



PLS PLANTATIONS BERHAD

(Company No : 160032-K)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 JUNE 2019

(These figures have not been audited)

	Current 3 months ended		Cumulative 3 months ended	
	30.6.2019 RM'000	30.6.2018 RM'000	30.6.2019 RM'000	30.6.2018 RM'000
Revenue	17,715	11,922	17,715	11,922
Fair value gain/(loss) in biological assets	153	(802)	153	(802)
Cost of sales*	(16,457)	(13,791)	(16,457)	(13,791)
Gross profit/(loss)	1,411	(2,671)	1,411	(2,671)
Other income	802	796	802	796
Administrative expenses	(4,090)	(2,117)	(4,090)	(2,117)
Depreciation and amortisation	(414)	(288)	(414)	(288)
Results from operating activities	(2,291)	(4,280)	(2,291)	(4,280)
Interest income	14	59	14	59
Finance cost	(1,638)	(1,654)	(1,638)	(1,654)
Loss before taxation	(3,915)	(5,875)	(3,915)	(5,875)
Taxation	341	1,163	341	1,163
Net Loss for the period	(3,574)	(4,712)	(3,574)	(4,712)
Other comprehensive expense, net of tax	-	-	-	-
Total comprehensive (loss)/income for the period	(3,574)	(4,712)	(3,574)	(4,712)
Net (Loss)/Profit Attributable to:				
Owners of the parent	(2,379)	(3,190)	(2,379)	(3,190)
Non-controlling interests	(1,195)	(1,522)	(1,195)	(1,522)
Net Loss for the period	(3,574)	(4,712)	(3,574)	(4,712)
Total comprehensive (loss)/income attributable to:				
Owners of the parent	(2,379)	(3,190)	(2,379)	(3,190)
Non-controlling interests	(1,195)	(1,522)	(1,195)	(1,522)
Total comprehensive loss for the period	(3,574)	(4,712)	(3,574)	(4,712)
	-	-	-	-
(Losses)/Earnings per share for net loss attributable to owners				
Basic (Sen)	(0.68)	(0.98)	(0.68)	(0.98)
Diluted (Sen)	N/A	N/A	N/A	N/A
Remark :				
* Included depreciation and amortization	2,947	2,942	2,947	2,942

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 March 2018.



PLS PLANTATIONS BERHAD

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 30 JUNE 2019**
(These figures have not been audited)

	30 June 2019 RM'000	(Audited) 31 March 2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	14,764	128,622
Right-of-use assets	147,145	-
Intangible assets	17,922	17,922
Prepaid lease payments	-	2,222
Bearer plants	162,692	162,604
Biological assets	4,717	4,608
Investment properties	274	274
Forest plantation project	-	32,306
Performance deposits	50,000	50,000
	397,514	398,558
Current assets		
Inventories	6,221	4,523
Biological assets	1,308	1,155
Assets classified as held for sale	99	201
Trade, other receivables and prepayment	7,700	7,852
Tax recoverable	1,333	1,278
Fixed deposits with licensed banks	2,586	4,651
Cash and cash equivalents	6,401	4,818
	25,648	24,478
TOTAL ASSETS	423,162	423,036
EQUITY AND LIABILITIES		
Share capital	87,961	87,961
Retained earnings	103,636	106,015
Equity attributable to owners of the parent	191,597	193,976
Non-controlling interests	45,255	46,450
Total Equity	236,852	240,426
Non-current liabilities		
Lease liabilities	1,915	-
Bank term loan and borrowings	79,117	83,589
Deferred tax liabilities	44,610	44,950
	125,642	128,539
Current liabilities		
Trade and other payables	31,376	33,602
Contract liabilities	525	525
Amount due to directors	7,457	6
Lease liabilities	842	-
Bank term loan and borrowings	20,468	19,938
	60,668	54,071
Total liabilities	186,310	182,610
TOTAL EQUITY AND LIABILITIES	423,162	423,036
Net assets per share attributable to owners of the parent (RM)	0.5463	0.5531

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 March 2018.



PLS PLANTATIONS BERHAD
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2019**

(These figures have not been audited)

	<----- Attributable to Owners of the Parent ----->			Non- controlling Interests	Total Equity	
	<---- Non-Distributable ----> Share Capital RM'000	Asset Revaluation Reserves RM'000	Distributable Retained Earnings RM'000			Total RM'000
At 1 April 2018,	69,961	267,288	32,478	369,727	127,975	497,702
Effects on adoption of MFRS		(267,288)	88,353	(178,935)	(76,687)	(255,622)
As restated	69,961	-	120,831	190,792	51,288	242,080
Total comprehensive expense for the period		-	(3,190)	(3,190)	(1,522)	(4,712)
At 30 June 2018	69,961	-	117,641	187,602	49,766	237,368
At 1 April 2019,	87,961	-	106,015	193,976	46,450	240,426
Total comprehensive (expense)/income for the period	-	-	(2,379)	(2,379)	(1,195)	(3,574)
At 30 June 2019	87,961	-	103,636	191,597	45,255	236,852

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 March 2018.



