



# **TECK GUAN PERDANA BERHAD**

**199401021418 (307097 - A)**

## **UNAUDITED FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 31 OCTOBER 2022**

# TECK GUAN PERDANA BERHAD

199401021418 (307097-A)

(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD (3rd quarter)		CUMULATIVE PERIOD	
	Current Year Quarter 31/10/2022 RM'000	Preceding Year Corresponding Quarter 31/10/2021 RM'000	Current Year ToDate 31/10/2022 RM'000	Preceding Year Corresponding Period 31/10/2021 RM'000
Revenue	136,240	26,624	417,243	177,267
Cost of sales	(105,751)	(24,575)	(366,908)	(165,261)
<b>Gross profit</b>	30,489	2,049	50,335	12,006
Other operating income/(expenses)	2,688	538	3,146	(684)
Administrative expenses	(1,533)	(1,298)	(4,636)	(3,810)
<b>Operating profit</b>	31,644	1,289	48,845	7,512
Interest income	212	76	491	177
Finance costs	(698)	(644)	(2,016)	(1,803)
<b>Profit before tax</b>	31,158	721	47,320	5,886
Taxation	(8,617)	(129)	(12,544)	(1,332)
<b>Profit net of tax</b>	22,541	592	34,776	4,554
<b>Other comprehensive income for the period, net of tax</b>	-	-	-	-
<b>Total comprehensive income for the period</b>	22,541	592	34,776	4,554

# TECK GUAN PERDANA BERHAD

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## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

	INDIVIDUAL PERIOD (3rd quarter)		CUMULATIVE PERIOD	
	Current Year Quarter 31/10/2022 RM'000	Preceding Year Corresponding Quarter 31/10/2021 RM'000	Current Year Todate 31/10/2022 RM'000	Preceding Year Corresponding Period 31/10/2021 RM'000
<b>Profit attributable to:</b>				
Owners of the Company	<u>22,541</u>	<u>592</u>	<u>34,776</u>	<u>4,554</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	<u>22,541</u>	<u>592</u>	<u>34,776</u>	<u>4,554</u>
<b>Earnings per share attributable to owners of the Company:</b>				
Basic, for the period (Sen)	56.22	1.48	86.73	11.36
Diluted, for the period (Sen)	na	na	na	na

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements of the Company for the year ended 31 January 2022 and the accompanying explanatory notes attached to the interim financial statements.*

# TECK GUAN PERDANA BERHAD

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## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At End Of Current Quarter 31/10/2022 RM'000	As At Preceding Financial Year End 31/01/2022 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	62,471	37,541
Right-of-use assets	10,662	11,942
Deferred tax assets	1,307	1,307
	<u>74,440</u>	<u>50,790</u>
<b>Current Assets</b>		
Biological assets	537	458
Inventories	43,384	47,431
Trade and other receivables	66,816	80,161
Cash and bank balances	37,001	40,164
Derivatives	2	10
Tax recoverable	119	-
	<u>147,859</u>	<u>168,224</u>
<b>TOTAL ASSETS</b>	<u><u>222,299</u></u>	<u><u>219,014</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	40,104	40,104
Retained earnings	72,053	38,480
<b>Total Equity</b>	<u>112,157</u>	<u>78,584</u>
<b>Non-Current Liabilities</b>		
Term Loan	9,391	9,550
Deferred tax liabilities	5,086	3,859
Lease liabilities	10,016	11,243
	<u>24,493</u>	<u>24,652</u>
<b>Current Liabilities</b>		
Loans and borrowings	14,544	60,061
Trade and other payables	62,480	54,017
Derivative	1	-
Lease liabilities	1,626	1,566
Income tax payable	6,998	134
	<u>85,649</u>	<u>115,778</u>
<b>TOTAL LIABILITIES</b>	<u>110,142</u>	<u>140,430</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<u><u>222,299</u></u>	<u><u>219,014</u></u>
<b>NET ASSETS PER SHARE (SEN)</b>	279.71	195.98

