

MHC Plantations Bhd (4060-V)
Condensed Consolidated Statement of Comprehensive Income (Unaudited)
For The First Quarter Ended 31 March 2021

	Current quarter 3 months ended		Cumulative quarter 3 months ended	
	31.3.2021 (Unaudited) RM' 000	31.3.2020 (Restated) RM'000	31.3.2021 (Unaudited) RM' 000	31.3.2020 (Restated) RM' 000
Revenue	96,176	73,253	96,176	73,253
Cost of sales	(78,985)	(67,516)	(78,985)	(67,516)
Gross profit	17,191	5,737	17,191	5,737
Other income	970	1,222	970	1,222
Administrative expenses	(2,977)	(3,202)	(2,977)	(3,202)
Other operating expenses	(999)	(1,109)	(999)	(1,109)
Operating profit	14,185	2,648	14,185	2,648
Finance costs	(957)	(1,549)	(957)	(1,549)
Profit/(Loss) before tax	13,228	1,099	13,228	1,099
Income tax expense	(2,324)	(371)	(2,324)	(371)
Profit/(Loss) after tax	10,904	728	10,904	728
Other comprehensive income				
Exchange difference on translation of foreign operations	73	(316)	73	(316)
Total comprehensive income for the period	10,977	412	10,977	412
Profit/(Loss) attributable to:				
Owners of the parent	6,877	1,298	6,877	1,298
Non-controlling interests	4,027	(570)	4,027	(570)
	10,904	728	10,904	728
Total comprehensive income attributable to:				
Owners of the parent	6,895	1,131	6,895	1,131
Non-controlling interests	4,082	(719)	4,082	(719)
	10,977	412	10,977	412
Weighted average number of shares in issue	196,544	196,544	196,544	196,544
Earnings per share in sen				
- Basic	3.50	0.66	3.50	0.66

The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2020.

MHC Plantations Bhd (4060-V)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Financial Position
as at 31 March 2021

	As at 31.3.2020 (Unaudited) RM'000	As at 31.12.2020 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	502,758	507,400
Investment properties	45,264	45,264
Deferred tax assets	6,673	6,777
Investment in securities	338	338
Goodwill on consolidation	43,867	43,867
	<u>598,900</u>	<u>603,646</u>
Current assets		
Inventories	22,512	18,533
Biological assets	3,264	3,264
Trade and other receivables	25,210	23,026
Tax recoverable	1,077	848
Short term investments	21,461	17,573
Fixed deposits with licensed banks	6,351	7,796
Cash and bank balances	23,512	24,810
	<u>103,387</u>	<u>95,850</u>
TOTAL ASSETS	<u>702,287</u>	<u>699,496</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	196,544	196,544
Reserves	61,216	54,322
	<u>257,760</u>	<u>250,866</u>
Non-controlling interests	<u>257,650</u>	<u>253,568</u>
Total equity	<u>515,410</u>	<u>504,434</u>

**Condensed Consolidated Statement of Financial Position
as at 31 March 2021 (Contd.)**

	As at 31.3.2020 (Unaudited) RM'000	As at 31.12.2020 (Audited) RM'000
EQUITY AND LIABILITIES (CONTD.)		
Non-current liabilities		
Borrowings	37,794	46,867
Deferred tax liabilities	48,276	48,913
Lease liabilities	3,540	3,876
	<u>89,610</u>	<u>99,656</u>
Current liabilities		
Payables	25,654	26,322
Borrowings	66,700	65,238
Lease liabilities	1,190	1,229
Taxation	3,723	2,617
	<u>97,267</u>	<u>95,406</u>
Total liabilities	<u>186,877</u>	<u>195,062</u>
TOTAL EQUITY AND LIABILITIES	<u>702,287</u>	<u>699,496</u>
Net Tangible Asset Per Share (RM)	<u>1.09</u>	<u>1.05</u>
Net Asset Per Share (RM)	<u>1.31</u>	<u>1.28</u>

The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2020.

