

LIBINC OIL PALM INC.

For the year ended on 30th September 2023

Contents

Corporate Information	1
Report of the Directors	2
Report of the independent auditor	3
Financial Statements:	
Statement of financial position	5
Statement of comprehensive income	6
Statement of changes in equity	7
Statement of cash flows	8
Notes	9 to 25

LIBINC OIL PALM INC.**Annual report for the year ended 30th September 2023****Corporate Information**

Directors	:	Mr. Sashi Nambiar Mr. Jasvinder Singh
Registered Office	:	Grand Bass, District # 4 Palm Bay Estate Liberia
Independent Auditors	:	Pan African Consultants Certified Public Accountants 64 Randall Street, Monrovia, Liberia
Bankers	:	GN/SIB Bank Luke Building, Broad Street Monrovia Global Bank 10 Ashmun & Mechlin Street Monrovia Guaranty Trust Bank Ltd 13th Street Sinkor Tubman Boulevard Monrovia
Solicitors	:	Nil

LIBINC OIL PALM INC.**Annual report for the year ended 30th September 2023****Report of the Directors**

The Directors submit their report together with the audited financial statements of **Libinc Oil Palm Inc.** for the year ended **30th September 2023**, which disclosed the state of affairs of the Company.

Statement of Directors responsibilities

The Directors are responsible for the preparation of financial statements for each financial year which gives a true and fair view of the state of affairs of the company as at **30th September 2023** & of the profit or loss for that period. In preparing these financial statements, the Directors have selected suitable accounting policies and then applied them consistently, made judgments and estimates that are reasonable and prudent in the circumstances & followed International Financial Reporting Standards.

The Directors are responsible for ensuring that the company keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company. The directors are also responsible for safeguarding the assets of the company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Nothing has come to the attention of the Directors to indicate that the company will not remain a going concern for at least twelve months from the date of this statement

Financial Results

The financial results for the year ended **30th September 2023** are set out on page 5.

Dividend

The Directors do not recommend the payment of a dividend for the year ended 30th September 2023. (2022 Nil)

Primary Activities

The Company is principally engaged in Plantations Operation under a Concession Agreement.

By Order of the Board


Sashi Nambiar
Director



LIBINC
OIL PALM INC.

Date : **6/12/2023**



PAN AFRICAN CONSULTANT

CERTIFIED PUBLIC ACCOUNTANT

Page 3

Report of the Independent Auditor To the Members of Libinc Oil Palm Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of **Libinc Oil Palm Inc.** set out on pages 5 to 25. These financial statements comprise the statement of financial position as at **30th September 2023**, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards for such internal control, as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud and error.

Auditor's Responsibility

Our responsibility to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material mis-statement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgments, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimate by the Shareholder's as well as evaluating the overall presentation of the financial statements.



PAN AFRICAN CONSULTANT

CERTIFIED PUBLIC ACCOUNTANT

Page 4

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion

Opinion

In our opinion the accompanying financial statements give a true and fair view of the financial position of **Libinc Oil Palm Inc. as at 30th September 2023** and of its financial performance and its cash flow for the year then ended in accordance with International Financial Reporting Standards

Pan African Consultants



Pan African Consultants
Certified Public Accountants

Monrovia, Liberia

Date:

LIBINC OIL PALM INC**Financial statements for the year ended 30th September 2023****Statement of financial position**

(All Amounts are expressed in United States Dollars)

Particulars	Notes	2022-23 Amount (in USD)	2021-22 Amount (in USD)
ASSETS			
<u>Non-current assets</u>			
Capital WIP	8	850,726.50	723,616.31
Lease Rent (Net)		694,848.90	711,403.15
Fixed Assets (Net)	6	14,726,020.59	15,639,691.36
Bearer Plants	7	39,981,674.33	42,688,589.27
Deferred Tax Assets		68,485.57	514,996.35
		<u>56,321,755.89</u>	<u>60,278,296.44</u>
<u>Current Assets</u>			
Account Receivable	10	3,129,286.44	4,408,504.09
Amount Due from Related Companies	11	116,326.00	137,685.02
Prepaid Expenses	12	500,002.97	1,352,596.86
Cash & cash equivalents	13	1,310,005.95	3,610,184.15
Sundry Biological Assets		509,141.53	649,046.00
Advance Tax	17	1,684,410.65	1,267,495.70
Inventory	9	4,533,138.51	3,624,743.96
Security Deposit		-	4,224.21
		<u>11,782,312.05</u>	<u>15,054,479.99</u>
Total Assets		<u>68,104,067.94</u>	<u>75,332,776.43</u>
<u>EQUITY AND LIABILITIES</u>			
Equity attributable to owners			
Share Capital	18	100.00	100.00
Retained Earning		(11,098,509.40)	(12,438,040.09)
Total Equity		<u>(11,098,409.40)</u>	<u>(12,437,940.09)</u>
Funds Cont. For Operations		74,766,715.02	82,566,715.16
Total Equity & Fund Cont.		<u>63,668,305.62</u>	<u>70,128,775.07</u>
<u>LIABILITIES</u>			
Current Liabilities			
Trade & Other Payable	14	3,048,869.03	4,954,580.27
Amount Due to Related Companies	15	1,283,481.34	206,181.93
Taxes Payable	16	103,411.95	43,239.16
		<u>4,435,762.32</u>	<u>5,204,001.36</u>
Total liabilities		<u>4,435,762.32</u>	<u>5,204,001.36</u>
Total equity and liabilities		<u>68,104,067.94</u>	<u>75,332,776.43</u>

