



SARAWAK PLANTATION BERHAD

Registration No. 199701035877 (451377-P)

(Incorporated in Malaysia)

INTERIM REPORT FOR 4TH QUARTER ENDED 31 DECEMBER 2022



SARAWAK PLANTATION BERHAD
Registration No. 199701035877 (451377-P)
(Incorporated in Malaysia)

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INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

(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 31/12/2022 (Unaudited) RM'000	As At End Of Preceding Financial Year 31/12/2021 Audited RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		262,664	263,811
Bearer plants		330,169	330,646
Right-of-use assets		95,226	95,135
Investment properties		5,223	5,457
Total non-current assets		693,282	695,049
Current assets			
Biological assets		56,828	63,999
Inventories		18,182	19,523
Trade and other receivables		13,459	13,735
Prepayments and other assets		7,380	6,931
Other investments	B6	35,560	61,825
Cash and cash equivalents		125,985	113,621
Total current assets		257,394	279,634
TOTAL ASSETS		950,676	974,683



Condensed Consolidated Statement of Financial Position (continued)

(The figures have not been audited)

	Notes	As At End Of Current Financial Year 31/12/2022 (Unaudited) RM'000	As At End Of Preceding Financial Year 31/12/2021 (Audited) RM'000
EQUITY AND LIABILITIES			
Equity			
Share capital	A5	340,969	340,969
Reserves		371,032	330,126
Equity attributable to Owners of the Company		712,001	671,095
Non-controlling interests		(6,046)	(6,524)
Total equity		705,955	664,571
Non-current liabilities			
Deferred tax liabilities		123,007	126,013
Loans and borrowings	B7	1,315	1,905
Lease liabilities		2,434	2,278
Total non-current liabilities		126,756	130,196
Current liabilities			
Trade and other payables		64,928	69,428
Loans and borrowings	B7	10,279	64,847
Lease liabilities		39	232
Current tax payable		14,816	17,506
Dividend payable		27,903	27,903
Total current liabilities		117,965	179,916
Total liabilities		244,721	310,112
TOTAL EQUITY AND LIABILITIES		950,676	974,683
Net assets per share attributable to Owners of the Company (RM)		2.55	2.40

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 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 (Q4)		Cumulative Quarter (12 Months)	
		Current Year Quarter 31/12/2022 (Unaudited) RM'000	Preceding Year Corresponding Quarter 31/12/2021 (Unaudited) RM'000	Current Year - Period To Date 31/12/2022 (Unaudited) RM'000	Preceding Year - Period To Date 31/12/2021 (Audited) RM'000
Revenue		158,083	243,637	710,912	790,524
Cost of sales		(121,694)	(166,309)	(505,739)	(578,963)
Gross profit		36,389	77,328	205,173	211,561
Other income		1,069	249	2,883	1,522
Distribution expenses		(8,823)	(13,772)	(47,550)	(44,460)
Administrative expenses		(6,212)	(6,766)	(21,592)	(20,923)
Results from operating activities		22,423	57,039	138,914	147,700
Finance income		1,050	678	3,231	2,089
Finance costs		(69)	(152)	(764)	(811)
Net finance income		981	526	2,467	1,278
Operating profit before tax		23,404	57,565	141,381	148,978
Other non – operating expense		-	(1,989)	-	(1,989)
Change in fair value of biological assets		(12,293)	(11,789)	(7,170)	21,402
Profit before tax	A16	11,111	43,787	134,211	168,391
Taxation	B5	(5,897)	(11,113)	(36,872)	(40,102)
Profit after tax		5,214	32,674	97,339	128,289
Other comprehensive income, net of tax		-	-	-	-
Profit and total comprehensive income for the period		5,214	32,674	97,339	128,289



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

	Notes	Individual Quarter (Q4)		Cumulative Quarter (12 Months)	
		Current Year Quarter 31/12/2022 (Unaudited) RM'000	Preceding Year Corresponding Quarter 31/12/2021 (Unaudited) RM'000	Current Year - Period To Date 31/12/2022 (Unaudited) RM'000	Preceding Year - Period To Date 31/12/2021 (Audited) RM'000
Profit attributable to:					
Owners of the Company		5,128	32,532	96,711	127,826
Non-controlling interests		86	142	628	463
Profit for the period		5,214	32,674	97,339	128,289
Profit and total comprehensive income attributable to:					
Owners of the Company		5,128	32,532	96,711	127,826
Non-controlling interests		86	142	628	463
Profit and total comprehensive income for the period		5,214	32,674	97,339	128,289
Basic earnings per ordinary share attributable to Owners of the Company (sen):					
Basic	B12	1.84	11.66	34.66	45.81
Diluted	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 2021 and the accompanying explanatory notes attached to this report)

