



TH Plantations Berhad

(Company No. 12696-M)
(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2018

The Directors have pleasure in announcing the unaudited consolidated results for the second quarter ended 30 June 2018.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		UNAUDITED			
		SECOND QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
		30.06.2018	30.06.2017 (Restated)	30.06.2018	30.06.2017 (Restated)
Note		RM'000	RM'000	RM'000	RM'000
Revenue	26	138,558	155,128	259,793	320,962
Fair value change in biological assets	17	8,885	21,129	12,405	10,210
Cost of sales		(116,621)	(118,180)	(210,108)	(232,223)
Gross profit		30,822	58,077	62,090	98,949
Other income	7	402	6,585	4,283	13,282
Administrative expenses	8	(12,893)	(11,304)	(24,869)	(25,996)
Other expenses	9	(819)	(913)	(1,799)	(3,722)
Results from operating activities		17,512	52,445	39,705	82,513
Profit margin income from short-term investments and receivables		173	1,086	596	2,538
Finance cost		(15,446)	(16,103)	(30,697)	(31,857)
Net finance cost		(15,273)	(15,017)	(30,101)	(29,319)
Profit before tax	26	2,239	37,428	9,604	53,194
Tax expense	31	1,782	(6,116)	(1,487)	(8,955)
Profit for the period	26	4,021	31,312	8,117	44,239
Other comprehensive income, net of tax					
Items that are or may be reclassified subsequently to profit and loss, net of tax					
Foreign currency translation differences for foreign operations		(171)	(2,092)	(5,367)	(2,998)
Total comprehensive income for the period		3,850	29,220	2,750	41,241



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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

		UNAUDITED			
		SECOND QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
		30.06.2018	30.06.2017 (Restated)	30.06.2018	30.06.2017 (Restated)
		RM'000	RM'000	RM'000	RM'000
Profit attributable to:					
Owners of the Company		200	25,758	3,432	35,678
Non-controlling interests		3,821	5,554	4,685	8,561
Profit for the period		4,021	31,312	8,117	44,239
Total comprehensive income attributable to:					
Owners of the Company		41	23,373	(1,559)	32,450
Non-controlling interests		3,809	5,847	4,309	8,791
Total comprehensive income for the period		3,850	29,220	2,750	41,241
Basic earnings per ordinary share (sen)	39	0.02	2.91	0.39	4.04
Diluted earnings per ordinary share (sen)	39	0.02	2.91	0.39	4.04

The Condensed Consolidated Statement Of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.



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(Company No. 12696-M)
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 30.06.2018 (Unaudited)	As at 31.12.2017 (Unaudited) (Restated)	As at 01.01.2017 (Unaudited) (Restated)
		RM'000	RM'000	RM'000
Assets				
Property, plant and equipment	35	2,652,408	2,610,337	2,614,875
Plantation development expenditure	13	280,093	318,423	326,445
Forestry	14	188,353	187,956	162,470
Intangible asset	15	73,265	73,265	73,265
Other investments	16	1,825	1,825	1,825
Deferred tax assets		108,766	110,606	111,028
Total non-current assets		3,304,710	3,302,412	3,289,908
Inventories		24,650	20,124	17,045
Current tax assets		11,332	8,603	5,366
Biological assets	17	64,510	52,105	77,794
Other investments	16	3,296	3,288	3,520
Trade and other receivables		18,741	41,952	118,475
Prepayments and other assets		7,135	4,620	4,289
Cash and cash equivalents	18	34,528	99,175	163,771
		164,192	229,867	390,260
Assets classified as held for sale	19	29,941	30,142	-
Total current assets		194,133	260,009	390,260
Total assets		3,498,843	3,562,421	3,680,168



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

	Note	As at 30.06.2018 (Unaudited)	As at 31.12.2017 (Unaudited)	As at 01.01.2017 (Unaudited)
		(RM'000)	(Restated) (RM'000)	(Restated) (RM'000)
Equity				
Capital and reserve		849,749	773,954	782,408
Retained earnings		539,608	634,639	679,403
Equity attributable to owners of the Company		1,389,357	1,408,593	1,461,811
Non-controlling interests		371,956	367,647	364,807
Total equity		1,761,313	1,776,240	1,826,618
Liabilities				
Loans and borrowings	36	1,179,491	1,196,183	1,175,374
Employee benefits		252	269	-
Deferred tax liabilities		325,887	335,474	343,715
Trade and other payables		39,363	48,318	13,656
Total non-current liabilities		1,544,993	1,580,244	1,532,745
Loans and borrowings	36	60,226	47,857	113,151
Trade and other payables		112,912	138,138	205,446
Current tax liabilities		3,739	4,005	2,208
		176,877	190,000	320,805
Liabilities classified as held for sale	19	15,660	15,937	-
Total current liabilities		192,537	205,937	320,805
Total liabilities		1,737,530	1,786,181	1,853,550
Total equity and liabilities		3,498,843	3,562,421	3,680,168
Net tangible assets per share (RM)		1.49	1.51	1.57

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.



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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2018