MHC Plantations Bhd (4060-V)
Condensed Consolidated Statements of Changes in Equity (Unaudited)
For The First Quarter Ended 31 March 2021

							Distributable			Non-controlling Interests	Total Equity
	Share Capital RM' 000	Capital Reserve RM' 000	Other Reserve RM' 000	Revaluation Reserve RM' 000	Fair value adjustment reserve RM'000	Foreign currency translation reserve RM'000	Capital Reserve RM' 000	Retained Profits RM' 000	Total RM' 000		
Opening balance at 1 Jan 2020	196,544	5,737	(32,266)	789	52	(343)	8	76,874	247,395	264,798	512,193
Effect of changes in accounting policies	-	-	-	-	-	-	-	(7,490)	(7,490)	(15,563)	(23,053)
Opening balance at 1 Jan 2020 (Restated)	196,544	5,737	(32,266)	789	52	(343)	8	69,384	239,905	249,235	489,140
Total comprehensive income for the period	-	-	-	-	-	(28)	-	1,298	1,270	(719)	551
Closing balance at 31 March 2020	196,544	5,737	(32,266)	789	52	(371)	8	70,682	241,175	248,516	489,691
Opening balance at 1 Jan 2021	196,544	5,737	(32,382)	789	(4)	(276)	8	80,450	250,866	253,568	504,434
Total comprehensive income for the period	-	-	-	-	-	17	-	6,877	6,894	4,082	10,976
Closing balance at 31 March 2021	196,544	5,737	(32,382)	789	(4)	(259)	8	87,327	257,760	257,650	515,410

The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2020.

MHC Plantations Bhd (4060-V)
Condensed Consolidated Statement of Cash Flows (Unaudited)
For The First Quarter Ended 31 March 2021

	3 months ended	
	31.3.2021	31.3.2020
	(Unaudited)	(Unaudited)
	RM' 000	RM' 000
Operating activities		
Profit before taxation	13,228	1,099
Adjustments for:		
Depreciation and amortisation	7,332	7,504
Interest expense	957	1,549
(Gain)/Loss on disposal of property, plant and equipment	-	3
Property, plant and equipment written off	1	20
Interest income	(136)	(161)
Dividend income	-	(22)
Total adjustments	8,154	8,893
Operating cash flows before changes in working capital	21,382	9,992
Changes in working capital:		
Inventories	(3,979)	605
Receivables	(1,993)	3,557
Payables	(861)	(8,444)
Total changes in working capital	(6,833)	(4,282)
Cash generated from operations	14,549	5,710
Interest received	136	162
Interest paid	(960)	(1,547)
Tax paid	(1,980)	(692)
Net cash flows from/(used in) operating activities	11,745	3,633
Investing activities		
Dividend received	-	22
Proceeds from disposal of property, plant and equipment	-	6
Purchase of property, plant and equipment	(2,692)	(4,305)
Net redemption/(investment in) of short term investments	(3,888)	(2,431)
Net cash flows (used in)/from investing activities	(6,579)	(6,708)
Financing activities		
Drawdown of revolving credit	5,000	11,250
Repayment of revolving credit	(6,400)	-
Repayment of term loan	(6,211)	(5,688)
Repayment of lease liabilities	(348)	(327)
Net cash flows from/(used in) financing activities	(7,959)	5,236
Net increase/(decrease) in cash and cash equivalents	(2,793)	2,161
Effect on exchange rate changes on cash and cash equivalents	50	(227)
Cash and cash equivalents as at 1 January	28,050	17,432
Cash and cash equivalents as at 31 March	25,307	19,366
Cash and cash equivalents :		
Fixed deposits with licensed banks	6,351	7,451
Cash and bank balances	23,512	15,248
	29,863	22,699
Less : Fixed deposits pledged	(4,556)	(3,333)
	25,307	19,366

The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2020.

Notes to the condensed consolidated interim financial statements

1. Basis of preparation

The condensed consolidated interim financial statements for the financial period ended 31 March 2021 have been prepared in compliance with Malaysian Financial Reporting Standards (“MFRS”) 134 *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2020.

The accounting policies used in the preparation of condensed consolidated interim financial statements are consistent with those previously adopted in the audited financial statements of the Group for the year ended 31 December 2020. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2020.