**SARAWAK PLANTATION BERHAD**

Registration No. 199701035877 (451377-P)

(Incorporated in Malaysia)

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			
At 1 January 2022	340,969	493	(2,105)	331,738	671,095	(6,524)	664,571
Profit and total comprehensive income for the year	-	-	-	96,711	96,711	628	97,339
Less: Third interim, single tier exempt dividend in respect of the financial year ended 2021	B11(a)	-	-	(13,951)	(13,951)	-	(13,951)
Less: First interim, single tier exempt dividend in respect of the financial year ended 2022	B11(b)	-	-	(13,951)	(13,951)	-	(13,951)
Less: Second interim, single tier exempt dividend in respect of the financial year ended 2022	B11(c)	-	-	(27,903)	(27,903)	-	(27,903)
Dividend paid to non-controlling interest		-	-	-	-	(150)	(150)
At 31 December 2022	340,969	493	(2,105)	372,644	712,001	(6,046)	705,955

(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 2021 and the accompanying explanatory notes attached to this report)

**SARAWAK PLANTATION BERHAD**

Registration No. 199701035877 (451377-P)

(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes in Equity (continued)

(The figures have 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			
At 1 January 2021	340,969	493	(2,105)	245,767	585,124	(9,987)	575,137
Profit and total comprehensive income for the year	-	-	-	127,826	127,826	463	128,289
Add: Allotment of shares to non- controlling interest	-	-	-	-	-	3,000	3,000
Less: First interim, single tier exempt dividend in respect of the financial year ended 2021	-	-	-	(13,952)	(13,952)	-	(13,952)
Less: Second interim, single tier exempt dividend in respect of the financial year ended 2021	-	-	-	(27,903)	(27,903)	-	(27,903)
At 31 December 2021	340,969	493	(2,105)	331,738	671,095	(6,524)	664,571

(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 2021 and the accompanying explanatory notes attached to this report)



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

	Cumulative Quarter (12 Months)	
	Current Year - Period To Date 31/12/2022 (Unaudited) RM'000	Preceding Year - Period To Date 31/12/2021 (Audited) RM'000
Cash flows from operating activities		
Profit before tax	134,211	168,391
<i>Adjustments for:</i>		
Change in fair value of biological assets	7,170	(21,402)
Depreciation of property, plant and equipment	17,603	16,762
Depreciation of bearer plants	22,056	22,414
Depreciation of investment properties	233	233
Depreciation of right -of- use assets	1,990	1,756
Gain on disposal of property, plant and equipment	(41)	-
Property, plant and equipment written off	955	2,579
Property, plant and equipment expensed off	-	368
Bad debts recovered	-	(5)
Inventories written off	3	202
Impairment losses on property, plant and equipment	-	979
Impairment losses on bearer plants	-	1,010
Finance income	(3,231)	(2,089)
Finance costs	764	811
Operating profit before changes in working capital	181,713	192,009
Change in inventories	1,338	(2,460)
Change in trade and other receivables, deposits and prepayments	(121)	(5,347)
Change in trade and other payables	(9,360)	18,541
Cash generated from operations	173,570	202,743
Net tax paid	(42,568)	(28,041)
Interest/Profit paid	(1,540)	(2,898)
Hire purchase facility interest/profit paid	(295)	(315)
Interest received	3,180	1,873
Net cash from operating activities	132,347	173,362



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

	Cumulative Quarter (12 Months)	
	Current Year - Period To Date 31/12/2022 (Unaudited) RM'000	Preceding Year - Period To Date 31/12/2021 (Audited) RM'000
Cash flows from investing activities		
Acquisition of property, plant and equipment	(13,613)	(10,013)
Net movement of deposits with original maturities exceeding three months	26,265	(45,538)
Bearer plants (net of depreciation)	(19,532)	(20,212)
Proceeds from disposal of property, plant and equipment	41	-
Net cash used in investing activities	(6,839)	(75,763)
Cash flows from financing activities		
Proceeds from term loans and revolving credits	26,000	36,211
Proceeds from shares in a subsidiary issued to non-controlling interest	-	1,926
Dividend paid to shareholders of the Company	(55,805)	(27,904)
Dividend paid to non-controlling interest	(150)	-
Repayment of term loans and revolving credits	(80,000)	(71,200)
Repayment of hire purchase facilities	(3,189)	(5,052)
Net cash used in financing activities	(113,144)	(66,019)
Net increase in cash and cash equivalents	12,364	31,580
Cash and cash equivalents as at 1 January	113,621	82,041
Cash and cash equivalents as at 31 December	125,985	113,621
Represented by:		
Deposits with original maturities not exceeding three months	124,051	111,205
Cash and bank balances	1,934	2,416
Cash and cash equivalents	125,985	113,621

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying notes attached to this report)



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

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 Malaysian Financial Reporting Standard (“MFRS”) 134, *Interim Financial Reporting*, the International Accounting Standards (“IAS”) 34 *Interim Financial Reporting* and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

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 2021.

