

**Condensed Consolidated Statement of Comprehensive Income
For The Quarter Ended 31 March 2022**

	31.03.2022 RM'000	Quarter Ended 31.03.2021 RM'000	Changes %	Year-To-Date Ended 31.03.2022 RM'000	31.03.2021 RM'000	Changes %
Revenue	337,349	244,081	38%	337,349	244,081	38%
Cost of sales	(198,578)	(148,263)	34%	(198,578)	(148,263)	34%
Gross profit	138,771	95,818	45%	138,771	95,818	45%
Other operating income	15,000	16,185	-7%	15,000	16,185	-7%
Other operating expenses	(88,908)	(53,731)	65%	(88,908)	(53,731)	65%
Operating profit	64,863	58,272	11%	64,863	58,272	11%
Finance costs	(8,949)	(10,714)	-16%	(8,949)	(10,714)	-16%
Share of profit of an associate, net of tax	6,289	1,883	234%	6,289	1,883	234%
Share of profit of joint ventures, net of tax	4,482	1,428	214%	4,482	1,428	214%
Core profit before taxation	66,685	50,869	31%	66,685	50,869	31%
Loss on foreign exchange	(4,061)	(11,891)	-66%	(4,061)	(11,891)	-66%
Gain on disposal of estate and mill	53,225	-	nm	53,225	-	nm
Profit before taxation	115,849	38,978	197%	115,849	38,978	197%
Taxation	(9,149)	(12,530)	-27%	(9,149)	(12,530)	-27%
Profit for the period	106,700	26,448	303%	106,700	26,448	303%
Other comprehensive income/ (loss)						
<i>Item that may be reclassified subsequently to profit or loss:</i>						
Foreign currency translation differences	6,042	(8,313)	nm	6,042	(8,313)	nm
Other comprehensive income/ (loss) for the period, net of tax	6,042	(8,313)	nm	6,042	(8,313)	nm
Total comprehensive income for the period	112,742	18,135	522%	112,742	18,135	522%
Profit attributable to :						
Owners of the Company	96,476	20,783	364%	96,476	20,783	364%
Non-controlling interests	10,224	5,665	80%	10,224	5,665	80%
	106,700	26,448	303%	106,700	26,448	303%
Total comprehensive income attributable to :						
Owners of the Company	101,864	15,565	554%	101,864	15,565	554%
Non-controlling interests	10,878	2,570	323%	10,878	2,570	323%
	112,742	18,135	522%	112,742	18,135	522%
Earnings per share attributable to owners of the Company						
Basic (sen)	6.99	1.51		6.99	1.51	

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2021

*nm = not meaningful
N/A= not applicable

Note

Revenue and profitability for the quarter and year-to-date ended 31 March 2022 and the corresponding periods last year were impacted by the Indonesia Export Levy and Duty on CPO which is tabulated below:

	Quarter Ended			Year-To-Date Ended		
	31.03.2022 RM'000	31.03.2021 RM'000	Variance RM'000	31.03.2022 RM'000	31.03.2021 RM'000	Variance RM'000
Indonesia Export Levy and Duty on CPO	45,935	52,621	(6,686)	45,935	52,621	(6,686)

