidated
	RM'000	holding	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000
Revenue				
Total external revenue	261,625	-	-	261,625
Inter-segment revenue	11,497	3,628	(15,125)	-
Total segment revenue	<u>273,122</u>	<u>3,628</u>	<u>(15,125)</u>	<u>261,625</u>
Results				
Operating results #	60,942	(4,511)	-	56,431
Interest expense	(1,196)	(174)	-	(1,370)
Interest income	1,441	585	-	2,026
Segment result	<u>61,187</u>	<u>(4,100)</u>	-	57,087
Tax expense				(13,879)
Profit for the period				<u>43,208</u>
Assets				
Segment assets	535,240	108,195	-	643,435
Current tax assets				1,994
Total assets				<u>645,429</u>
Liabilities				
Segment liabilities	55,602	803	-	56,405
Deferred tax liabilities				14,993
Total liabilities				<u>71,398</u>
Other segment information				
Depreciation and amortisation	25,246	288	-	25,534
Additions to non-current assets other than financial instruments and deferred tax assets	<u>19,544</u>	<u>235</u>	-	<u>19,779</u>
# Included unrealised foreign exchange losses	25	-	-	25
# Included realised foreign exchange losses	713	355	-	1,068

This is the second interim financial report announced in compliance with Listing Requirements of Bursa Securities. There are no comparative figures for the preceding year corresponding period as there is no interim report prepared for the comparative financial period concerned.

(b) Segment Analysis – Geographical Segments

	Revenue	Non-current assets
	30.06.2024	30.06.2024
	RM'000	RM'000
Malaysia	-	1,542
Republic of Indonesia	<u>261,625</u>	<u>364,546</u>
	<u>261,625</u>	<u>366,088</u>

The non-current assets do not include financial instruments and deferred tax assets.

This is the second interim financial report announced in compliance with Listing Requirements of Bursa Securities. There are no comparative figures for the preceding year corresponding period as there is no interim report prepared for the comparative financial period concerned.

A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The valuations of property, plant and equipment have been brought forward without any amendments from the previous audited financial statements.

A10. MATERIAL EVENT SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There were no material events subsequent to the end of the current quarter under review that have not been reflected in the financial statements.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group in the current quarter and the financial year-to-date, except for:

- (a) On 20 December 2023, the Company increased its issued and fully paid-up capital by way of issuance of 67,255,894 new ordinary shares at an issue price of RM1.21 each for a total consideration otherwise than cash of RM81,379,631 as full and final settlement of the purchase consideration of 5.67% equity interest in PT Maju Kalimantan Hadapan (“PTMKH”) and 100% equity interest in PT Sawit Prima Sakti (“PTSPS”). Accordingly, PTMKH and PTSPS became the wholly owned subsidiaries of the Company; and
- (b) On 29 December 2023, the Company has acquired 1 ordinary share representing 100% of equity interest in Hala Maju Sdn Bhd (“HMSB”) for a cash consideration of RM1. As a result, HMSB become a 100% owned subsidiary of the Company.

A12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

As at 12 August 2024, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim Financial Report, the net changes in the contingent liabilities of the Company to financial institutions and suppliers for banking and trade credit facilities granted to subsidiary companies since the preceding financial year ended 30 September 2023 recorded a decrease of approximately RM2.4 million. Total credit facilities granted to subsidiaries with corporate guarantees issued by the Company to the lenders and utilised by subsidiaries as at 12 August 2024 was approximately RM64.6 million and RMNil respectively.

A13. CAPITAL COMMITMENTS

The capital commitments of the Group are as follows:

	As at 30.06.2024 RM'000
Approved, contracted but not provided for:	
- Property, plant and equipment for plantation division	1,769
Approved but not contracted and not provided for:	
- Property, plant and equipment for plantation division	<u>18,492</u>
	<u><u>20,261</u></u>

A14. RELATED PARTY TRANSACTIONS

There were no related party transactions in the current quarter and the financial year-to-date.