2. Significant accounting policies

2.1 Adoption of new/revised Standards, Amendments and Interpretations

The Group’s financial statements for annual period beginning on 1 January 2022 is prepared in accordance with the Malaysian Financial Reporting Standards (“MFRSs”) issued by the MASB.

The Group adopted the following accounting standards, amendments and interpretations where applicable for the annual period beginning 1 January 2022:

Standards / Amendments / Interpretations

- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)*

The initial application of the 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 Standards issued but not yet effective

Standards / Amendments / Interpretations	Effective date
• MFRS 17, Insurance Contracts	1 January 2023
• Amendments to MFRS 17, <i>Insurance Contracts – Initial Application of MFRS 17 and MFRS 9 – Comparative Information</i>	1 January 2023

**Part A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134****A1. Basis of preparation (continued)****2. Significant accounting policies (continued)****2.2 Standards issued but not yet effective**

Standards / Amendments / Interpretations	Effective date
<ul style="list-style-type: none">Amendments to MFRS 101, <i>Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies</i>	1 January 2023
<ul style="list-style-type: none">Amendments to MFRS 108, <i>Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates</i>	1 January 2023
<ul style="list-style-type: none">Amendments to MFRS 112, <i>Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
<ul style="list-style-type: none">Amendments to MFRS 16, <i>Leases – Lease Liability in a Sale and Leaseback</i>	1 January 2024
<ul style="list-style-type: none">Amendments to MFRS 101, <i>Presentation of Financial Statements – Non-current Liabilities with Covenants</i>	1 January 2024
<ul style="list-style-type: none">Amendments to MFRS 10, <i>Consolidated Financial Statements and MFRS 128, 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

The Group will adopt the above except for MFRS 17, 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.



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

A6. Dividends Paid

	Cumulative Quarter (12 Months)	
	Current Year - Period to Date 31/12/2022 RM'000	Preceding Year - Period to Date 31/12/2021 RM'000
Second interim, single tier exempt dividend in respect of the financial year ended 31 December 2020 - 5 sen per ordinary share, paid on 21 January 2021	-	13,952
First interim, single tier exempt dividend in respect of the financial year ended 31 December 2021 - 5 sen per ordinary share, paid on 8 July 2021	-	13,952
Second interim, single tier exempt dividend in respect of the financial year ended 31 December 2021 - 10 sen per ordinary share, paid on 25 January 2022	27,903	-
Third interim, single tier exempt dividend in respect of the financial year ended 31 December 2021 - 5 sen per ordinary share, paid on 29 March 2022	13,951	-
First interim, single tier exempt dividend in respect of the financial year ended 31 December 2022 - 5 sen per ordinary share, paid on 24 June 2022	13,951	-
Total	55,805	27,904

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Part A – Explanatory Notes Pursuant to MFRS 134**A7. Disaggregation of revenue****Individual Quarter (Q4)**

	Oil palm operation		Management / Agronomic services		Total	
	Current Year Quarter 31/12/2022 RM'000	Preceding Year Corresponding Quarter 31/12/2021 RM'000	Current Year Quarter 31/12/2022 RM'000	Preceding Year Corresponding Quarter 31/12/2021 RM'000	Current Year Quarter 31/12/2022 RM'000	Preceding Year Corresponding Quarter 31/12/2021 RM'000
Major products and service lines						
Sales of oil palm products	157,880	243,405	-	-	157,880	243,405
Management/Agronomic services income	-	-	96	91	96	91
	157,880	243,405	96	91	157,976	243,496
Other revenue	-	-	107	141	107	141
Total revenue	157,880	243,405	203	232	158,083	243,637
Major products and service lines						
Geographical markets						
Malaysia	157,880	243,405	96	91	157,976	243,496
Timing and recognition						
At a point in time	157,880	243,405	77	72	157,957	243,477
Over time	-	-	19	19	19	19
	157,880	243,405	96	91	157,976	243,496



Part A – Explanatory Notes Pursuant to MFRS 134

A7. Disaggregation of revenue

Cumulative Quarter (12 Months)

