

**MATANG BERHAD (201501017043 / 1142377-X)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OF THE GROUP  
FOR THE FOURTH QUARTER ENDED 30 JUNE 2022**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/06/2022 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2021 RM'000	CURRENT YEAR TO-DATE 30/06/2022 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2021 RM'000
Revenue	5,465	4,243	17,625	13,695
Cost of sales	<u>(1,103)</u>	<u>(1,023)</u>	<u>(4,361)</u>	<u>(2,639)</u>
<b>Gross profit</b>	4,362	3,220	13,264	11,056
Other income	646	514	2,870	2,020
Administration expenses	(3,017)	(2,549)	(7,399)	(6,701)
Other expenses	(5)	(43)	(98)	(88)
Finance cost	<u>(5)</u>	<u>(17)</u>	<u>(22)</u>	<u>(27)</u>
Profit before tax	1,981	1,125	8,615	6,260
Tax expense	<u>(1,155)</u>	<u>(691)</u>	<u>(2,926)</u>	<u>(2,155)</u>
<b>Profit for the period</b>	<u>826</u>	<u>434</u>	<u>5,689</u>	<u>4,105</u>
<b>Other comprehensive income, net of tax</b>				
<b>Items that will not be reclassified subsequently to profit or loss</b>				
Fair value (loss)/gain on equity investment at fair value through other comprehensive income	<u>(6)</u>	<u>29</u>	<u>18</u>	<u>68</u>
Total other comprehensive (loss)/gain, net of tax	<u>(6)</u>	<u>29</u>	<u>18</u>	<u>68</u>
<b>Total comprehensive income for the period</b>	<u>821</u>	<u>463</u>	<u>5,707</u>	<u>4,173</u>
<b>Profit for the period attributable to:</b>				
Equity holders of the parent	<u>826</u>	<u>434</u>	<u>5,689</u>	<u>4,105</u>
	<u>826</u>	<u>434</u>	<u>5,689</u>	<u>4,105</u>
<b>Total comprehensive income for the period attributable to:</b>				
Equity holders of the parent	<u>821</u>	<u>463</u>	<u>5,707</u>	<u>4,173</u>
	<u>821</u>	<u>463</u>	<u>5,707</u>	<u>4,173</u>
Earnings per share (sen) <sup>(2)</sup>				
(i) Basic	<u>0.04</u>	<u>0.02</u>	<u>0.26</u>	<u>0.22</u>
(ii) Diluted	<u>0.04</u>	<u>0.02</u>	<u>0.26</u>	<u>0.22</u>
Proposed/Declared dividends per share (sen)	<u>0.22</u>	<u>0.20</u>	<u>0.22</u>	<u>0.20</u>

**NOTES:**

- The unaudited condensed combined statements of profit or loss and other comprehensive income are prepared based on the consolidated results of Matang Berhad and its subsidiaries for the current quarter/financial year ended 30 June 2022.
- Diluted earnings per share of the Group for the quarter and year to date ended 30 June 2022 is equivalent to the basic earnings per share as the Group does not have convertible options or securities as at the end of the reporting period.

**MATANG BERHAD (201501017043 / 1142377-X)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF THE GROUP  
AS AT 30 JUNE 2022**

(The figures have not been audited)

	<b>UNAUDITED AS AT 30/06/2022 RM'000</b>	<b>AUDITED AS AT 30/06/2021 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	132,196	132,153
Right-of-use asset	464	585
Investment properties	11,000	11,700
Other investments	172	154
Inventories	1,091	1,091
	<u>144,923</u>	<u>145,683</u>
<b>Current assets</b>		
Inventories	231	98
Biological assets	943	572
Trade and other receivables	2,122	2,034
Cash, bank balances and short term funds	85,081	83,020
	<u>88,377</u>	<u>85,724</u>
<b>TOTAL ASSETS</b>	<u><u>233,300</u></u>	<u><u>231,407</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share Capital	223,981	223,981
Fair value reserve	47	29
Retained earnings	112,311	110,966
Merger reserve	-108,000	-108,000
<b>Total equity</b>	<u>228,339</u>	<u>226,976</u>
<b>Non-current liabilities</b>		
Lease liability	365	484
Deferred tax liabilities	2,028	1,588
	<u>2,393</u>	<u>2,072</u>
<b>Current Liabilities</b>		
Trade and other payables	2,199	1,875
Lease liability	119	114
Current tax liabilities	250	370
	<u>2,568</u>	<u>2,359</u>
<b>Total liabilities</b>	<u>4,961</u>	<u>4,431</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>233,300</u></u>	<u><u>231,407</u></u>
Net assets per share <sup>2</sup> (RM)	<u>0.11</u>	<u>0.10</u>