2. Significant accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2020 except for the adoption of new MFRS, amendments to published standards and IC Interpretations for the Group for the financial year beginning 1 January 2021:

Amendments to MFRSs	Effective Date
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 – Interest Rate Benchmark Reform – Phase 2	1 Jan 2022
Amendments to MFRS 16 Covid-19-Related Rent Concessions beyond 30 June 2021	1 Apr 2021

The adoption of above amendments to MFRS did not have a material impact on the financial statements of the Group.

At the date of authorization of these interim financial statements, the following MFRS were issued but not yet effective and have not been applied by the Group:

Amendments to MFRSs	Effective Date
Amendments to MFRS 3: Business Combinations	1 Jan 2022
Amendments to MFRS 116: Property, Plant and Equipment	1 Apr 2021
Amendments to MFRS 137: Provisions, Contingent Liabilities and Contingent Assets	1 Jan 2022
Amendments to MFRS1 First-time Adoption of Malaysian Financial Reporting Standards	1 Jan 2022
Amendments to MFRS 9 Financial Instruments Arrangements	1 Jan 2022
Amendments to MFRS 16 Leases – Illustrative Examples	1 Jan 2022
Amendments to MFRS 141 Agriculture	1 Jan 2022
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 Jan 2023
MFRS 17 Insurance Contracts	1 Jan 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

2. Significant accounting policies (Cont'd)

Change in Accounting Policy

On the third quarter of previous financial year ended 31 September 2020, the Group has undertaken a detailed reassessment of facts and information with regards to the Renewable Energy Power Purchase Agreements ("REPPAs") entered into by its subsidiaries, Cash Horse Sdn Bhd. ("CHSB") and Mistral Engineering Sdn Bhd ("MESB") with Sabah Electricity Sdn Bhd ("SESB") for their biomass and biogas power plants respectively.

Based on the above reassessment of the terms and conditions of the REPPAs and recoverability of the biomass and biogas power plants at the end of the term of the REPPAs, the Group has determined that residual interest in the infrastructure at the end of the term of the arrangement is significant and which SESB has no control over.

Consequently, the Group restated the biomass and biogas power plants initially recognised under IC 12 Service Concession Agreements ("IC 12") under financial assets to plant and equipment under MFRS 116 Property, plant and equipment as required conditions pursuant to IC 12 is not met.

The above restatement has been affected retrospectively. This involved reclassification of Service concession receivables to Plant and equipment and adjustment for the recomputed depreciation to date, net of the resulting deferred taxation impact.

Due to the restatement of the account balances mentioned in the above paragraph, the corresponding comparative figures which conform with the current presentation are as summarised below:

Condensed Consolidated Statement of Comprehensive Income					
			As Previously reported RM'000	Adjustments RM'000	Restated RM'000
3 months ended 31 March 2020					
Revenue			69,128	4,125	73,253
Cost of sales			(65,257)	(2,259)	(67,516)
Gross profit			3,871	1,866	5,737
Other income			3,001	(1,779)	1,222
Profit before tax			1,012	87	1,099
Income tax expense			(350)	(21)	(371)
Profit after tax			662	66	728
Total comprehensive income for the period			346	66	412
Profit attributable to :-					
Owners of the Parent			1,261	37	1,298
Non-Controlling interest			(599)	29	(570)
Total comprehensive income attributable to:					
Owners of the Parent			1,094	37	1,131
Non-Controlling interest			(748)	29	(719)
Basic Earnings per share (sen)					
			0.64		0.66

2. Significant accounting policies (Cont'd)

Change in Accounting Policy (Cont'd)

Condensed Consolidated Statement of Cash Flows					
			As Previously		
			reported	Adjustments	Restated
			RM'000	RM'000	RM'000
3 months ended 31 March 2020					
Profit before tax			1,012	87	1,099
Depreciation and amortisation			5,245	2,259	7,504
Interest income			(1,940)	1,779	(161)
Operating profit before capital changes			5,867	4,125	9,992
Receivables			7,682	(4,125)	3,557

3. Auditors' report

The auditor's report on the preceding annual financial statements was not qualified.

4. Seasonal and cyclical factors

The business of the Group is cyclical in nature and the third quarter is normally the peak production season.

5. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31 March 2021.

6. Changes in estimates

There were no changes in estimates that have had a material effect in the current quarter results.