	Oil palm operation		Management / Agronomic services		Total	
	Current Year- Period To Date 31/12/2022	Preceding Year- Period To Date 31/12/2021	Current Year- Period To Date 31/12/2022	Preceding Year- Period To Date 31/12/2021	Current Year- Period To Date 31/12/2022	Preceding Year- Period To Date 31/12/2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Major products and service lines						
Sales of oil palm products	710,062	789,633	-	-	710,062	789,633
Management/Agronomic services income	-	-	390	310	390	310
	710,062	789,633	390	310	710,452	789,943
Other revenue	-	-	460	581	460	581
Total revenue	710,062	789,633	850	891	710,912	790,524
Major products and service lines						
Geographical markets						
Malaysia	710,062	789,633	390	310	710,452	789,943
Timing and recognition						
At a point in time	710,062	789,633	314	234	710,376	789,867
Over time	-	-	76	76	76	76
	710,062	789,633	390	310	710,452	789,943



Part A – Explanatory Notes Pursuant to MFRS 134

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) **Management/ marketing/ agronomic services and rental**
Provision of management/ marketing/ agronomic service and rental of investment properties



Part A – Explanatory Notes Pursuant to MFRS 134

A8. Segment Information (continued)

Individual Quarter (Q4)

	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
31/12/2022						
Revenue						
Segment revenue	18,000	483	63,630	146,546	210,176	228,659
Inter-segment	(18,000)	(280)	-	-	(52,296)	(70,576)
External revenue	-	203	63,630	146,546	157,880	158,083
Cost of sales						
Segment cost of sales	-	(409)	(41,037)	(132,601)	(173,638)	(174,047)
Inter-segment	-	20	-	-	52,333	52,353
External cost of sales	-	(389)	(41,037)	(132,601)	(121,305)	(121,694)
Gross (loss)/profit	-	(186)	22,593	13,945	36,575	36,389
Distribution expenses	-	-	(1,064)	(7,759)	(8,823)	(8,823)
Segment (loss)/profit	-	(186)	21,529	6,186	27,752	27,566
Other income including finance income	778	17			1,388	2,183
Inter-segment	-	-			(64)	(64)
External other income	778	17			1,324	2,119
Other expenses including finance costs	(582)	(81)			(5,765)	(6,428)
Inter-segment	11	1			135	147
External other expenses	(571)	(80)			(5,630)	(6,281)
Operating profit/(loss) before tax	207	(249)			23,446	23,404
Other non- operating expense - Change in fair value of biological assets	-	-			(12,293)	(12,293)
Profit/(Loss) before tax	207	(249)			11,153	11,111



Part A – Explanatory Notes Pursuant to MFRS 134

A8. Segment Information (continued)

Individual Quarter (Q4)

	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
31/12/2021						
Revenue						
Segment revenue	25,000	519	85,349	224,411	309,760	335,279
Inter-segment	(25,000)	(288)	-	-	(66,354)	(91,642)
External revenue	-	231	85,349	224,411	243,406	243,637
Cost of sales						
Segment cost of sales	-	(428)	(27,394)	(204,905)	(232,299)	(232,727)
Inter-segment	-	20	-	-	66,398	66,418
External cost of sales	-	(408)	(27,394)	(204,905)	(165,901)	(166,309)
Gross (loss)/profit	-	(177)	57,955	19,506	77,505	77,328
Distribution expenses	-	-	(2,706)	(11,066)	(13,772)	(13,772)
Segment (loss)/profit	-	(177)	55,249	8,440	63,733	63,556
Other income including finance income	369	15			601	985
Inter-segment	(3)	-			(55)	(58)
External other income	366	15			546	927
Other expenses including finance costs	(509)	(95)			(6,658)	(7,262)
Inter-segment	11	14			319	344
External other expenses	(498)	(81)			(6,339)	(6,918)
Operating (loss)/profit before tax	(132)	(243)			57,940	57,565
Change in fair value of biological assets	-	-			(11,789)	(11,789)
Other non-operating expenses	-	-			(1,989)	(1,989)
(Loss)/ Profit before tax	(132)	(243)			44,162	43,787


