



**Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income**  
**For the period ended 30 June 2022**

	(UNAUDITED) CURRENT QUARTER 30.06.2022 RM'000	(UNAUDITED) CUMULATIVE QUARTER 30.06.2022 RM'000
Revenue	171,260	300,133
Cost of sales	(112,779)	(206,286)
<b>Gross Profit</b>	<b>58,481</b>	<b>93,847</b>
Other income	1,400	4,176
Administrative expenses	(9,074)	(13,042)
Selling and distribution expenses	(16,104)	(28,075)
Finance costs	(5,549)	(10,890)
<b>Profit before taxation</b>	<b>29,154</b>	<b>46,016</b>
Income tax expenses	(14,256)	(20,902)
<b>Profit after taxation</b>	<b>14,898</b>	<b>25,114</b>
<b>Other Comprehensive Income</b>		
<u>Items that will not be reclassified</u> <u>subsequently to profit or loss</u>		
Fair value changes of equity investments	(2,233)	4,156
<b>Total comprehensive income for the period</b>	<b>12,665</b>	<b>29,270</b>
<b>Profit/(Loss) after taxation attributable to:</b>		
Owners of the Company	15,631	26,713
Non-controlling interests	(733)	(1,599)
	<b>14,898</b>	<b>25,114</b>
<b>Total comprehensive income attributable to:</b>		
Owners of the Company	13,398	30,869
Non-controlling interests	(733)	(1,599)
	<b>12,665</b>	<b>29,270</b>
	Sen	Sen
<b>Earnings per share:</b>		
- Basic	8.30	14.19

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

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 period ended 31 December 2021 and the accompanying explanatory notes attached to the quarterly report.



**Condensed Consolidated Statements of Financial PositionAs at 30 June 2022**

	(UNAUDITED) AS AT 30.06.2022 RM'000	(AUDITED) AS AT 31.12.2021 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,031,429	1,023,858
Investment properties	158,663	158,663
Land held for property development	6,637	6,637
Biological assets	68,028	66,944
Intangible assets	19,638	19,872
Investment securities	19,414	15,258
Goodwill	2,720	2,720
	<u>1,306,529</u>	<u>1,293,952</u>
<b>Current assets</b>		
Inventories	74,012	69,935
Biological assets	6,504	8,889
Trade receivables	51,049	30,594
Other receivables, deposits and prepayments	36,011	34,145
Current tax assets	989	1,597
Deposits with licensed banks	1,118	1,575
Cash and bank balances	15,700	4,997
	<u>185,383</u>	<u>151,732</u>
<b>TOTAL ASSETS</b>	<u><u>1,491,912</u></u>	<u><u>1,445,684</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	268,680	268,680
Treasury shares	(55,014)	(55,014)
Reserves	433,100	402,231
Equity attributable to owners of the Company	<u>646,766</u>	<u>615,897</u>
Non-controlling interests	3,936	5,535
<b>Total equity</b>	<u><u>650,702</u></u>	<u><u>621,432</u></u>
<b>Non-current liabilities</b>		
Bank borrowings	183,519	213,778
Deferred tax liabilities	75,065	64,909
	<u>258,584</u>	<u>278,687</u>
<b>Current liabilities</b>		
Trade payables	105,154	94,862
Other payables, deposits and accruals	18,801	22,695
Bank borrowings:-		
- bank overdrafts	2,446	717
- other borrowings	445,275	422,608
Current tax liabilities	10,950	4,683
	<u>582,626</u>	<u>545,565</u>
<b>Total liabilities</b>	<u>841,210</u>	<u>824,252</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>1,491,912</u></u>	<u><u>1,445,684</u></u>
<b>Net assets per share attributable to ordinary equity holders of the Company (RM)</b>	3.46	3.30
Number of shares net of treasury shares ('000)	188,309	188,297

The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial period ended 31 December 2021 and the accompanying explanatory notes attached to the quarterly report.