PLS PLANTATIONS BERHAD

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2019**

(These figures have not been audited)

	Current Year To Date 30 June 2019 RM'000	Preceding Year Corresponding Period 30 June 2018 RM'000
Cash flows from operating activities		
(Loss)/Profit before tax	(3,915)	(5,875)
Adjustments for :-		
Non-cash items	3,218	3,103
Non-operating items	(206)	752
Net interest income	1,623	1,597
Operating profit/(loss) before working capital changes	720	(424)
Net changes in working capital	(3,741)	(609)
Net tax refund/(paid)	(55)	-
Net cash generated from/(used in) operating activities	(3,076)	(1,033)
Cash flows from investing activities		
Interest received	14	59
Proceeds from disposal of property, plant and equipment	155	156
Purchase of property, plant and equipment	(382)	(249)
Additions to bearer plants and biological assets	(1,723)	(935)
Net cash generated from/(used in) investing activities	(1,936)	(969)
Cash flows from financing activities		
Interest paid	(1,593)	(1,608)
Proceeds from drawdown of term loan	2,708	2,570
Repayment of term loan	(3,826)	(3,568)
Repayments of lease liabilities	(210)	(158)
Advances from director	7,451	-
Net cash generated from/(used in) financing activities	4,530	(2,764)
Net increase/(decrease) in cash and cash equivalents	(482)	(4,766)
Cash and cash equivalents at beginning of period	5,390	14,119
Cash and cash equivalents at end of period	4,908	9,353
Cash and cash equivalents included in the cash flow statement comprise the following :-		
Cash & bank balances	6,401	1,597
Fixed deposits with licenced bank	2,586	10,929
Less : Bank overdraft cum other banking facilities	(1,993)	(1,087.00)
Less : Fixed deposits pledged	(2,086)	(2,086)
	4,908	9,353

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the Year Ended 31 March 2018.



PLS PLANTATIONS BERHAD

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2019

(These figures have not been audited)

1. Basis of preparation

The condensed interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134 : Interim Financial Reporting issued by Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Bhd. It should be read in conjunction with the audited consolidated financial statements of the Group for the financial year ended 31 March 2019.

The significant accounting policies and methods of computation adopted are consistent with those of the most recent audited financial statements for the year ended 31 March 2019 except for the adoption of new and amended MFRSs, IC Interpretations which are relevant to its operations and effective for the financial periods beginning on or after 1 April 2019. The adoption of these standards have not resulted in any material impact on the financial statements of the Group, except as follow:-

MFRS 16 Leases

MFRS 16 Leases replaces MFRS 117 and the related interpretations with eliminates the classification of leases by the lessee as either finance leases or operating lease. MFRS 16 introduces a single accounting model, requiring the lessee to recognise the 'right-of-use' (ROU) of the underlying asset and the lease liability reflecting future lease payments liabilities in the statement of financial position. The ROU asset subsequently depreciated using straight line method from the commencement date to the end of the useful life or the end of the lease term whichever earlier. The estimates useful life of the ROU assets are determined on the same basis as those of plant, property and equipment and is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at present value of the lease payments that are unpaid at the commencement date or of the remaining lease payments and discounted using the lessee's incremental borrowing rate. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications.

The Group has adopted MFRS 16 retrospectively from 1 April 2019 using a modified retrospective approach and has not restated last year reporting period comparatives as permitted under the standard. By exemptions under the MFRS 16, the same principles do not applied to the short term leases i.e. lease term of 12 months or less from the date of commencement and leases for which the underlying asset is of low value.

The table below shows the impact of changes to the condensed consolidated statement of financial position of the Group resulting from the adoption of MFRS 16 as at 1 April 2019 :

Condensed Consolidated Statement of Financial Position

	(Audited) As at 31 March 2019	Effects on adoption of MFRS 16	(Unaudited) As at 1 April 2019
	RM'000	RM'000	RM'000
Group			
Non-current assets			
Property, plant and equipment	128,622	(113,455)	15,167
Right-of-use assets	-	148,044	148,044
Prepaid lease payments	2,222	(2,222)	-
Forest plantation project	32,306	(32,306)	-
Non current liabilities			
Lease liabilities	-	2,065	2,065
Current liabilities			
Lease liabilities	-	792	792

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2019**

(These figures have not been audited)

The impact on the Group's financial performance upon adoption of MFRS 16 in the current financial period is as follows:

(i) Condensed Consolidated Statement of Comprehensive Income

Operating lease rental expenses that previously presented within adjusted earnings before interest, tax, depreciation and amortisation are now presented as interest expense on lease liabilities in 'finance costs' and amortisation of right-of-use assets are presented in 'depreciation and amortisation' expenses; and

(ii) Condensed Consolidated Statement of Cash Flows

Payment for operating lease rental that was recorded within 'net cash flows from operating activities' are now classified in 'net cash flows from financing activities' as repayment of lease liabilities.

