



PLS PLANTATIONS BERHAD

(Company No : 198701001365 (160032-K))

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 DECEMBER 2022

(These figures have not been audited)

	Current 3 months ended		Cumulative 6 months ended	
	31.12.2022 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2021 RM'000
Revenue	33,651	57,261	71,403	107,107
Fair value gain in biological assets	(284)	(1,842)	(1,010)	(579)
Cost of sales*	(23,881)	(36,364)	(49,674)	(67,545)
Gross profit	9,486	19,055	20,719	38,983
Other income	228	769	527	1,045
Administrative expenses	(4,059)	(4,157)	(9,086)	(7,391)
Depreciation and amortisation	(430)	(286)	(720)	(512)
Results from operating activities	5,225	15,381	11,440	32,125
Interest income	21	63	110	73
Finance cost	(1,528)	(1,437)	(2,590)	(3,182)
Profit before taxation	3,718	14,007	8,960	29,016
Taxation	(1,810)	(4,034)	(4,212)	(8,028)
Net Profit for the period	1,908	9,973	4,748	20,988
Other comprehensive expense, net of tax	-	-	-	-
Total comprehensive income for the period	1,908	9,973	4,748	20,988
Net Profit Attributable to:				
Owners of the parent	1,649	7,379	3,642	15,368
Non-controlling interests	259	2,594	1,106	5,620
Net Profit for the period	1,908	9,973	4,748	20,988
Total comprehensive income attributable to:				
Owners of the parent	1,649	7,379	3,642	15,368
Non-controlling interests	259	2,594	1,106	5,620
Total comprehensive income for the period	1,908	9,973	4,748	20,988
Earnings per share for net profit attributable to owners of the parents :				
Basic (Sen)	399,656.00	399,656.00	399,656.00	399,656.00
Diluted (Sen)	13,378.00	17811.00	13,378.00	20575.00
Remark :				
* Included depreciation and amortization	3,887	3,046	7,655	6,098

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Financial Year Ended 30 June 2022.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 DECEMBER 2022
(These figures have not been audited)

	31 December 2022	(Audited) 30 June 2022
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	32,453	30,218
Right-of-use assets	147,079	147,628
Intangible assets	18,461	18,508
Bearer plants	158,168	158,834
Biological assets	2,801	2,681
Investment properties	274	274
Deferred tax assets	20	20
Performance deposits	48,995	50,000
	<u>408,251</u>	<u>408,163</u>
Current assets		
Contract assets	4,143	4,334
Inventories	29,918	23,330
Biological assets	2,085	3,139
Trade, other receivables and prepayment	64,014	36,041
Amount due from holding company	25	17
Tax recoverable	1,948	1,558
Fixed deposits with licensed banks	3,818	2,582
Cash and cash equivalents	11,330	42,718
	<u>117,281</u>	<u>113,719</u>
TOTAL ASSETS	<u>525,532</u>	<u>521,882</u>
EQUITY AND LIABILITIES		
Share capital	134,345	134,345
Retained earnings	143,114	139,472
Equity attributable to owners of the parent	<u>277,459</u>	<u>273,817</u>
Non-controlling interests	56,141	55,035
Total Equity	<u>333,600</u>	<u>328,852</u>
Non-current liabilities		
Lease liabilities	4,208	4,334
Bank term loan and borrowings	63,938	66,966
Deferred tax liabilities	65,241	65,683
	<u>133,388</u>	<u>136,983</u>
Current liabilities		
Trade and other payables	28,456	20,357
Dividend payable	-	1,005
Amount due to directors	6,342	5,417
Lease liabilities	2,618	2,481
Bank term loan and borrowings	18,788	24,969
Taxation	2,341	1,818
	<u>58,545</u>	<u>56,047</u>
Total liabilities	<u>191,932</u>	<u>193,030</u>
TOTAL EQUITY AND LIABILITIES	<u>525,532</u>	<u>521,882</u>
Net assets per share attributable to owners of the parent (RM)	0.6942	0.6851