SUBUR TIASA HOLDINGS BERHAD [Registration No.:199501012590 (341792-W)]  
No. 66-78, Pusat Suria Permata, Jalan Upper Lanang, C.D.T. No. 123, 96000 Sibul Sarawak,  
Malaysia  
Head Office : Tel : 084-211555 Fax : 084-211886  
E-Mail : info@suburtiasa.com

**Condensed Consolidated Statements of Changes in Equity**  
**For the period ended 30 June 2022**

	<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
Six Months Ended 30 June 2022							
Balance as at 1 January 2022	268,680	(55,014)	(30,215)	432,446	615,897	5,535	621,432
Profit/(Loss) after tax for the financial period	-	-	-	26,713	26,713	(1,599)	25,114
Other comprehensive income:- - Fair value changes of equity investments	-	-	4,156	-	4,156	-	4,156
Total comprehensive income	-	-	4,156	26,713	30,869	(1,599)	29,270
Balance as at 30 June 2022	<u>268,680</u>	<u>(55,014)</u>	<u>(26,059)</u>	<u>459,159</u>	<u>646,766</u>	<u>3,936</u>	<u>650,702</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 financial period ended 31 December 2021 and the accompanying explanatory notes attached to the quarterly report.



**Condensed Consolidated Statements of Cash Flows**  
**For the period ended 30 June 2022**

(UNAUDITED)  
CUMULATIVE  
YEAR-TO-DATE  
30.06.2022  
RM'000

**Cash Flows from Operating Activities**

Profit before taxation	46,016
Adjustments for :	
Amortisation of intangible assets	234
Depreciation of property, plant and equipment	29,243
Dividend income	(4)
Fair value change in biological assets	2,385
Interest expense	10,890
Interest income	(604)
Gain on disposal of property, plant and equipment	(1,063)
Property, plant and equipment written off	43
Unrealised loss on foreign exchange	219
Operating profit before working capital changes	<u>87,359</u>

Changes in working capital :

(Increase) in inventories	(4,077)
(Increase) in trade and other receivables	(22,540)
Increase in trade and other payables	6,400
Cash from operations	<u>67,142</u>

Taxes paid, net of refund	(3,871)
Interest paid	(9,808)
Interest received	604
<b>Net cash from operating activities</b>	<b><u>54,067</u></b>

**Cash Flows for Investing Activities**

Costs incurred on biological assets	(1,085)
Dividend received	4
Proceeds from disposal of property, plant and equipment	595
Purchase of property, plant and equipment	(22,117)
<b>Net cash for investing activities</b>	<b><u>(22,603)</u></b>

**Cash Flows for Financing Activities**

Net of drawdown/(repayment) of bankers' acceptance	25,175
Net of drawdown/(repayment) of revolving credit	(19,150)
Payment of interests on long-term borrowings	(5,068)
Repayment of term loans	(17,539)
Repayment of lease liabilities	(6,365)
<b>Net cash from financing activities</b>	<b><u>(22,947)</u></b>

**Net change in cash and cash equivalents**

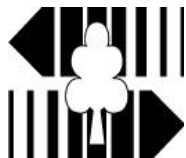
<b>Cash and cash equivalents at beginning of period</b>	<u>4,737</u>
<b>Cash and cash equivalents at end of period</b>	<b><u>13,254</u></b>

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

Cash and bank balances	15,700
Deposits with licensed banks	1,118
Bank overdrafts	(2,446)
	<u>14,372</u>
Less: Deposits pledged to licensed banks	(1,118)
	<b><u>13,254</u></b>

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 financial period ended 31 December 2021 and the accompanying explanatory notes attached to the quarterly financial report.



## **NOTES :**

### **Note 1 Basis of Preparation**

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

The interim financial report should be read in conjunction with the Group’s audited financial statements for the financial period ended 31 December 2021. These explanatory notes attached to the interim financial 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 financial period ended 31 December 2021.

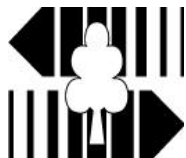
### **Note 2 Change in financial year end**

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 interim financial report are consistent with those adopted in the Group’s audited financial statements for the financial period ended 31 December 2021. 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.

<b>MFRSs and/or IC Interpretations (Including the Consequential Amendments)</b>	<b>Effective for annual periods beginning on or after</b>
MFRS 17 Insurance Contracts	1 January 2023*
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
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 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023**
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023**
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023**
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
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 financial period ended 31 December 2021 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**

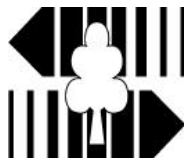
During the financial year-to-date, there was neither purchase nor resale of the Company issued ordinary shares in the open market.

