

BOUSTEAD PLANTATIONS BERHAD (1245-M)

UNAUDITED CONDENSED STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

For the quarter ended 31 December 2019	Current Period		Cumulative Period	
(All figures are stated in RM'000)	2019	2018	2019	2018
Revenue	179,104	156,558	577,203	584,009
Operating cost	(166,259)	(154,883)	(598,974)	(604,550)
Profit/ (Loss) from operations	12,845	1,675	(21,771)	(20,541)
Gain on disposal of plantation asset	-	-	119,454	-
Impairment loss	(175,962)	-	(175,962)	-
Interest income	85	44	1,115	1,312
Finance cost	(16,678)	(13,647)	(64,826)	(36,784)
Share of results of Associate	1,999	2,523	6,620	5,040
Loss before taxation	(177,711)	(9,405)	(135,370)	(50,973)
Taxation	1,911	(5,782)	(21,910)	(12,936)
Loss for the period	(175,800)	(15,187)	(157,280)	(63,909)
Other comprehensive income/ (loss)				
Remeasurement gains on defined benefit obligation	883	-	883	-
Share of exchange fluctuation of Associate	125	-	(103)	(384)
Total comprehensive loss for the period	(174,792)	(15,187)	(156,500)	(64,293)
Loss attributable to:				
Shareholders of the Company	(172,725)	(12,904)	(144,008)	(51,781)
Non-controlling interests	(3,075)	(2,283)	(13,272)	(12,128)
Loss for the period	(175,800)	(15,187)	(157,280)	(63,909)
Total comprehensive loss attributable to:				
Shareholders of the Company	(171,717)	(12,904)	(143,228)	(52,165)
Non-controlling interests	(3,075)	(2,283)	(13,272)	(12,128)
Total comprehensive loss for the period	(174,792)	(15,187)	(156,500)	(64,293)
Loss per share - sen				
Basic	(7.71)	(0.58)	(6.43)	(2.31)

The Unaudited Condensed Statement of Consolidated Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018.

BOUSTEAD PLANTATIONS BERHAD (1245-M)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 December 2019	As at 31 December 2018
(All figures are stated in RM'000)		
ASSETS		
Non-current assets		
Property, plant and equipment	2,057,601	3,609,300
Right of use assets	1,959,890	-
Prepaid land lease payments	-	45,838
Investment in Associate	27,536	29,019
Goodwill on consolidation	2,281	2,281
Deferred tax assets	-	2,557
	4,047,308	3,688,995
Current assets		
Inventories	28,612	36,034
Biological assets	22,230	15,662
Receivables	80,477	125,241
Tax recoverable	393	4,186
Cash and bank balances	20,468	57,799
	152,180	238,922
Asset held for sale	-	237,419
	152,180	476,341
TOTAL ASSETS	4,199,488	4,165,336
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	1,422,344	1,422,344
Reserves	1,129,926	1,295,554
Shareholders' equity	2,552,270	2,717,898
Non-controlling interests	(100,084)	(86,812)
Total equity	2,452,186	2,631,086
Non-current liabilities		
Borrowings	654,898	373,085
Deferred tax liabilities	274,780	281,201
Payables	6,197	6,330
	935,875	660,616
Current liabilities		
Borrowings	722,482	744,600
Payables	85,666	83,866
Dividend payable	-	44,800
Taxation	3,279	368
	811,427	873,634
Total liabilities	1,747,302	1,534,250
TOTAL EQUITY AND LIABILITIES	4,199,488	4,165,336

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018.

BOUSTEAD PLANTATIONS BERHAD (1245-M)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2019	←— Attributable to Shareholders of the Company —→					Total Equity
	Share Capital	Non -distributable Capital Reserve	Other Retained Profits	Total	Non- controlling interests	
(All figures are stated in RM'000)						
2019						
Balance at 1 January 2019	1,422,344	(162)	1,295,716	2,717,898	(86,812)	2,631,086
Total comprehensive loss for the year	-	(103)	(144,008)	(144,111)	(13,272)	(157,383)
Remeasurement gains on defined benefit obligations	-	-	883	883	-	883
Transactions with owners:						
Dividends	-	-	(22,400)	(22,400)	-	(22,400)
Balance at 31 December 2019	1,422,344	(265)	1,130,191	2,552,270	(100,084)	2,452,186
2018						
Balance at 1 January 2018	1,422,344	222	1,597,316	3,019,882	(74,572)	2,945,310
Total comprehensive loss for the year	-	(384)	(51,781)	(52,165)	(12,128)	(64,293)
Remeasurement of deferred tax liability on fair value surpluses of freehold lands arising from changes in tax rate	-	-	(29,019)	(29,019)	-	(29,019)
Transactions with owners:						
Dividends	-	-	(220,800)	(220,800)	(112)	(220,912)
Balance at 31 December 2018	1,422,344	(162)	1,295,716	2,717,898	(86,812)	2,631,086

