



Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
For the period ended 31 October 2021

	(UNAUDITED) INDIVIDUAL QUARTER 3 MONTHS ENDED 31/10/2021 RM'000	(UNAUDITED) CUMULATIVE QUARTER 15 MONTHS ENDED 31/10/2021 RM'000
Revenue	136,253	512,504
Cost of sales	(89,996)	(362,606)
Gross Profit	46,257	149,898
Other income	5,487	21,543
Administrative expenses	(7,299)	(31,212)
Selling and distribution expenses	(12,437)	(48,611)
Finance costs	(4,632)	(24,213)
Profit before taxation	27,376	67,405
Income tax expenses	(8,217)	(18,963)
Profit after taxation	19,159	48,442
Other Comprehensive Income		
<u>Items that will not be reclassified</u> <u>subsequently to profit or loss</u>		
Fair value changes of equity investments	664	8,839
Total comprehensive income for the period	19,823	57,281
Profit/(Loss) after taxation attributable to:		
Owners of the Company	18,871	48,572
Non-controlling interests	288	(130)
	19,159	48,442
Total comprehensive income attributable to:		
Owners of the Company	19,535	57,411
Non-controlling interests	288	(130)
	19,823	57,281
	Sen	Sen
Earnings per share:		
- Basic	10.02	25.80

Note: Pursuant to the change in the financial year end from 31 July 2021 to 31 December 2021, there are no comparative figures presented.

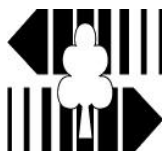
The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 July 2020 and the accompanying explanatory notes attached to the quarterly report.



Condensed Consolidated Statements of Financial Position
As at 31 October 2021

	(UNAUDITED) AS AT 31/10/2021 RM'000	(AUDITED) AS AT 31/07/2020 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	985,020	1,003,985
Investment properties	149,601	151,601
Land held for property development	6,631	6,631
Intangible assets	19,889	20,475
Biological assets	75,684	73,268
Investment securities	16,753	7,909
Goodwill	2,720	2,720
Long-term receivable	1,693	1,318
	1,257,991	1,267,907
Current assets		
Inventories	64,947	94,934
Biological assets	11,143	5,317
Trade receivables	62,635	19,813
Other receivables, deposits and prepayments	28,629	24,643
Current tax assets	2,994	1,659
Deposits with licensed banks	1,108	1,386
Cash and bank balances	8,924	3,670
	180,380	151,422
TOTAL ASSETS	1,438,371	1,419,329
EQUITY AND LIABILITIES		
Equity		
Share capital	268,680	268,680
Treasury shares	(55,014)	(55,166)
Reserves	379,676	322,265
Equity attributable to owners of the Company	593,342	535,779
Non-controlling interests	5,065	4,195
Total equity	598,407	539,974
Non-current liabilities		
Bank borrowings	201,636	230,062
Deferred tax liabilities	48,608	39,613
	250,244	269,675
Current liabilities		
Trade payables	126,794	97,282
Other payables, deposits and accruals	29,446	27,365
Bank borrowings:-		
- bank overdrafts	2,482	5,195
- other borrowings	425,826	478,495
Current tax liabilities	5,172	1,343
	589,720	609,680
Total liabilities	839,964	879,355
TOTAL EQUITY AND LIABILITIES	1,438,371	1,419,329
Net assets per share attributable to ordinary equity holders of the Company (RM)	3.18	2.87

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 July 2020 and the accompanying explanatory notes attached to the quarterly report.



Condensed Consolidated Statements of Changes in Equity
For the period ended 31 October 2021

	<u>Share Capital</u> RM'000	<u>Treasury Shares</u> RM'000	<u>Non- distributable Fair Value Reserves</u> RM'000	<u>Distributable Retained Profits</u> RM'000	<u>Attributable to Owners of the Company</u> RM'000	<u>Non- controlling Interests</u> RM'000	<u>Total Equity</u> RM'000
Fifteen Months Ended 31 October 2021							
Balance as at 1 August 2020	268,680	(55,166)	(37,568)	359,833	535,779	4,195	539,974
Profit/(Loss) after tax for the financial period	-	-	-	48,572	48,572	(130)	48,442
Other comprehensive income:- - Fair value changes of equity investments	-	-	8,839	-	8,839	-	8,839
Total comprehensive income	-	-	8,839	48,572	57,411	(130)	57,281
Contributions by and distributions to owners of the Company:- - Sale of treasury shares - Additional investments in an existing subsidiary by non-controlling interests	-	152	-	-	152	-	152
	-	-	-	-	-	1,000	1,000
Transactions with owners	-	152	-	-	152	1,000	1,152
Balance as at 31 October 2021	<u>268,680</u>	<u>(55,014)</u>	<u>(28,729)</u>	<u>408,405</u>	<u>593,342</u>	<u>5,065</u>	<u>598,407</u>

Note: Pursuant to the change in the financial year end from 31 July 2021 to 31 December 2021, there are no comparative figures presented.

