



**SARAWAK PLANTATION BERHAD**

Registration No. 199701035877 (451377-P)

(Incorporated in Malaysia)

# INTERIM REPORT FOR 2ND QUARTER ENDED 30 JUNE 2024



# SARAWAK PLANTATION BERHAD

Registration No. 199701035877 (451377-P)

(Incorporated in Malaysia)

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## INTERIM REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2024

(The figures have not been audited)

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**Condensed Consolidated Statement of Financial Position**  
(The figures have not been audited)

	Notes	As At End Of Current Financial Year 30/6/2024 (Unaudited) RM'000	As At End Of Preceding Financial Year 31/12/2023 Audited RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		256,209	261,773
Bearer plants		338,721	333,789
Right-of-use assets		90,766	91,840
Investment properties		4,875	4,991
<b>Total non-current assets</b>		690,571	692,393
<b>Current assets</b>			
Biological assets		71,851	51,981
Inventories		29,208	23,778
Trade and other receivables		16,928	18,602
Prepayments and other assets		7,625	6,085
Other investments	B6	46,935	47,232
Cash and cash equivalents		133,816	114,594
<b>Total current assets</b>		306,363	262,272
<b>TOTAL ASSETS</b>		996,934	954,665



**Condensed Consolidated Statement of Financial Position (continued)**

(The figures have not been audited)

		As At End Of Current Financial Year 30/6/2024 (Unaudited) RM'000	As At End Of Preceding Financial Year 31/12/2023 (Audited) RM'000
	Notes		
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	A5	340,969	340,969
Reserves		438,391	407,573
<b>Equity attributable to Owners of the Company</b>		<b>779,360</b>	<b>748,542</b>
<b>Non-controlling interests</b>		<b>(5,602)</b>	<b>(5,904)</b>
<b>Total equity</b>		<b>773,758</b>	<b>742,638</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		127,207	121,995
Loans and borrowings	B7	18,787	8,016
Lease liabilities		2,366	2,392
<b>Total non-current liabilities</b>		<b>148,360</b>	<b>132,403</b>
<b>Current liabilities</b>			
Trade and other payables		51,904	57,428
Loans and borrowings	B7	1,324	1,120
Lease liabilities		45	42
Current tax payable		7,592	7,083
Dividend payable		13,951	13,951
<b>Total current liabilities</b>		<b>74,816</b>	<b>79,624</b>
<b>Total liabilities</b>		<b>223,176</b>	<b>212,027</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>996,934</b>	<b>954,665</b>
<b>Net assets per share attributable to Owners of the Company (RM)</b>		<b>2.79</b>	<b>2.68</b>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this report)



**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
 (The figures have not been audited)

	Notes	Individual Quarter (Q2)		Cumulative Quarter (6 Months)	
		Current Year Quarter 30/6/2024 (Unaudited) RM'000	Preceding Year Corresponding Quarter 30/6/2023 (Unaudited) RM'000	Current Year - Period To Date 30/6/2024 (Unaudited) RM'000	Preceding Year - Period To Date 30/6/2023 (Unaudited) RM'000
Revenue		131,461	127,350	258,782	238,806
Cost of sales		(97,335)	(100,335)	(199,765)	(190,435)
<b>Gross profit</b>		<b>34,126</b>	<b>27,015</b>	<b>59,017</b>	<b>48,371</b>
Other income		1,385	975	2,427	3,556
Distribution expenses		(7,677)	(7,062)	(14,979)	(13,547)
Administrative expenses		(3,759)	(4,080)	(8,296)	(7,941)
<b>Results from operating activities</b>		<b>24,075</b>	<b>16,848</b>	<b>38,169</b>	<b>30,439</b>
Finance income		1,524	1,017	2,921	2,083
Finance costs		(77)	(93)	(146)	(177)
<b>Net finance income</b>		<b>1,447</b>	<b>924</b>	<b>2,775</b>	<b>1,906</b>
<b>Operating profit before tax</b>		<b>25,522</b>	<b>17,772</b>	<b>40,944</b>	<b>32,345</b>
<b>Other non- operating income - Change in fair value of biological assets</b>		<b>8,935</b>	<b>4,632</b>	<b>19,869</b>	<b>6,089</b>
<b>Profit before tax</b>	A16	<b>34,457</b>	<b>22,404</b>	<b>60,813</b>	<b>38,434</b>
Taxation	B5	(8,538)	(5,654)	(15,622)	(9,604)
<b>Profit after tax</b>		<b>25,919</b>	<b>16,750</b>	<b>45,191</b>	<b>28,830</b>
<b>Other comprehensive income, net of tax</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit and total comprehensive income for the period</b>		<b>25,919</b>	<b>16,750</b>	<b>45,191</b>	<b>28,830</b>



**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)**  
 (The figures have not been audited)

	Notes	Individual Quarter (Q2)		Cumulative Quarter (6 Months)	
		Current Year Quarter 30/6/2024 (Unaudited) RM'000	Preceding Year Corresponding Quarter 30/6/2023 (Unaudited) RM'000	Current Year - Period To Date 30/6/2024 (Unaudited) RM'000	Preceding Year - Period To Date 30/6/2023 (Unaudited) RM'000
<b>Profit attributable to:</b>					
Owners of the Company		25,697	16,557	44,769	28,582
Non-controlling interests		222	193	422	248
<b>Profit for the period</b>		<b>25,919</b>	<b>16,750</b>	<b>45,191</b>	<b>28,830</b>
<b>Profit and total comprehensive income attributable to:</b>					
Owners of the Company		25,697	16,557	44,769	28,582
Non-controlling interests		222	193	422	248
<b>Profit and total comprehensive income for the period</b>		<b>25,919</b>	<b>16,750</b>	<b>45,191</b>	<b>28,830</b>
<b>Basic earnings per ordinary share attributable to Owners of the Company (sen):</b>					
<b>Basic</b>	B12	9.21	5.93	16.04	10.24
<b>Diluted</b>	B12	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this report)