**NOTES:**

- The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying notes attached to the interim financial results.
- Net assets per share is computed based on equity attributable to owners of the parent divided by the total number of ordinary shares in issue.

**MATANG BERHAD (201501017043 / 1142377-X)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY OF THE GROUP  
FOR THE FOURTH QUARTER ENDED 30 JUNE 2022**

(The figures have not been audited)

	← Non-distributable →			Distributable	
	Share Capital RM '000	Merger Reserve <sup>(1)</sup> RM '000	Fair Value Reserve RM '000	Retained Earnings RM '000	Total equity RM '000
<b>12 months ended</b>					
<b><u>30 June 2022</u></b>					
Balance as at 1 July 2021	223,981	(108,000)	29	110,966	226,976
Total comprehensive income	-	-	18	5,689	5,707
Dividend paid	-	-	-	(4,344)	(4,344)
<b>Balance as at 30 June 2022</b>	<b>223,981</b>	<b>(108,000)</b>	<b>47</b>	<b>112,311</b>	<b>228,339</b>

**NOTE:**

- <sup>1</sup> This represents the effects of applying the merger method of accounting for the acquisition of Matang Holdings Berhad completed on 14 November 2016. The merger reserve represents the difference between the amount recorded as the cost of investment, which comprised the share capital issued by the Company and the nominal value of share capital of the subsidiary, Matang Holdings Berhad.

**MATANG BERHAD (201501017043 / 1142377-X)**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW OF THE GROUP  
FOR THE YEAR TO DATE ENDED 30 JUNE 2022**

(The figures have not been audited)

	<b>12 MONTHS ENDED 30 JUNE</b>	
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	8,615	6,261
Adjustments for:		
Depreciation of property, plant and equipment	2,485	2,257
Fair value adjustment of:		
- investment properties	700	500
Fair value adjustment of biological assets	(372)	(177)
Gain on disposal of property, plant and equipment	-	(35)
Gain on modification of lease	-	(48)
Impairment loss on other receivable	83	22
Interest expense	22	27
Interest income	(1,570)	(915)
Operating profit before changes in working capital changes	9,963	7,892
Changes in working capital:		
Inventories	(132)	(1)
Trade and other receivables	(176)	(1,128)
Trade and other payables	324	639
Cash generated from operations	9,979	7,402
Tax paid	(2,698)	(1,938)
Tax refund	93	-
Net cash from operating activities	7,374	5,464
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Withdrawal of deposit pledged with a licenced bank	35	-
Withdrawal/(Placement) of deposits with licensed bank more than 3 months	4,985	(18,759)
Interest received	1,574	916
Purchase of property, plant and equipment	(2,407)	(1,499)
Proceeds from disposal of property, plant and equipment	-	75
Net cash from/(used in) investing activities	4,187	(19,267)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(4,344)	(2,715)
Payments of lease liability	(136)	(136)
Proceeds from issuance of ordinary shares	-	40,109
Net cash (used in)/from financing activities	(4,480)	37,258
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	7,081	23,455
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	55,493	32,038
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	62,574	55,493

Components of cash and cash equivalents are as follows:

	<b>UNAUDITED AS AT</b>	<b>AUDITED AS AT</b>
	<b>30/06/2022</b>	<b>30/06/2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and bank balances	1,859	1,248
Deposits with licensed banks	60,479	58,820
Short term funds	22,743	22,952
	85,081	83,020
Less:		
Deposits placed with licensed bank more than 3 months	(22,507)	(27,492)
Deposits pledged with a licensed bank	-	(35)
	62,574	55,493

**PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A1. BASIS OF PREPARATION**

The interim financial report of Matang Berhad (“Matang” or the “Company”) and its subsidiaries (the “Group”) are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) No. 134 – Interim Financial Reporting, paragraph 9.22 and Appendix 9B of the ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The consolidated interim financial report has been prepared using the principles of merger accounting whereby it is assumed that the transaction constituting the Group had occurred from the earliest date presented in this report and that the Group has operated as a single entity throughout the financial periods presented in this report.

The interim financial report should be read in conjunction with the audited financial statements of the Group for financial year ended 30 June 2021 as well as the accompanying explanatory notes attached to this interim financial report.

**A2. CHANGES IN ACCOUNTING POLICIES**

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted as disclosed in the Audited Financial Statement of the Group for financial year ended 30 June 2021 including the adoption of the following, where applicable, during the financial period which were effective from 1 January 2021:

MFRS (including the consequential amendments)

- Interest Rate Benchmark Reform – Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)
- COVID-19 Related Rent Concession beyond 30 June 2021 (Amendment to MFRS 16 Leases)

Save as highlighted below, the application of the above changes did not have significant impact on this interim financial report.

The following MFRS and Amendments to MFRS have been issued by the Malaysian Accounting Standards Board but are not yet effective to the Group:

Effective for annual periods commencing on or after 1 January 2022

- Annual Improvements to MFRS Standards 2018 – 2020
- Amendments to MFRS 3 Reference to the Conceptual Framework
- Amendments to MFRS 116 Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to MFRS 137 Onerous Contracts – Cost of Fulfilling a Contract

**PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

- Amendments to MFRS 101 Classification of Liabilities as Current or Non-current
- MFRS 17 Insurance Contracts
- Amendments to MFRS 17 Insurance Contracts
- Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)
- Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Incomes Taxes)
- Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

**A3. AUDITORS’ REPORT ON PRECEDING AUDITED FINANCIAL STATEMENTS**

The preceding year’s audited financial statements, i.e., for financial year ended 30 June 2021, of the Company and the subsidiaries were not subject to any qualification.

**A4. SEASONAL OR CYCLICAL FACTORS**

The Group’s quarterly revenue and results are affected by seasonal crop production pattern and weather conditions.

**A5. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS**

There was no material unusual exceptional item that occurred during the current financial quarter and financial period under review which affected the profit or loss and cash flows of the Group.

**A6. MATERIAL CHANGES IN ESTIMATES**

There were no material changes in estimates of amounts reported in previous financial years or previous quarter that have a material effect on the results for the current financial period under review.

**A7. DEBT AND EQUITY SECURITIES**

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial period under review.

**A8. DIVIDEND PAID**

There was no dividend paid during the current quarter under review.

**PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING**

**A9. SEGMENTAL INFORMATION**

The Group is primarily involved in the cultivation of oil palm and sale of FFB. The Group operates an oil palm plantation estate in Johor, Malaysia and as such the operating revenue reflected in the financial quarter under review was derived from the operation of the oil palm plantation.

**A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

During the financial quarter under review, the Company has carried out valuation of its investment properties in Kawasan Perindustrian Larkin, i.e., the land measuring 1.3 hectares or 3.2 acres held under title HSD 8796, Lot No. TLO 703, Town of Bandar Johor Bahru, District of Johor Bahru, State of Johor Darul Takzim bearing postal address No. 83, Jalan Langkasuka, Kawasan Perindustrian Larkin, 80350 Johor Bahru, Johor Darul Takzim, together with three units of detachable industrial buildings (namely Block A, Block B and Block C) erected thereon (“Larkin Investment Properties”).

For the financial year ended 30 June 2022, the valuation carried out appraised Larkin Investment Properties at a value of RM11.00 million as at 13 June 2022 as compared to RM11.70 million appraised in financial year ended 30 June 2021.