	/-----Attributable to owners of the Company-----/					/-----Non-distributable-----/		Distributable		Non-controlling interest RM'000	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Other reserve RM'000	Share Option reserve RM'000	Exchange reserve RM'000	Total capital reserve RM'000	Retained earnings RM'000	Total RM'000			
At 1 January 2017	441,925	420,827	(82,557)	2,213	(533)	781,875	634,486	1,416,361	351,134	1,767,495	
Effect of transition to MFRS	-	-	-	-	533	533	(533)	-	-	-	
Effect of adopting MFRS 141	-	-	-	-	-	-	45,450	45,450	13,673	59,123	
At 1 January 2017 (Restated)	441,925	420,827	(82,557)	2,213	-	782,408	679,403	1,461,811	364,807	1,826,618	
Foreign currency translation differences for foreign operations	-	-	-	-	(8,012)	(8,012)	-	(8,012)	(602)	(8,614)	
Remeasurement loss on defined benefit liability	-	-	(28)	-	-	(28)	-	(28)	(2)	(30)	
Total other comprehensive income for the year	-	-	(28)	-	(8,012)	(8,040)	-	(8,040)	(604)	(8,644)	
Profit for the year (Restated)	-	-	-	-	-	-	22,409	22,409	8,821	31,230	
Total comprehensive income for the year	-	-	(28)	-	(8,012)	(8,040)	22,409	14,369	8,217	22,586	
<i>Contribution by and distribution to owners of the Group</i>											
Adjustment of fair value of ESOS	-	-	-	(2,213)	-	(2,213)	-	(2,213)	-	(2,213)	
Fair Value adjustment on initial recognition of financial liabilities	-	-	1,799	-	-	1,799	-	1,799	-	1,799	
Dividends to owners of the Company	-	-	-	-	-	-	(67,173)	(67,173)	-	(67,173)	
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	(5,377)	(5,377)	
Total transactions with owners of the Group	-	-	1,799	(2,213)	-	(414)	(67,173)	(67,587)	(5,377)	(72,964)	
Transition to no-par value regime on 31 January 2017	420,827	(420,827)	-	-	-	-	-	-	-	-	
At 31 December 2017	862,752	-	(80,786)	-	(8,012)	773,954	634,639	1,408,593	367,647	1,776,240	



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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 JUNE 2018 (continued)

Group	Note	/-----Attributable to owners of the Company-----/ /-----Non-distributable-----/ Distributable									
		Share capital RM'000	Share premium RM'000	Other reserve RM'000	Share Option reserve RM'000	Exchange reserve RM'000	Total capital reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
At 1 January 2018		862,752	-	(80,786)	-	(8,012)	773,954	634,639	1,408,593	367,647	1,776,240
Foreign currency translation differences for foreign operations		-	-	-	-	(4,991)	(4,991)	-	(4,991)	(376)	(5,367)
Total other comprehensive income for the year		-	-	-	-	(4,991)	(4,991)	-	(4,991)	(376)	(5,367)
Profit for the year		-	-	-	-	-	-	3,432	3,432	4,685	8,117
Total comprehensive income for the year		-	-	-	-	(4,991)	(4,991)	3,432	(1,559)	4,309	2,750
<i>Contribution by and distribution to owners of the Group</i>											
Transfer between reserves		-	-	80,786	-	-	80,786	(80,786)	-	-	-
Dividends to owners of the Company		-	-	-	-	-	-	(17,677)	(17,677)	-	(17,677)
Dividends to non-controlling interests		-	-	-	-	-	-	-	-	-	-
Total transactions with owners of the Group		-	-	80,786	-	-	80,786	(98,463)	(17,677)	-	(17,677)
At 30 June 2018		<u>862,752</u>	-	-	-	(13,003)	849,749	539,608	1,389,357	371,956	1,761,313

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2017 and the accompanying explanatory notes attached to the interim financial statements.



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2018

	FOR THE SECOND QUARTER ENDED	
	30.06.2018	30.06.2017
		(Restated)
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	9,604	53,194
Adjustment for non-cash items	53,835	54,646
Operating profit before changes in working capital	63,439	107,840
Net changes in working capital	(18,408)	(5,017)
Cash generated from operations	45,031	102,823
Profit margin income from short-term investments and other receivables	596	2,538
Finance cost	(36,434)	(36,835)
Tax paid	(14,897)	(12,840)
Tax refund	-	238
Net cash (used in)/generated from operating activities	(5,704)	55,924
Cash flows from investing activities		
Acquisition of property, plant and equipment	(10,097)	(18,000)
Increase in other investment	(8)	(705)
Plantation development expenditure	(28,528)	(34,440)
Forestry	-	(3,582)
Proceeds from disposal of property, plant and equipment	57	-
Net cash used in investing activities	(38,576)	(56,727)



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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SECOND QUARTER ENDED 30 JUNE 2018 (continued)

	FOR THE SECOND QUARTER ENDED	
	30.06.2018	30.06.2017 (Restated)
	RM'000	RM'000
Cash flows from financing activities		
Dividends paid to owners of the Company	(17,846)	(59,287)
Proceeds from drawdown of loans and borrowings	4,560	150,728
Proceeds from drawdown of tradeline	51,156	73,342
SUKUK repayment	-	(225,000)
Loan repayment	(58,237)	(84,375)
Net cash used in financing activities	(20,367)	(144,592)
Net decrease in cash and cash equivalents	(64,647)	(145,395)
Cash and cash equivalents at 1 January	99,238	163,771
Cash and cash equivalents at end of the period	34,591	18,376

Note

Cash and cash equivalents comprise:

		FOR THE SECOND QUARTER ENDED	
		30.06.2018	30.06.2017
		RM'000	RM'000
Deposits		21,737	6,169
Less: Other investments		(3,296)	(4,225)
	18	18,441	1,944
Cash and bank balances	18	16,150	16,432
		34,591	18,376



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NOTES PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

The interim financial statements have been prepared under the historical cost basis unless otherwise stated.

The Group has adopted the Malaysian Financial Reporting Standard (MFRS) framework and MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards for the first time in these condensed interim financial statements. The Group has elected 1 January 2017, being the beginning date of the immediate preceding financial period as the date of transition to MFRS accordingly. The impact of the transition to MFRS on the Group's reported financial position, financial performance and cash flows, are disclosed in Note 1(a). The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. They do not include all of the information required for full annual financial statements.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2017. The 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 year ended 31 December 2017.

a) First-time Adoption of MFRS

Transition from Financial Reporting Standards (FRSs) to MFRS

As provided in MFRS 1, first-time adopter of MFRS can elect optional exemptions from full retrospective application of MFRSs. The Group has elected to apply MFRS 3 – Business Combinations and MFRS 10 – Consolidated Financial Statements prospectively from the date FRS 3 – Business Combinations was adopted and to deem the carrying amount of investment in each subsidiary, joint venture and associate to be the cost of the investment in the separate financial statements as at the date of transition to MFRSs.