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Financial Year Ended 30 June 2022.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2022**

(These figures have not been audited)

	<--- Attributable to Owners of the Parent ----->			Non- controlling Interests	Total Equity
	Share Capital RM'000	Distributable Retained Earnings RM'000	Total RM'000	RM'000	RM'000
At 1 July 2021,	134,345	112,161	246,506	47,608	294,114
Transactions with Owners of the Company					
Subscription of shares by non-controlling interests	-	-	-	0	0
Acquisition of subsidiaries	-	-	-	781	781
Dividend paid to non-controlling interests	-	-	-	(1,005)	(1,005)
Total transactions with Owner of the Company	-	-	-	(224)	(224)
Total comprehensive income for the period	-	27,311	27,311	7,651	34,962
At 30 June 2022	134,345	139,472	273,817	55,035	328,852
At 1 July 2022,	134,345	139,472	273,817	55,035	328,852
Total comprehensive income for the period	-	3,642	3,642	1,106	4,748
At 31 December 2022	134,345	143,114	277,459	56,141	333,600

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Financial Year Ended 30 June 2022.



PLS PLANTATIONS BERHAD
 (Company No : 198701001365 (160032-K))
 (Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2022

(These figures have not been audited)

	Current Year To Date 31 December 2022 RM'000	Preceding Year Corresponding Period 31 December 2021 RM'000
Cash flows from operating activities		
Profit before tax	8,960	29,016
Adjustments for :-		
Non-cash items	8,044	6,274
Non-operating items	1,072	3,542
Net interest expenses /(income)	2,440	2,654
Operating profit/(loss) before working capital changes	20,516	41,486
Net changes in working capital	(26,186)	(38,030)
Net tax refund/(paid)	(4,519)	32
Net cash generated from/(used in) operating activities	(10,189)	3,488
Cash flows from investing activities		
Interest received	100	-
Decrease/(Increase) in pledged deposits placed with licensed bank	(1,236)	(32,146)
Acquisition in subsidiary	-	(52)
Proceeds from disposal of property, plant and equipment	140	-
Purchase of property, plant and equipment	(3,902)	(673)
Additions to bearer plants, biological assets and right-of-use assets	(2,338)	(2,103)
Net cash generated from/(used in) investing activities	(7,236)	(34,974)
Cash flows from financing activities		
Interest paid	(1,688)	(2,559)
Drawdown of borrowings	8,549	28,902
Repayment of borrowings	(17,835)	(11,271)
Repayments of lease liabilities	(3,139)	(938)
(Repayment to)/Advances from holding company	(8)	(24)
(Repayment to)/Advances from Directors	863	(131)
Net cash generated from/(used in) financing activities	(13,258)	13,979
Net increase/(decrease) in cash and cash equivalents	(30,683)	(17,507)
Cash and cash equivalents at beginning of period	41,987	38,537
Cash and cash equivalents at end of period	11,304	21,030
Cash and cash equivalents included in the cash flow statement comprise the following :-		
Cash & bank balances	11,330	21,030
Fixed deposits with licenced bank	3,818	36,335
Less : Bank overdraft cum other banking facilities	(26)	-
Less : Fixed deposits pledged	(3,818)	(36,335)
	11,304	21,030

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the Financial Year Ended 30 June 2022.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

(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 30 June 2022.

The significant accounting policies and methods of computation adopted are consistent with those of the most recent audited financial statements for the financial year ended 30 June 2022 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 July 2022. The adoption of these accounting pronouncements are not expected to have any effect to the financial statements of the Group and the Company upon its initial applications.

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

There was no qualification in the audited financial statements for the year ended 30 June 2022.

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 31 December 2022.