7. Equity and debt securities

There were no issuance, cancellation, resale, repurchase and repayment of equity or debt securities during the financial period ended 31 March 2021.

8. Dividend paid

No dividend has been paid during the current quarter ended 31 March 2021.

9. Segment information

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments:

- a. Plantation - Cultivation of oil palm
- b. Oil Mill - Milling and sales of oil palm products
- c. Power Plant - Power Generation and sales of biomass by-products

Information about reportable segments

	Results for 3 months ended 31 March							
	Plantation		Oil Mill		Power Plant		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	8,686	10,897	73,660	57,108	13,425	3,882	95,771	71,887
Inter-segment revenue	12,608	16,434	-	-	-	-	12,608	16,434
Segment profit/(loss)	8,123	1,079	1,009	1,331	5,283	(31)	14,415	2,379

Segment profit is reconciled to consolidated profit before tax as follows:	3 months ended 31.3.2021 (Unaudited)	3 months ended 31.3.2020 (Unaudited)
	RM'000	RM'000
Segment profit	14,415	2,379
Other non-reportable segments	(48)	(44)
Amortisation of group land cost	(631)	(631)
Elimination of inter-segment profits	2	(11)
Unallocated corporate (expenses)/income	(510)	(594)
Consolidated profit/(loss) before tax	<u>13,228</u>	<u>1,099</u>

10. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter ended 31 March 2021.

11. Contingent Assets and Liabilities

There were no contingent assets and contingent liabilities at the end of this quarter and as at the date of this report.

12. Capital commitments

	RM'000
Capital expenditure	
Approved and contracted for	1,023
Approved but not contracted for	<u>9,862</u>
	<u>10,885</u>

13. Subsequent event

There were no material subsequent events to the end of the current quarter.

14. Significant events

As is the case with other businesses, the Covid-19 global pandemic has presented significant challenges to our operations. Despite this, our Group has adapted well to the difficulties faced and thus continue to remain viable.

Since 18 March 2020, the Malaysian Government has imposed different stages of Movement Control Order (“MCO”) as a means of curbing the spread of the virus in the country. Inevitably, the MCO has intermittently disrupted our operations during the year. With strict Standard Operating Procedures in place, we have been able to maintain negligible Covid-19 positive cases amongst our workforce. We recognise the serious threat and danger that the virus poses and we strive to keep our employees safe at all times.

The Group expects CPO prices to remain firm in 2021 in view of supply tightness on a low inventory level and the expected recovery in export demand. However, the Group is facing challenges from the shortage of foreign labour in the Malaysian palm oil industry resulting from the international travel restriction that was implemented to prevent the spread of COVID-19. Hence, the Group expects this to be a major challenge to its FFB production in the financial year 2021. Nevertheless, the Group’s performance for current financial year ending 2021 is not expected to be significantly affected by COVID-19 pandemic. The Group will continue to monitor and assess the impacts and at the same time adhering to all preventive and control measures to curb the spread of COVID-19.

Information required by BMSB Listing Requirements

1. Review of performance

Financial review for current quarter and financial year to date

		Individual Period		
		(First Quarter)		
		Current year	Preceding Year	Changes
		Quarter	Corresponding	(%)
		31.3.2021	31.3.2020	
		(Unaudited)	(Unaudited)	
		RM'000	RM'000	
Revenue		96,176	73,253	31%
Operating profit		14,185	2,648	>100%
Profit before tax		13,228	1,099	>100%
Profit after tax		10,904	728	>100%
Profit attributable to ordinary equity holders of the Parent		6,877	1,298	>100%
<i>Operational Statistics</i>				
Production:				
FFB	(mt)	28,592	31,855	-10%
CPO	(mt)	16,312	18,209	-10%
PK	(mt)	4,670	4,807	-3%
Average selling price:				
FFB	(RM/mt)	736	491	50%
CPO	(RM/mt)	3,830	2,690	42%
PK	(RM/mt)	2,504	1,714	46%
Quantity sold:				
CPO	(mt)	16,283	18,158	-10%
PK	(mt)	4,510	4,826	-7%
Oil Extraction Rate (%)		18.62	19.07	-2%
Electricity Export(MWh)		17,805	14,721	21%