2. Qualification of audit report of the preceding annual financial statements

There was no qualification in the audited financial statements for the year ended 31 March 2019.

3. Seasonal or cyclical factors

The business operations of the Group are not mainly affected by any significant seasonal or cyclical factors.

4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size, or incidence during the quarter.

5. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years

There were no estimates reported in the prior interim periods of the current financial year or in prior financial years.

6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the Group during the current quarter and financial year-to-date.

7. Dividend paid

There was no dividend declared or paid for the current quarter ended 30 June 2019.

8. Segment information

	3 months ended 30 June		3 months ended 30 June	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Plantation	13,153	11,922	13,153	11,922
* Trading	4,562	-	4,562	-
	17,715	11,922	17,715	11,922
Elimination of inter-segment revenue	-	-	-	-
Total	17,715	11,922	17,715	11,922
Segment Results				
Construction	(1,140)	(1,067)	(1,140)	(1,067)
Plantation	(801)	(3,338)	(801)	(3,338)
* Trading	(494)	-	(494)	-
Elimination	144	125	144	125
Operating (loss)/profit	(2,291)	(4,280)	(2,291)	(4,280)
Interest income	1,409	1,363	1,409	1,363
Finance costs	(3,031)	(2,921)	(3,031)	(2,921)
Elimination	(2)	(37)	(2)	(37)
(Loss)/Profit before tax	(3,915)	(5,875)	(3,915)	(5,875)

* No comparative segmental results in Trading Segment to the Group as its being acquired in March 2019

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2019**

(These figures have not been audited)

9. Valuation of property, plant and equipment and bearer plant

There were no amendments in the valuations amount of land and buildings brought forward to current quarter as compared to the previous year annual report.

10. Material Events not reflected in the Financial Statements

No transaction or event of a material or unusual nature had occurred between 30 June 2019 and the date of this announcement.

11. Changes in the Composition of the Company

On 25 June 2019, the Company had acquired the entire issued and paid-up share capital of Jasa Indahmas Sdn Bhd (JISB) at a purchase consideration of RM1.00. JISB became a wholly-owned subsidiary of the Group and currently is dormant.

Other than the above, there were no other changes in the composition of the Group during the current quarter under review.

12. Changes in contingent liabilities

Contingent liabilities of the Group as at 30 June 2019 comprise of:

	Company	Group
	RM'000	RM'000
Bank Guarantees to third parties in respect of utilities security deposit	84	84
Corporate guarantee to subsidiary in respect of purchasing machineries	233	-
Corporate guarantee to subsidiary in respect of a term loan	95,392	-
Corporate guarantee to subsidiary in respect of a term financing facilities	1,993	-
	97,702	84

13. Capital commitments

The Group has the following commitments during the current quarter as follow :-

	Group
	RM'000
Capital expenditures for new planting of bearer plants and biological assets	
- Approved and contracted for	1,731
- Approved but not contracted for	17,511
	19,242



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ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA'S LISTING REQUIREMENTS

FOR THE PERIOD ENDED 30 JUNE 2019

(These figures have not been audited)

1. Review of performance

	Current Year Cumulative Quarter	Preceding Year Corresponding Quarter	Changes	
			Amount	%
	30.6.2019	30.6.2018	RM'000	
	RM'000	RM'000	RM'000	
Revenue	17,715	11,922	5,793	49%
Fair value change in biological assets	153	(802)	955	-119%
Gross Profit/(Loss)	1,411	(2,671)	4,082	-153%
Loss Before Interest and Tax	(2,291)	(4,280)	1,989	-46%
Loss Before Tax	(3,915)	(5,875)	1,960	-33%
Loss After Tax	(3,574)	(4,712)	1,138	-24%
Loss Attributable to Owner of the parent	(2,379)	(3,190)	811	-25%

For the period ended 30 June 2019, the Group reported a higher revenue of RM17.7 million and loss before tax of RM3.9 million as compared with the revenue of RM11.9 million and loss before tax of RM5.9 million in the previous corresponding year.

The increase in revenue as compared to the preceding year corresponding period mainly attributable to the increase in the sales of FFB volume in the plantation division despite of low average selling prices. Besides this, there is a lower loss before tax as compared to the preceding year corresponding period mainly contribution made from the trading division where its frozen durian products were sold to oversea customers mainly in China.