Part A – Explanatory Notes Pursuant to MFRS 134
A8. Segment Information (continued)
Cumulative Quarter (12 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
31/12//2022						
Revenue						
Segment revenue	93,350	2,072	310,987	646,309	957,296	1,052,718
Inter-segment	(93,350)	(1,222)	-	-	(247,234)	(341,806)
External revenue	-	850	310,987	646,309	710,062	710,912
Cost of sales						
Segment cost of sales	-	(1,643)	(153,583)	(598,073)	(751,656)	(753,299)
Inter-segment	-	80	-	-	247,480	247,560
External cost of sales	-	(1,563)	(153,583)	(598,073)	(504,176)	(505,739)
Gross (loss)/profit	-	(713)	157,404	48,236	205,886	205,173
Distribution expenses	-	-	(14,505)	(33,045)	(47,550)	(47,550)
Segment (loss)/profit	-	(713)	142,899	15,191	158,336	157,623
Other income including finance income	2,130	69			4,146	6,345
Inter-segment	-	-			(231)	(231)
External other income	2,130	69			3,915	6,114
Other expenses including finance costs	(1,785)	(197)			(20,929)	(22,911)
Inter-segment	29	4			522	555
External other expenses	(1,756)	(193)			(20,407)	(22,356)
Operating profit/(loss) before tax	374	(837)			141,844	141,381
Other non- operating expense - Change in fair value of biological assets	-	-			(7,170)	(7,170)
Profit/(Loss) before tax	374	(837)			134,674	134,211



Part A – Explanatory Notes Pursuant to MFRS 134

A8. Segment Information (continued)

Cumulative Quarter (12 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
31/12/2021						
Revenue						
Segment revenue	48,000	2,096	271,019	728,105	999,124	1,049,220
Inter-segment	(48,000)	(1,205)	-	-	(209,491)	(258,696)
External revenue	-	891	271,019	728,105	789,633	790,524
Cost of sales						
Segment cost of sales	-	(1,662)	(113,130)	(673,936)	(787,066)	(788,728)
Inter-segment	-	80	-	-	209,685	209,765
External cost of sales	-	(1,582)	(113,130)	(673,936)	(577,381)	(578,963)
Gross (loss)/profit	-	(691)	157,889	54,169	212,252	211,561
Distribution expenses	-	-	(6,908)	(37,552)	(44,460)	(44,460)
Segment (loss)/profit	-	(691)	150,981	16,617	167,792	167,101
Other income including finance income	1,664	151			2,632	4,447
Inter-segment	(346)	(9)			(481)	(836)
External other income	1,318	142			2,151	3,611
Other expenses including finance costs	(1,379)	(408)			(12,780)	(14,567)
Inter-segment	25	177			(7,369)	(7,167)
External other expenses	(1,354)	(231)			(20,149)	(21,734)
Operating (loss)/profit before tax	(36)	(780)			149,794	148,978
Change in fair value of biological assets	-	-			21,402	21,402
Other non-operating expenses	-	-			(1,989)	(1,989)
(Loss)/Profit before tax	(36)	(780)			169,207	168,391



Part A – Explanatory Notes Pursuant to MFRS 134

A8. Segment Information (continued)
Segment assets and liabilities

	As At End Of Current Financial Year
	31/12/2022
	RM'000
Segment assets:	
Investment holding	475,142
Oil palm operations	780,952
Management services/Rental	23,064
	<hr/> 1,279,158
Elimination	(328,482)
	<hr/>
Total assets	950,676
	<hr/>
Segment liabilities:	
Investment holding	37,257
Oil palm operations	235,119
Management services/Rental	1,908
	<hr/> 274,284
Elimination	(29,563)
	<hr/>
Total liabilities	244,721
	<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 31 December 2022, 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 31 December 2022, 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 31 December 2022, 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:

	At 31/12/2022 RM'000
Contracted but not provided for	
Property, plant and equipment	6,461

A14. Unfulfilled Contract Obligation

As at 31 December 2022, unfulfilled contract obligation of the Group is as disclosed below:

	At 31/12/2022 RM'000
Sale Contracts	1,405

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.

	Cumulative Quarter (12 Months)	Preceding Year - Period To Date
	Current Year - Period To Date 31/12/2022	31/12/2021
	RM'000	RM'000
Purchase of goods and/or services :		
a. Danawa Resources Sdn. Bhd.		
- Rental and annual support for satellite broadband services	208	199
b. Intuitive Systems Sdn. Bhd.		
- Software support, customisation, maintenance fee	308	570
- Purchase of assets and IT equipment	642	121
c. KUB Sepadu Sdn. Bhd.		
- Purchase of fresh fruit bunches	-	4,233
d. Stonehead Sdn. Bhd.		
- Purchase of materials	3,410	727



Part A – Explanatory Notes Pursuant to MFRS 134

A15. Significant Related Party Transactions (continued)