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements of the Company for the year ended 31 January 2022 and the accompanying explanatory notes attached to the interim financial statements.*

# TECK GUAN PERDANA BERHAD

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## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the Company →		
	Non-distributable	Distributable	
	Share Capital RM'000	Retained Earnings RM'000	Equity, Total RM'000
<b>Opening balance at 1 February 2022</b>	40,104	38,480	78,584
Total comprehensive income for the period	-	34,776	34,776
Dividend	-	(1,203)	(1,203)
<b>Closing balance at 31 October 2022</b>	<u>40,104</u>	<u>72,053</u>	<u>112,157</u>
<b>Opening balance at 1 February 2021</b>			
- as previously reported	40,104	20,116	60,220
- prior year adjustment	-	(1,367)	(1,367)
Total comprehensive income for the year	-	19,731	19,731
<b>Closing balance at 31 January 2022</b>	<u>40,104</u>	<u>38,480</u>	<u>78,584</u>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements of the Company for the year ended 31 January 2022 and the accompanying explanatory notes attached to the interim financial statements.*

# TECK GUAN PERDANA BERHAD

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## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	<b>Current Year To Date 31/10/2022 RM'000</b>	<b>Preceding Year Corresponding Period 31/10/2021 RM'000</b>
<b>Operating activities</b>		
Profit before taxation	47,320	5,886
<u>Adjustments for:</u>		
Amortisation of biological assets	550	254
Gain on disposal of property, plant and equipment	(3)	(1)
Depreciation of property, plant and equipment	2,634	2,562
Property, plant and equipment written off	1	1
Net fair value loss on forward currency contracts	10	12
Net fair value gain on commodity future contracts	-	(875)
Net unrealised gain on foreign exchange	(1,454)	(120)
Net fair value gain on biological assets	(79)	(323)
Interest income	(491)	(177)
Interest expense	2,016	1,803
Total adjustments	<u>3,184</u>	<u>3,136</u>
<b>Operating cash flows before changes in working capital</b>	50,504	9,022
<u>Changes in working capital:</u>		
Inventories	4,047	(95,045)
Trade and other receivables	14,142	(9,230)
Trade and other payables	8,450	27,165
Total changes in working capital	<u>26,639</u>	<u>(77,110)</u>
Cash flows generated from/(used in) operations	77,143	(68,088)
Interest paid	(2,016)	(1,803)
Interest received	491	177
Income tax paid	(4,984)	(1,916)
Income tax refunded	411	196
<b>Net cash flows generated from/(used in) operating activities</b>	<u>71,045</u>	<u>(71,434)</u>

# TECK GUAN PERDANA BERHAD

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## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	<b>Current Year To Date 31/10/2022 RM'000</b>	<b>Preceding Year Corresponding Period 31/10/2021 RM'000</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(21,043)	(43)
Plantation development expenditure	(5,796)	(284)
Proceeds from disposal of property, plant and equipment	7	2
<b>Net cash flows used in investing activities</b>	<u>(26,832)</u>	<u>(325)</u>
<b>Financing activities</b>		
Dividend paid	(1,203)	-
Drawdown of letter of credits	24,456	22,044
Repayment of letter of credits	(24,456)	(28,295)
Proceeds from bankers' acceptances	121,985	169,381
Repayment of bankers' acceptances	(167,746)	(132,852)
Repayment of lease liabilities	(1,167)	(1,110)
<b>Net cash flows (used in)/generated from financing activities</b>	<u>(48,131)</u>	<u>29,168</u>
<b>Net decrease in cash and cash equivalents</b>	<u>(3,918)</u>	<u>(42,591)</u>
Effect of exchange rate changes on cash and cash equivalents	671	14
<b>Cash and cash equivalents at beginning of the period</b>	39,280	51,558
<b>Cash and cash equivalents at end of the period</b>	<u>36,033</u>	<u>8,981</u>
	<b>As At 31/10/2022</b>	<b>As At 31/10/2021</b>
*Cash and cash equivalents at end of the period consists of:		
Cash and bank balances	37,001	9,925
Bank overdrafts	(968)	(944)
	<u>36,033</u>	<u>8,981</u>