1. Review of performance (Cont'd)

Current Quarter vs. Previous Year Corresponding Quarter

The Group recorded a revenue of RM96.18 million and profit before tax of RM13.23 million for the current quarter ended 31 March 2021 as compared to a revenue of RM73.25 million and profit before tax of RM1.10 million in the preceding year quarter ended 31 March 2020. The significant increases in revenue and profit before tax were mainly due to:

- a) Increases in selling prices of CPO, PK and FFB by 42%, 46% and 50% respectively; and
- b) Increase in segment contribution by Power Plant as a result of higher sales of electricity by 21% and increases in both EFB Oil sale volume and selling price by 57%.

Performance of the respective operating business segments for this quarter under review as compared to the previous corresponding quarter was analysed as follows:

- (i) Plantation – The increase in Segment profit by RM7.04 million (>100%) from RM1.08 million to RM8.12 million was mainly due to an increase in average FFB selling price by 50% despite a decrease in FFB production by 10%.
- (ii) Oil Mill – The decrease in Segment profit by RM0.32 million (24%) from RM1.33 million to RM1.01 million was mainly due to a decrease in FFB processed by 8% and a less favourable OER Margin.
- (iii) Power Plant – The increase in Segment profit by RM5.31 million (>100%) from a Segment loss of RM0.03 million to a Segment profit of RM5.28 million mainly due to higher sales of electricity by 21% and increases in both EFB Oil sale volume and selling price by 57%.

2. Financial review for current quarter compared with immediate preceding quarter

			Current quarter 31.3.2021 (Unaudited) RM'000	Immediate Preceding Quarter 31.12.2020 (Unaudited) RM'000	Changes (%)
Revenue			96,176	103,687	-7.2%
Operating profit			14,185	12,619	12%
Profit before tax			13,228	12,444	6%
Profit after tax			10,904	8,016	36%
Profit attributable to ordinary equity holders of the Parent			6,877	4,221	63%
Operational Statistics					
Production:					
FFB	(mt)		28,592	38,781	-26%
CPO	(mt)		16,312	20,811	-22%
PK	(mt)		4,670	5,538	-16%
Average selling price:					
FFB	(RM/mt)		736	601	22%
CPO	(RM/mt)		3,830	3,249	18%
PK	(RM/mt)		2,504	1,964	27%
Quantity sold:					
CPO	(mt)		16,283	20,990	-22%
PK	(mt)		4,510	5,792	-22%
Oil Extraction Rate (%)			18.62	19.86	-6%
Electricity Export(MWh)			17,805	22,373	-20%

The Group recorded a profit before tax of RM13.23 million in the quarter under review as compared to a profit before tax of RM12.44 million in the immediate preceding quarter. The increase in profit before tax was mainly due to lower administrative expenses incurred in the current quarter under review.

3. Commentary on prospects

The Group expects CPO prices to remain firm in 2021 in view of supply tightness on a low inventory level and the expected recovery in export demand.

The Group is facing challenges from the shortage of foreign labour in the Malaysian palm oil industry resulting from the international travel restriction that was implemented as part of COVID-19 measures. Hence, the Group expects this to be a major challenge to its FFB production in the financial year 2021.

On the whole, the Board is confident that, barring any unforeseen circumstances, the Group expects better financial performance for the financial year ending 31 December 2021 in view of prevailing strong palm oil prices.

4. Profit forecast

Not applicable as there was no profit forecast published.

5. Profit/(Loss) before taxation

This is arrived at after crediting/ (charging):

	Current quarter		Cumulative quarter	
	3 months ended		3 months ended	
	31.3.2021	31.3.2020	31.3.2021	31.3.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RM'000	RM'000	RM'000	RM'000
Gain/(Loss) on disposal of plant and equipment	-	(3)	-	(3)
Interest income	136	161	136	161
Interest expense	(957)	(1,549)	(957)	(1,549)
Depreciation and amortisation	(7,332)	7,504	(7,332)	7,504
Dividend	-	22	-	22
Property, plant and equipment written off	(1)	(20)	(1)	(20)

Save as disclosed above, the other items as required under Appendix 9B, Part A (16) of the Bursa Listing Requirements are not applicable.