The following optional exemptions elected by the Group that have an impact on the reported financial positions prepared in accordance with FRSs have been applied in the opening MFRS statement of financial position as at 1 July 2015 and throughout all periods presented in the financial statements.

i) Exemption for cumulative translation differences

The Group have elected to reset the exchange reserve to zero. The exchange reserve of RM0.53 million as at 1 January 2017 was reclassified to retained earnings.



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1. Basis of preparation (continued)

a) First-time Adoption of MFRS(continued)

ii) Effects of MFRS 141

Prior to the adoption of MFRS 141 Agriculture: Bearer Plants (Amendments to MFRS 116 and MFRS 141), produce growing on bearer plants were not recognised. Following the adoption, these biological assets are measured at fair value less cost to sell. Changes in fair value less costs to sell are recognised in profit or loss.

iii) Reconciliation of profit and loss

Quarter ended 30 June 2017				
	Note	Previously stated under FRS RM'000	Effect of transition to MFRS and reclassification RM'000	Restated under MFRS RM'000
Revenue	26	321,478	(516)	320,962
Fair value change in biological assets	17	-	10,210	10,210
Cost of sales	26	(252,247)	20,024	(232,223)
Gross profit		69,231	29,718	98,949
Other income	7	15,305	(2,023)	13,282
Administrative expenses	8	(8,515)	(17,481)	(25,996)
Other expenses	9	(17,924)	14,202	(3,722)
Results from operating activities		58,097	24,416	82,513
Profit margin income from short-term investments and receivables		-	2,538	2,538
Finance costs		(27,746)	(4,111)	(31,857)
Net finance costs		(27,746)	(1,573)	(29,319)
Profit before tax	26	30,351	22,843	53,194
Tax expense	31	(5,771)	(3,184)	(8,955)
Profit for the period	26	24,580	19,659	44,239
Other comprehensive income, net of tax				
Items that are or may be reclassified subsequently to profit and loss, net of tax				
Foreign currency translation differences for foreign operations		141	(3,139)	(2,998)
Total comprehensive income for the period		24,721	16,520	41,241



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1. Basis of preparation (continued)

(a) First-time Adoption of MFRS(continued)

(iii) Reconciliation of profit and loss (continued)

Quarter ended 30 June 2017			
Note	Previously stated under FRS	Effect of transition to MFRS and reclassification	Restated under MFRS
	RM'000	RM'000	RM'000
Profit attributable to:			
Owners of the Company	18,396	17,282	35,678
Non-controlling interests	6,184	2,377	8,561
Profit for the period	24,580	19,659	44,239
Total comprehensive income attributable to:			
Owners of the Company	18,527	13,923	32,450
Non-controlling interests	6,194	2,597	8,791
Total comprehensive income for the period	24,721	16,520	41,241
Basic earnings per ordinary share (sen)	39 2.08	-	4.04
Diluted earnings per ordinary share (sen)	39 2.08	-	4.04



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1. Basis of preparation (continued)

a) First-time Adoption of MFRS (continued)

iv) Reconciliation of statement of financial position

		As at 31 December 2017			As at 1 January 2017			
Note		Previously stated under FRS	Effect of transition to MFRS	Restated under MFRS	Previously stated under FRS	Effect of transition to MFRS	Restated under MFRS	
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Assets								
	Property, plant and equipment	35	2,610,337	-	2,610,337	2,614,875	-	2,614,875
	Plantation development expenditure	13	318,423	-	318,423	326,445	-	326,445
	Forestry	14	187,956	-	187,956	162,470	-	162,470
	Intangible asset	15	73,265	-	73,265	73,265	-	73,265
	Other investments	16	1,825	-	1,825	1,825	-	1,825
	Deferred tax assets		114,375	(3,769)	110,606	117,771	(6,743)	111,028
	Total non-current assets		3,306,181	(3,769)	3,302,412	3,296,651	(6,743)	3,289,908
	Inventories		20,124	-	20,124	17,045	-	17,045
	Current tax assets		8,603	-	8,603	5,366	-	5,366
	Biological assets	17	-	52,105	52,105	-	77,794	77,794
	Other investments	16	3,288	-	3,288	3,520	-	3,520
	Trade and other receivables		41,952	-	41,952	118,475	-	118,475
	Prepayments and other assets		4,620	-	4,620	4,289	-	4,289
	Cash and cash equivalents	18	99,175	-	99,175	163,771	-	163,771
			177,762	52,105	229,867	312,466	77,794	390,260
	Assets classified as held for sale	19	30,142	-	30,142	-	-	-
	Total current assets		207,904	52,105	260,009	312,466	77,794	390,260
	Total assets		3,514,085	48,336	3,562,421	3,609,117	71,051	3,680,168



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1. Basis of preparation (continued)

b) First-time Adoption of MFRS (continued)

iv) Reconciliation of statement of financial position (continued)

Note	As at 31 December 2017			As at 1 January 2017		
	Previously stated under FRS	Effect of transition to MFRS	Restated under MFRS	Previously stated under FRS	Effect of transition to MFRS	Restated under MFRS
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Equity						
	773,421	533	773,954	781,875	533	782,408
Capital and reserve						
Retained earnings	604,044	30,595	634,639	634,486	44,917	679,403
Equity attributable to owners of the Company	1,377,465	31,128	1,408,593	1,416,361	45,450	1,461,811
Non-controlling interests	359,175	8,472	367,647	351,134	13,673	364,807
Total equity	1,736,640	39,600	1,776,240	1,767,495	59,123	1,826,618
Liabilities						
Loans and borrowings	1,196,183	-	1,196,183	1,175,374	-	1,175,374
Employee benefits	269	-	269	-	-	-
Deferred tax liabilities	326,738	8,736	335,474	331,787	11,928	343,715
Trade and other payables	48,318	-	48,318	13,656	-	13,656
Total non-current liabilities	1,571,508	8,736	1,580,244	1,520,817	11,928	1,532,745
Loans and borrowings	47,857	-	47,857	113,151	-	113,151
Trade and other payables	138,138	-	138,138	205,446	-	205,446
Current tax liabilities	4,005	-	4,005	2,208	-	2,208
	190,000	-	190,000	320,805	-	320,805