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**Condensed Consolidated Statement of Changes in Equity**

(The figures have not been audited)

	Notes	Attributable to Owners of the Company				Total RM'000	Non- controlling interests RM'000	Total equity RM'000
		Non-distributable		Distributable				
		Share capital RM'000	Equity reserve RM'000	Treasury shares RM'000	Retained earnings RM'000			
<b>At 1 January 2024</b>		340,969	493	(2,105)	409,185	748,542	(5,904)	742,638
<b>Profit and total comprehensive income for the period</b>		-	-	-	44,769	44,769	422	45,191
<b>Less: First interim, single tier exempt dividend in respect of the financial year ending 2024</b>	B11(b)	-	-	-	(13,951)	(13,951)	-	(13,951)
<b>Dividend paid to non-controlling interest</b>		-	-	-	-	-	(120)	(120)
<b>At 30 June 2024</b>		340,969	493	(2,105)	440,003	779,360	(5,602)	773,758

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this report)



**Condensed Consolidated Statement of Changes in Equity (continued)**  
(The figures have not been audited)

Notes	Attributable to Owners of the Company				Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Non-distributable		Distributable				
	Share capital RM'000	Equity reserve RM'000	Treasury shares RM'000	Retained earnings RM'000			
<b>At 1 January 2023</b>	340,969	493	(2,105)	372,644	712,001	(6,046)	705,955
<b>Profit and total comprehensive income for the period</b>	-	-	-	28,582	28,582	248	28,830
<b>Less: First interim, single tier exempt dividend in respect of the financial year ending 2023</b>	-	-	-	(13,951)	(13,951)	-	(13,951)
<b>Dividend paid to non-controlling interest</b>	-	-	-	-	-	(150)	(150)
<b>At 30 June 2023</b>	340,969	493	(2,105)	387,275	726,632	(5,948)	720,684

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to this report)





**Condensed Consolidated Statement of Cash Flows**  
(The figures have not been audited)

	Cumulative Quarter (6 Months)	
	Current Year - Period To Date 30/6/2024 (Unaudited) RM'000	Preceding Year - Period To Date 30/6/2023 (Unaudited) RM'000
<b>Cash flows from operating activities</b>		
<b>Profit before tax</b>	<b>60,813</b>	<b>38,434</b>
<i>Adjustments for:</i>		
Change in fair value of biological assets	(19,869)	(6,089)
Depreciation of property, plant and equipment	9,014	9,041
Depreciation of bearer plants	10,729	10,499
Depreciation of investment properties	116	116
Depreciation of right-of-use assets	1,015	984
Gain on disposal of right-of-use assets	-	(1,397)
Loss on disposal of property, plant and equipment	-	7
Property, plant and equipment written off	263	1
Finance income	(2,921)	(2,083)
Finance costs	146	177
<b>Operating profit before changes in working capital</b>	<b>59,306</b>	<b>49,690</b>
Change in inventories	(5,430)	(3,230)
Change in trade and other receivables, deposits and prepayments	346	2,934
Change in trade and other payables	(6,688)	(13,863)
<b>Cash generated from operations</b>	<b>47,534</b>	<b>35,531</b>
Net tax paid	(9,900)	(11,921)
Interest/Profit paid	(424)	(209)
Hire purchase facility interest/profit paid	(52)	(73)
Interest received	2,707	2,253
<b>Net cash from operating activities</b>	<b>39,865</b>	<b>25,581</b>

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**Condensed Consolidated Statement of Cash Flows**

(The figures have not been audited)

	<b>Cumulative Quarter (6 Months)</b>	
	<b>Current Year - Period To Date 30/6/2024 (Unaudited) RM'000</b>	<b>Preceding Year - Period To Date 30/6/2023 (Unaudited) RM'000</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(1,052)	(6,735)
Net movement of deposits with original maturities exceeding three months	298	(13,227)
Bearer plants (net of depreciation)	(14,708)	(10,178)
Proceeds from disposal of property, plant and equipment		168
Proceeds from disposal of right -of- use assets	-	1,537
<b>Net cash used in investing activities</b>	<b>(15,462)</b>	<b>(28,435)</b>
<b>Cash flows from financing activities</b>		
Proceeds from term loans and revolving credits	14,770	10,000
Dividend paid to shareholders of the Company	(13,951)	(27,903)
Dividend paid to non-controlling interest	(120)	(150)
Repayment of term loans and revolving credits	(5,000)	(18,000)
Repayment of hire purchase facilities	(858)	(1,298)
Repayment of lease liabilities	(22)	(20)
<b>Net cash used in financing activities</b>	<b>(5,181)</b>	<b>(37,371)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>19,222</b>	<b>(40,225)</b>
<b>Cash and cash equivalents as at 1 January</b>	<b>114,594</b>	<b>125,985</b>
<b>Cash and cash equivalents as at 30 June</b>	<b>133,816</b>	<b>85,760</b>
<b>Represented by:</b>		
Deposits with original maturities not exceeding three months	129,429	81,561
Cash and bank balances	4,387	4,199
<b>Cash and cash equivalents</b>	<b>133,816</b>	<b>85,760</b>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying notes attached to this report)



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## Part A – Explanatory Notes Pursuant to MFRS Accounting Standards (“MFRS”) 134

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### A1. Basis of preparation

#### 1. Statement of compliance

The condensed consolidated interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of MFRS Accounting Standards (“MFRS”) 134, *Interim Financial Reporting*, the International Accounting Standards (“IAS”) 34 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed consolidated financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023.