Condensed Consolidated Statement of Financial Position
As at 31 March 2022

	As at 31.03.2022 RM'000	As at 31.12.2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,603,195	1,610,212
Biological assets	400,999	400,762
Right-of-use assets	287,119	288,881
Intangible assets	51,756	51,647
Investment in an associate	82,058	82,073
Investments in joint ventures	93,944	89,462
Deferred tax assets	3,077	4,297
Other receivables	74,165	74,798
Investment securities	50	50
	<u>2,596,363</u>	<u>2,602,182</u>
Current assets		
Biological assets	26,276	17,346
Inventories	170,275	143,566
Trade and other receivables	84,006	62,988
Other current assets	10,840	25,105
Tax recoverable	2,959	5,132
Investment securities	3	3
Derivative assets	578	370
Short term funds	5,996	17,464
Cash and bank balances	340,446	279,728
	<u>641,379</u>	<u>551,702</u>
Assets held for sale	41,782	154,152
	<u>683,161</u>	<u>705,854</u>
TOTAL ASSETS	<u><u>3,279,524</u></u>	<u><u>3,308,036</u></u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	740,512	740,512
Treasury shares	(1,467)	(1,467)
Other reserves	(203,505)	(208,893)
Retained earnings	1,207,654	1,111,178
	<u>1,743,194</u>	<u>1,641,330</u>
Non-controlling interests	182,156	172,258
TOTAL EQUITY	<u>1,925,350</u>	<u>1,813,588</u>
Non-current liabilities		
Loans and Borrowings	526,799	587,573
Retirement benefits	20,450	19,158
Lease liabilities	3,684	3,188
Deferred tax liabilities	93,296	92,068
	<u>644,229</u>	<u>701,987</u>
Current liabilities		
Loans and Borrowings	452,331	521,752
Trade and other payables	209,689	204,661
Derivative liabilities	1,015	1,914
Lease liabilities	210	939
Current tax payable	30,366	22,642
	<u>693,611</u>	<u>751,908</u>
Liabilities associated with assets held for sale	16,334	40,553
	<u>709,945</u>	<u>792,461</u>
TOTAL LIABILITIES	<u>1,354,174</u>	<u>1,494,448</u>
TOTAL EQUITY AND LIABILITIES	<u><u>3,279,524</u></u>	<u><u>3,308,036</u></u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2021

Condensed Consolidated Statement of Changes In Equity
For The Quarter Ended 31 March 2022

	Attributable to owners of the Company							
	Non-distributable					Equity attributable to owners of the Company		
	Share Capital RM'000	Treasury Shares RM'000	Capital Reserves RM'000	Share Of Associate Reserves RM'000	Foreign Currency Translation Reserves RM'000	Retained Earnings RM'000	Company Total RM'000	Non-controlling Interests RM'000
Balance as at 1 January 2022	740,512	(1,467)	9,630	100	(218,623)	1,111,178	1,641,330	172,258
Profit for the period	-	-	-	-	-	96,476	96,476	10,224
Other comprehensive income								
Foreign currency translations	-	-	-	-	5,388	-	5,388	654
Other comprehensive income for the period, net of tax	-	-	-	-	5,388	-	5,388	654
Total comprehensive income for the period	-	-	-	-	5,388	96,476	101,864	10,878
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(980)
Balance as at 31 March 2022	<u>740,512</u>	<u>(1,467)</u>	<u>9,630</u>	<u>100</u>	<u>(213,235)</u>	<u>1,207,654</u>	<u>1,743,194</u>	<u>182,156</u>
Balance as at 1 January 2021	740,512	(1,467)	9,630	100	(247,587)	952,244	1,453,432	144,351
Profit for the period	-	-	-	-	-	20,783	20,783	5,665
Other comprehensive loss								
Foreign currency translations	-	-	-	-	(5,218)	-	(5,218)	(3,095)
Other comprehensive loss for the period, net of tax	-	-	-	-	(5,218)	-	(5,218)	(3,095)
Total comprehensive (loss)/income for the period	-	-	-	-	(5,218)	20,783	15,565	2,570
Balance as at 31 March 2021	<u>740,512</u>	<u>(1,467)</u>	<u>9,630</u>	<u>100</u>	<u>(252,805)</u>	<u>973,027</u>	<u>1,468,997</u>	<u>146,921</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2021

Condensed Consolidated Statement of Cash Flows
For The Quarter Ended 31 March 2022