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements of the Company for the year ended 31 January 2022 and the accompanying explanatory notes attached to the interim financial statements.*

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## NOTES TO INTERIM FINANCIAL STATEMENTS

### 1. Basis of preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard MFRS 134: Interim Financial Reporting, IAS 34: Interim Financial Reporting, requirements of the Companies Act 2016 in Malaysia and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 January 2022. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 January 2022.

### 2. Accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 January 2022 except for the following Amendments to MFRSs during the current financial period:

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Annual Improvements to MFRS Standards 2018–2020	1 January 2022
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022

The Group has also adopted the following amendments to MFRS and that came into effect which did not have any significant impact on the unaudited condensed consolidated financial statements upon their initial application.



## 2. Accounting policies (continued)

The following Malaysian Financial Reporting Standard (MFRS) and Amendments to MFRS were issued but not yet effective and have not been applied by the Group:

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
MFRS 17: Insurance Contracts and Amendments to MFRS 17	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101 and MFRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group will apply the above MFRS and Amendments to MFRSs that are applicable when they become effective.

## 3. Audit report

There was no audit qualification in the audit report of the preceding annual financial statements.

## 4. Seasonal and cyclical factors

The Group's operations are affected by seasonal crop production, weather conditions and fluctuating commodity prices.

## 5. Unusual items due to their nature, size of incidence

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

## 6. Changes in estimates

There were no significant changes in the amount of estimates that have had a material effect in the current financial results.

## 7. Debt and equities securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equities securities for the current financial period under review.

## 8. Dividend paid

The amount of dividend paid during the period ended 31 October 2022:

	Current Quarter 31/10/2022 RM'000
In respect of financial year ended 31 January 2022: A first and final single-tier dividend of RM0.03 per share on 40,096,902 ordinary shares paid on 11 August 2022	<u>1,203</u>

## 9. Segmental reporting

Segment analysis for the period ended 31 October 2022 is set out below:

	Palm Oil Products RM'000	Cocoa Products RM'000	Consolidated RM'000
<b>Revenue</b>	405,068	12,175	417,243
<b>Results</b>			
Segment results	49,465	836	50,301
Unallocated corporate expenses			(965)
Finance cost			(2,016)
Profit before tax			<u>47,320</u>
<b>Assets</b>			
Segment assets	195,766	26,171	221,937
Unallocated assets			362
			<u>222,299</u>
<b>Liabilities</b>			
Segment liabilities	81,314	2,196	83,510
Unallocated liabilities			26,633
			<u>110,143</u>
<b>Other information</b>			
Capital expenditure	20,924	119	21,043
Depreciation	2,496	138	2,634
Amortisation	550	-	550

## **9. Segmental reporting (continued)**

### **Palm Oil Products**

The palm oil products segment remained the Group's main source of revenue, which contributed 97.39% of the revenue of the Group in the current quarter.

For the quarter under review, revenue for this segment increased to RM132.68 million from RM22.85 million in the preceding year corresponding quarter. The increase was mainly attributed to the increase in both sales volume and selling price.

The operating profit for the current quarter increased to RM31.87 million from RM1.06 million in the preceding year corresponding quarter. The increase was primarily attributed to an increase in operating margin.

### **Cocoa Products**

Cocoa products segment contributed 2.61% to the revenue of the Group as compared to 14.16% in the preceding year corresponding quarter.

## **10. Changes in composition of the Group**

There are no changes in the composition of the Company and the Group for the financial quarter ended 31 October 2022.

## **11. Discontinued operation**

There was no discontinued operation during the quarter ended 31 October 2022.