8. Segment information

	3 months ended 31 December		6 months ended 31 December	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Construction	4,016	3,744	8,449	8,201
Plantation	20,132	35,315	41,906	64,169
Manufacturing and Trading	10,891	18,202	22,676	34,973
	35,039	57,261	73,031	107,343
Elimination of inter-segment revenue	(1,388)	-	(1,628)	(236)
Total	33,651	57,261	71,403	107,107
Segment Results				
Construction	829	(404)	1,802	1,426
Plantation	7,624	14,694	14,499	30,016
Manufacturing and Trading	(2,482)	940	(2,534)	2,370
Investment Holding	(1,033)	(2)	(2,590)	(7)
Other	(15)	(15)	(15)	(16)
Elimination	302	168	278	(1,664)
Operating profit	5,225	15,381	11,440	32,125
Interest income	21	63	110	73
Finance costs	(1,528)	(1,437)	(2,590)	(3,182)
Profit before tax	3,718	14,007	8,960	29,016

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

(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 31 December 2022 and the date of this announcement.

11. Changes in the Composition of the Company

There was 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 31 December 2022 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 trade working capital facilities held by a subsidiary	8,556	
Corporate guarantee to subsidiary in respect of purchasing plants and machineries	1,007	-
Corporate guarantee to subsidiary in respect of term loans and financing facilities held by subsidiaries	69,257	-
	78,904	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	5,386
- Approved but not contracted for	18,026
	23,412

ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022

(These figures have not been audited)

1 (a). Review of performance for financial year todate

	Current Year Cumulative Quarter 31.12.2022 RM'000	Preceding Year Corresponding Quarter 31.12.2021 RM'000	Changes	
			Amount RM'000	%
Revenue	71,403	107,107	(35,704)	-33%
Fair value change in biological assets	(1,010)	(579)	(431)	74%
Gross Profit	20,719	38,983	(18,264)	-47%
Profit/(Loss) Before Interest and Tax	11,440	32,125	(20,685)	-64%
Profit/(Loss) Before Tax	8,960	29,016	(20,056)	-69%
Profit/(Loss) After Tax	4,748	20,988	(16,240)	-77%
Profit/(Loss) Attributable to Owner of the parent	3,642	15,368	(11,726)	-76%

For the current year todate ended 31 December 2022, the Group registered a lower revenue of RM71.4 million and a profit before tax of RM9.0 million as compared with RM107.1 million and profit before tax of RM 29.0 million in the preceding year corresponding period. The Group experienced a decrease in both revenue and profit before tax as compared to the preceding year corresponding period mainly attributed to lower sales volume and lower average selling prices of the FFB in the oil palm plantation segment, as well as lower sales volume in the manufacturing and trading segment.

Fresh Fruit Bunch ('FFB')

	Current Year Cumulative Quarter 31.12.2022 RM'000	Preceding Year Corresponding Quarter 31.12.2021 RM'000	Changes	
			Amount RM'000	%
Sales Volume (in metric tonnes (MT))	49,217	60,265	(11,048)	-18%
Average Selling Prices realised (in RM per MT)	838	1,053	(215)	-20%

During the period under review, the Group's oil palm plantation recorded a decrease in FFB sales volume by 18% to 49,217 metric tonnes (MT) (2022 1st Half : 60,265 MT) and the average selling prices realised for FFB decreases about 20% to RM838 per MT (2022 1st Half : RM1,053 per MT) as compared to the previous corresponding year.

1 (b). Review of performance for current quarter

	Current Year Quarter 31.12.2022 RM'000	Preceding Year Corresponding Quarter 31.12.2021 RM'000	Changes	
			Amount RM'000	%
Revenue	33,651	57,261	(23,610)	-41%
Fair value change in biological assets	(284)	(1,842)	1,558	-85%
Gross Profit	9,486	19,055	(9,569)	-50%
Profit/(Loss) Before Interest and Tax	5,225	15,381	(10,156)	-66%
Profit/(Loss) Before Tax	3,718	14,007	(10,289)	-73%
Profit/(Loss) After Tax	1,908	9,973	(8,065)	-81%
Profit/(Loss) Attributable to Owner of the parent	1,649	7,379	(5,730)	-78%

The Group's lower revenue in the current quarter of RM33.7 million as compared with RM57.3 million in the preceding year corresponding quarter was primarily due to lower contribution from FFB revenue and reduced sales in durian products. This is mainly caused by factors such as lower sales volume due to severe workers shortage and lower average selling prices of the FFB. As a result, the Group's profit before tax for current quarter was also lower at RM3.7 million as compared with RM14.0 million in the preceding year corresponding quarter.

**ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA'S LISTING REQUIREMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

(These figures have not been audited)

2. Comparison with preceding quarter results

	Current Year Quarter	Immediate Preceding Quarter	Changes	
			Amount	%
	31.12.2022	30.9.2022		
	RM'000	RM'000	RM'000	
Revenue	33,651	37,752	(4,101)	-11%
Fair value change in biological assets	(284)	(726)	442	-61%
Gross Profit	9,486	11,233	(1,747)	-16%
Profit/(Loss) Before Interest and Tax	5,225	6,216	(991)	-16%
Profit/(Loss) Before Tax	3,718	5,243	(1,525)	-29%
Profit/(Loss) After Tax	1,908	2,841	(933)	-33%
Profit/(Loss) Attributable to Owner of the parent	1,649	1,993	(344)	-17%

The Group's revenue for the current quarter ended 31 December 2022 decreased to RM33.7 million from RM37.8 million in the immediate preceding quarter, indicating a decline in sales. Additionally, the Group's profit before tax (PBT) for the current quarter also decreased to RM3.7 million from RM5.2 million in the immediate preceding quarter.

The decrease in the Group's PBT in the current quarter is attributed by two factors. Firstly, lower CPO (Crude Palm Oil) and kernel average selling prices in the oil palm plantation resulted in lower revenue and profits for the Group's plantation segment. Secondly, lower revenue in trading segment had also contributed to the decline in the Group's profitability for the current quarter.

3. Current year prospects

The Group is in a transition phase from its core business in traditional oil palm plantation to the broader agrofood Industry which includes durian trading and plantations, contract farming and other cash crops.

Our transformation journey from the cyclical oil palm plantation to a more diversified range of upstream and downstream activities will require a longer period to achieve a better group financial performance. In particular, the gestation period for durian trees is about 4 to 5 years so the bulk of our durian revenues is only from trading.

In the near term, while the Group's oil palm business is expected to see improved productivity and yield with the arrival new workers (labour), the selling price of FFB may remain less buoyant than the previous financial year.

However, we expect markedly improved performance from our durian trading business with opening of the China border in January 2023 and the exclusive distribution agreement signed with COFCO.

On 16th January 2023 the Group has announced the execution of a Head of Agreement (HOA) between PLS LESB Sdn Bhd, MILLENNIUM AGRICULTURE TECHNOLOGY SDN BHD and MYFARM, INC., JAPAN ("MYFARM") for the proposed co-investment of up to 1,000 hectares of durian plantation in January 2023. Assuming the deal materialises this financial year, the group will start to realise some of its investments in durian plantations and free up capital for further planting up.

4. Profit forecast

Not applicable as no profit forecast was published.

5. Tax expense

	3 months ended 31 December		6 months ended 31 December	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
The tax expense comprises the following:				
Current tax				
- current year provision	1,824	141	4,653	618
- under/(over) provision of tax in prior years	-	-	-	-
Deferred tax	(14)	3,893	(441)	7,410
	1,810	4,034	4,212	8,028

**ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA'S LISTING REQUIREMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

(These figures have not been audited)

6. Status of corporate proposal announced

Save for the placement shares completed as disclosed below, there is no other corporate exercise which our Group has announced but is pending completion:

On 25 January 2023, on behalf of the Company, Maybank Investment Bank Berhad ("Maybank IB") and Astramina Advisory Sdn Bhd ("Astramina Advisory") announced that:

(i) the Company proposes to undertake a placement of up to 56,237,000 new PLS Shares ("Placement Shares"), representing 10% of the total number of issued PLS Shares based on the maximum scenario assuming all outstanding warrants in the Company are fully exercised; and

(ii) the Company had entered into separate subscription agreements with 5 third party investors for the placement of a total of 25,000,000 Placement Shares to the 5 investors at RM0.95 per Placement Share pursuant to the Proposed Placement.