#### 2. Significant accounting policies

##### 2.1 Adoption of new/revised MFRS Accounting Standards, Amendments and Interpretations

The Group’s financial statements for annual period beginning on 1 January 2024 is prepared in accordance with the MFRS Accounting Standards (“MFRSs”) as issued by the Malaysian Accounting Standards Board (“MFRS Accounting Standards”).

The Group adopted the following accounting standards, amendments and interpretations where applicable for the annual period beginning 1 January 2024:

##### **MFRS Accounting Standards / Amendments / Interpretations**

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures - Supplier Finance Arrangements*

The initial application of the MFRS Accounting Standards, interpretations or amendments that are effective from annual period beginning 1 January do not have any material financial impacts to the current period and prior period financial statements of the Group and the Company.

##### 2.2 MFRS Accounting Standards issued but not yet effective

<b>MFRS Accounting Standards / Amendments / Interpretations</b>	<b>Effective date</b>
• Amendments to MFRS 121, <i>The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability</i>	1 January 2025
• Amendments to MFRS 9, <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments</i>	1 January 2026
• MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
• MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
• Amendments to MFRS 10, <i>Consolidated Financial Statements</i> and MFRS 128, <i>Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Yet to be determined



**Part A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134**

**A1. Basis of preparation (continued)**

**2.2 MFRS Accounting Standards issued but not yet effective (continued)**

The Group will adopt the above where applicable when they become effective in the respective financial periods.

The initial application of the above accounting standards, interpretations or amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group.

**A2. Seasonality or Cyclicity of Interim Operations**

The Group's performance is affected by the cropping pattern of fresh fruit bunches (“FFB”) which normally reaches its peak in the second half of the year, that will be reflected accordingly in the crude palm oil (“CPO”) and palm kernel (“PK”) production of the Group. The performance is also affected by the prices of CPO and PK which are determined by global supply and demand situation for edible oils and fats.

**A3. Unusual Items Affecting Assets, Liabilities, Equity, Net income or Cash Flows**

There were no items affecting assets, liabilities, equity, net income, or cash flows, which were unusual in nature, size or incidence during the current interim financial period.

**A4. Material Changes in Estimates**

There were no changes in the estimates of amounts reported in prior financial years and preceding interim periods, which have a material effect in the current interim financial period.

**A5. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the current interim financial period.

**A6. Dividends Paid**

	Cumulative Quarter (6 Months)	
	Current Year - Period to Date 30/6/2024 RM'000	Preceding Year - Period to Date 30/6/2023 RM'000
Second interim, single tier exempt dividend in respect of the financial year ended 31 December 2022 - 10 sen per ordinary share, paid on 19 January 2023	-	27,903
Second interim, single tier exempt dividend in respect of the financial year ended 31 December 2023 - 5 sen per ordinary share, paid on 19 January 2024	13,951	-
<b>Total</b>	<b>13,951</b>	<b>27,903</b>

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**Part A – Explanatory Notes Pursuant to MFRS 134****A7. Disaggregation of revenue****Individual Quarter (Q2)**

	Oil palm operation		Management / Agronomic services		Total	
	Current Year Quarter 30/6/2024 RM'000	Preceding Year Corresponding Quarter 30/6/2023 RM'000	Current Year Quarter 30/6/2024 RM'000	Preceding Year Corresponding Quarter 30/6/2023 RM'000	Current Year Quarter 30/6/2024 RM'000	Preceding Year Corresponding Quarter 30/6/2023 RM'000
<b>Major products and service lines</b>						
Sales of oil palm products	131,242	127,159	-	-	131,242	127,159
Management/Agronomic services income	-	-	113	85	113	85
	131,242	127,159	113	85	131,355	127,244
<b>Other revenue</b>	-	-	106	106	106	106
<b>Total revenue</b>	131,242	127,159	219	191	131,461	127,350
<b>Major products and service lines</b>						
<b>Geographical markets</b>						
Malaysia	131,242	127,159	113	85	131,355	127,244
<b>Timing and recognition</b>						
At a point in time	131,242	127,159	113	85	131,355	127,244
Over time	-	-	-	-	-	-
	131,242	127,159	113	85	131,355	127,244

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**Part A – Explanatory Notes Pursuant to MFRS 134****A7. Disaggregation of revenue (continued)****Cumulative Quarter (6 Months)**

	Oil palm operation		Management / Agronomic services		Total	
	Current Year- Period To Date 30/6/2024 RM'000	Preceding Year- Period To Date 30/6/2023 RM'000	Current Year- Period To Date 30/6/2024 RM'000	Preceding Year- Period To Date 30/6/2023 RM'000	Current Year- Period To Date 30/6/2024 RM'000	Preceding Year- Period To Date 30/6/2023 RM'000
<b>Major products and service lines</b>						
Sales of oil palm products	258,360	238,412	-	-	258,360	238,412
Management/Agronomic services income	-	-	209	181	209	181
	258,360	238,412	209	181	258,569	238,593
<b>Other revenue</b>	-	-	213	213	213	213
<b>Total revenue</b>	258,360	238,412	422	394	258,782	238,806
<b>Major products and service lines</b>						
<b>Geographical markets</b>						
Malaysia	258,360	238,412	209	181	258,569	238,593
<b>Timing and recognition</b>						
At a point in time	258,360	238,412	209	181	258,569	238,593
Over time	-	-	-	-	-	-
	258,360	238,412	209	181	258,569	238,593