## **12. Capital commitment**

There were no material capital commitments as at the end of the quarter under review.

## **13. Contingent liabilities**

There were no material contingent liabilities since the last annual balance sheet date.

#### 14. Material related party transactions

Significant transactions between the Group and its jointly controlled entities are as follows:

	9 months ended 31 October RM'000
Purchase of palm kernel	102,299
Purchase of palm oil related products	14,570
Purchase of fertilizers, chemicals, etc.	2,636
Rental on factory building and infrastructures	1,730
Insurance expense	692
Sales of crude palm kernel oil	314,822
Sales of palm oil related products	16,044
Sales of fresh fruit bunches	8,761
Sales of palm kernel expeller	422
Sales of cocoa powder	498
Sales of chocolate products	1,449

#### 15. Subsequent Events

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

#### 16. Review of Group's Performance

	INDIVIDUAL PERIOD (3rd quarter)		Changes %	CUMULATIVE PERIOD		Changes %
	Current Year Quarter 31/10/2022 RM'000	Preceding Year Corresponding Quarter 31/10/2021 RM'000		Current Year Todate 31/10/2022 RM'000	Preceding Year Corresponding Period 31/10/2021 RM'000	
	Revenue	136,240		26,624	412%	
Gross profit	30,489	2,049	1388%	50,335	12,006	319%
Operating profit	31,644	1,289	2355%	48,845	7,512	550%
Profit before tax	31,158	721	4221%	47,320	5,886	704%
Profit net of tax	22,541	592	3708%	34,776	4,554	664%
Profit attributable to ordinary equity holders of the Parent	22,541	592	3708%	34,776	4,554	664%

For the current quarter under review, revenue for the Group increased by 412% from RM26.62 million to RM136.24 million as compared with preceding year corresponding quarter. The increase was mainly attributed to the increase in both sales volume and selling price. The operating profit increased from RM1.29 million to RM31.64 million compared with preceding year corresponding quarter, the increase was mainly attributed to the increase in operating margin.

## 17. Comment On Material Changes In Profit Before Tax

	Current Quarter  31/10/2022 RM'000	Immediate Preceding Quarter  31/07/2022 RM'000	Changes    %
Revenue	136,240	248,171	-45%
Gross profit	30,489	17,024	79%
Operating profit	31,644	19,143	65%
Profit before tax	31,158	18,523	68%
Profit net of tax	22,541	14,848	52%
Profit attributable to ordinary equity holders of the Parent	22,541	14,848	52%

The Group registered a profit before tax of RM31.16 million as compared with RM18.52 million in the immediate preceding quarter. The increase was primarily attributed to the increase in operating margin in the current quarter.

## 18. Current Year Prospects

The current palm-based products market continues to remain challenging caused by the momentum in fluctuating commodities prices, rising production costs and uncertainties in the global economies. However palm related products prices are expected to be influenced by the Indonesian Government palm products export tax policy which will dampen palm products demand. Notwithstanding the impending weather phenomenon and the long unresolved labour shortage problem will also further affecting crops yield thus eventually impacted palm prices generally.

Nevertheless, the Management is cautiously optimistic on the long term prospects of the palm-based industry and will continue to focus on enhancing productivity and jointly optimising overall operating cost efficiency so as to achieve sustainable growth.

## 19. Profit Forecast

The Group did not announce any profit forecast or profit guarantee during the current financial year.