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1. Basis of preparation (continued)

a) First-time Adoption of MFRS (continued)

iv) Reconciliation of statement of financial position (continued)

		As at 31 December 2017			As at 1 January 2017		
	Note	Previously stated under FRS RM'000	Effect of transition to MFRS RM'000	Restated under MFRS RM'000	Previously stated under FRS RM'000	Effect of transition to MFRS RM'000	Restated under MFRS RM'000
Liabilities classified as held for sale	19	15,937	-	15,937	-	-	-
Total current liabilities		205,937	-	205,937	320,805	-	320,805
Total liabilities		1,777,445	8,736	1,786,181	1,841,622	11,928	1,853,550
Total equity and liabilities		3,514,085	48,336	3,562,421	3,609,117	71,051	3,680,168
Net tangible assets per share (RM)		1.48		1.51	1.52		1.57



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1. Basis of preparation (continued)

(a) First-time Adoption of MFRS (continued)

v) Reconciliation of statement of cash flow for the quarter ended 30 June 2017

Quarter ended 30 June 2017		
Previously stated under FRS	Effect of transition to MFRS	Restated under MFRS
RM'000		RM'000
Cash flows from operating activities		
Profit before tax	22,843	53,194
Adjustment for non-cash flow items	(15,657)	54,646
Operating profit before changes in working capital	7,186	107,840
Net changes in working capital	14,293	(5,017)
Cash generated from operations	21,479	102,823
Profit margin income from short-term investments and other receivables	-	2,538
Finance cost	(21,479)	(36,835)
Tax paid	-	(12,840)
Tax refund	-	238
Net cash generated from operating activities	-	55,924
Cash flows from investing activities		
Acquisition of property, plant and equipment	-	(18,000)
Decrease in other investment	-	(705)
Plantation development expenditure	-	(34,440)
Forestry	-	(3,582)
Net cash used in investing activities	-	(56,727)



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1. Basis of preparation (continued)

(a) First-time Adoption of MFRS (continued)

- v) Reconciliation of statement of cash flow for the quarter ended 30 June 2017

	Quarter ended 30 June 2017		
	Previously stated under FRS	Effect of transition to MFRS	Restated under MFRS
	RM'000	RM'000	RM'000
Cash flows from financing activities			
Dividends paid to owners of the Company	(59,287)	-	(59,287)
Proceeds from drawdown of loans and borrowings	150,728	-	150,728
Proceeds from drawdown of tradeline	73,342	-	73,342
SUKUK repayment	(225,000)	-	(225,000)
Loan repayment	(84,375)	-	(84,375)
Net cash generated from financing activities	(144,592)	-	(144,592)
Net increase in cash and cash equivalents	(145,395)	-	(145,395)
Cash and cash equivalents at 1 January	163,771	-	163,771
Cash and cash equivalents at 30 June	18,376	-	18,376

2. Significant Accounting Policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 December 2017 unless otherwise stated.



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3. Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, certain judgements made by management in applying the Group's accounting policies and the key sources of estimation, were the same as those applied to the financial statements as at and for the year ended 31 December 2017.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than as disclosed below :

(i) **Depreciation of estate**

The rate used to depreciate the estate is based on the general rule of the normal palm oil trees production trend.

(ii) **Recoverable amount of plantation development expenditure ("PDE")**

Management reviews its PDE for objective evidence of impairment at least quarterly. Significant delay in maturity is considered as an indication of impairment. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the performance of the PDE, or whether there have been significant changes with adverse effect in the market environment in which the PDE operates in.

(iii) **Intangible assets-goodwill**

Measurement of recoverable amounts of cash generating units is derived based on value in use of the cash generating unit.

(iv) **Deferred income**

Determination of the fair value of the soft loan received from Government agency for development and maintenance of rubber trees (forestry) were determined using the Group financing rate of 7.85% and the difference between the fair value and nominal value is treated as government grant.

(v) **Forestry**

The fair value of the assets is determined using valuation prepared by external, licensed independent property valuer as at 31 December 2017. The directors of the Group are on the opinion that there is no material change in the fair value of forestry during the quarter.

(vi) **Contingencies**

Determination of the treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and experts, internal and external to the Group, for matters in the ordinary course of business.



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3. Estimates (continued)

(vii) **Deferred tax**

Estimating the deferred tax assets to be recognised requires a process that involves determining appropriate tax provisions, forecasting future years' taxable income and assessing our ability to utilise tax benefits through future earnings.

(viii) **Inventories**

Determination of the allocation cost of CPO and PK is based on the extraction rate of CPO and PK respectively.

(ix) **Biological assets**

Fair value of biological assets is determined based on the present value of expected net cash flows from the biological assets. The expected net cash flows are estimated using the expected output method and the estimated market price of the biological assets.

4. Auditors' Report on Preceding Annual Financial Statements

The auditors have expressed an unqualified opinion on the Group's statutory consolidated financial statements for the year ended 31 December 2017 in their report dated 2 April 2018.

5. Seasonal or Cyclical Factors

The Group's plantation operations are affected by seasonal crop production and weather conditions.

6. Unusual Items Due To Their Nature, Size or Incidence

There are no unusual items affecting assets, liabilities, equity and net income.



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7. Other income

Other income consist of the following:

- a) Fair value on government grant
- b) Management fees
- c) Sundry income

#

	30.06.2018 RM'000	30.06.2017 RM'000
	2,309	11,940
	933	515
	1,041	827
	4,283	13,282

8. Administrative expenses

Administrative expenses consist of the followings:

- a) Overhead expenses
- b) Rental of office
- c) Lease of land
- d) Sundry expenses

#

	30.06.2018 RM'000	30.06.2017 RM'000
	15,248	17,454
	2,361	1,431
	1,464	1,464
	5,796	5,647
	24,869	25,996

#Due to changes in business trend, income from management fees derived from external parties has significantly reduced, making composition of income from management fees between external and within the Group at 5:95. The Board has decided to reclassify the income from management fees as other income; hence the corresponding cost, i.e. overhead cost, will be reclassified as administrative expenses.