	Cumulative Quarter (12 Months)	Preceding Year - Period To Date
	Current Year - Period To Date 31/12/2022	31/12/2021
	RM'000	RM'000
Purchase of goods and/or services :		
e. Butrasemari Sdn. Bhd.		
- Purchase of fresh fruit bunches	1,078	741
f. Ta Ann Plywood Sdn. Bhd.		
- Field maintenance work	94	72
g. Ironhead Sdn. Bhd.		
- Purchase of equipment	796	642
- Services of equipment	34	-
h. Lik Shen Sawmill Sdn. Bhd.		
- Purchase of materials	48	202
i. Mega Bumimas Sdn. Bhd.		
- Purchase of fresh fruit bunches	558	692
j. Ta Ann Pelita Silas Plantation Sdn Bhd		
- Purchase of fresh fruit bunches	419	541
k. Sebbubu Sdn. Bhd.		
- Purchase of fresh fruit bunches	728	493
l. PSS Oil Mill Sdn. Bhd.		
- Purchase of fresh fruit bunches	4,054	2,215
m. Eagle Forest Sdn. Bhd.		
- Rental of office space	2	17
n. Key Ta Trading Sdn. Bhd.		
- Purchase of spare parts, lubricants and fertilisers	1,580	1,609
- Transport service	332	-
o. Key Jaya Trading Sdn. Bhd.		
- Purchase of diesel	6,188	3,904
p. Acosafe Sdn Bhd		
- Insurance premium	954	771



Part A – Explanatory Notes Pursuant to MFRS 134

A15. Significant Related Party Transactions (continued)

	Cumulative Quarter (12 Months)	Preceding Year - Period To Date
	Current Year - Period To Date 31/12/2022	31/12/2021
	RM'000	RM'000
Purchase of goods and/or services (continued):		
q. Ladang Selezu Sdn. Bhd.		
- Purchase of fresh fruit bunches	-	563
r. Tanahead Sdn. Bhd.		
- Rental of office space	2	-
s. Ta Ann Holdings Bhd		
- Rental of office space	43	-
t. TBS Oil Mill Sdn. Bhd.		
- Transport service	314	-
u. Multi Maximum Sdn. Bhd.		
- Purchase of parts	13	-
Sales and/or provision of services :		
a. Manis Oil Sdn. Bhd.		
- Sale of fresh fruit bunches	27,178	31,451
b. TBS Oil Mill Sdn. Bhd.		
- Sale of fresh fruit bunches	20,064	17,259
c. TABM Sdn Bhd		
- Sale of palm kernel shell	2,929	1,438
d. Ta Ann Plywood Sdn. Bhd.		
- Sales of seedlings	140	530
- Sales of oil palm seeds	168	90
- Agronomics service fee income	8	17
e. Ta Ann Pelita Ngemah Sdn. Bhd.		
- Sales of seedlings	-	130
f. Igan Oil Mill Sdn. Bhd.		
- Sale of fresh fruit bunches	-	3,225
- Sale of crude palm oil	20,929	-
- Agronomics service fee income	1	-



Part A – Explanatory Notes Pursuant to MFRS 134

A15. Significant Related Party Transactions (continued)

	Cumulative Quarter (12 Months)	Preceding Year - Period To Date
	Current Year - Period To Date 31/12/2022 RM'000	31/12/2021 RM'000
Sales and/or provision of services (continued) :		
g. Ta Ann Pelita Baleh Sdn. Bhd.		
- Agronomics service fee income	1	-
- Sales of seedlings	-	65
h. Ta Ann Agro Sdn. Bhd.		
- Agronomics service fee income	-	2
i. Ta Ann Pelita Igan Plantation Sdn. Bhd.		
- Agronomics service fee income	3	11
j. Ta Ann Pelita Assan Plantation Sdn. Bhd.		
- Agronomics service fee income	1	3
k. Ta Ann Pelita Silas Plantation Sdn. Bhd.		
- Agronomics service fee income	-	9
l. Butrasemari Sdn. Bhd.		
- Agronomics service fee income	2	5
m. Mega Bumimas Sdn. Bhd.		
- Agronomics service fee income	-	2
n. Ladang Selezu Sdn. Bhd.		
- Agronomics service fee income	5	4
o. PSS Oil Mill Sdn. Bhd.		
- Sale of fresh fruit bunches	-	676
p. Multi Maximum Sdn. Bhd.		
- Agronomics service fee income	-	3
q. Sebu Sdn. Bhd.		
- Agronomics service fee income	1	2
r. Palmhead Sdn. Bhd.		
- Agronomics service fee income	3	2