	Quarter Ended	
	31.03.2022	31.03.2021
	RM'000	RM'000
Cash Flows from Operating Activities		
Profit before taxation	115,849	38,978
Adjustments for :-		
Depreciation and amortisation	27,131	27,649
Fair value gain on commodity futures contract	(899)	(4,621)
Net unrealised foreign exchange losses	4,129	11,821
Gain on disposal of property, plant and equipment	(53,363)	(201)
Net write back of impairment on trade and other receivables	(255)	(4,140)
Property, plant and equipment written off	127	837
Inventories written down	8,167	-
Inventories written off	358	717
Fair value gain on investment securities	-	(6)
Gain from fair value adjustment of fresh fruit bunches (FFB)	(8,856)	(2,609)
Share of profit of joint ventures	(4,482)	(1,428)
Share of profit of an associate	(6,289)	(1,883)
Interest expense	8,949	10,714
Interest income	(2,214)	(2,332)
Dividend income	(18)	-
Operating cash flows before working capital changes	88,334	73,496
Changes in working capital		
Increase in inventories	(35,232)	(11,637)
Increase in receivables	(11,921)	(7,399)
Increase in payables	5,972	18,430
Cash flows from operations	47,153	72,890
Income tax paid	(7,882)	(3,751)
Net cash flows from operating activities	39,271	69,139
Cash Flows from Investing Activities		
Addition of right of use assets	-	(72)
Withdrawals of deposits with maturity of over 3 months	-	1,433
Purchases of property, plant and equipment	(13,603)	(7,829)
Forest planting expenditure	(424)	(942)
Proceeds from disposal of property, plant and equipment	159,502	374
Interest received	2,214	2,332
Dividends received	6,322	4,202
Net cash flows from/(used in) investing activities	154,011	(502)
Cash Flows from Financing Activities		
Net repayments of term loans/medium term notes	(12,692)	(8,374)
Net repayments in other borrowings	(121,800)	(83,438)
Payments of lease liabilities and lease interest	(281)	(272)
Interest paid	(8,902)	(10,657)
Dividends paid to non-controlling interests	(980)	-
Net cash used in financing activities	(144,655)	(102,741)
Net increase/(decrease) in cash and cash equivalents	48,627	(34,104)
Cash and cash equivalents at beginning of period	292,751	168,104
Effects of changes in exchange rates	510	(26)
Cash and cash equivalents at end of period	341,888	133,974

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2021

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EXPLANATORY NOTES FOR CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2022
PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134
1. Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021.

These explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2021.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2021 except for the adoption of the following Amendments to MFRSs during the current financial period.

Title	Effective Date
Annual improvements to MFRS Standards 2018 – 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022

The adoption of the above standards did not give rise to significant effects on the financial statements of the Group.

As at the date of authorisation of these interim financial statements, the new and revised MFRSs and amendments to MFRSs which were in issue but not yet effective and not early adopted by the Group are:

Title	Effective Date
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts (Initial Application of MFRS 17 and MFRS 9 – Comparative Information)</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities Arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

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1. Basis of preparation (continued)

The Group will apply the above MFRSs, Amendments to MFRSs that are applicable when they become effective.

2. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2021 was unmodified.

3. Comments on seasonal or cyclical factors

The effects of seasonal or cyclical fluctuations, if any, are explained under Paragraphs 1 and 2 of Part B i.e. Explanatory Notes pursuant to Appendix 9B of the Main Market Listing Requirements of Bursa Securities.

4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income and cash flows for the financial period ended 31 March 2022 except for those as disclosed in Note 7 of Part B.

5. Changes in estimates

There were no changes in estimates that have had a material impact in the current quarter results.

6. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter and year-to-date ended 31 March 2022.

7. Dividends paid

There were no dividends paid during the quarter ended 31 March 2022.

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8. Segmental information

i) Business segments

Business Segment For Quarter Ended

	Palm Products		Others		Total	
	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000	31.03.2022 RM'000	31.03.2021 RM'000
SEGMENT REVENUE	312,264	220,088	25,085	23,993	337,349	244,081
Segment operating profit	76,185	61,144	(4,303)	677	71,882	61,821
Gain on disposal of estate and mill	53,225	-	-	-	53,225	-
SEGMENT PROFIT/ (LOSS)	129,410	61,144	(4,303)	677	125,107	61,821
Unallocated corporate expenses					(7,019)	(3,549)
Losses on foreign exchange					(4,061)	(11,891)
Finance costs					(8,949)	(10,714)
Share of profit of an associate					6,289	1,883
Share of profit of joint ventures					4,482	1,428
Consolidated profit before tax					115,849	38,978

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8. Segmental information (continued)

i) Business segments (continued)