**Part A – Explanatory Notes Pursuant to MFRS 134**

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**A8. Segment Information**

The Group's business segments mainly comprise the following three major business segments:-

- (i) Investment holding**  
Investment holding company
- (ii) Oil palm operations**
  - Estate operations (Cultivation of oil palm)
  - Mill operations (processing of fresh fruit bunches)
- (iii) Agronomic/ marketing services and rental**  
Provision of agronomic/ marketing service and rental of investment properties



**Part A – Explanatory Notes Pursuant to MFRS 134**

**A8. Segment Information (continued)**

**Individual Quarter (Q2)**

	Investment holding	Management/ marketing/ agronomic services and rental	Oil palm operations		Consolidated	
			Estate operations	Mill operations	Total	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>30/6/2024</b>						
<b>Revenue</b>						
Segment revenue	5,500	786	59,086	120,443	179,529	185,815
Inter-segment	(5,500)	(567)	-	-	(48,287)	(54,354)
External revenue	-	219	59,086	120,443	131,242	131,461
<b>Cost of sales</b>						
Segment cost of sales	-	(352)	(36,376)	(109,027)	(145,403)	(145,755)
Inter-segment	-	20	-	-	48,400	48,420
External cost of sales	-	(332)	(36,376)	(109,027)	(97,003)	(97,335)
<b>Gross (loss)/profit</b>	-	(113)	22,710	11,416	34,239	34,126
Distribution expenses	-	-	(1,269)	(6,408)	(7,677)	(7,677)
<b>Segment (loss)/profit</b>	-	(113)	21,441	5,008	26,562	26,449
Other income including finance income	997	51			1,997	3,045
Inter-segment	-	-			(136)	(136)
External other income	997	51			1,861	2,909
Other expenses including finance costs	(437)	(127)			(3,692)	(4,256)
Inter-segment	7	1			412	420
External other expenses	(430)	(126)			(3,280)	(3,836)
<b>Operating profit/(loss) before tax</b>	567	(188)			25,143	25,522
Other non-operating income - Change in fair value of biological assets	-	-			8,935	8,935
<b>Profit/(Loss) before tax</b>	567	(188)			34,078	34,457





**Part A – Explanatory Notes Pursuant to MFRS 134**

**A8. Segment Information (continued)**

**Individual Quarter (Q2)**

	Investment holding	Management/ marketing/ agronomic services and rental	Oil palm operations		Consolidated	
			Estate operations	Mill operations	Total	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>30/6/2023</b>						
<b>Revenue</b>						
Segment revenue	4,500	601	48,725	118,253	166,978	172,079
Inter-segment	(4,500)	(410)	-	-	(39,819)	(44,729)
External revenue	-	191	48,725	118,253	127,159	127,350
<b>Cost of sales</b>						
Segment cost of sales	-	(407)	(35,812)	(104,120)	(139,932)	(140,339)
Inter-segment	-	20	-	-	39,984	40,004
External cost of sales	-	(387)	(35,812)	(104,120)	(99,948)	(100,335)
<b>Gross (loss)/profit</b>	-	(196)	12,913	14,133	27,211	27,015
Distribution expenses	-	-	(662)	(6,400)	(7,062)	(7,062)
<b>Segment (loss)/profit</b>	-	(196)	12,251	7,733	20,149	19,953
Other income including finance income	840	33			1,181	2,054
Inter-segment	-	-			(62)	(62)
External other income	840	33			1,119	1,992
Other expenses including finance costs	(455)	(45)			(3,810)	(4,310)
Inter-segment	7	1			129	137
External other expenses	(448)	(44)			(3,681)	(4,173)
<b>Operating profit/(loss) before tax</b>	392	(207)			17,587	17,772
Other non-operating income - Change in fair value of biological assets	-	-			4,632	4,632
<b>Profit/(Loss) before tax</b>	392	(207)			22,219	22,404



**Part A – Explanatory Notes Pursuant to MFRS 134**

**A8. Segment Information (continued)**

**Cumulative Quarter (6 Months)**

	Investment holding	Management/ marketing/ agronomic services and rental	Oil palm operations		Consolidated	
			Estate operations	Mill operations	Total	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>30/6/2024</b>						
<b>Revenue</b>						
Segment revenue	13,780	1,419	110,059	238,334	348,393	363,592
Inter-segment	(13,780)	(997)	-	-	(90,033)	(104,810)
External revenue	-	422	110,059	238,334	258,360	258,782
<b>Cost of sales</b>						
Segment cost of sales	-	(741)	(74,748)	(214,586)	(289,334)	(290,075)
Inter-segment	-	40	-	-	90,270	90,310
External cost of sales	-	(701)	(74,748)	(214,586)	(199,064)	(199,765)
<b>Gross (loss)/profit</b>	-	(279)	35,311	23,748	59,296	59,017
Distribution expenses	-	-	(2,267)	(12,712)	(14,979)	(14,979)
<b>Segment (loss)/profit</b>	-	(279)	33,044	11,036	44,317	44,038
Other income including finance income	1,947	99			3,600	5,646
Inter-segment	-	-			(298)	(298)
External other income	1,947	99			3,302	5,348
Other expenses including finance costs	(832)	(176)			(8,152)	(9,160)
Inter-segment	13	3			702	718
External other expenses	(819)	(173)			(7,450)	(8,442)
<b>Operating profit/(loss) before tax</b>	1,128	(353)			40,169	40,944
Other non-operating income - Change in fair value of biological assets	-	-			19,869	19,869
<b>Profit/(Loss) before tax</b>	1,128	(353)			60,038	60,813