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9. Other expenses

Other expenses consist of the followings:

- a) Head Office Depreciation
- b) Impairment on management fees
- c) Miscellaneous expenses

30.06.2018 RM'000	30.06.2017 RM'000
812	715
-	2,340
987	667
1,799	3,722

10. Changes in Estimated Amounts Reported in Prior Period Which Have Effect on the Current Period

There were no changes in estimated amounts reported in prior period.

11. Changes in Debt and Equity Securities

During the quarter under review, The Group:

- a) Drawn down of RM4.56 million soft loan at an effective profit margin rate of 3.00%.
- b) Repayment of RM12.00 million Commodity Murahabah Term Financing-i at an effective profit margin rate of 5.85%.
- c) Repayment of RM8.00 million Flexi Term Financing-i at an effective profit margin rate of 5.43%.

Apart from the above, there were no other issuances, cancellations, repurchases, resale of debt and equity securities in the period.

12. Dividends

During the second quarter ended 30 June 2018, the Company paid a final dividend of 2.00 sen per ordinary share in respect of financial year ended 31 December 2017 as approved by shareholders at the Company's AGM on 14 May 2018 amounting to RM17.68 million.



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13. Plantation development expenditure

	30.06.2018	31.12.2017
	RM'000	RM'000
At 1 January	318,423	326,445
Additions during the year	34,254	75,419
Addition of nurseries	1,486	5,151
Transfer to property, plant and equipment	(68,238)	(77,152)
Write off	-	(1,193)
Impairment of plantation development expenditure	-	(929)
Effect of movement in exchange rate	(5,832)	(9,318)
	280,093	318,423

14. Forestry

	30.06.2018	31.12.2017
	RM'000	RM'000
At 1 January	187,956	162,470
Addition during the year	10,674	11,903
Additions of nurseries	397	837
Addition charged to profit and loss	(10,674)	(12,740)
Change in fair value recognised to profit or loss	-	25,486
	188,353	187,956

15. Intangible asset

	30.06.2018	31.12.2017
	RM'000	RM'000
Cost		
Goodwill	73,265	73,265



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16. Other investments

Non-current

Available-for-sale financial
assets – stated at cost

Current

Deposits placed with licensed banks (maturity
period more than 3 months)

30.06.2018 RM'000	31.12.2017 RM'000
1,825	1,825
3,296	3,288
5,121	5,113

17. Biological assets

At 1 January

Change in fair value recognised to profit or loss

30.06.2018 RM'000	31.12.2017 RM'000
52,105	77,794
12,405	(25,689)
64,510	52,105

Biological assets comprised of produce growing on bearer plants. Biological assets are measured at fair value less costs to sell. Any gains or losses arising from changes in the fair value less costs to sell are recognised in profit or loss. Fair value is determined based on the present value of expected net cash flows from the biological assets. The expected net cash flows are estimated using the expected output method and the estimated market price of the biological assets.

Biological assets are classified as current assets for bearer plants that are expected to be harvested.



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During 2Q18, the Group harvested approximately 398,401 metric tonnes (MT) of fresh fruit bunches (FFB). As at 30 June 2018, the unharvested FFB, used in the calculation of fair value were 283,762 MT. Management has considered the oil content of all unripe FFB from the week after pollination to the week prior to harvest. As the oil content accrues exponentially in the 3 months prior to harvest, FFB that are to be harvested beyond 3 months are excluded from the valuation as their fair values are considered negligible. The fair value of FFB is calculated based on income approach which considers the net present value of all directly attributable net cashflows. The assumptions are as below:

- 1) Estimated production for July and August are derived from black bunches census (“BBC”), that was carried out by the Group in April 2018. Meanwhile, the estimated production for September was based on the yearly budget.
- 2) Average price was derived from the following factors:
 - i) Crude palm oil (“CPO”) and palm kernel (“PK”)-future price from Bloomberg
 - ii) Oil extraction rate (“OER”) and kernel extraction rate (“KER”)- actual rate of respective estates as at 30 June 2018 discounted based on biological transformation factor.

The fair value measurement of the Group’s biological assets are categorised within Level 3 of the fair value hierarchy. If the selling price of the FFB changes by 10%, profit or loss of the Group would increase or decrease by approximately RM8.90 million.

18. Cash and cash equivalents

	30.06.2018 RM'000	31.12.2017 RM'000
Deposits placed with licensed banks	18,441	76,061
Cash and bank balances	16,150	23,177
	34,591	99,238
Transfer to assets held for sale	(63)	(63)
	34,528	99,175



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19. Group assets held for sale

Ladang Jati Keningau Sdn Bhd

Investment in subsidiary, Ladang Jati Keningau Sdn. Bhd. is presented as an asset held for sale following the approval of Board of Directors to sell the whole investment in Ladang Jati Keningau Sdn. Bhd. on 20 December 2017. Efforts to sell the asset have commenced, and a sale is expected to be completed within twelve (12 months) from the approval date. Asset classified as held for sale is as below:

Group

Assets classified as held for sale

	Note	30.06.2018 RM'000
Property, plant and equipment	a	29,875
Trade and other receivables		3
Cash and cash equivalents		63
		<hr/>
		29,941
		<hr/>

Liabilities classified as held for sale

Deferred tax liability		6,725
Payables and accruals		8,935
		<hr/>
		15,660
		<hr/>

Note a

Property, plant and equipment held for sale comprise the following:

Group	RM'000
Cost	30,067
Accumulated depreciation	(192)
	<hr/>
	29,875
	<hr/>



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20. Operating segments

	Oil palm Plantation	Forestry	Elimination	Consolidated
RESULTS FOR 3 MONTHS ENDED 30 JUNE 2018	RM'000	RM'000	RM'000	RM'000
External operating revenue	138,558	-	-	138,558
Inter-segment revenue	20,012	-	(20,012)	-
Total operating revenue	158,570	-	(20,012)	138,558
Fair value change in biological assets	8,885	-	-	8,885
Other income	24,888	(311)	(24,002)	575
	192,343	(311)	(44,014)	148,018
Operating expenses	(129,038)	(1,193)	13,610	(116,621)
Segment results	63,305	(1,504)	(30,404)	31,397
Other expenses	(19,737)	(97)	6,122	(13,712)
Finance cost	(30,005)	(2,238)	16,797	(15,446)
Profit before tax	13,563	(3,839)	(7,485)	2,239
RESULTS FOR 3 MONTHS ENDED 30 JUNE 2017				
External operating revenue	155,128	-	-	155,128
Inter-segment revenue	20,489	-	(20,489)	-
Total operating revenue	175,617	-	(20,489)	155,128
Fair value change in biological assets	21,129	-	-	21,129
Other income	27,294	5,815	(25,438)	7,671
	224,040	5,815	(45,927)	183,928
Operating expenses	(127,230)	(3,392)	12,442	(118,180)
Segment results	96,810	2,423	(33,485)	65,748
Other expenses	(17,399)	(102)	5,284	(12,217)
Finance cost	(32,304)	(2,073)	18,274	(16,103)
Profit before tax	47,107	248	(9,927)	37,428



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20. Operating segments (continued)

	Oil palm Plantation	Forestry	Elimination	Consolidated
RESULTS UP TO SECOND QUARTER ENDED 30 JUNE 2018	RM'000	RM'000	RM'000	RM'000
External operating revenue	259,793	-	-	259,793
Inter-segment revenue	34,504	-	(34,504)	-
Total operating revenue	294,297	-	(34,504)	259,793
Fair value change in biological assets	12,405	-	-	12,405
Other income	48,210	1,998	(45,329)	4,879
	354,912	1,998	(79,833)	277,077
Operating expenses	(227,970)	(6,224)	24,086	(210,108)
Segment results	126,942	(4,226)	(55,747)	66,969
Other expenses	(44,143)	(204)	17,679	(26,668)
Finance cost	(57,845)	(4,431)	31,579	(30,697)
Profit before tax	24,954	(8,861)	(6,489)	9,604
RESULTS UP TO SECOND QUARTER ENDED 30 JUNE 2017				
External operating revenue	320,962	-	-	320,962
Inter-segment revenue	43,528	-	(43,528)	-
Total operating revenue	364,490	-	(43,528)	320,962
Fair value change in biological assets	10,210	-	-	10,210
Other income	54,689	11,995	(50,864)	15,820
	429,389	11,995	(94,392)	346,992
Operating expenses	(255,886)	(6,967)	30,630	(232,223)
Segment results	173,503	5,028	(63,762)	114,769
Other expenses	(40,076)	(385)	10,743	(29,718)
Finance cost	(64,007)	(4,111)	36,261	(31,857)
Profit before tax	69,420	532	(16,758)	53,194



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20. Operating segments (continued)

	Oil palm Plantation	Forestry	Elimination	Consolidated
ASSETS AND LIABILITIES AS AT 30 JUNE 2018	RM'000	RM'000	RM'000	RM'000
Assets that belong to the Group	5,552,683	226,304	(2,280,144)	3,498,843
Total Assets	5,552,683	226,304	(2,280,144)	3,498,843
Liabilities that belong to the Group	2,940,695	178,016	(1,381,181)	1,737,530
Total liabilities	2,940,695	178,016	(1,381,181)	1,737,530
ASSETS AND LIABILITIES AS AT 31 DECEMBER 2017				
Assets that belong to the Group	5,571,066	224,737	(2,233,382)	3,562,421
Total Assets	5,571,066	224,737	(2,233,382)	3,562,421
Liabilities that belong to the Group	2,940,554	167,586	(1,321,959)	1,786,181
Total liabilities	2,940,554	167,586	(1,321,959)	1,786,181



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21. Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment during the current quarter under review.

22. Material Event Subsequent to the Balance Sheet Date

There is no material event which occurred subsequent to the balance sheet date of this announcement.

23. Contingent Liabilities

The Directors are of the opinion that the Group has no contingent liabilities which may have a material impact on the financial position and business of the Group as at 29 August 2018.

24. Capital and Other Commitments Outstanding Not Provided For in the Interim Financial Report

Approved and contracted for
Approved but not contracted for

30.06.2018 RM'000
3,243
175,492
178,735

25. Material Related Party Transactions

			For the second quarter ended 30.06.2018
Transacting Parties	Relationship	Nature of transactions	RM'000
Transactions with THP			
Lembaga Tabung Haji	Holding Corporation	Lease of land	1,464
Lembaga Tabung Haji	Holding Corporation	Rental of office	2,361
Transactions with THP Group			
Syarikat Takaful Malaysia	Related Company	Insurance premium	3,935
TH Travel Services Sdn Bhd	Related Company	Purchase of flight tickets	457
Deru Semangat Sdn Bhd	Related Company	Management fees	127
TH Estates (Holdings) Sdn Bhd	Related Company	Management fees	806

Save as the above, there are no other material related party transactions.



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NOTES PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

26. Review of Group's Financial Performance

(i) Current quarter

	UNAUDITED SECOND QUARTER		VARIANCE	
	CURRENT YEAR	PRECEDING YEAR		
	30.06.2018	30.06.2017	RM'000	%
Revenue	138,558	155,128	(16,570)	(10.68)
Fair value change in biological assets	8,885	21,129	(12,244)	(57.95)
Operating profit	30,822	58,077	(27,255)	(46.93)
Profit Before Interest and Tax ("PBIT")	17,512	52,445	(34,933)	(66.61)
Profit Before Tax ("PBT")	2,239	37,428	(35,189)	(94.02)
Profit after Tax ("PAT")	4,021	31,312	(27,291)	(87.16)
Profit attributable to owners of the Company ("PATAMI")	200	25,758	(25,558)	(99.22)

(a) Revenue

For the current quarter ended 30 June 2018 ("2Q18"), despite higher FFB production and CPO sales volume, the Group's revenue decreased by 10.68% compared to the same period last year due to lower average realised prices of CPO, PK and FFB as well as lower sales volume of PK and FFB.