## 20. Profit Before Tax

The following items have been included in arriving at profit before tax:

	<b>Quarter Ended 31/10/2022 RM'000</b>	<b>Year-to-date 31/10/2022 RM'000</b>
Interest Income	(212)	(491)
Interest Expenses	698	2,016
Rental Income	(66)	(205)
Depreciation and amortisation	2,233	3,184
Net gain on foreign exchange		
- realised	(1,791)	(1,316)
- unrealised	(574)	(1,454)
Rental of premises	23	34
Rental of equipment	47	70

## 21. Taxation

	<b>Current Quarter 31/10/2022 RM'000</b>	<b>Year-To-Date 31/10/2022 RM'000</b>
Taxation for the current period	7,349	11,317
Deferred taxation for the current period	1,268	1,227
	<u>8,617</u>	<u>12,544</u>

## 22. Profit or Loss on Sale of Unquoted Investment and/or Properties

There was no sale of unquoted investments and/or properties during the current quarter and financial year-to-date.

## 23. Quoted Securities

There was no purchase or disposal of quoted securities during the current quarter and financial year-to-date and there were no investment in quoted shares as at the end of the quarter.

## 24. Corporate Proposals

There are no corporate proposals announced but not completed as at the date of this report.

## 25. Loans and borrowings

The Group loans and borrowings, which are denominated in Ringgit Malaysia, as at the end of the reporting period were as follows:

	As at 31/10/2022 RM'000	As at 31/10/2021 RM'000
<b>Current</b>		
<b>Secured:</b>		
Bankers' acceptances	13,417	67,544
Term loan	159	-
Lease liabilities	1,626	1,546
	15,202	69,090
<b>Unsecured:</b>		
Bank overdrafts	968	944
	16,170	70,034
<b>Non-current</b>		
<b>Secured:</b>		
Term loan	9,391	9,550
Lease liabilities	10,016	11,642
	19,407	21,192
<b>Total</b>	<b>35,577</b>	<b>91,226</b>

## 26. Derivatives

Type of derivative	Contract/ notional amount as at 31/10/2022 RM'000	Fair value liabilities as at 31/10/2022 RM'000
<b>Non-hedging derivatives</b>		
Forward currency contracts - Less than 1 year	148	1
	148	1

The Group uses forward currency contracts to manage some of the transaction exposures. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transactions exposure and fair value changes exposure. Such derivative does not qualify for hedge accounting.

Forward currency contracts are used to hedge the Group's sales denominated in EUR for which from commitments existed at reporting date.

## 27. Financial Instruments

There have been no significant changes to the Group's exposure credit risk, market risk and liquidity risk from the previous financial year. Also, there have been no changes to the Group's risk management objectives, policies and processes since the previous financial year end.

There were no financial instruments with off balance sheet risk as at the date of announcement.

The un-hedged financial assets and liabilities of the Group that are not denominated in their functional currencies as at the current quarter ended are as follows:-

Functional currency of the Group	United States Dollar RM'000	Euro RM'000	Total RM'000
Trade and other receivables	63,788	-	63,788
Cash and bank balances	7,847	-	7,847
Trade and other payables	(1,854)	(539)	(2,393)
<b>Total</b>	<b>69,781</b>	<b>(539)</b>	<b>69,242</b>

## 28. Material Litigation

There were no pending material litigations at the date of this report.

## 29. Dividends

No dividend has been declared for the financial quarter under review.

## 30. Earnings Per Share

The earnings per share for the current quarter and financial year-to-date are calculated by dividing the profit for the period by the weighted average number of ordinary shares in issue.

	Current Year Quarter 31/10/2022	Preceding Year Corresponding Quarter 31/10/2021	Current Year Todate 31/10/2022	Preceding Year Corresponding Period 31/10/2021
Profit for the period (RM'000)	22,541	592	34,776	4,554
Weighted average number of ordinary shares in issue ('000)	40,097	40,097	40,097	40,097
Basic earnings per share (Sen)	56.22	1.48	86.73	11.36

Basic earnings per ordinary share is calculated by dividing the profit for the quarter attributable to ordinary equity holders of the company by the weighted average number of ordinary shares in issue during the quarter.

Diluted earnings per share is not disclosed as the Company does not have any dilutive potential on ordinary shares.



### **31. Authorisation for issue**

The unaudited interim financial statements were authorised for issue by the Board of Directors on 20 December 2022.