On 2 February 2023, on behalf of the Company, Maybank IB and Astramina Advisory further announced that the Company had entered into separate subscription agreements with another 2 third party investors for the placement of a total of 14,965,600 Placement Shares to the 2 investors at RM1.00 per Placement Share pursuant to the Proposed Placement.

The Proposed Placement was completed on 14 February 2023 following the listing and quotation of 39,965,600 Placement Shares on the Main Market of Bursa Malaysia Securities Berhad.

The total gross proceeds raised from the Placement Shares was approximately RM38.72 million and the status of utilisation of gross proceeds was as follows:

<u>No.</u>	<u>Purpose</u>	<u>Gross Proceeds (RM '000)</u>	<u>Actual Utilisation (RM '000)</u>	<u>Balance (RM '000)</u>	<u>* Estimated Timeframe for Utilisation</u>
(i)	Expansion/Investment in cash crops, durian and other plantation activities	25,226	-	25,226	Within 24 months
(ii)	Expansion of downstream activities of the durian business	5,000	-	5,000	Within 24 months
(iii)	General working capital	7,400	-	7,400	Within 12 months
(iv)	Defray estimated expenses relating to the Proposed Placement	1,090	365	725	Within 2 months
		38,716	365	38,351	

Note :

* From the date of listing of each tranche of the Placement Shares

7. Borrowing and debt securities

Total group borrowings are as follows:

	As at RM'000	As at RM'000
(a) Short term borrowings		
<u>Amount repayable within one year</u>		
Bank overdraft cum other banking facilities - secured	8,696	28,947
Bank term loan - secured	-6,355	22,354
	2,341	51,301
(b) Long term borrowings		
Bank term loan - secured	65,241	80,886
	65,241	80,886
Total borrowings	67,582	132,187

The above borrowings are denominated in Ringgit Malaysia .

8 Changes in material litigation

The Company ('Claimant') vs. Josu Engineering Construction Sdn Bhd ("Respondent" or "Josu")

On 10 February 2023, the leave applications filed by the Company came up for case management before the Federal Court. The parties were informed that the Federal Court will be writing to the Court of Appeal requesting for the Grounds of Judgment in due course. The Federal Court then proceeded to fix a further case management on 10 April 2023 afor parties to apprise the Federal Court on the status of the said Grounds of Judgment and a tentative hearing date on 6 June 2023.

**ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA'S LISTING REQUIREMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022**

(These figures have not been audited)

9 Basic earnings per share

	Current Year Quarter RM'000	Preceding Year Quarter RM'000	Current Year To Date RM'000	Preceding Year To Date RM'000
	RM'000	RM'000	RM'000	RM'000
a) Basic earnings per share				
Net profit for the period	259	2,594	1,106	5,620
<u>Weighted average number of ordinary shares in issue</u>	'000	'000	'000	'000
Ordinary shares issued at 1 July	399,656	399,656	399,656	399,656
Weighted average number of ordinary shares in issue	-	-	-	-
Ordinary shares issued at 30 September	399,656	399,656	399,656	399,656
Basic earnings/(losses) per share (sen)	0.06	0.65	0.28	1.41
b) Diluted earnings per share				
Net profit for the period	259	2,594	1,106	5,620
<u>Weighted average number of ordinary shares in issue</u>	'000	'000	'000	'000
Weighted average number of ordinary shares for basis earnings per share in a) above	399,656	399,656	399,656	399,656
Potential dilution ordinary shares for weighted average number of unexercised warrants issued	13,378	17,811	13,378	20,575
	413,034	417,467	413,034	420,231
Diluted earnings per share (sen)	0.06	0.62	0.27	1.34

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 24 February 2023.

PLS PLANTATIONS BERHAD
BY ORDER OF THE BOARD
Date : 24th February 2023