**Part A – Explanatory Notes Pursuant to MFRS 134**

**A8. Segment Information (continued)**

**Cumulative Quarter (6 Months)**

	Investment holding	Management/ marketing/ agronomic services and rental	Oil palm operations		Consolidated	
			Estate operations	Mill operations	Total	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>30/6/2023</b>						
<b>Revenue</b>						
Segment revenue	4,850	1,095	95,547	221,300	316,847	322,792
Inter-segment	(4,850)	(701)	-	-	(78,435)	(83,986)
External revenue	-	394	95,547	221,300	238,412	238,806
<b>Cost of sales</b>						
Segment cost of sales	-	(758)	(71,563)	(196,802)	(268,365)	(269,123)
Inter-segment	-	40	-	-	78,648	78,688
External cost of sales	-	(718)	(71,563)	(196,802)	(189,717)	(190,435)
<b>Gross (loss)/profit</b>	-	(324)	23,984	24,498	48,695	48,371
Distribution expenses	-	-	(1,599)	(11,948)	(13,547)	(13,547)
<b>Segment (loss)/profit</b>	-	(324)	22,385	12,550	35,148	34,824
Other income including finance income	1,727	72			3,961	5,760
Inter-segment	-	-			(121)	(121)
External other income	1,727	72			3,840	5,639
Other expenses including finance costs	(831)	(93)			(7,468)	(8,392)
Inter-segment	13	3			258	274
External other expenses	(818)	(90)			(7,210)	(8,118)
<b>Operating profit/(loss) before tax</b>	909	(342)			31,778	32,345
Other non-operating income - Change in fair value of biological assets	-	-			6,089	6,089
<b>Profit/(Loss) before tax</b>	909	(342)			37,867	38,434



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**Part A – Explanatory Notes Pursuant to MFRS 134**

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**A8. Segment Information (continued)**  
**Segment assets and liabilities**

	<b>As At End Of Current Financial Period</b>
	<b>30/6/2024</b>
	<b>RM'000</b>
<b>Segment assets:</b>	
Investment holding	457,273
Oil palm operations	847,062
Management services/Rental	22,587
	<hr/> 1,326,922
Elimination	(329,988)
	<hr/>
<b>Total assets</b>	<b>996,934</b>
	<hr/>
<b>Segment liabilities:</b>	
Investment holding	23,451
Oil palm operations	229,341
Management services/Rental	571
	<hr/> 253,363
Elimination	(30,187)
	<hr/>
<b>Total liabilities</b>	<b>223,176</b>
	<hr/>

**A9. Impairment of Assets**

There was neither impairment loss nor reversal of such impairment loss recognised during the current financial period.

**A10. Material Events Subsequent to the End of the Interim Period**

There were no material events subsequent to the end of the current interim financial period that have not been reflected in the financial statements for the current interim financial period.

**A11. Changes in the Composition of the Group**

As at 30 June 2024, there were no changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiary companies and long-term investments, restructurings and discontinued operations.



**Part A – Explanatory Notes Pursuant to MFRS 134**

**A12. Changes in Contingent Liabilities and Contingent Assets**

As at 30 June 2024, there were no material contingent liabilities or contingent assets, which upon being enforced might have a material impact on the financial position or business of the Group.

**A13. Capital Expenditure Commitments**

As at 30 June 2024, there were no material capital commitments for capital expenditure, contracted for or known to be contracted for by the Group which might have a material impact on the financial position or business of the Group, except as disclosed below:

	<b>At 30/6/2024</b>
	<b>RM'000</b>
<b>Contracted but not provided for</b>	
Property, plant and equipment	9,793

**A14. Unfulfilled Contract Obligation**

As at 30 June 2024, unfulfilled contract obligation of the Group is as disclosed below:

	<b>At 30/6/2024</b>
	<b>RM'000</b>
Sale Contracts	9,291

**A15. Significant Related Party Transactions**

The significant related party transactions during the financial period as set out below represent significant transactions with companies having common directorship or in which certain Directors or person connected to a Director have interests.

	<b>Cumulative Quarter (6 Months)</b>	<b>Preceding Year - Period To Date</b>
	<b>Current Year - Period To Date 30/6/2024</b>	<b>30/6/2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Purchase of goods and/or services :</b>		
a. Danawa Resources Sdn. Bhd.		
- Rental and annual support for satellite broadband services	77	102
b. Intuitive Systems Sdn. Bhd.		
- Software support, customisation, maintenance fee	273	237
- Purchase of assets and IT equipment	4	12
c. Stonehead Sdn. Bhd.		
- Purchase of materials	1,496	717
d. Butrasemari Sdn. Bhd.		
- Purchase of fresh fruit bunches	-	234



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**Part A – Explanatory Notes Pursuant to MFRS 134**

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**A15. Significant Related Party Transactions (continued)**