	SECOND QUARTER		VARIANCE	
	2018	2017		
	MT	MT	MT	%
Sales volume				
Crude palm oil	47,041	43,653	3,388	7.76
Palm kernel	9,666	9,997	(331)	(3.31)
FFB	32,790	34,616	(1,826)	(5.28)

	SECOND QUARTER		VARIANCE	
	2018	2017		
	RM/MT	RM/MT	RM/MT	%
Average realised prices				
Crude palm oil	2,275	2,664	(389)	(14.60)
Palm kernel	1,691	1,987	(296)	(14.90)
FFB	463	548	(85)	(15.51)



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(b) **Operating profit**

Despite recording lower operating costs for 2Q18, the Group's operating profit was lower by RM27.26 million (46.93%) due to the significant impact of lower prices. Additionally, the Group also recorded lower fair value change in biological assets.

(c) **PBIT**

PBIT for 2Q18 was lower by RM34.93 million or 66.61% compared to 2Q17 mainly due to lower operating profit. In addition, the Group also recorded lower fair value on government grant recognised during the quarter.

(d) **PBT**

For 2Q18, PBT was lower by RM35.19 million or 94.02% compared to 2Q17 due to lower PBIT.

(d) **PAT**

PAT for 2Q18 was lower by RM27.29 million compared to 2Q17 due to lower PBT. The Group however, recorded a lower effective tax rate.

(d) **PATAMI**

For 2Q18, PATAMI was lower by RM25.56 million as compared to 2Q17 due to lower PAT as mentioned above.



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26. Review of Group's Financial Performance

(ii) Year to date

	UNAUDITED SECOND QUARTER		VARIANCE	
	CURRENT YEAR	PRECEDING YEAR		
	30.06.2018	30.06.2017	RM'000	%
Revenue	259,793	320,962	(61,169)	(19.06)
Fair value change in biological assets	12,405	10,210	2,195	21.50
Operating profit	62,090	98,949	(36,859)	(37.25)
Profit Before Interest and Tax ("PBIT")	39,705	82,513	(42,808)	(51.88)
Profit Before Tax ("PBT")	9,604	53,194	(43,590)	(81.95)
Profit after Tax ("PAT")	8,117	44,239	(36,122)	(81.65)
Profit attributable to owners of the Company ("PATAMI")	3,432	35,678	(32,246)	(90.38)

(a) Revenue

Despite higher FFB production in the six months ended 30 June 2018 ("1H18"), the Group's revenue decreased by 19.06% from RM320.96 million in the six months ended 30 June 2017 ("1H17") to RM259.79 million due to significantly lower average realised prices of CPO, PK and FFB as well as lower sales volume of CPO and PK.

	SECOND QUARTER		VARIANCE	
	2018	2017		
	MT	MT	MT	%
Sales volume				
Crude palm oil	84,431	85,158	(727)	(0.85)
Palm kernel	18,040	19,295	(1,255)	(6.50)
FFB	66,004	55,071	10,933	19.85

	SECOND QUARTER		VARIANCE	
	2018	2017		
	RM/MT	RM/MT	RM/MT	%
Average realised prices				
Crude palm oil	2,311	2,826	(515)	(18.22)
Palm kernel	1,899	2,542	(643)	(25.29)
FFB	461	567	(106)	(18.69)



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(b) **Operating profit**

Despite recording lower operating costs for 1H18, the Group's operating profit was lower by RM36.86 million (37.25%) due to the significant impact of lower prices. However, the effect of lower revenue was slightly offset by the inclusion of higher fair value change in biological assets (RM2.20 million) and lower cost of FFB purchases (volume and cost per MT of FFB).

(c) **PBIT**

PBIT for 1H18 was lower by RM42.81 million or 51.88% compared to 1H17 mainly due to lower prices of CPO, PK and FFB. In addition, the Group also recorded lower fair value on government grant recognised during the period under review.

(d) **PBT**

For 1H18, PBT was lower by RM43.59 million or 81.95% compared to 1H17 due to lower PBIT.

(d) **PAT**

PAT for 1H18 was lower by RM36.12 million compared to 1H17 due to lower PBT. The Group however, recorded a lower effective tax rate.

(d) **PATAMI**

For 1H18, PATAMI was lower by RM32.25 million as compared to 1H17 due to lower PAT as mentioned above.



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27. Material Changes in the Quarterly Results Compared To the Preceding Quarter

	2018	2018	VARIANCE	
	Quarter 2	Quarter 1		
	RM'000	RM'000	RM'000	%
Revenue	138,558	121,235	17,323	14.29
Fair value change in biological assets	8,885	3,520	5,365	152.41
Operating profit	30,822	31,268	(446)	(1.43)
Profit Before Interest and Tax ("PBIT")	17,512	22,193	(4,681)	(21.09)
Profit Before Tax ("PBT")	2,239	7,365	(5,126)	(69.60)
Profit after Tax ("PAT")	4,021	4,096	(75)	(1.83)
Profit attributable to owners of the Company ("PATAMI")	200	3,232	(3,032)	(93.81)

	2018	2018	VARIANCE	
	Quarter 2	Quarter 1		
	MT	MT	MT	%
Sales volume				
Crude palm oil	47,042	37,390	9,652	25.81
Palm kernel	9,666	8,374	1,292	15.43
FFB	32,790	33,214	(424)	(1.28)

	2018	2018	VARIANCE	
	Quarter 2	Quarter 1		
	RM/MT	RM/MT	RM/MT	%
Average realised prices				
Crude palm oil	2,275	2,355	(80)	(3.40)
Palm kernel	1,691	2,140	(449)	(20.98)
FFB	463	459	4	0.87

(a) Revenue

Revenue for 2Q18 was higher by 14.29% compared to preceding quarter mainly attributed to higher sales volume of CPO and PK despite lower average realised prices for CPO and PK.