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 (Q4)		Cumulative Quarter (12 Months)	
	Current Year Quarter 31/12/2022 RM'000	Preceding Year Corresponding Quarter 31/12/2021 RM'000	Current Year - Period To Date 31/12/2022 RM'000	Preceding Year - Period To Date 31/12/2021 RM'000
Profit before tax is arrived at after charging:				
Depreciation of property, plant and equipment	4,790	4,088	17,603	16,762
Depreciation of right -of- use assets	515	582	1,990	1,756
Depreciation of bearer plants	5,009	6,502	22,056	22,414
Depreciation of investment properties	58	43	233	233
Property, plant and equipment written off	755	2,353	955	2,579
Inventories written off	-	194	3	202
Impairment losses on:				
- property, plant and equipment	-	979	-	979
- bearer plants	-	1,010	-	1,010
Finance costs	69	152	764	811
Other non- operating expense – Change in fair value of biological assets	12,293	11,789	7,170	-
Profit before tax is arrived at after crediting:				
Other non- operating income – Change in fair value of biological assets	-	-	-	21,402
Gain on disposal of property, plant and equipment	41	-	41	-
Other income	1,028	249	2,842	1,522
Finance income	1,050	678	3,231	2,089

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



Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”)

B1. Review of Performance

Quarter 4, 2022 vs Quarter 4, 2021

The Group recorded revenue of RM158.1 million in the current interim quarter ended 31 December 2022 compared with RM243.6 million reported in the corresponding period of the preceding year.

The Group's operating profit before tax was RM23.4 million for the current interim quarter compared to RM57.6 million for the corresponding period of the preceding year. The decrease in operating profit was principally due to the effect of lower sales volume of CPO and PK, lower realised average selling prices of CPO and PK and higher estate cost during the current interim quarter.

The Group recorded a profit before tax of RM11.1 million for the current interim quarter, as compared to RM43.8 million in the corresponding period of the preceding year following lower operating profit coupled with a loss on fair value changes of biological assets of RM12.3 million in current interim quarter.

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 RM63.6 million and RM21.5 million respectively, whereas mill operations recorded a segment revenue and segment profit of RM146.5 million and RM6.2 million respectively.

For the current interim quarter, the oil palm operations segment contributed 99.9% of the Group revenue of RM158.1 million.

Revenue of the oil palm operations decreased by RM85.5 million to RM157.9 million in the current interim quarter compared with RM243.4 million reported in the corresponding period of the preceding year. The decrease was principally attributable to the lower sales volume of CPO and PK by 12.0% and 9.3% and lower realized average selling prices of CPO and PK by 23.8% and 45.3% respectively during the current interim quarter.

The operating profit before tax for the oil palm operations (after deducting administrative and finance cost) was RM23.4 million for the current quarter as compared to operating profit before tax of RM57.9 million for the corresponding period of the preceding year. The decrease in operating profit before tax was mainly due to the decrease in revenue coupled with higher estate cost.

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

B1. Review of Performance (continued)

Twelve Months ended 31 December 2022 vs Twelve Months ended 31 December 2021

The Group recorded revenue of RM710.9 million in the current financial year ended 31 December 2022 compared with RM790.5 million reported in the preceding year.

The Group's operating profit before tax was RM141.4 million for the current financial year compared to operating profit before tax of RM149.0 million for the preceding year. The decrease in operating profit was principally due to the effect of lower sales volume of CPO and PK despite higher realised average selling prices of CPO and PK and higher production cost during the current financial year.

The Group recorded a profit before tax of RM134.2 million for the current financial year, as compared to a profit before tax of RM168.4 million in the preceding year following lower operating profit coupled with a loss on fair value changes of biological assets of RM7.2 million in current financial year against a gain of RM21.4 million in 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 financial year, estate operations recorded a segment revenue and segment profit of RM311.0 million and RM142.9 million respectively, whereas mill operations recorded a segment revenue and segment profit of RM646.3 million and RM15.2 million respectively.

For the current financial year, the oil palm operations segment contributed 99.9% of the Group revenue of RM710.9 million.

Revenue of the oil palm operations decreased by RM79.5 million to RM710.1 million in the current financial year compared with RM789.6 million reported in the preceding year. The decrease was principally attributed to the effect of lower sales volume of CPO and PK despite higher realised average selling prices of CPO and PK.

Sales volumes of CPO and PK had decreased by approximately 20.6% and 18.4% respectively. However, average selling prices of CPO and PK had increased approximately by 13.5% and 4.3% for the current financial year.

The operating profit before tax for the oil palm operations (after deducting administrative and finance cost) was RM141.8 million for the current financial year as compared to operating profit before tax of RM149.8 million for the preceding year. The decrease in operating profit before tax was mainly due to the decrease in revenue coupled with higher production cost.

Other segments

Other segments' results for the current financial year 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

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 RM23.4 million for the current quarter compared with an operating profit before tax of RM26.2 million in the preceding quarter, mainly due to the effect of lower realised average selling prices of CPO and PK by 7.8% and 14.9% respectively despite higher sales volume of CPO and PK by 8.6% and 11.7% respectively.