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018.

BOUSTEAD PLANTATIONS BERHAD (1245-M)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2019

(All figures are stated in RM'000)	2019	2018
Operating Activities		
Receipts from customers	576,020	603,426
Cash paid to suppliers and employees	(414,312)	(488,223)
Cash generated from operations	161,708	115,203
Defined benefit obligations paid	(331)	(211)
Tax paid	(12,886)	(38,982)
Net cash generated from operating activities	148,491	76,010
Investing Activities		
Purchase of property, plant and equipment	(70,895)	(82,652)
Acquisition of plantation assets	(375,953)	(699,121)
Deposits received on disposal of land	-	13,604
Proceeds from disposal of property, plant and equipment and compulsory land acquisition	120,210	6,860
Deposit paid on proposed acquisition of plantation assets	-	(39,700)
Interest received	1,127	1,300
Dividend received	8,000	4,000
Net cash used in investing activities	(317,511)	(795,709)
Financing Activities		
Drawdown of term loans	315,000	400,000
(Decrease)/Increase in revolving credits	(25,000)	576,000
Repayment of term loan	(24,000)	-
Interest paid	(61,531)	(39,185)
Dividends paid	(67,200)	(176,000)
Dividends paid to non-controlling interest	(112)	(462)
Transaction costs on borrowing	(350)	(3,800)
Net cash generated from financing activities	136,807	756,553
Net (decrease)/ increase in cash and cash equivalents	(32,213)	36,854
Cash and cash equivalents at beginning of year	52,656	15,802
Cash and cash equivalents at end of year	20,443	52,656
Comprising:		
Cash and bank balances	20,468	57,799
Bank overdrafts	(25)	(5,143)
	20,443	52,656

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2018.

BOUSTEAD PLANTATIONS BERHAD (1245-M)

Notes to the interim financial report for the quarter ended 31 December 2019

Part A - Explanatory Notes Pursuant to MFRS 134

1. Basis of Preparation

The interim financial statements are prepared in accordance with requirements of paragraph 9.22 Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and complies with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134 - Interim Financial Reporting. The interim financial statements is unaudited and should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2018. All figures are stated in RM'000, unless otherwise stated.

2. Accounting Policies

(i) Adoption of MFRSs, Amendments to MFRSs and IC Interpretations

On 1 January 2019, the Group adopted the following new and amended MFRS:

- Amendments to MFRS 3 Annual Improvements to MFRS Standards 2015-2017 Cycle
- Amendments to MFRS 9 Prepayment Features with Negative Compensation
- Amendments to MFRS 11 Annual Improvements to MFRS Standards 2015-2017 Cycle
- MFRS 16 Leases
- Amendments to MFRS 112 Annual Improvements to MFRS Standards 2015-2017 Cycle
- Amendments to MFRS 119 Plan Amendment, Curtailment or Settlement
- Amendments to MFRS 123 Annual Improvements to MFRS Standards 2015-2017 Cycle
- Amendments to MFRS 128 Long-term interests in Associates and Joint Ventures
- IC Interpretation 23 Uncertainty over Income Tax Treatments

Adoption of the above amendments and interpretations did not have any material effects on the financial statements of the Group, except for MFRS 16 Leases. As required by MFRS 134, the nature and effect of these changes are disclosed below.

MFRS 16 Leases

MFRS 16 supersedes MFRS 117 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Lessor accounting under MFRS 16 is substantially unchanged from MFRS 117. Lessors will continue to classify leases as either operating or finance leases using similar principles as in MFRS 117. Therefore, MFRS 16 did not have an impact for leases where the Group is the lessor.

The Group adopted MFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application.