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited financial statements for the year ended 31 July 2020 and the accompanying explanatory notes attached to the quarterly report.



Condensed Consolidated Statements of Cash Flows
For the period ended 31 October 2021

(UNAUDITED)
CUMULATIVE QUARTER
15 MONTHS ENDED
31/10/2021
RM'000

Cash Flows from Operating Activities

Profit before taxation 67,405

Adjustments for :

Amortisation of commercial rights 586

Depreciation of property, plant and equipment 64,379

Dividend income (16)

Fair value loss on investment properties 2,000

Fair value change in biological assets (5,826)

Impairment of property, plant and equipment 4,000

Interest expense 24,213

Interest income (130)

Gain on disposal of property, plant and equipment (4,791)

Property, plant and equipment written off 81

Unrealised gain on foreign exchange (196)

Operating profit before working capital changes 151,705

Changes in working capital :

Decrease in inventories 29,987

Increase in trade and other receivables (46,987)

Increase in trade and other payables 31,591

Cash from operations 166,296

Taxes paid, net of refund (7,475)

Interest paid (19,142)

Interest received 130

Net cash from operating activities 139,809

Cash Flows for Investing Activities

Additional investments in existing subsidiaries by non-controlling interests 1,000

Costs incurred on biological assets (2,416)

Dividend received 13

Proceeds from disposal of property, plant and equipment 8,641

Purchase of property, plant and equipment (37,826)

Net cash for investing activities (30,588)

Cash Flows for Financing Activities

Net of drawdown/(repayment) of bankers' acceptance (20,742)

Net of drawdown/(repayment) of revolving credit (38,775)

Drawdown of term loans 12,840

Payment of interests on long-term borrowings (13,322)

Repayment of term loans (29,230)

Proceed from disposal of treasury shares 152

Repayment of lease liabilities (12,455)

Net cash for financing activities (101,532)

Net change in cash and cash equivalents 7,689

Cash and cash equivalents at beginning of period (1,226)

Cash and cash equivalents at end of period 6,463

Cash and cash equivalents included in the Condensed Consolidated Statements of Cash Flows comprise:-

Cash and bank balances 8,924

Deposits with licensed banks 1,108

Bank overdrafts (2,482)

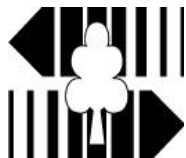
7,550

Less: Deposits pledged to licensed banks (1,087)

6,463

Note: Pursuant to the change in the financial year end from 31 July 2021 to 31 December 2021, there are no comparative figures presented.

The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited financial statements for the year ended 31 July 2020 and the accompanying explanatory notes attached to the quarterly financial report.



NOTES :

Note 1 Basis of Preparation

The quarterly report is unaudited and has been prepared in accordance with MFRS 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The quarterly report should be read in conjunction with the Group’s audited financial statements for the year ended 31 July 2020. These explanatory notes attached to the quarterly report provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the year ended 31 July 2020.

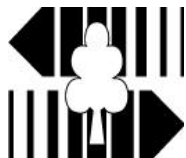
Note 2 Change in financial year end

As announced on 26 March 2021, the Company has changed its financial year end from 31 July to 31 December. As such, no comparative figures are presented as it is not comparable with any comparative period previously reported.

Note 3 Significant Accounting Policies

The significant accounting policies adopted in the quarterly report are consistent with those adopted in the Group’s audited financial statements for the financial year ended 31 July 2020. At the date of authorisation of these interim financial statements, the Group has not adopted the following accounting standards that have been issued by the Malaysian Accounting Standards Board (MASB). The Group will adopt these amendments/standards, if applicable, when they become effective.