	<b>Cumulative Quarter (6 Months)</b>	
	<b>Current Year - Period To Date 30/6/2024 RM'000</b>	<b>Preceding Year - Period To Date 30/6/2023 RM'000</b>
<b>Purchase of goods and/or services :</b>		
e. Ta Ann Plywood Sdn. Bhd.		
- Field maintenance work	4	3
f. Ironhead Sdn. Bhd.		
- Purchase of equipment	246	484
- Services of equipment	96	6
g. Lik Shen Sawmill Sdn. Bhd.		
- Purchase of materials	75	24
- Purchase of furniture and fittings	15	-
h. Key Ta Trading Sdn. Bhd.		
- Purchase of spare parts, lubricants and fertilisers	579	709
- Transport service	32	92
i. Key Jaya Trading Sdn. Bhd.		
- Purchase of diesel	1,690	1,515
j. Acosafe Sdn Bhd		
- Insurance premium	536	540
k. Ladang Selezu Sdn. Bhd.		
- Purchase of fresh fruit bunches	-	157
l. TBS Oil Mill Sdn. Bhd.		
- Transport service	62	120
m. Ta Ann Holdings Bhd		
- Rental of office space	29	29
n. Pelitama Sdn. Bhd.		
- Purchase of spare parts	-	18



**Part A – Explanatory Notes Pursuant to MFRS 134**

**A15. Significant Related Party Transactions (continued)**

	<b>Cumulative Quarter (6 Months)</b>	<b>Preceding Year - Period To Date</b>
	<b>Current Year - Period To Date 30/6/2024</b>	<b>30/6/2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Sales and/or provision of services :</b>		
a. Manis Oil Sdn. Bhd.		
- Sale of fresh fruit bunches	10,550	9,347
b. TBS Oil Mill Sdn. Bhd.		
- Sale of fresh fruit bunches	6,846	5,684
c. TABM Sdn Bhd		
- Sale of palm kernel shell	1,193	2,335
d. Ta Ann Plywood Sdn. Bhd.		
- Sales of oil palm seeds	142	109
- Agronomics service fee income	4	12
e. Multi Maximum Sdn. Bhd.		
- Sales of oil palm seeds	94	-
- Agronomics service fee income	1	-
f. Ta Ann Pelita Ngemah Sdn. Bhd.		
- Agronomics service fee income	-	2
g. Ta Ann Pelita Baleh Sdn. Bhd.		
- Agronomics service fee income	1	-
h. Ta Ann Pelita Igan Plantation Sdn. Bhd.		
- Sales of seedlings	600	-
- Agronomics service fee income	6	5
i. Ta Ann Pelita Assan Plantation Sdn. Bhd.		
- Agronomics service fee income	2	1
j. Ta Ann Pelita Silas Plantation Sdn. Bhd.		
- Agronomics service fee income	3	-
k. Butrasemari Sdn. Bhd.		
- Agronomics service fee income	4	3
l. Ladang Selezu Sdn. Bhd.		
- Agronomics service fee income	3	3



**Part A – Explanatory Notes Pursuant to MFRS 134**

**A15. Significant Related Party Transactions (continued)**

	<b>Cumulative Quarter (6 Months)</b>	<b>Preceding Year - Period To Date</b>
	<b>Current Year - Period To Date 30/6/2024 RM'000</b>	<b>30/6/2023 RM'000</b>
<b>Sales and/or provision of services (continued) :</b>		
m. Mega Bumimas Sdn. Bhd.		
- Agronomics service fee income	3	-
n. Sebbubu Sdn. Bhd.		
- Agronomics service fee income	2	1
- Sales of oil palm seeds	97	-
o. Palmhead Sdn. Bhd		
- Agronomics service fee income	7	3
p. Pelitama Sdn. Bhd.		
- Agronomics service fee income	2	-
q. Agrogreen Ventures Sdn. Bhd		
- Agronomics service fee income	3	-
r. Zumida Oil Palm Sdn. Bhd		
- Agronomics service fee income	6	-

The Directors are of the opinion that all the transactions above have been entered into in the normal course of business and they are effected on terms not materially different from those obtainable in transactions with unrelated parties.





**Part A – Explanatory Notes Pursuant to MFRS 134**

**A16. Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income Disclosures**

	Individual Quarter (Q2)		Cumulative Quarter (6 Months)	
	Current Year Quarter 30/6/2024 RM'000	Preceding Year Corresponding Quarter 30/6/2023 RM'000	Current Year - Period To Date 30/6/2024 RM'000	Preceding Year - Period To Date 30/6/2023 RM'000
<b>Profit before tax is arrived at after charging:</b>				
Depreciation of property, plant and equipment	4,505	4,562	9,014	9,041
Depreciation of right-of-use assets	506	494	1,015	984
Depreciation of bearer plants	5,331	5,250	10,729	10,499
Depreciation of investment properties	58	58	116	116
Property, plant and equipment written off	-	-	263	1
Loss on disposal of property, plant and equipment	-	7	-	7
Finance costs	77	93	146	177
<b>Profit before tax is arrived at after crediting:</b>				
Other non-operating income - Change in fair value of biological assets	8,935	4,632	19,869	6,089
Gain on disposal of right-of-use assets	-	-	-	1,397
Other income	1,385	975	2,427	2,159
Finance income	1,524	1,017	2,921	2,083

Other items not applicable to the Group are foreign exchange gain or loss and gain or loss on derivatives.