Fresh Fruit Bunch ('FFB')

Sales Volume (in metric tonnes (MT))	28,074	20,652	7,422	36%
Average Selling Prices realised (in RM per MT)	379	484	(105)	-22%

During the period under review, the Group's oil palm plantation recorded an increase in FFB sales volume by 36% to 28,074 metric tonnes (MT) (2019 Q1 : 20,652 MT) and the average selling prices realised for FFB decreases about 22% to RM379 per MT (2019 Q1 : RM484 per MT) as compared to the previous corresponding year.

2. Comparison with preceding quarter results

	Current Year Quarter	Immediate Preceding Quarter	Changes	
			Amount	%
	30.6.2019	31.3.2019	RM'000	
	RM'000	RM'000	RM'000	
Revenue	17,715	12,955	4,760	37%
Fair value change in biological assets	153	(209)	362	-173%
Gross Profit/(Loss)	1,411	(10,220)	11,631	-114%
Loss Before Interest and Tax	(2,291)	(12,832)	10,541	-82%
Loss Before Tax	(3,915)	(14,374)	10,459	-73%
Loss After Tax	(3,574)	(11,629)	8,055	-69%
Loss Attributable to Owner of the parent	(2,379)	(8,099)	5,720	-71%

For the current quarter ended 30 June 2019, the Group reported a higher revenue of RM17.7 million as compared with the revenue of RM12.9 million in the preceding quarter. In tandem with this, the Group also recorded a lower loss before tax of RM3.9 million as compared with RM14.3 million in the immediate preceding quarter. These were mainly due to higher sales of FFB and contribution from the revenue generated in the trading division on the sales of frozen durian products. The higher loss before tax of RM14.3 million in the preceding quarter was also due to a write-off for oil palm plantation costs from the intrusion of wild animals.

3. Current year prospects

The Group's objective remains focusing on its core plantations businesses and its new venture, Durian businesses that will enable the Group to diversify its revenue and earnings streams. To date, the Group has the total oil palm plantation planted of approximately 11,000 hectares. Meanwhile, there has been continued maintenance of Acacia Mangium plantation by replanting programme.

The Board is optimistic of the Group's performance for the remaining periods of the financial year ending 31 March 2020, provided that the current Crude Palm Oil price could be higher and sustainable and continuous support from oversea customers especially in China for the demand in the frozen durian related products and frozen whole fruits on the exporting segment.

ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA'S LISTING REQUIREMENTS

FOR THE PERIOD ENDED 30 JUNE 2019

(These figures have not been audited)

4. Profit forecast

Not applicable as no profit forecast was published.

5. Tax expense

	3 months ended 30 June		3 months ended 30 June	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
The tax expense comprises the following:				
Deferred tax	(341)	(1,163)	(341)	(1,163)
	(341)	(1,163)	(341)	(1,163)

6. Status of corporate proposal announced

The Group has not announced any corporate proposals which have not been completed as at the date of this report.

7. Borrowing and debt securities

Total group borrowings are as follows:

	As at	As at
	30.6.2019	30.6.2018
	RM'000	RM'000
(a) Short term borrowings		
<u>Amount repayable within one year</u>		
Bank overdraft cum other banking facilities - secured	1,993	1,087
Bank term loan - secured	18,475	14,913
	20,468	16,000
(b) Long term borrowings		
Bank term loan - secured	79,117	87,464
	79,117	87,464
Total borrowings	99,585	103,464

The above borrowings are denominated in Ringgit Malaysia .

8 Changes in material litigation

The Company (Plaintiff) vs. Josu Engineering Construction Sdn Bhd ("Defendant")

On 17 June 2019, the Court had required parties to put in further written submissions on the application and on 26 July 2019, the Court had fixed a date on 23 September 2019 for hearing of the Company's application to set aside the Arbitrator's Interim Award.

9 Basic earnings per share

	Current	Preceding	Current	Preceding
	Year	Year	Year	Year
	Quarter	Quarter	To Date	To Date
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
	RM'000	RM'000	RM'000	RM'000
a) Basic earnings per share				
Net loss for the period	(2,379)	(3,190)	(2,379)	(3,190)
<u>Weighted average number of ordinary shares in issue</u>				
Ordinary shares issued at 1 April	350,700	326,700	350,700	326,700
Ordinary shares issued at 30 June	350,700	326,700	350,700	326,700
Basic (losses)/earnings per share (sen)	(0.68)	(0.98)	(0.68)	(0.98)
b) Diluted earnings per share				
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A

10 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with the resolution of the director on 29 August 2019.

PLS PLANTATIONS BERHAD

BY ORDER OF THE BOARD

Date : 29th August 2019