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ADDITIONAL INFORMATION REQUIRED BY APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE OF THE GROUP FOR:

	3 months ended			Period ended		
	30.06.2024 RM'000	30.06.2023 RM'000	Changes RM'000	30.06.2024 RM'000	30.06.2023 RM'000	Changes RM'000
Revenue	93,275	N/A	N/A	261,625	N/A	N/A
Operating profit	20,104	N/A	N/A	56,431	N/A	N/A
Profit before interest and tax	20,104	N/A	N/A	56,431	N/A	N/A
Profit before tax	21,045	N/A	N/A	57,087	N/A	N/A
Profit after tax	16,095	N/A	N/A	43,208	N/A	N/A
Profit attributable to ordinary equity holders of the Parent	16,095	N/A	N/A	42,562	N/A	N/A

This is the second interim financial report announced in compliance with Listing Requirements of Bursa Securities. There are no comparative figures for the preceding year corresponding quarter and year to date financial period as there is no interim report prepared for the comparative quarter and financial period concerned.

Notes:

N/A means "Not applicable"

The Group recorded revenue of RM93.3 million and profit before tax of RM21.0 million for the current quarter mainly from the sales of crude palm oil ("CPO") and palm kernel.

The Group's plantation's production key indicators are as follows:

As at 30 June 2024	Q1	Q2	Q3	YTD 2024
Total land area (hectares)				18,205
Planted area (hectares)				17,009
Mature area (hectares)				17,009
Fresh Fruit Bunches produced by (MT)				
Own estates	100,011	98,494	99,370	297,875
External	6,137	4,716	7,228	18,081
	106,148	103,210	106,598	315,956
Crude Palm Oil (MT)	23,053	22,721	22,295	68,069
Palm Kernel (MT)	4,342	4,122	4,480	12,944
Average CPO price/MT	3,284	3,441	3,658	3,462
Average PK price/MT	1,487	1,582	1,890	1,648

B2. COMMENT ON MATERIAL CHANGES IN THE PROFIT BEFORE TAX OF THE CURRENT QUARTER COMPARED WITH PRECEDING QUARTER

	3 months ended		Changes RM'000
	30.06.2024 RM'000	31.03.2024 RM'000	
Revenue	93,275	86,049	7,226
Operating profit	20,104	19,731	373
Profit before interest and tax	20,104	19,731	373
Profit before tax	21,045	20,118	927
Profit after tax	16,095	16,019	76
Profit attributable to ordinary equity holders of the parent	16,095	16,019	76

The Group's revenue and profit before tax increased by 8.5% and 4.5% to RM93.3 million and RM21.0 million for the current quarter as compared to RM86.0 million and RM20.1 million for the preceding quarter respectively. The increase in profit before tax was mainly due to increase in average selling price of CPO and PK as disclosed in paragraph B1 above.

B3. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE

This is not applicable to the Group.

B4. CURRENT YEAR PROSPECTS

The Group's prospect for financial year ending 30 September 2024 remained well-supported with strong market demand for CPO, which had been trading at approximately RM3,650/MT (nett of export levy and duty) in Indonesia. Industry-wise, we noted that there had been stable demand for CPO from high-consumption countries such as China and India; while global CPO supply had been adversely-affected by the post El-Nino weather. These factors had in-part contributed towards the relatively bullish CPO prices.

Also, the Group had continuously undertaken proactive measures to strengthen our competitiveness; including enhancing our water management system, fine-tuning our harvesting Standard Operating Procedures in accordance to the weather, and maximising crop collection and quality vide on-going mechanisation efforts. Further, we had been utilising software apps to track FFB evacuation from fields to mill so as to further increase our production efficiency and oil extraction rates, so as to capitalise on the higher CPO prices.

Given the above, the Board of Directors is optimistic about the Group's future prospects and results for the financial year ending 30 September 2024.

B5. PROFIT BEFORE TAX

The profit before tax of the Group is arrived at after (charging)/crediting:

	3 months ended	Period ended
	30.06.2024	30.06.2024
	RM'000	RM'000
Amortisation of prepaid lease payments	(422)	(1,020)
Depreciation of property, plant and equipment	(8,483)	(24,514)
Interest expenses - loan and borrowings	(8)	(62)
- amount due to related companies	(121)	(1,308)
Other expenses		
Property, plant and equipment written off	(19)	(110)
Net loss on foreign exchange - realised	(272)	(1,068)
Net loss on foreign exchange - unrealised	-	(25)
Inventories written off	(11)	(11)
Other income		
Changes in fair value of biological assets	399	1,698
Interest income - bank balances, term deposits and short-term placements	1,070	2,026
	<u>1,070</u>	<u>2,026</u>

B6. TAX EXPENSE

The taxation of the Group comprises of the following:

	3 months ended		Period ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
	RM'000	RM'000	RM'000	RM'000
Current tax				
- Current financial period	5,241	N/A	13,749	N/A
- Prior financial year	36	N/A	533	N/A
Deferred tax				
- Current financial period	(327)	N/A	(403)	N/A
	<u>4,950</u>	<u>N/A</u>	<u>13,879</u>	<u>N/A</u>

This is the second interim financial report announced in compliance with Listing Requirements of Bursa Securities. There are no comparative figures for the preceding year corresponding quarter and year to date financial period as there is no interim report prepared for the comparative quarter and financial period concerned.