The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying MFRS 117 and IFRIC 4 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (“short-term leases”), and lease contracts for which the underlying asset is of low value (“low-value assets”).

As at 1 January 2019, the property, plant and equipment and the prepaid land lease payments of the Group reduced by RM190,911,000 and RM45,838,000 respectively.

Nature of the effect of adoption of MFRS 16

The Group has lease contracts for premises and plant and equipment.

Before adoption of MFRS 16, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of MFRS 16, the Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

Leases previously classified as finance leases

The Group did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under MFRS 117). The requirements of MFRS 16 was applied to these leases from 1 January 2019.

Based on the foregoing, as at 1 January 2019, the right of use assets of RM1,710,278,000 (31 December 2019: RM1,959,890,000) were recognised. This includes the lease assets previously recognised under finance leases and classified as prepaid land lease payments and leasehold land which were previously classified as property, plant and equipment.

Leases previously classified as operating leases

Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(ii) **Standards Issued but not yet Effective**

The Group has not early adopted the following amended MFRS that are not yet effective:

	Effective Date
• Amendments to MFRS 101 Presentation of Financial Statements (Definition of Material)	1 January 2020
• Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Material)	1 January 2020

- MFRS 17 Insurance Contracts
- Amendments to MFRS 10 and MFRS128 Sale or Contribution of Assets between an Investor and its Associate or Joint-Venture

1 January 2021
Deferred

3. Auditor's Report on Preceding Annual Financial Statements

The audit report of the preceding audited financial statements was not qualified.

4. Comments about Seasonal or Cyclical Factors

The Group's operating result is influenced by both CPO prices and FFB crop production. The cropping pattern for oil palms is influenced by weather conditions. FFB production normally starts with a trough at the beginning of the year and thereafter increases gradually to reach a peak during the second half of the year.

5. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income and cash flows for the quarter under review.

6. Change in Estimates

There were no material changes in estimates of amounts reported in the previous financial year.

7. Dividends

- (i) On 4 January 2019, the Company paid a 3rd interim single tier dividend of 2.0 sen per share in respect of the financial year ended 31 December 2018 amounting to RM44.8 million.
- (ii) On 28 June 2019, the Company paid a 1st interim single tier dividend of 1.0 sen per share in respect of the current financial year ending 31 December 2019 amounting to RM22.4 million.

8. Segmental Information

Segment information for the cumulative period in respect of the Group's operations by geographical location is set out as follows:

RM '000	Peninsular Malaysia	Sabah	Sarawak	Total
2019				
Revenue	214,226	291,564	71,413	577,203
Reportable segment operating profit/(loss)	35,923	(36,364)	(21,330)	(21,771)
Gain on disposal of plantation assets				119,454
Impairment loss on property, plant and equipment				(175,962)
Interest income				1,115
Finance cost				(64,826)
Share of results of Associate				6,620
Loss before taxation				(135,370)
Taxation				(21,910)
Loss for the year				(157,280)

RM '000	Peninsular Malaysia	Sabah	Sarawak	Total
2018				
Revenue	237,509	271,794	74,706	584,009
Reportable segment operating profit/(loss)	30,180	(29,836)	(20,885)	(20,541)
Interest income				1,312
Finance cost				(36,784)
Share of results of Associate				5,040
Loss before taxation				(50,973)
Taxation				(12,936)
Loss for the year				(63,909)

9. Debt and Equity Securities

There were no issuances and repayment of debt and equity securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares in the current financial period.

10. Carrying Amount of Revalued Assets

The revaluation of certain property, plant and equipment and right of use assets during the current financial period resulted in adjustment to the carrying value of those assets.

11. Subsequent Events

There were no subsequent events as at 24 February 2020 that will materially affect the financial statements for the financial period under review.

12. Changes in Group Composition

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

13. Changes in Contingent Liabilities and Contingent Assets

No contingent liability has arisen since the previous financial year end.

14. Capital Commitments

The Group has the following commitments as at 31 December 2019:

	Cumulative quarter	
	2019	2018
	RM'000	RM'000
Capital expenditure		
- Authorised and contracted for	34,572	357,300
- Authorised but not contracted for	105,849	134,824
	140,421	492,124

15. Financial Risk Management

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2018.