MFRSs and/or IC Interpretations (Including the Consequential Amendments)	Effective for annual periods beginning on or after
MFRS 17 Insurance Contracts	1 January 2023*
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 4: Extension of the Temporary Exemption from Applying MFRS 9	At issue date of 17 August 2020
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023**
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current – Deferral of Effective Date	17 August 2020
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022



Note 3 Significant Accounting Policies (cont'd)

- * The effective date has been deferred from annual reporting periods beginning on or after 1 January 2021 to 1 January 2023 pursuant to the amendments to MFRS 17 issued by the MASB, namely “Amendments to MFRS 17: Insurance Contracts”.
- ** The effective date has been deferred from annual reporting periods beginning on or after 1 January 2022 to 1 January 2023 pursuant to the amendments to MFRS 101 issued by the MASB, namely “Amendments to MFRS 101: Classification of Liabilities as Current or Non-current – Deferral of Effective Date”.

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

Note 4 Auditors’ Report on Preceding Annual Financial Statements

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

Note 5 Seasonal or Cyclical factors

Production of fresh fruit bunches (“FFB”) is subject to the cropping pattern and age of the palms. The prices for the Group’s products are not within the control of the Group. The timber and timber products prices are determined by the global demand and buying patterns of the buyers. The FFB prices are affected by the edible oils demand in the market.

Note 6 Unusual Items

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

Note 7 Changes in Estimates

There were no changes in estimates that have a material effect on the results of the Group for the period under review.

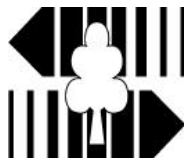
Note 8 Debt and Equity Securities

During the financial year-to-date, 188,500 shares were resold in the open market. The monthly breakdown of shares resold were as follows:

Month	No. of shares	Selling price per share		Average price per share RM	Total consideration RM
		Lowest RM	Highest RM		
September 2020	188,500	0.78	0.87	0.81	151,963
TOTAL	188,500	0.78	0.87	0.81	151,963

As at 31 October 2021, the number of shares retained as treasury shares amounted to 20,690,800.

Apart from the above, there were no issuances and repayments of debt and equity securities for the period under review.



Note 9 Dividends Paid

There were no dividends paid during the period under review.

Note 10 Segmental Information

Segmental revenue and profit/(loss) before taxation for the current financial year-to-date by the respective operating segments as follows:

	Cumulative Quarter 15 months ended 31.10.2021	
	Revenue	Profit/(Loss) Before Tax
	RM'000	RM'000
Oil Palm	295,360	124,020
Timber	209,650	(44,782)
Others	7,494	(11,833)
	<u>512,504</u>	<u>67,405</u>

The Group is organised into business units based on their products and services provided, and has three reportable operating segments as follows:

The timber segment is involved in extraction, sale of logs, subcontractor for tree planting (reforestation), and the business of manufacturing and trading of plywood, veneer, raw and laminated particleboard, sawn timber, finger-joint moulding and charcoal for its manufacturing activities.

The plantation segment is involved in cultivation of oil palm and sale of fresh fruit bunches.

The others segment is involved in provision of towage and transportation services, insurance services, property holding and development, and manufacturing and trading of drinking water.

Note 11 Valuations of Property, Plant and Equipment

There has been no valuation undertaken for the Group's property, plant and equipment since the last annual financial statements.

Note 12 Valuations of Investment Properties

Investment properties are stated at fair value, which have been determined based on valuations performed by independent professional valuers at the end of the reporting date using the market comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size, location, tenure and market trends. The most significant input into this valuation approach is price per acre of comparable properties. There has been no change to the valuation technique during the financial year.

The fair values of the investment properties are within level 2 of the fair value hierarchy.



Note 12 Valuations of Investment Properties (cont'd)

There were no transfers between level 1 and level 2 during the financial year.

The fair value measurements of the investment properties are based on the highest and best use which does not differ from their actual use.

There has been no valuation undertaken for the Group's investment properties since the last annual financial statements.

Note 13 Subsequent Events

On 8 November 2021, the Company acquired 100% equity interest in Krah Grande Borneo Sdn. Bhd. ("KGB"), a company incorporated in Malaysia, for a total cash consideration of RM2. KGB is currently a dormant company and its intended principal activities are manufacture of builders' plastics ware and finished plastic products.

Note 14 Changes in the Composition of the Group

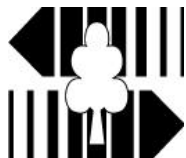
On 5 August 2021, the Company acquired 100% equity interest in DMG Commercial Sdn. Bhd. ("DMG"), a company incorporated in Malaysia, for a total cash consideration of RM2. DMG is currently a dormant company and its intended principal activities are maintenance and repair of motor vehicles and sale of industrial, commercial and agriculture vehicles.