6. Income tax expense

Taxation is provided at the prevailing statutory rate based on the operating profit for the quarter as follows:

	Current quarter		Cumulative quarter	
	3 months ended		3 months ended	
	31.3.2021	31.3.2020	31.3.2021	31.3.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	RM'000	RM'000	RM'000	RM'000
Current tax:				
-Malaysian income tax	2,663	1,178	2,663	1,178
-Under/(over) provision of tax	216	-	216	-
	2,879	1,178	2,879	1,178
Deferred tax				
- relating to origination and reversal of temporary differences	(278)	(797)	(278)	(797)
- under/(over) provision of tax	(277)	(10)	(277)	(10)
	(555)	(807)	(555)	(807)
Total income tax expense	2,324	371	2,324	371

The Group's effective tax rate for the current quarter was lower than the statutory tax rate of 24% principally due to the recognition of previously unrecognised deferred tax assets.

7. Corporate proposal

There was no corporate proposal for the current quarter under review.

8. Borrowings

The total borrowings incurred by the Group and outstanding as at end of the current quarter are as follows:

	Current quarter	
	3 months ended	
	31.3.2021	31.3.2020
	(Unaudited)	(Unaudited)
	RM'000	RM'000
Short term borrowings		
Secured:		
Term loans	20,500	22,188
Short term revolving credits	45,100	63,500
Unsecured:		
Short term revolving credits	1,100	1,100
	66,700	86,788
Long term borrowings		
Secured:		
Term loans	37,794	50,038
Total borrowings		
Secured:		
Term loans	58,294	72,226
Short term revolving credits	45,100	63,500
Unsecured:		
Short term revolving credits	1,100	1,100
	104,494	136,826

9. Trade and Other Receivables

		As at	
		31.3.2021	31.12.2020
		(Unaudited)	(Audited)
		RM'000	RM'000
Current			
Trade receivables:			
- Non-related parties		16,767	15,205
Less: Allowance for doubtful debts		(278)	(278)
		16,489	14,927
Other receivables, net		8,721	8,099
		25,210	23,026

The credit period of trade receivables is generally for a period of one month.

The ageing analysis of trade receivables is as follows:

		As at	
		31.3.2021	31.12.2020
		(Unaudited)	(Audited)
		RM'000	RM'000
Neither past due nor impaired		15,606	14,364
1 - 30 days past due not impaired		943	465
31 - 60 days past due not impaired		52	10
61 - 90 days past due not impaired		13	21
More than 90 days past due not impaired		153	345
		1,161	841
Impaired		(278)	(278)
		16,489	14,927

10. Disclosure of derivatives

The Group did not enter into any derivative contract and accordingly, there were no outstanding derivatives (including financial instruments designated as hedging instruments) as at 31 March 2021.

11. Changes in material litigation

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

12. Dividend payable

On 7 April 2021, the Directors approved a single-tier interim dividend of 2.0 sen per ordinary share in respect of the financial year ending 31 December 2021 on 196,543,970 ordinary shares, amounting to a dividend payable of RM3,930,879 payable on 21 May 2021. Furthermore, the Directors also approved a one-off payment of an additional special dividend of 2.0 sen per ordinary share for the financial year ending 31 December 2021.

The rationale for the payment of a special dividend was:

1. To reward our loyal shareholders for keeping faith in MHC Plantations Bhd despite the uncertain economic situation; and
2. To hopefully help in mitigating any difficulties our shareholders might currently be facing as a result of the economic turmoil caused by COVID-19.

13. Earnings per share

a) Basic

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares of 196,543,970 (2018 – 196,543,970) in issue during the financial period.

	Current quarter		Cumulative quarter	
	3 months ended		3 months ended	
	31.3.2021	31.3.2020	31.3.2021	31.3.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) attributable to the owners of the Company	6,877	1,298	6,877	1,298
Weighted average number of ordinary shares in issue	196,544	196,544	196,544	196,544
Basic earnings per share (sen)	3.50	0.66	3.50	0.66

b) Diluted

The Group has no potential ordinary shares in issue as at balance sheet date and therefore, diluted earnings per share have not been presented.

14. Authorisation for issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 27 May 2021.