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia

16. Performance Review

	Current Quarter				Cumulative Quarter			
	2019	2018	Increase/(Decrease)		2019	2018	Increase/(Decrease)	
	RM'000		%		RM'000		%	
CPO Price (RM pmt)	2,446	1,967	479	24	2,134	2,261	(127)	(6)
Revenue	179,104	156,558	22,546	14	577,203	584,009	(6,806)	(1)
Profit/ (Loss) from operations	12,845	1,675	11,170	667	(21,711)	(20,541)	(1,230)	(6)
(Loss)/ Profit before taxation	(177,711)	(9,405)	(168,306)	(1,790)	(135,370)	(50,973)	(84,937)	(166)
Loss for the period	(175,800)	(15,187)	(160,613)	(1,058)	(157,280)	(63,909)	(93,371)	(146)
Loss attributable to Shareholders of the Company	(172,725)	(12,904)	(159,821)	(1,239)	(144,008)	(51,781)	(92,227)	(178)

For the fourth quarter of 2019, the Group recorded a higher unaudited pre-tax loss of RM177.7 million as compared with a loss of RM9.4 million for last year mainly due to the impairment made for the Pertama and Tawai assets.

Revenue increased by RM22.5 million from RM156.6 million to RM179.1 million due to higher prices of palm products.

For financial year ended 2019, the Group recorded an unaudited pre-tax loss of RM135.4 million as compared with loss of RM51.0 million for the corresponding period last year, due to the impairment of RM176.0 million and lower palm product prices. However, it was offset by the gain on disposal of Seberang Perai Utara land of RM119.5 million.

The Group's average CPO selling price of RM2,134 per MT dropped by RM127 per MT (6%) from RM2,261 per MT last year. PK's average price of RM1,244 per MT was down by RM536 per MT (30%). The year's FFB production of 979,972 MT was 1% higher than 2018's production of 966,134 MT. OER increased from 21.2% to 21.6% while KER remained stable at 4.4%.

Peninsular Malaysia Region

Peninsular Malaysia Region achieved a segment profit of RM35.9 million, an increase of RM5.7 million from RM30.2 million for the corresponding period last year mainly due to reduction in manuring and upkeep works.

Sabah Region

Sabah Region incurred a segment loss of RM36.4 million, an increase of RM6.5 million compared to 2018 largely due to the lower selling prices and increased depreciation charges. FFB production for the region rose by 9% to 494,343 MT due to the additional crop from newly acquired Boustead Tawai estates.

Sarawak Region

Sarawak Region's segment loss of RM21.3 million increased slightly from a loss of RM20.9 million for the same period last year. The region's performance was adversely impacted by lower palm product prices and lower FFB production. FFB production of 111,700 MT was down from last year by 11%.

17. Material Changes in Quarterly Results Compared to the Results of the Immediate Preceding Quarter

	Current Quarter	Immediate Preceding Quarter	Increase/(Decrease)	
	RM'000			%
CPO Price (RM per MT)	2,446	2,026	420	21
Revenue	179,104	139,239	39,865	29
Profit/ (Loss) from operations	12,845	(11,662)	24,507	210
Loss before taxation	(177,711)	(27,748)	(149,963)	(540)
Loss for the period	(175,800)	(37,082)	(138,718)	(374)
Loss attributable to Shareholders of the Company	(172,725)	(34,312)	(138,413)	(403)

For the current quarter, the unaudited loss before tax (excluding impairment) of RM1.7 million narrowed significantly compared to RM27.7 million loss in the preceding quarter largely due to improved selling prices of palm product and higher FFB production. Revenue for the current quarter of RM179.1 million also improved from RM139.2 million for the same reasons.

The CPO average price of RM2,446 per MT for the current quarter was RM420 higher than the preceding quarter whilst PK price climbed RM269 to RM1,407 per MT. FFB production for the fourth quarter of 252,201 was an increase of 5% from the third quarter.

18. Prospects for the Coming Year

The Group's prospects for the coming year will be much driven by CPO price and the Group's transformation programme.

CPO price is expected to improve in the first half of 2020 arising from expected lower crop production and higher global demand. Beyond that period, prices are expected to moderate but remain more favourable than 2019.

The Group is optimistic that the transformation programme which focuses on yield improvement, prudent cost management and operational efficiency, together with the higher palm oil prices will result in improvement in the Group's performance.