Note 15 Changes in Contingent Liabilities and Contingent Assets

There were no material changes in the contingent liabilities or assets since the last annual reporting date.

Note 16 Capital Commitments

	As at 31.10.2021 RM'000	As at 31.07.2020 RM'000
Purchase of property, plant and equipment	31,991	1,574
Construction of property, plant and equipment	<u>2,641</u>	<u>162</u>
	<u><u>34,632</u></u>	<u><u>1,736</u></u>



Note 17 Review of Performance

As stated in Note 2, the Group has changed its financial year end from 31 July 2021 to 31 December 2021. This reporting covers the fifteen months period from 1 August 2020 to 31 October 2021. As such, there are no comparative figures presented in this report.

The Group registered revenue of RM136.3 million and profit before tax of RM27.4 million for the current quarter ended 31 October 2021. For 15 months cumulative year-to-date, the Group recorded revenue of RM512.5 million and profit before tax of RM67.4 million.

Segmental performance:

	Individual Quarter 3 months ended 31.10.2021 RM'000	Cumulative Quarter 15 months ended 31.10.2021 RM'000
<u>Revenue</u>		
Oil Palm	84,058	295,360
Timber	50,558	209,650
Others	1,637	7,494
	136,253	512,504
<u>Profit/(Loss) Before Tax</u>		
Oil Palm	41,347	124,020
Timber	(12,392)	(44,782)
Others	(1,579)	(11,833)
	27,376	67,405

Oil Palm

For current quarter, oil palm segment contributed RM84.0 million or 62% to the Group's revenue. The segment recorded RM41.3 million pre-tax profit with profit margin of 49%.

For 15 months cumulative year-to-date, oil palm segment contributed RM295.4 million or 58% to the Group's revenue. The segment recorded RM124.0 million pre-tax profit with profit margin of 42%.

Timber

Timber segment recorded revenue of RM50.6 million and loss before tax of RM12.4 million for the current quarter ended 31 October 2021. This included RM4.0 million impairment provision on property, plant and equipment.

For 15 months cumulative year-to-date, timber segment recorded revenue of RM209.7 million and loss before tax of RM44.8 million.



Note 18 Material Changes in Quarterly Results Compared to the Results of the Immediate Preceding Quarter

The Group recorded higher revenue of RM136.3 million in the current quarter as compared to RM106.5 million in the immediate preceding quarter. As for pre-tax profit, it has increased from RM22.0 million in the immediate preceding quarter to RM27.4 million in the current quarter.

Segmental performance:

	Current Quarter 31.10.2021 RM'000	Immediate Preceding Quarter 31.07.2021 RM'000	Changes %
<u>Revenue</u>			
Oil Palm	84,058	62,608	34%
Timber	50,558	42,708	18%
Others	1,637	1,143	43%
	<u>136,253</u>	<u>106,459</u>	28%
<u>Profit/(Loss) Before Tax</u>			
Oil Palm	41,347	30,966	34%
Timber	(12,392)	(5,342)	> -100%
Others	(1,579)	(3,589)	56%
	<u>27,376</u>	<u>22,035</u>	24%

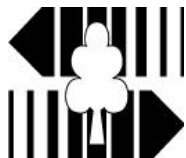
Oil Palm

Oil palm segment's revenue increased by 34% to RM84.1 million while pre-tax profit increased by 34% to RM41.3 million mainly contributed by:

- higher CPO price from RM4,183/MT to RM4,725/MT during the current quarter.
- improved FFB sales volume by 18%.

Timber

Revenue from timber segment has improved by 18% to RM50.6 million due to higher logs sales volume however, pre-tax loss has increased to RM12.4 million, which included impairment provision on property, plant and equipment.



Note 19 Commentary on Prospects

Earnings from oil palm segment are expected to remain firm despite the upcoming low crop season. This is supported by bullish outlook on the CPO price as the supplies continued to be disrupted by unresolved labor shortage coupled with continuous strong demand from China and India.

Timber segment is expected to recover in near terms as more countries are in favor of reopening of their economy instead of lockdown via extensive vaccination, boosters, and self-testing to address the pandemic. As such, the demand for timber products and its price is expected to pick up gradually.

The Group will continue to strive for process improvements and to focus on revitalizing and diversifying its business model so as to ensure business continuity and sustainability in this uncertain economic environment.