(b) Operating profit

Despite higher revenue and fair value change in biological assets, operating profit was lower by RM0.45 million mainly due to higher cost of sales.



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(c) PBIT

PBIT for 2Q18 was lower by RM4.68 million (21.09%) as compared to preceding quarter due to:

- a) Lower operating profit by RM0.45 million.
- b) Lower other income by RM3.19 million due to none of the fair value on government grant recognised during the quarter.

(d) PBT

PBT was lower by RM5.13 million (69.60%) compared to preceding quarter due to lower PBIT.

(e) PAT

PAT for 2Q18 was lower by RM0.08 million compared to 1Q18 due to lower PBT. The Group however, recorded a lower effective tax rate.

(f) PATAMI

PATAMI for 2Q18 was lower by RM3.03 million as compared to preceding quarter due to lower PAT as mentioned above.

28. Review of operating segments

Oil Palm Plantation

(i)Current quarter

Despite higher FFB production by 5%, the Oil Palm Plantation segment recorded a decrease of RM17.05 million in its revenue due to lower sales volume of CPO and PK as well as lower average realised prices. PBT decreased by 71.21% compared to 2Q17 mainly attributed to lower revenue and lower fair value change in biological asset for the current quarter.

(ii)Cumulative quarter

Despite higher FFB production by 9%, the Oil Palm Plantation segment recorded a decrease of RM70.19 million in its revenue in 1H18 due to lower average realised prices. PBT decreased by 64.05% compared to 1H17 mainly attributed to lower margins arising from lower prices of CPO, PK and FFB whilst operating expenses remained consistent.



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28. Review of operating segments (Continued)

Forestry

(i)Current quarter

The forestry segment recorded a LBT of RM3.84 million in 2Q18, as compared to a profit of RM0.25 million in 1Q17 due to none of the fair value on government grant recognised during the quarter.

(ii)Cumulative quarter

For 1H18, the forestry segment recorded a LBT of RM8.86 million in 1H18, as compared to a profit of RM0.53 million in 1H17. This is a result of a lower fair value on government grant recognised in 2018.

29. Current Year Prospects

The Group expects an improvement in FFB production for 2018, particularly in the second half of the year. However, higher supply across the industry may cause further downward pressure on prices of palm oil products, and may offset the positive effect of higher production. To mitigate the impact of lower prices, the Group will continue to improve efficiency by optimising costs and internalising sustainable practices throughout its operations.

30. Variance of Actual Profit from Forecast Profit

The Group did not issue any profit forecast for the current quarter.

31. Taxation

	FIRST QUARTER		CUMULATIVE QUARTER	
	Current year RM000	Preceding year RM000	Current year RM000	Preceding year RM000
Current	4,312	4,106	9,568	11,939
Deferred	(6,094)	2,060	(8,081)	(2,984)
	(1,782)	6,166	1,487	8,955

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the quarter.

The effective tax rate of the Group for the year under review is lower than its statutory rate as a result of higher deferred tax asset recognised.



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32. Unquoted Investments and /or Properties

There were no purchases or disposals of unquoted investments for the current quarter under review.

33. Quoted Investments

There were no purchases of quoted investments for the current quarter under review.

34. Status of Corporate Proposals

There are no other corporate proposals announced for the current quarter under review.

35. Property, Plant and Equipment ("PPE")

For the year 2018, an additional 1,958.24 hectares of oil palm estates have reached maturity and reclassified as PPE.

36. Group Borrowings

As at 30 June 2018, total secured borrowings, which are denominated in Ringgit Malaysia, are as follows:

	As at 30.06.2018 RM'000	As at 31.12.2017 RM'000
Non-current		
Secured		
Flexi Term Financing-i	4,265	13,715
Commodity Murahabah Term Financing-i	246,738	256,656
Unsecured		
SUKUK Murahabah		
Medium Term Notes	895,000	895,000
Term Financing	33,488	30,812
	1,179,491	1,196,183
Current		
Secured		
Flexi Term Financing-i	18,450	17,000
Commodity Murahabah Term Financing-i	25,000	27,000
Unsecured		
Islamic Trade Financing-i	16,776	3,857
	60,226	47,857
	1,239,717	1,244,040



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36. Group Borrowings (continued)

Maturity analysis

Tenure	Year of maturity	SUKUK	Other Financial Instruments	TOTAL
		RM000	RM000	RM000
Below 1 year	2018	-	37,776	37,776
1-2 years	2019	-	40,715	40,715
2-3 years	2020	40,000	29,500	69,500
3-4 years	2021	75,000	30,000	105,000
4-5 years	2022	100,000	30,000	130,000
5-6 years	2023	105,000	33,000	138,000
6-7 years	2024	110,000	37,000	147,000
7-8 years	2025	120,000	39,500	159,500
8-9 years	2026	145,000	33,738	178,738
9-10 years	2027	200,000	-	200,000
10-11 years	2028	-	-	-
11-12 years	2029	-	33,488	33,488
		895,000	344,717	1,239,717

37. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at the date of this announcement.

38. Material Litigation

There are no material litigations as at the date of this report.



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39. Earnings Per Share

		UNAUDITED FIRST QUARTER		UNAUDITED CUMULATIVE	
		Current Year	Preceding Year	Current Year	Preceding Year
Basic earnings per share					
Profit attributable to shareholders	to RM'000	200	25,758	3,432	35,678
Weighted average number of ordinary shares in issue	000	883,851	883,851	883,851	883,851
Basic earnings per share	sen	0.02	2.91	0.39	4.04
Diluted earnings per share					
Profit attributable to shareholders	to RM'000	200	25,758	3,432	35,678
Weighted average number of ordinary shares in issue	000	883,851	883,851	883,851	883,851
Effect of dilution		-	-	-	-
Adjusted weighted average of ordinary shares in issue	000	883,851	883,851	883,851	883,851
Diluted earnings per share	sen	0.02	2.91	0.39	4.04

40. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 29 August 2018.

By Order of the Board
Aliatun binti Mahmud
LS0008841
Secretary

Kuala Lumpur
29 August 2018