As at 30 June 2022, 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 financial year-to-date by the respective operating segments as follows:

	Financial year-to-date ended 30.06.2022	
	Revenue	Profit/(Loss) Before Tax
	RM'000	RM'000
Oil Palm	186,054	51,653
Timber	110,033	(2,779)
Others	4,046	(2,858)
	<u>300,133</u>	<u>46,016</u>

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

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

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 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 period.

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

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

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

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

#### Note 14 Changes in the Composition of the Group

On 4 January 2022, the Company acquired 100% equity interest in DMG Marketing Sdn. Bhd. (“DMM”), a company incorporated in Malaysia, for a total cash consideration of RM2. DMM is currently a dormant company and its intended principal activities are repair and maintenance 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 30.06.2022 RM'000	As at 31.12.2021 RM'000
Purchase of property, plant and equipment	21,482	31,984
Construction of property, plant and equipment	<u>4,660</u>	<u>3,036</u>
	<u>26,142</u>	<u>35,020</u>

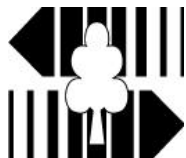
#### Note 17 Review of Performance

For the current quarter and financial year-to-date (6 months) ended 30 June 2022, the Group recorded revenue of RM 171.3 million and RM 300.1 million respectively and pre-tax profit of RM 29.2 million and RM 46.0 million respectively.

Segmental performance:

	Current Quarter 3 months ended 30.06.2022 RM'000	Cumulative Quarter 6 months ended 30.06.2022 RM'000
<b><u>Revenue</u></b>		
Oil Palm	105,905	186,054
Timber	62,957	110,033
Others	<u>2,398</u>	<u>4,046</u>
	<b><u>171,260</u></b>	<b><u>300,133</u></b>
<b><u>Profit/(Loss) Before Tax</u></b>		
Oil Palm	29,774	51,653
Timber	923	(2,779)
Others	<u>(1,543)</u>	<u>(2,858)</u>
	<b><u>29,154</u></b>	<b><u>46,016</u></b>





**Note 17 Review of Performance (cont'd)**

Oil Palm

For the current quarter, oil palm segment contributed RM105.9 million or 62% to the Group's revenue. The segment recorded RM29.8 million pre-tax profit with profit margin of 28%.

For the financial year-to-date, oil palm segment contributed RM186.1 million or 62% to the Group's revenue. The segment recorded RM51.7 million pre-tax profit with profit margin of 28%.

Timber

For the current quarter, timber segment recorded revenue of RM63.0 million and profit before tax of RM0.9 million.

For the financial year-to-date, timber segment recorded revenue of RM110.0 million and loss before tax of RM2.8 million.

*As stated in Note 2, the Group has changed its financial year end from 31 July 2021 to 31 December 2021. As such, there are no comparative figures presented in this report.*

**Note 18 Material Changes in the Current Period Results Compared to the Results of the Immediate Preceding Quarter**

The Group recorded higher revenue of RM171.3 million in the current quarter as compared to RM128.9 million in the immediate preceding quarter. In terms of pre-tax profit, the Group has improved from RM16.9 million in the immediate preceding quarter to RM29.2 million in the current quarter.

Segmental performance:

	<b>Current Quarter</b> <b>30.06.2022</b> <b>RM'000</b>	<b>Immediate</b> <b>Preceding</b> <b>Quarter</b> <b>31.03.2022</b> <b>RM'000</b>
<b><u>Revenue</u></b>		
Oil Palm	105,905	80,149
Timber	62,957	47,076
Others	2,398	1,648
	<b><u>171,260</u></b>	<b><u>128,873</u></b>
<b><u>Profit/(Loss) Before Tax</u></b>		
Oil Palm	29,774	21,879
Timber	923	(3,702)
Others	(1,543)	(1,315)
	<b><u>29,154</u></b>	<b><u>16,862</u></b>



**Note 18 Material Changes in the Current Period Results Compared to the Results of the Immediate Preceding Quarter (cont'd)**

Oil Palm

Oil palm segment's revenue increased by 32% to RM105.9 million while pre-tax profit increased by 36% to RM29.8 million mainly contributed by:

- higher Crude Palm Oil ("CPO") price from RM6,058/MT to RM6,557/MT during the current quarter.
- improved Fresh Fruit Bunches ("FFB") production volume by 28%.