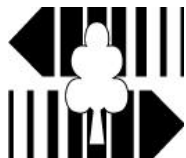
Note 20 Financial Estimate, Forecast, Projection or Internal Targets

The disclosure requirements for explanatory notes on the variation of actual profit after tax and profit forecast stated in the financial estimate, forecast, projection or internal targets and shortfall in profit guarantee are not applicable.

Note 21 Profit Before Taxation

Profit before taxation was derived after taking into consideration of the following:

	Individual Quarter 3 months ended 31.10.2021 RM'000	Cumulative Quarter 15 months ended 31.10.2021 RM'000
Amortisation of commercial rights	117	586
Depreciation of property, plant and equipment	13,390	64,379
Dividend income	-	(16)
Fair value change in biological assets	(2,939)	(5,826)
Fair value loss on investment properties	-	2,000
Impairment of property, plant and equipment	4,000	4,000
Interest expenses	4,632	24,213
Interest income	(34)	(130)
Gain on disposal of property, plant and equipment	(583)	(4,791)
Lease income	(82)	(493)
Property, plant and equipment written off	-	81
Loss/(Gain) on foreign exchange		
- realised	260	1,454
- unrealised	(234)	(196)



Note 22 Taxation

The Group's taxation for the period under review was as follows:

	Individual Quarter 3 months ended 31.10.2021 RM'000	Cumulative Quarter 15 months ended 31.10.2021 RM'000
Income tax:		
Current period provision	2,091	11,907
Over provision	-	(1,938)
Deferred tax:		
Current period provision	6,126	8,994
	<u>8,217</u>	<u>18,963</u>

Income tax expense is recognised in each quarter based on the best estimate of the weighted average annual income tax rate expected for the full financial year.

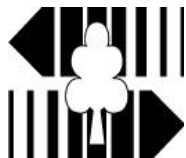
Note 23 Status of Corporate Proposals

There were no outstanding corporate proposals that have been announced but not completed as at the date of this announcement.

Note 24 Borrowings and Debt Securities

	As at 31.10.2021 RM'000	As at 31.07.2020 RM'000
Long term borrowings:		
- Lease liabilities	16,155	20,598
- Term loans	185,481	209,464
	<u>201,636</u>	<u>230,062</u>
Short term borrowings:		
- Bank overdrafts, secured	2,180	2,629
- Bank overdrafts, unsecured	302	2,566
- Bankers' acceptance, secured	-	4,180
- Bankers' acceptance, unsecured	50,620	67,182
- Lease liabilities	5,883	6,627
- Revolving credit, secured	86,000	87,200
- Revolving credit, unsecured	254,075	291,650
- Term loans, secured	29,248	21,656
	<u>428,308</u>	<u>483,690</u>
Total borrowings	<u>629,944</u>	<u>713,752</u>

There were no borrowings denominated in foreign currency.



Note 25 Fair Value of Financial Liabilities

The Group has entered into forward foreign exchange contracts to limit its exposure on foreign currency receipts, when it is deemed necessary.

As at 31 October 2021, there was no outstanding foreign exchange contracts.

There was no significant change for the financial derivatives in respect of the followings since the last financial year ended 31 July 2020:

- (a) the credit risk, market risk and liquidity risk associated with these financial derivatives;
- (b) the cash requirements of the derivatives;
- (c) the policies in place for mitigating or controlling the risks associated with these financial derivative; and
- (d) the related accounting policies.

Note 26 Profit/Loss Arising from Fair Value Changes of Financial Liabilities

There were no gains or losses arising from fair value changes of financial liabilities for the current quarter ended 31 October 2021.

Note 27 Changes in Material Litigation

There was no pending material litigation as at the date of this announcement.

Note 28 Dividend Payable

The Board of Directors did not declare any dividend for the quarter ended 31 October 2021 (previous corresponding period: Nil).

Note 29 Earnings Per Share

- (a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to ordinary equity holders of the Company over the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	Individual Quarter 3 months ended 31.10.2021	Cumulative Quarter 15 months ended 31.10.2021
Profit for the period attributable to ordinary equity holders of the Company (RM'000)	18,871	48,572
Weighted average number of ordinary shares in issue excluding treasury shares ('000)	188,309	188,296
Basic earnings per share (Sen)	10.02	25.80

- (b) Diluted earnings per share

N/A

Note 30 Authorisation for Issue

The quarterly report was authorised for issue by the Board of Directors in accordance with a resolution of the directors on 22 December 2021.