Business Segment For Year-To-Date Ended

	Palm Products		Others		Consolidated	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
SEGMENTS ASSETS	2,153,667	2,138,757	705,653	716,016	2,859,320	2,854,773
Investments in joint ventures					93,944	74,999
Investment in an associate					82,058	81,778
Deferred tax assets					3,077	3,434
Tax recoverable					2,959	5,817
Unallocated assets					238,166	107,713
Consolidated total assets					3,279,524	3,128,514
SEGMENT LIABILITIES	209,958	102,196	39,669	31,812	249,627	134,008
Borrowings					979,130	1,232,510
Lease liabilities					3,894	4,705
Deferred tax liabilities					109,630	132,700
Unallocated liabilities					11,893	8,673
Consolidated total liabilities					1,354,174	1,512,596

ii) Geographical segments

	Quarter Ended			
	Total revenue from external customers		Non-Current Assets	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM'000	RM'000	RM'000	RM'000
Malaysia	134,133	94,719	1,125,683	1,235,996
Indonesia	184,480	136,361	1,435,165	1,447,044
United States of America	11,202	5,619	0	1
South West Pacific	4,875	5,598	0	0
Others	2,659	1,784	5	5
Total	337,349	244,081	2,560,853	2,683,046

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9. Changes in composition of the Group

There were no changes in the composition of the Group for the quarter including business combination, acquisition or disposal of subsidiaries and long-term investments, and restructuring.

10. Capital commitments

The amount of commitments for capital expenditure as at 31 March 2022 is as follows:

	As at 31.03.2022 RM'000	As at 31.12.2021 RM'000
Approved and contracted for	13,742	20,031
Approved but not contracted for	45,966	61,058
	59,708	81,089

11. Changes in contingent liabilities or contingent assets

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

12. Material related party transactions

Significant transactions between the Group and its joint ventures are as follows:

	Year-To-Date Ended 31 March 2022 RM'000
Sales of crude palm oil	98,031
Sales of palm kernel	18,503

13. Subsequent event

There was no material event subsequent to the end of this reporting except for those as disclosed in Note 7 of Part B.

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PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES
1. Performance review

	Quarter Ended			
	31.03.2022 RM'000	31.03.2021 RM'000	Variance RM'000	Variance %
Revenue	337,349	244,081	93,268	38%
Profit before taxation	115,849	38,978	76,871	197%

The Group's revenue for the quarter ended 31 March 2022 ("Q1 2022") increased 38% to RM337.3 million compared with RM244.1 million for the corresponding period last year. Profit before taxation for Q1 2022 surged 197% to RM115.8 million compared with RM39.0 million for the corresponding period last year. This improvement is due to higher Palm Products prices and gain of RM53.2 million on disposal of an estate and a palm oil mill partially offset by lower sales volume.

The revenue contributions from the respective segments are analysed as follows:

Revenue	Quarter Ended			
	31.03.2022 RM'000	31.03.2021 RM'000	Variance RM'000	Variance %
Palm products	312,264	220,088	92,176	42%
Others	25,085	23,993	1,092	5%
Total	337,349	244,081	93,268	38%

1.1 Palm Products Segment

Profit	Quarter Ended			
	31.03.2022 RM'000	31.03.2021 RM'000	Variance RM'000	Variance %
Palm products	129,410	61,144	68,266	112%

Excluding the pre-tax gain on disposal of an estate and a palm oil mill of RM53.2 million, profit for Palm Products segment for Q1 2022 increased to RM76.2 million compared with RM61.1 million for the corresponding period last year due to significantly higher average selling prices of Crude Palm Oil ("CPO") and Palm Kernel ("PK") despite the realised loss on commodity futures contracts of RM26.5 million in Q1 2022 against the loss of RM8.0 million in Q1 2021. The average selling prices for Q1 2022 and Q1 2021 are as shown below:

Average selling prices	Quarter Ended		
	31.03.2022 RM/MT	31.03.2021 RM/MT	Variance %
CPO	4,779	3,007	59%
PK	3,950	2,112	87%

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1. Performance review (Continued)
1.1 Palm Products Segment (Continued)

The FFB production for Q1 2022 is lower compared with Q1 2021 (as shown in the table below) mainly due to wet weather conditions in Indonesia:

	Quarter Ended		
	31.03.2022 MT	31.03.2021 MT	Variance %
FFB production	197,947	228,188	(13%)

The lower amount of Indonesia Export Levy and Duty on CPO for Q1 2022 (as shown in the table below) was attributable to lower sales volume while the levy and duty on per tonne basis was higher.