The Group recorded a profit before tax of RM11.1 million for the current quarter as compared to RM24.5 million. The decrease in profit before tax was in line with lower operating profit before tax coupled with a loss on fair value changes in biological assets of RM12.3 million against RM1.7 million in the preceding quarter.

B3. Prospects for the Next Financial Year

The outlook of the palm oil industry for 2023 is positive. Crude palm oil (CPO) price is likely to stay firm backed by anticipated rising demand, in particular from biodiesel and expected higher import by China following loosening of its COVID-19 restriction.

Oil palm production is expected to increase following improvement in labour supply. However, production may be disrupted due to uncertain weather pattern.

Maintaining stable and steady labour supply and overcoming rising operating costs remain the key challenges to the oil palm industry. The rising inflationary pressure has unfavourably impacted the profit margins. Hence, the Group remains focused on sustaining a reasonable level of production whilst working on lowering the unit production cost through increasing productivity.

Barring any unforeseen circumstances and subject to the sustainable CPO price, the Board of Directors anticipates to achieve a satisfactory financial performance for financial year 2023.

B4. Profit Forecast or Profit Guarantee

Not applicable

**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad****B5. Taxation**

	Individual Quarter (Q4)		Cumulative Quarter (12 Months)	
	Current Year Quarter 31/12/2022 RM'000	Preceding Year Corresponding Quarter 31/12/2021 RM'000	Current Year - Period To Date 31/12/2022 RM'000	Preceding Year - Period To Date 31/12/2021 RM'000
Current tax expense	8,261	14,766	39,878	38,064
Deferred tax (income)/ expenses	(2,364)	(3,653)	(3,006)	2,038
	<u>5,897</u>	<u>11,113</u>	<u>36,872</u>	<u>40,102</u>

The Group's effective tax rate for the financial year ended 31 December 2022 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 year.

The investments as at 31 December 2022 are as follows:

	At 31/12/2022 RM'000
<u>Current</u>	
Deposits with original maturities exceeding three months	<u>35,560</u>

B7. Loans and Borrowings - Secured

	At 31/12/2022 RM'000
<u>Non-current</u>	
Hire purchase facility	<u>1,315</u>
	<u>1,315</u>
<u>Current</u>	
Revolving credit (Islamic)	8,000
Hire purchase facility	<u>2,279</u>
	<u>10,279</u>
Total loans and borrowings	<u><u>11,594</u></u>



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

B7. Loans and Borrowings - Secured (continued)

Revolving Credit

This revolving credit facility of RM40 million is secured by way of the Company's corporate guarantee and legal charge over certain land and buildings of a subsidiary.

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 –i)

The term loan facility of RM150 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 loan is for a tenure of 8 years from the date of first drawdown in November 2014 and is repayable by 16 quarterly installments commencing 51th month after date of first drawdown of TF-*i*.

The Term Financing –*i*, 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.

This term loan has been fully repaid during the current financial year.

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 ranged between 4.85% - 5.13% 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 interim 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 interim financial period.

**Part B – Explanatory Notes Pursuant to Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad****B10. Changes in Material Litigation**

As at 14 February 2023 (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 23 February 2022, the Board of Directors had declared a third interim, single tier dividend of 5 sen per share, totalling approximately RM14 million, in respect of the financial year ended 31 December 2021, paid to shareholders on 29 March 2022.
- (b) On 20 May 2022, 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 ended 31 December 2022, paid to shareholders on 24 June 2022.
- (c) On 29 November 2022, the Board of Directors had declared a second interim, single tier dividend of 10 sen per share, totalling approximately RM28 million, in respect of the financial year ended 31 December 2022, paid to shareholders on 19 January 2023.

B12. Earnings per Share

	Individual Quarter (Q4)		Cumulative Quarter (12 Months)	
	Current Year Quarter 31/12/2022	Preceding Year Corresponding Quarter 31/12/2021	Current Year - Period To Date 31/12/2022	Preceding Year - Period To Date 31/12/2021
Profit attributable to Owners of the Company (RM'000)	5,128	32,532	96,711	127,826
Weighted average number of ordinary shares in issue (unit)	279,032	279,032	279,032	279,032
Basic earnings per share (sen)	1.84	11.66	34.66	45.81
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 31 December 2022.



SARAWAK PLANTATION BERHAD

Registration No. 199701035877 (451377-P)

(Incorporated in Malaysia)

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

B13. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2021 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 21 February 2023.

By Order of the Board

Company Secretary
Kuching

21 February 2023