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**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

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**B1. Review of Performance**

**Quarter 2, 2024 vs Quarter 2, 2023**

The Group recorded revenue of RM131.5 million in the current interim quarter ended 30 June 2024 compared with RM127.4 million reported in the corresponding period of the preceding year.

The Group's operating profit before tax was RM25.5 million for the current interim quarter compared to RM17.8 million for the corresponding period of the preceding year. The increase in operating profit was principally due to the effect of higher realised average selling price of CPO and PK despite lower sales volume of CPO and PK during the current interim quarter.

The Group recorded a profit before tax of RM34.5 million for the current interim quarter as compared to RM22.4 million in the corresponding period of the preceding year, in line with the increase in operating profit for the current interim quarter coupled with a higher gain on fair value changes in biological assets of RM8.9 million against RM4.6 million in the corresponding period of the preceding year.

The performance of the respective major business segments of the Group are as follows:

Oil palm operations

The oil palm operations comprise estate and mill operations. During the current interim quarter, estate operations recorded a segment revenue and segment profit of RM59.1 million and RM21.4 million respectively, whereas mill operations recorded a segment revenue and segment profit of RM120.4 million and RM5.0 million respectively.

For the current interim quarter, the oil palm operations segment contributed 99.8% of the Group's revenue of RM131.5 million.

Revenue of the oil palm operations increased by RM4.0 million to RM131.2 million in the current interim quarter compared with RM127.2 million reported in the corresponding period of the preceding year. The increase was principally attributable to the higher realised average selling prices of CPO and PK by 5.7% and 20.7% respectively despite lower sales volume of CPO and PK by 3.9% and 7.4% during the current interim quarter.

The operating profit before tax for the oil palm operations (after deducting administrative and finance cost) was RM25.1 million for the current interim quarter as compared to operating profit before tax of RM17.6 million for the corresponding period of the preceding year. The increase in operating profit before tax was in line with the increase in revenue.

Other segments

Other segments' results for the current financial period are insignificant to the Group



**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

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**B1. Review of Performance (continued)**

**Six Months ended 30 June 2024 vs Six Months ended 30 June 2023**

The Group recorded revenue of RM258.8 million in the current financial period ended 30 June 2024 compared with RM238.8 million reported in the corresponding period of the preceding year.

The Group's operating profit before tax was RM40.9 million for the current financial period compared to operating profit before tax of RM32.3 million for the corresponding period of the preceding year. The increase in operating profit was principally due to the effect of higher realised average selling prices and higher sales volume of CPO and PK during the current financial period.

The Group recorded a profit before tax of RM60.8 million for the current financial period, as compared to a profit before tax of RM38.4 million in the corresponding period of the preceding year in line with the increase in operating profit for the current financial period coupled with higher gain on fair value changes in biological assets.

The performance of the respective major business segments of the Group are as follows:

Oil palm operations

The oil palm operations comprise estate and mill operations. During the current financial period, estate operations recorded a segment revenue and segment profit of RM110.0 million and RM33.0 million respectively, whereas mill operations recorded a segment revenue and segment profit of RM238.3 million and RM11.0 million respectively.

For the current financial period, the oil palm operations segment contributed 99.8% of the Group revenue of RM258.8 million.

Revenue of the oil palm operations increased by RM20.0 million to RM258.4 million in the current financial period compared with RM238.4 million reported in the corresponding period of the preceding year. The increase was principally attributed to the effect of higher realised average selling price and higher sales volume of CPO and PK during the current financial period.

Average selling prices of CPO and PK had increased approximately by 2.4% and 13.8% respectively and sales volumes of CPO and PK had increased by approximately 5.2% and 2.5% respectively for the current financial period.

The operating profit before tax for the oil palm operations (after deducting administrative and finance cost) was RM40.2 million for the current financial period as compared to operating profit before tax of RM31.8 million for the corresponding period of the preceding year. The increase in operating profit before tax was in line with the increase in revenue.

Other segments

Other segments' results for the current financial period are insignificant to the Group.



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**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

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**B2. Material Changes in Profit Before Tax for the Current Quarter as compared with the Immediate Preceding Quarter**

For the quarter under review, the Group recorded an operating profit before tax of RM25.5 million for the current quarter compared with an operating profit before tax of RM15.4 million in the preceding quarter, mainly due to the effect of higher realised average selling prices of CPO and PK by approximately 2.8% and 9.2% respectively.

The Group recorded a profit before tax of RM34.5 million for the current quarter as compared to RM26.3 million in the preceding quarter. The increase in profit before tax was in line with the increase in revenue.

**B3. Prospects for the Current Financial Year**

Palm oil production is anticipated to be better in the second half of the year following the peak crop season. However, climate phenomenon like the La Nina may disrupt production.

On the other hand, tight supplies coupled with steady demand will cause the price of Crude Palm Oil (“CPO”) to remain firm. Nonetheless global economic outlook and geopolitical uncertainties will affect demand growth and supply chains.

Hence, the Group will continue to prioritise replanting of its old, less productive palms for production growth and focus on achieving a reasonable level of production and cost effectiveness.

Barring any unforeseen circumstances and subject to a sustainable CPO price, the Board of Directors anticipates to achieve a satisfactory performance for the current financial year.