	Quarter Ended		
	31.03.2022 RM'000	31.03.2021 RM'000	Variance %
Indonesia Export Levy and Duty on CPO	45,935	52,621	(13%)

1.2 Others Segment

(Loss)/Profit	Quarter Ended			
	31.03.2022 RM'000	31.03.2021 RM'000	Variance RM'000	Variance %
Others	(4,303)	677	(4,980)	(736%)

This segment reported a loss of RM4.3 million for Q1 2022 compared with profit of RM0.7 million for the corresponding period last year. This is because the sale of electricity generated by the bio-mass power plant was discontinued during Q3 2021, following the expiry of the erstwhile power purchase agreement. A new power purchase agreement has since been executed and the supply of electricity by the bio-mass plant recommenced in March 2022.

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2. Material changes in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter

Revenue	Q1 2022 RM'000	Q4 2021 RM'000	Variance RM'000
Palm Products	312,264	297,991	14,273
Others	25,085	30,359	(5,274)
Total	337,349	328,350	8,999

The Group's revenue for Q1 2022 of RM337.3 million was higher compared with Q4 2021 of RM328.4 million. This is mainly attributable to higher revenue contributions from Palm Products segment and Wood division.

A lower core profit before taxation of RM66.7 million was registered for Q1 2022 compared with RM82.5 million for Q4 2021. This was mainly due to lower profit contributions from associate and joint ventures of RM10.8 million for Q1 2022 against exceptionally higher contributions of RM30.1 million for Q4 2021, as well as higher realised loss on commodity futures contracts of RM26.5 million against realised loss of RM18.7 million, partially offset by a higher average selling price of CPO. Sales volume for Q1 2022 was lower than the immediate preceding quarter due to cyclical factors and inclement weather.

With the pre-tax gain on disposal of assets of RM53.2 million, a higher profit before taxation for Q1 2022 of RM115.8 million was achieved compared with RM84.7 million in Q4 2021.

3. Commentary on the prospects

It is anticipated that the CPO price will remain elevated in the near future supported by the higher price of edible oils on the back of supply concerns arising from the Russia-Ukraine conflict. Furthermore, the lack of rain in Argentina and Brazil, two major exporters of soybean, has resulted in a short supply from South America, putting pressure on the price of soybean oil. The current strength of CPO price is expected to augur well for the near term earnings prospects of the Group. Barring any unforeseen circumstances, the Group is optimistic of achieving satisfactory performance for year 2022.

The Board also remains optimistic on the long term prospect of the palm oil industry. Restrained hectareage growth in oil palm planting over the last few years due to RSPO regulations and Indonesian Government's moratorium on deforestation will have an impact over the global palm oil supply. Global population and per capita income growth as well as the many health qualities of palm oil are expected to drive greater demand for palm products. This augurs well for the Group as palm products segment will remain the core contributor to the Group profit.

4. Profit forecast or profit guarantee

The Group is not involved in any profit guarantee arrangement or providing any forecast profit.

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5. Profit Before Taxation

Profit before taxation was arrived at after charging/(crediting) the following items:

	Quarter Ended 31.03.2022 <u>RM'000</u>	Year-To- Date Ended 31.03.2022 <u>RM'000</u>
Depreciation and amortisation	27,131	27,131
Realised loss on commodity futures contracts	26,503	26,503
Inventories written down	8,167	8,167
Interest expense	8,949	8,949
Interest income	(2,214)	(2,214)
Gain on disposal of property, plant and equipment	(53,363)	(53,363)
Gain from fair value adjustment of FFB	(8,856)	(8,856)
Fair value gain on derivatives:		
- Forward currency contracts	(208)	(208)
- Commodity futures contracts	(899)	(899)
Net foreign exchange (gain)/loss:		
- Realised	(68)	(68)
- Unrealised	4,337	4,337
Net write back of impairment on trade and other receivables	(255)	(255)
Rental income	(210)	(210)

6. Taxation

	Quarter Ended 31.03.2022 <u>RM'000</u>	Year-To-Date Ended 31.03.2022 <u>RM'000</u>
Current tax:		
Malaysian income tax	4,785	4,785
Foreign tax	12,941	12,941
Under provision in prior years:		
Foreign tax	(63)	(63)
Deferred tax:		
Relating to reversal of temporary differences	(21,834)	(21,834)
Real Property Gain Tax ("RPGT")	13,320	13,320
	<u>9,149</u>	<u>9,149</u>

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6. Taxation (Continued)

The effective tax rate of the Group for the year-to-date ended 31 March 2022 is lower than the statutory tax rate mainly due to reversal of temporary differences arising from disposal of assets during the quarter, partially offset by the effects of deferred tax assets not recognised for certain subsidiaries and the non-deductibility of certain expenses for taxation purpose.