Timber

Revenue from timber segment has improved by 34% to RM63.0 million due to higher logs sales volume and achieved turnaround of RM0.9 million pre-tax profit as compared to immediate preceding quarter.

**Note 19 Commentary on Prospects**

The Group's FFB production is expected to register higher growth on the back of peak crop season. CPO price is expected to remain solid at the current level underpinned by the on-going labour shortages in Malaysia and the uncertainty arising from the war between Russia and Ukraine.

The Group is on track to deliver another improved performance as compared to last financial year with positive earnings expected from the coming quarter. However, as the global economic growth remains uncertain, the Group will remain steadfast and continues to prioritize on cost-rationalisation initiatives while concurrently, ensuring improvements in its business processes and strategies.

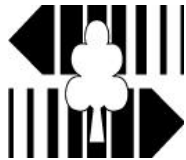
**Note 20 Financial Estimate, Forecast, Projection or Internal Targets**

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:

	<b>Quarter ended 30.06.2022 RM'000</b>	<b>Financial year-to-date ended 30.06.2022 RM'000</b>
Amortisation of intangible assets	117	234
Depreciation of property, plant and equipment	14,188	29,243
Dividend income	(4)	(4)
Fair value change in biological assets	5,213	2,385
Interest expenses	5,549	10,890
Interest income	(414)	(604)
Gain on disposal of property, plant and equipment	(406)	(1,063)



**Note 21 Profit Before Taxation (cont'd)**

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

	<b>Quarter ended 30.06.2022 RM'000</b>	<b>Financial year-to-date ended 30.06.2022 RM'000</b>
Lease income	21	(128)
Lease expenses	(89)	163
Property, plant and equipment written off	34	43
(Gain)/Loss on foreign exchange		
- realised	(129)	(123)
- unrealised	177	219

**Note 22 Taxation**

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

	<b>Quarter ended 30.06.2022 RM'000</b>	<b>Financial year-to-date ended 30.06.2022 RM'000</b>
Income tax:		
Current period provision	8,708	10,689
Under provision	57	57
Deferred tax:		
Current period provision	5,491	10,156
	<u>14,256</u>	<u>20,902</u>

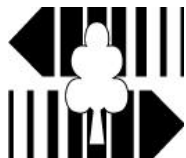
Income tax expense is recognised in each quarter based on the best estimate of the weighted average annual income tax rate expected for the full financial period.

**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**

	<b>As at 30.06.2022 RM'000</b>	<b>As at 31.12.2021 RM'000</b>
<b>Long term borrowings:</b>		
- Lease liabilities	20,350	41,527
- Term loans, secured	154,504	165,029
- Term loans, unsecured	8,665	7,222
	<u>183,519</u>	<u>213,778</u>



**Note 24 Borrowings and Debt Securities (cont'd)**

	As at 30.06.2022 RM'000	As at 31.12.2021 RM'000
<b>Short term borrowings:</b>		
- Bank overdrafts, secured	548	339
- Bank overdrafts, unsecured	1,898	378
- Bankers' acceptance, secured	3,020	4,677
- Bankers' acceptance, unsecured	67,750	40,918
- Lease liabilities	34,628	9,529
- Revolving credit, secured	86,000	86,000
- Revolving credit, unsecured	224,875	244,025
- Term loans, secured	29,002	34,681
- Term loans, unsecured	-	2,778
	<u>447,721</u>	<u>423,325</u>
<b>Total borrowings</b>	<u>631,240</u>	<u>637,103</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 30 June 2022, 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 period ended 31 December 2021:

- (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**

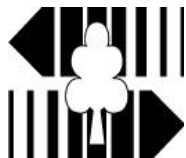
There were no gains or losses arising from fair value changes of financial liabilities for the financial year-to-date ended 30 June 2022.

**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 financial year-to-date ended 30 June 2022 (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.

	<b>Quarter ended 30.06.2022</b>	<b>Financial year-to-date ended 30.06.2022</b>
Profit for the period attributable to ordinary equity holders of the Company (RM'000)	15,631	26,713
Weighted average number of ordinary shares in issue excluding treasury shares ('000)	188,309	188,309
Basic earnings per share (Sen)	8.30	14.19

(b) Diluted earnings per share

N/A

**Note 30 Authorisation for Issue**

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 August 2022.