**B4. Profit Forecast or Profit Guarantee**

Not applicable



**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

**B5. Taxation**

	Individual Quarter (Q2)		Cumulative Quarter (6 Months)	
	Current Year Quarter 30/6/2024 RM'000	Preceding Year Corresponding Quarter 30/6/2023 RM'000	Current Year - Period To Date 30/6/2024 RM'000	Preceding Year - Period To Date 30/6/2023 RM'000
Current tax expense	6,113	5,176	10,410	8,821
Deferred taxation	2,425	478	5,212	783
	<u>8,538</u>	<u>5,654</u>	<u>15,622</u>	<u>9,604</u>

The Group's effective tax rate for the current financial period is higher than the statutory tax rate principally due to non deductible expenditure.

**B6. Other Investments**

There was no purchase or disposal of quoted securities for the current financial period.

The investments as at 30 June 2024 are as follows:

	At 30/6/2024 RM'000
<u>Current</u>	
Deposits with original maturities exceeding three months	46,935
	<u>46,935</u>

**B7. Loans and Borrowings - Secured**

	At 30/6/2024 RM'000
<u>Non-current</u>	
Hire purchase facilities	1,411
Term loan	17,376
	<u>18,787</u>
<u>Current</u>	
Hire purchase facilities	1,324
	<u>1,324</u>
Total loans and borrowings	<u><u>20,111</u></u>



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**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

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**B7. Loans and Borrowings - Secured (continued)**

**Revolving Credit converted to Term Loan (“Conventional term loan”)**

The Conventional term loan is term loan facility converted from existing revolving credit facility of RM40 million pursuant to a Supplementary Agreement entered with the Bank on 25 October 2023.

This Conventional term loan is secured by way of the Company’s corporate guarantee and legal charge over certain land and buildings of a subsidiary.

The Conventional term loan is for a tenure of up to 8 years from the date of first disbursement, inclusive of 3 years of grace period from the date of first disbursement or 1 October 2026, whichever is earlier, followed by a 5 year monthly principal instalments.

The Conventional term loan bears interest rate at 0.75% per annum above the Bank’s cost of funds.

**Revolving Credit (Revolving Credits –i)**

The revolving credit facility of RM30 million is an Islamic facility under Bai’ Inah contract, is secured by way of legal charge over certain land and buildings of a subsidiary and a corporate guarantee from the Company.

The Revolving Credit – i bears profit rate of 12% per annum, which is equivalent to effective profit rate of 0.60% per annum above the Bank’s i-cost of funds.

**Term Loan (Term Financing –j)**

The term loan facility of RM40 million is an Islamic facility under Murabahah Tawarruq contract pursuant to a Facility Agreement entered into by a subsidiary of the Company with the Bank on 25 October 2023. The term loan is secured by way of the legal charge over certain land and buildings of a subsidiary and a corporate guarantee from the Company.

The term loan is for a tenure of up to 8 years from the date of first disbursement, inclusive of 3 years of grace period from the date of first disbursement or 1 October 2026, whichever is earlier, followed by a 5 year monthly principal instalments.

The term loan bears profit rate of 12% per annum, which is equivalent to effective profit rate of 0.75% per annum above the Bank’s i-cost of funds.

**Hire purchase facilities**

The hire purchase facilities are secured on property, plant and equipment under the hire purchase.

Hire purchase facility and Hire purchase facility (Islamic) carry interest/profit rates at 4.85% per annum.

The above borrowings are denominated in Ringgit Malaysia.

**B8. Corporate Proposals**

**Status of Corporate Proposals Announced**

There was no corporate proposal being announced during the current financial period.

**B9. Gains/Losses from Fair Value Changes of Financial Liabilities**

There were no gains/losses arising from fair value changes of financial liabilities during the current financial period.



**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

**B10. Changes in Material Litigation**

As at 16 August 2024 (being the latest practicable date which is not earlier than 7 days from the date of the issue of this quarterly report), there is no material litigation or arbitration in which the Company and/or any of its subsidiaries were involved either as plaintiff or defendant which has a material effect on the Group's financial position.

**B11. Dividend Declared**

- (a) On 27 November 2023, the Board of Directors had declared a second interim, single tier dividend of 5 sen per share, totalling approximately RM14 million, in respect of the financial year ended 31 December 2023, paid to shareholders on 19 January 2024.
- (b) On 21 May 2024, the Board of Directors had declared a first interim, single tier dividend of 5 sen per share, totalling approximately RM14 million, in respect of the financial year ending 31 December 2024, paid to shareholders on 19 July 2024.

**B12. Earnings per Share**

	Individual Quarter (Q2)		Cumulative Quarter (6 Months)	
	Current Year Quarter 30/6/2024	Preceding Year Corresponding Quarter 30/6/2023	Current Year - Period To Date 30/6/2024	Preceding Year - Period To Date 30/6/2023
Profit attributable to Owners of the Company (RM'000)	25,697	16,557	44,769	28,582
Weighted average number of ordinary shares in issue (unit)	279,032	279,032	279,032	279,032
Basic earnings per share (sen)	9.21	5.93	16.04	10.24
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A

***Basic earnings per share***

The calculation of basic earnings per share for the interim quarter and financial year is based on the profit attributable to owners of the Company and on the weighted average number of ordinary shares in issue less the weighted average number of treasury shares held by the Company.

***Diluted earnings per share***

The diluted earnings per share for the interim quarter and financial year were not computed as the Company does not have any potentially dilutive ordinary shares as at 30 June 2024.



**SARAWAK PLANTATION BERHAD**

Registration No. 199701035877 (451377-P)

(Incorporated in Malaysia)

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**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

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**B13. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2023 was unqualified.

**B14. Authorised for Issue**

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board on 23 August 2024.

*By Order of the Board*

Company Secretary  
Kuching

23 August 2024