7. Corporate proposals

- a. On 6 July 2021, the Group announced that it had entered into sale and purchase agreements with Sharikat Keratong Sdn. Bhd. for the proposed disposal of two oil palm estates (namely Ladang Gomantong and Ladang Ong Yah Ho) and one palm oil mill (namely Lahad Datu Palm Oil Mill) in Sabah for a total cash consideration of RM248.0 million.

The disposals of Ladang Ong Yah Ho and Lahad Datu Palm Oil Mill were completed on 25 March 2022 whereas the disposal of Ladang Gomantong was completed on 6 May 2022.

As at 31 March 2022, the status of the utilisation of proceeds was as follows:

Details of Utilisation	Proposed utilisation RM'000	Actual utilisation RM'000	Balance RM'000
Repayment of bank borrowings	231,500	49,663	181,837
Estimated expenses relating to the disposals	16,500	16,214	286
	248,000	65,877	182,123

- b. On 9 December 2021, the Group announced that PT Bulungan Citra Agro Persada ("BCAP"), a 90% owned subsidiary of TSH had entered into a heads of agreement with PT Kawasan Industri Kalimantan Indonesia ("KIKI") and PT Kalimantan Industrial Park Indonesia ("KIPI") for the proposed disposal of 7 pieces of certificated land measuring approximately 13,214.90 hectares located in Kalimantan, Indonesia together with certain plots of uncertified land adjoining thereto to be fully satisfied in cash.

On 4 April 2022, BCAP, KIKI and KIPI had entered into a conditional sale, purchase and compensation of land agreement for the proposed disposal by BCAP of 13,214.90 hectares of certificated land together with the 683.36 hectares of uncertified land adjoining thereto for a total cash consideration of IDR 2,428.86 billion (or equivalent to approximately RM711.66 million).

The said proposed disposal is expected to be completed by the 1st quarter of 2023.

Apart from the above, there was no other corporate proposal announced and not completed as at the date of this quarterly report.

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8. Group Borrowings and Debt Securities

Comprised:

	As at 31.03.2022					
	Short term		Long term		Total	
	Foreign denomination RM'000	RM denomination RM'000	Foreign denomination RM'000	RM denomination RM'000	Foreign denomination RM'000	RM denomination RM'000
Secured	69,508	26,200	217,234	91,312	286,742	117,512
Unsecured	131,437	225,186	12,881	205,372	144,318	430,558
Total	200,945	251,386	230,115	296,684	431,060	548,070

9. Derivatives

The forward currency contracts are entered into by the Group as hedges for committed sales and purchases denominated in foreign currencies. The hedging of the foreign currencies is to minimise the exposure of the Group to fluctuations in foreign exchange on receipts and payments. The commodity futures contracts are entered into with the objective of managing and hedging the Group's exposure to the adverse price movements in the CPO and cocoa commodities.

As at 31 March 2022, the values and maturity analysis of the outstanding derivatives were as follows:-

Group

	RM'000	Assets RM'000	Liabilities RM'000	
Non-hedging derivatives:				
Current				
Forward currency contracts	18,282	578	-	Less than 1 year
Commodity futures contracts	101,585	-	(1,015)	Less than 1 year
	119,867	578	(1,015)	

10. Changes in material litigation

The Group is not engaged in any material litigation and is not aware of any proceedings which might materially affect the Group for the current financial year.

11. Proposed Dividend

The Company did not declare any interim dividend for the current quarter ended 31 March 2022.

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12. Earnings per share
(a) Basic earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to ordinary shareholders of owners of the Company by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	Quarter Ended		Year-To-Date	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Net profit attributable to shareholder (RM'000)	96,476	20,783	96,476	20,783
Weighted average number of ordinary shares in issue ('000)	1,380,174	1,380,174	1,380,174	1,380,174
Basic earnings per ordinary share (sen)	6.99	1.51	6.99	1.51

(b) Diluted earnings per share

This is not applicable as there are no dilutive securities currently issued by the Company.

13. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 24 May 2022.