**A11. CAPITAL COMMITMENTS**

There are no material capital commitments incurred by the Group as at 30 June 2022.

**A12. EFFECT OF CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the financial period under review.

**A13. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE CURRENT FINANCIAL PERIOD**

There are no material events that occurred subsequent to the end of the current financial period.

**A14. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There are no contingent liabilities nor contingent assets as at the date of this report.

**A15. RELATED PARTY TRANSACTIONS**

There is no related party transaction that had been entered into in the normal course of the business of the Group during the financial period under review.

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1. REVIEW OF PERFORMANCE**

For the fourth financial quarter ended 30 June 2022, the Group recorded operating revenue of RM5.47 million as compared to RM4.24 million in the preceding year's corresponding quarter.

In comparison with the corresponding quarter in the previous financial year, there was an increase in revenue of 28.8% as a result of approximately 57.0% increase in average FFB price in the current quarter under review while the FFB productions declined by 17.9%. The average FFB price has risen from RM897 per tonne in the preceding year's corresponding quarter to RM1,408 per tonne in the current quarter under review primarily due to the increase in the crude palm oil prices between the two financial periods. The total FFB production for current quarter under review were 3,880 tonnes as compared to 4,728 tonnes in the corresponding quarter in the preceding year.

The Group's gross profit for the current quarter was higher at RM4.36 million as compared to RM3.22 million for the preceding year's corresponding quarter mainly due to higher revenue registered in the current quarter under review. The Group's other income for the current quarter increased by 25.7% from RM0.51 million in the preceding years' corresponding quarter to RM0.65 million for the current quarter mainly due to interest income. The administration expenses registered an increase of approximately 18.4% from RM2.55 million in preceding year's corresponding quarter to RM3.02 million for the current quarter. The increase was mainly due to the Larkin Investment Property recording a fair value loss of RM0.70 million following the valuation as explained under Item A10 herein. The diminution of value for the same was RM0.50 million in financial year ended 30 June 2021.

The Group's profit before taxation for current quarter increased from RM1.13 million in the preceding year corresponding quarter to RM1.98 million, i.e., with an increase of RM0.86 million. This was mainly due to the increase in gross profit in the current quarter under review of RM1.14 million following the increase in revenue as well as from the RM0.13 million increase in other income, the total of which was partially set off against the increase in administrative expenses of RM0.47 million. The Group's profit after taxation for the current quarter is also higher at RM0.83 million as compared to RM0.43 million in the preceding year corresponding quarter.

On the financial year basis, the revenue for the Group for financial year 2022 increased by about 28.7% from RM13.70 million recorded for financial year 2021 to RM17.63 million in financial year 2022. FFB production for the financial year under review was lower by 22.3% at 14,619 tonnes in financial year 2022 as compared to 18,814 tonnes in the previous financial year. The drop in FFB production was due to both the lower hectareage of mature oil palm trees in our Matang estate located at Ledang and Segamat District, Johor ("Matang Estate") following the implementation of diversification into durian plantation as well as the effect of labour shortage issues on FFB harvests, the latter of which is affecting plantation sector nationwide.



**PART B: ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)**

The average FFB prices for the Group increased from RM728 per tonne in previous financial year to RM1,206 per tonne in the financial year under review, i.e., increased by about 65.7%. Gross profit of the Group was higher at RM13.26 million for the financial year under review as compared to RM11.06 million in the previous financial year due to the increase in revenue from higher FFB prices realised in current financial year under review.

The Group's profit before taxation for current financial year was RM8.62 million as compared to RM6.26 million for the previous financial year due to the increase in gross profit of about 20.0% as explained above and the increase of 42.1% in other income. The increase in other income was mainly due to increase in interest income during the financial year under review received on proceeds from private placement exercises in 2021. The administrative expenses have increased by 10.4% in the current financial year under review due to higher depreciation of bearer plant, fair value loss of investment properties and higher Directors' fees and allowances provisions. As a result of the above, the Group registered higher profit after taxation for the current financial year at RM5.69 million as compared to RM4.11 million for the previous financial year.