19. Notes on Variance in Actual Profit and Shortfall in Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interests and shortfall in profit guarantee are not applicable.

20. Taxation

	Current quarter	Cumulative quarter
	2019	2019
	RM'000	RM'000
Malaysian taxation based on loss for the period:		
- Current	5,299	24,904
- Deferred	(16,116)	(11,963)
	(10,817)	12,941
Underprovision of prior year	8,906	8,969
	(1,911)	21,910

The Group's effective tax rate for the cumulative quarter was lower than the statutory tax rate due mainly to certain expenses which were non-deductible for tax purposes and group relief which was not available for losses of certain subsidiaries while lower tax rates are applicable to gain on disposal of land.

21. Status of Corporate Proposals

(i) Proposed Land Disposal

On 24 January 2018, CIMB Islamic Trustee Berhad ("CITB"), acting solely as trustee for the Company entered into separate sale and purchase agreements with Sunrich Conquest Sdn. Bhd. and Titanium Greenview Sdn. Bhd. for the disposal of 138.89 hectares of freehold land situated in Mukim 12, Daerah Seberang Perai Utara, Pulau Pinang for a total cash consideration of approximately RM136 million.

The sale of the lands was completed on 18 April 2019.

(ii) Proposed Land Acquisition

On 1 August 2018, Boustead Rimba Nilai Sdn Bhd ("BRNSB"), a wholly-owned Subsidiary entered into a sale and purchase agreement ("SPA") with Sit Seng & Sons Realty Sdn Bhd and its related parties ("collectively known as Vendors") for the acquisition of oil palm plantation lands within the District of Beluran, Kinabatangan and Labuk & Sugut comprising 17 land titles measuring a total of 12,144.99 acres (4,915.25 hectares) together with a 75 tonnes per hour palm oil mill and buildings erected thereon as well as movable assets, machineries and vehicles for a cash consideration of RM397 million.

On 25 March 2019, BRNSB entered into

- (i) a supplemental agreement ("SA") with the Vendors to revise the purchase consideration to RM358.66 million after the exclusion of the purchase of 499.3 hectares of oil palm plantation lands together with movable assets ("Lubah property") as well as road reserve land measuring 1,172.8 square meters. The exclusion of Lubah property was due to non-fulfilment of the removal of equity restriction. The land area under the SA was 4,414.693 hectares.

The above acquisition was completed on 29 April 2019.

- (ii) an SPA with Lubah Plantations (S) Sdn Bhd for the acquisition of Lubah property for a cash consideration of RM38.21 million. BRNSB has paid a 10% deposit.

The acquisition of Lubah property is expected to be completed by second quarter 2020.

There were no other corporate proposals announced or pending completion as at 24 February 2020

22. Changes in Material Litigations

CIMB Islamic Trustee Berhad ("First Plaintiff"), trustee for Boustead Plantations Berhad and Boustead Plantations Berhad ("Second Plaintiff") had on 28 December 2018 filed a Writ of Summons and Statement of Claim on Setia Fontaines Sdn Bhd ('Defendant') for breach of Sale and Purchase Agreement dated 22 December 2016. The claim is in respect of damages amounting to RM37,207,353.35 for goods and services tax (GST) due from the Defendant together with interest at the rate of 8% per annum and other costs and relief deemed fit by the Court.

In consultation with the Company's solicitors, the Group is of the view that the Plaintiffs have a good case in this suit and are positive of the outcome of the litigation.

As at 24 February 2020, there was no other material litigation involving the Group or the Company.

23. Statement of Financial Position

There was no significant movement of balances as at 31 December 2019 compared to 30 September 2019.

24. Statement of Cash Flows

During the current quarter, higher collections from customers was used to finance capital expenditure, pay interest on borrowings and repay borrowings.