Notes:

N/A means "Not applicable"

The effective tax rate applicable to the Group for the financial period is slightly higher than the statutory rate of taxation as certain expenses were disallowed for tax purposes.

B7. STATUS OF CORPORATE PROPOSALS ANNOUNCED

On 30 April 2024, the Company has completed the Initial Public Offering of 220,000,000 new ordinary shares at IPO price of RM0.62 per share.

The utilisation of IPO proceeds as at 30 June 2024 are as follows:

Utilisation of proceeds	Proposed Utilisation RM'000	Actual Utilisation RM'000	Deviation RM'000	Intended timeframe for utilisation
Expansion of land banks for oil palm plantation	42,000	-	42,000	Within 24 months
Capital expenditures for existing plantation lands	10,000	1,470	8,530	Within 18 months
Setup of palm kernel crushing facility	9,000	9,000	-	Completed
Refurnishment and/or upkeep of existing palm oil mill	12,000	5,920	6,080	Within 24 months
Capital expenditures for refurbishment and construction of workers/staff housing quarters	10,000	2,678	7,322	Within 24 months
Capital expenditures to expand coverage of electricity supply	10,000	-	10,000	Within 24 months
Repayment of loan due to a related party	30,000	30,000	-	Completed
Working capital	3,420	3,420	-	Completed
Estimated listing expenses	9,980	9,980	-	Completed
	<u>136,400</u>	<u>62,468</u>	<u>73,932</u>	

B8. GROUP BORROWINGS AND DEBT SECURITIES

The loans and borrowings (including finance lease liabilities) of the Group are as follows: -

	Long term		Short term		Total borrowings	
	Foreign currency 000	RM Equivalent RM'000	Foreign currency 000	RM Equivalent RM'000	Foreign currency 000	RM Equivalent RM'000
As at 30 June 2024 (unaudited)						
<u>Finance lease liabilities</u>						
Denominated in RM	-	506	-	159	-	665
Total		506		159		665

	Long term		Short term		Total borrowings	
	Foreign currency 000	RM Equivalent RM'000	Foreign currency 000	RM Equivalent RM'000	Foreign currency 000	RM Equivalent RM'000
As at 30 September 2023 (audited)						
<u>Unsecured</u>						
<u>Denominated in USD</u>						
Term loans	-	-	500	2,360	500	2,360
<u>Finance lease liabilities</u>						
Denominated in RM	-	457	-	120	-	577
Total		457		2,480		2,937

B9. MATERIAL LITIGATION

There was no material litigation involving the Group during the current quarter under review.

B10. DIVIDEND

The Board of Directors has approved a first interim single tier dividend of 2.0 sen per ordinary share on 8 May 2024 for the financial year ending 30 September 2024 amounting to RM20,471,817 was declared on 8 May 2024 and paid on 12 June 2024.

B11. EARNINGS PER SHARE (“EPS”)

	3 months ended		Period ended	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
BASIC EPS				
Profit attributable to Owners of the parent (RM'000)	16,095	N/A	42,562	N/A
Weighted average number of ordinary shares ('000)				
At 1 October 2023	110,468	N/A	110,468	N/A
Share split	461,793	N/A	461,793	N/A
Issuance of shares in respect of the acquisition of subsidiaries	52,371	N/A	52,371	N/A
Issuance of shares in respect of the debt capitalisation	52,835	N/A	52,835	N/A
Issuance of ordinary shares pursuant to Initial Public Offering	92,568	N/A	92,568	N/A
At 30 June 2024	770,035	N/A	770,035	N/A
BASIC EPS (sen)	2.09	N/A	5.53	N/A

This is the second interim financial report announced in compliance with Listing Requirements of Bursa Securities. There are no comparative figures for the preceding year corresponding quarter and year to date financial period as there is no interim report prepared for the comparative quarter and financial period concerned.

Notes:

N/A means “Not applicable”

B12. AUTHORISATION FOR ISSUE

The interim Financial Report were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 21 August 2024.