**B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S PROFIT BEFORE TAX**

The Group reported lower profit before tax of RM1.98 million for the current quarter ended 30 June 2022 as compared to RM2.28 million for the immediate preceding quarter. The lower profit before tax for current quarter under review was due to the higher administration expenses in the current quarter under review. Administration expenses increased in the current quarter review was due to higher depreciation of bearer plant and the provision for diminution in value following the valuation appraised for the Larkin Investment Properties as explained under Item A10 herein.

**B3. COMMENTARY ON PROSPECTS**

Monthly CPO prices averaged at about RM6,552 per tonne for the quarter under review as compared to the quarter average of RM4,208 per tonne for the corresponding quarter in preceding year. However, the monthly average CPO prices dropped to RM4,063 per tonne in July 2022.

For financial year ended 30 June 2022, the monthly average CPO prices have risen steadily from RM4,129 per tonne in July 2021 to the high of RM6,873 per tonne in May 2022 and thereafter dropped to RM6,106 per tonne in June 2022 and RM4,063 per tonne in July 2022. The CPO prices in first two weeks of August 2022 appears to hover around RM3,950 to RM4,250 per tonne.

Year 2022 thus far is marked with significant volatility in CPO prices that triggers the volatility in Matang's revenue which is solely from its oil palm plantation. Nevertheless, the Group will be committed to improve its FFB production going forward barring unforeseen adverse weather conditions and disruption in the supply of foreign workers, the latter of which the Group has continued with efforts to resolve.

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)**

**B4. PROFIT FORECASTS AND PROFIT GUARANTEES**

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement during the current financial period under review.

**B5. STATUS OF CORPORATE PROPOSALS**

On 6 May 2022, the Company announced that it proposes to undertake a private placement of up to 10% of the total number of issued shares of Matang to third party investor(s) to be identified later at an issue price to be determined later, pursuant to Sections 75 and 76 of the Companies Act 2016 ("Proposed Private Placement"). Further, the Company also announced on 9 May 2022 that the listing application in relation to the Proposed Private Placement has been submitted to Bursa Securities on even date and on 23 May 2022, the Company announced that Bursa Securities has resolved to approve the listing and quotation of 217,200,025 placement shares to be issued pursuant to the Proposed Private Placement ("Placement Shares") subject to the conditions as set out therein the approval letter from Bursa Securities.

On 6 July 2022, the Company announced that 217,200,020 Placement Shares were listed and quoted on the ACE Market of Bursa Securities on even date, which marks the completion of the Proposed Private Placement.

There was no corporate proposal announced but not completed as at the date of this report.

**B6. INCOME TAX EXPENSE**

	<b>Quarter ended 30 June 2022 RM</b>	<b>Year-to-date 30 June 2022 RM</b>
Income tax expense		
- Current financial period	680,187	2,541,087
- (Over) provision in prior years	-	(55,212)
Deferred tax		
- Current financial period	393,495	419,593
- Under provision in prior years	81,287	20,119
Total tax expense	<u>1,154,969</u>	<u>2,925,587</u>

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)**

**B7. UTILISATION OF PROCEEDS**

**Issuance of 362,000,000 Shares pursuant to the Private Placements undertaken in 2021 ("PP 2021")**

Based on the issue price of RM0.1108 per Share for 362,000,000 placement shares issued and listed pursuant to PP 2021, the total gross proceeds amounting to RM40.11 million has been utilised in the following manner:

Purposes	Approved utilisation	Actual utilisation	Deviation: surplus/ (deficit)	Balance unutilised	Estimated time frame for utilisation <sup>(1)</sup>
	RM'000	RM'000	RM'000	RM'000	
Future acquisitions	23,635 <sup>(2)</sup>	(-)	-	23,635	Within 18 months
For working capital	16,265 <sup>(3)</sup>	(1,468)	2 <sup>(4)</sup>	14,799	Within 18 months
Estimated expenses	210	(208)	(2) <sup>(4)</sup>	-	Immediate
<b>Total</b>	<b>40,110</b>	<b>(1,676)</b>	<b>0</b>	<b>38,434</b>	

The utilisation of proceeds as disclosed for the PP 2021 should be read in conjunction with the Circular to the Shareholders of the Company dated 12 May 2021 ("Circular"). Abbreviation used in the Notes below shall have the same meaning as referred to in the Circular.