25. Earnings Per Share – Basic

	Current quarter		Cumulative quarter	
	2019	2018	2019	2018
Net loss attributable to shareholders (RM'000)	(172,725)	(12,904)	(144,008)	(51,781)
Weighted average number of ordinary shares in issue ('000)	2,240,000	2,240,000	2,240,000	2,240,000
Basic loss per ordinary share (Sen)	(7.71)	(0.58)	(6.43)	(2.31)

26. Group Borrowings

Total group borrowings as at 31 December 2019 are as follows:

	At 31 December 2019	At 31 December 2018
	RM'000	RM'000
Non-Current:		
<u>Unsecured</u>		
Term loans	654,898	373,085
Current:		
<u>Unsecured</u>		
Bank overdrafts	25	5,143
Revolving credits	691,000	716,000
Term loans	31,457	23,457
	722,482	744,600
Total borrowings	1,377,380	1,117,685

- (i) The bank overdrafts bear interest at a weighted average rate of 7.84% (31.12.2018: 8.00%) per annum.
- (ii) The revolving credits bear interest at a weighted average rate of 4.90% (31.12.2018: 4.76%) per annum.
- (iii) The RM350 million Islamic term loan carries an average profit rate of 5.15% per annum whereas the RM50 million term loan bears interest at 5.50% per annum.
- (iv) The new term loan facilities of RM315 million carry an average profit rate of 4.98% per annum.

The debt for the current year and last year comprised wholly of floating interest rate debt and denominated in Malaysian Ringgit.

27. Additional Disclosures

The Group's profit/ (loss) before taxation is stated after debiting the following:

	Current quarter		Cumulative quarter	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
Depreciation and amortisation	41,598	39,652	167,163	139,718
Foreign exchange loss	-	-	-	1

28. Plantation Statistics

	Cumulative quarter	
	2019	2018
(a) Production and yield		
FFB (MT)	979,972	966,134
FFB (MT/ha)	13.9	14.9
CPO (MT)	231,298	211,847
PK (MT)	47,113	43,601
(b) Oil extraction rate (%)		
CPO	21.6	21.2
PK	4.4	4.4
(c) Average Selling Prices (RM per MT)		
FFB	391	426
CPO	2,134	2,261
PK	1,244	1,780
(d) Planted areas (hectares)	At 31	At 31
	December	December
	2019	2018
Past prime	32,505	26,438
Prime mature	27,167	29,750
Young mature	13,183	12,480
Immature	6,551	6,364
	79,406	75,032

29. Quarterly Performance

	Q1	Q2	Q3	Q4	Total
(All figures are stated in RM'000)					
Revenue	134,912	123,948	139,239	179,104	577,203
Operating cost	(135,775)	(146,039)	(150,901)	(164,171)	(596,886)
Profit/ (Loss) from operations	(863)	(22,091)	(11,662)	14,933	(19,683)
Interest income	85	882	63	85	1,115
Finance cost	(13,921)	(16,767)	(17,460)	(16,678)	(64,826)
Share of results of Associate	651	2,659	1,311	1,999	6,620
Profit/ (Loss) from business as usual	(14,048)	(35,317)	(27,748)	339	(76,774)
Gain on disposal of plantation asset	-	119,454	-	-	119,454
Impairment loss	-	-	-	(175,962)	(175,962)
Provisions	-	-	-	(2,088)	(2,088)
(Loss)/ Profit before taxation	(14,048)	84,137	(27,748)	(177,711)	(135,370)

Gain on disposal

- Disposal of 138.89 hectares of freehold land situated in Mukim 12, Daerah Seberang Perai Utara, Pulau Pinang.

Impairment loss

- During the financial year, the Group had identified indications of impairment in respect of certain property, plant and equipment and right of use assets for underperforming cash generating units ("CGU").
- The Group undertook an assessment of the recoverable amount of these assets, which is defined as the higher of fair value less costs of disposal ("FVLCD") or value in use ("VIU").
- FVLCD is based on updated valuations performed by independent professional valuers adjusted for the estimated cost of disposal and VIU is based on discounted cash flows from single life cycle of the oil palms where the improved land value is added at the end of the economic life cycle of the trees.
- Based on the Group's assessment, the recoverable amounts for Tawai CGU, Sabah and Lapan Kabu Estate, Kelantan were lower than the carrying amounts as at 31 December 2019.
- Tawai CGU comprises of six estates and a mill which were purchased in 2018 and 2019 but had been underperforming since acquisition and Lapan Kabu suffered severe flooding in 2014 which affected the estate yield.
- Therefore an impairment totalling RM176.0 million was recognized to bring their carrying values to the recoverable amounts.

Provisions

- As part of the year-end review, the Group has provided for excess nursery stocks in Sarawak.