Notes:

- (1) From the date of receipt of the funds on 8 June 2021 for RM20.05 million (in respect of Proposed Private Placement I) and on 19 May 2021 for RM20.05 million (in respect of Proposed Private Placement II).
- (2) Out of which RM17.00 million from the Proposed Private Placement I and RM6.64 million from the Proposed Private Placement II have been allocated for potential future acquisitions of oil palm plantation(s), durian plantation(s) and/or additional land bank for the development of new oil palm and/or durian plantation(s) within Malaysia.
- (3) Out of which:
  - RM0.96 million has been earmarked for payment of third-party contractor fees for the upkeep, maintenance and management of First Durian Plantation.
  - RM4.50 million shall be used for the development and operational expenditure (including upkeep and maintenance costs) of new/ additional hectareage of durian plantation within the Matang Estate.
  - RM10.80 million shall be used for development and operational expenditure (including upkeep and maintenance costs) for oil palm and durian plantation(s) acquired and/ or new land bank acquired for such plantation(s).
- (4) RM2,400 balance unutilised for estimated expenses has subsequently been re-allocated for the working capital purposes.
- (5) As set out in the Circular, the proceeds earmarked for working capital maybe partly reallocated towards the amount earmarked for potential acquisitions and vice versa,

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)**

depending on the Group's operational requirements at the time of utilisation, which can only be determined at a later stage and the terms and conditions of potential acquisitions, which have yet to be determined or finalised.

**B8. GROUP'S BORROWINGS AND DEBT SECURITIES**

The Group has no borrowing and no debt securities in issue as at 30 June 2022.

**B9. MATERIAL LITIGATION**

There is no material litigation or arbitration which has a material effect on the financial position of the Group as at the date of this report and the Board of Directors is not aware of any proceedings pending or threatened against the Group, or of any fact that likely to give rise to any proceedings which may materially and adversely affect the financial position or the business of the Group as at the date of this report.

**B10. DIVIDEND**

The Board has proposed to declare the first and final dividend of 0.22 sen (FY2021: 0.20 sen) per ordinary share in the Company in respect of financial year ended 30 June 2022, the payment of which shall be subject to the shareholders' approval in the Eighth Annual General Meeting of the Company. The entitlement and payment dates shall be determined by the Board and announced later.

**B11. EARNINGS PER SHARE ("EPS")**

The basic and diluted EPS for the current financial quarter and financial year-to-date are computed as follows:

	<b>Quarter ended 30 June 2022</b>	<b>Year-to-date 30 June 2022</b>
Net profit attributable to ordinary equity holders of the Company (RM'000)	826	5,689
Number of ordinary shares in issue (unit)	2,172,000,256	2,172,000,256
Basic EPS (sen)	0.04	0.26
Diluted EPS (sen) <sup>(1)</sup>	0.04	0.26

**Note:**

(1) Diluted EPS for the quarter and year to date ended 30 June 2022 is equivalent to the basic EPS as the Company does not have convertible options and securities as at the end of the reporting period.

**PART B: ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES (CONT'D)**

**B12. NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

Profit and other comprehensive income of the Group for the financial period is arrived at after charging/(crediting) the following expense/(income):

	<b>Quarter ended 30 June 2022 RM'000</b>	<b>Year-to-date 30 June 2022 RM'000</b>
Interest income	(395)	(1,570)
Rental income	(215)	(802)
Depreciation and amortisation	860	2,485
Gain on disposal of property, plant and equipment	-	-
Fair value loss on investment property	700	700

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements of Bursa Securities are not applicable.

**B13. AUTHORISATION FOR ISSUE**

The interim financial report was authorised for issue by the Board of Directors on 25 August 2022.

**BY ORDER OF THE BOARD OF DIRECTORS**  
**25 AUGUST 2022**