The notes on page 09 to 25 are an integral part of these financial statements

The financial statements on page 5 to 25 were approved by the Board of Directors


**LIBINC
OIL PALM INC.**

LIBINC OIL PALM INC**Financial statements for the year ended 30th September 2023****Statement of Comprehensive Income**

(All Amounts are expressed in United States Dollars)

Particulars	Notes	2022-23 Amount (in USD)	2021-22 Amount (in USD)
Revenue	19	20,845,747.33	32,610,136.20
Less : Cost of Goods Sold	20	17,338,793.66	15,742,752.46
Gross Profit		3,506,953.67	16,867,383.74
Less : General & Administration Exp.	21	169,071.79	(14,028,585.94)
Operating Profit		3,337,881.88	30,895,969.68
Less: Other Expenses	22	1,431,077.96	1,453,892.45
Add: Loss Other Income	23	(120,763.44)	(121,621.61)
Profit/(loss)		1,786,040.48	29,320,455.62
Profit/(loss) before income tax		1,786,040.48	29,320,455.62
Less : Income Tax		-	-
Add : Deferred Tax	17	(446,509.79)	(3,815,884.17)
Profit/(loss) for the year	17	1,339,530.69	25,504,571.45
Add : Accumulated loss brought forward		(12,438,040.09)	(37,942,611.54)
Total comprehensive loss for the year		(11,098,509.40)	(12,438,040.09)

The notes on page 09 to 25 are an integral part of these financial statements

LIBINC OIL PALM INC**Financial statements for the year ended 30th September 2023****Statement of changes in equity**

(All Amounts are expressed in United States Dollars)

	Notes	Share Capital	Funds Cont. For Operations	Income Surplus	Total Equity
At 01st October 2022					
At start of Year		100.00	-	(12,438,040.09)	(12,437,940.09)
Add/Less: for this Year		-	-	1,339,530.69	1,339,530.69
Profit for the year		-	-	-	-
Less: I Tax for the Year		-	-	-	-
Less: Adjustments		-	-	-	-
Year ended 30th September 2023		100.00	-	(11,098,509.40)	(11,098,409.40)
At start of Year		-	82,566,715.16	-	82,566,715.16
Funds Cont. For Operations		-	(7,800,000.14)	-	(7,800,000.14)
Total Equity & Fund Cont.		100.00	74,766,715.02	(11,098,509.40)	63,668,305.62

	Notes	Share Capital	Funds Cont. For Operations	Income Surplus	Total Equity
At 01st October 2021					
At start of Year		100.00	-	(37,942,611.54)	(37,942,511.54)
Add/Less: for this Year		-	-	25,504,571.45	25,504,571.45
Profit for the year		-	-	-	-
Less: I Tax for the Year		-	-	-	-
Less: Adjustment		-	-	-	-
Year ended 30th September 2022		100.00	-	(12,438,040.09)	(12,437,940.09)
At start of Year		-	100,266,715.16	-	100,266,715.16
Funds Cont. For Operations		-	(17,700,000.00)	-	(17,700,000.00)
Total Equity & Fund Cont.		100.00	82,566,715.16	(12,438,040.09)	70,128,775.07

The notes on page 09 to 25 are an integral part of these financial statements

LIBINC OIL PALM INC**Financial statements for the year ended 30th September 2023****Statement of Cash flows**

(All Amounts are expressed in United States Dollars)

Particulars	Notes	2022-23 Amount (in USD)	2021-22 Amount (in USD)
Cash flows from operation activities			
Profit/loss after income tax		(11,098,509.40)	(12,438,040.09)
Chages in Depreiciation		-	-
Chages in Capital WIP		(127,110.19)	(683,616.31)
Changes in Lease Rent		16,554.25	16,536.85
Changes in Account Receivable		1,279,217.65	(3,825,157.18)
Changes in amount Due from Related parties		21,359.02	64,952.01
Changes in Prepaid Expenses		852,593.89	(1,196,511.83)
Changes in Sundry Assets		139,904.47	121,622.00
Changes in Advance Paid to Supplier		-	-
Changes in Prepayment Boilermech		-	-
Changes in Prepayment - Others		-	-
Changes in Prepayment - Biogas		-	-
Changes in Prepayment - Bulking		-	-
Changes in Prepayment - Kernel Crushing		-	-
Changes in GOL		(416,914.95)	(652,202.99)
Changes in Inventory		(908,394.55)	357,314.93
Changes in Security Deposit		4,224.21	-
Changes in Trade & Other Payable		(1,905,711.24)	3,203,497.78
Changes in Amount Due to Related Parties		1,077,299.41	206,079.93
Changes in Taxes Payables		60,172.79	(2,491.84)
Changes in Funds Contribution		(7,800,000.14)	(17,700,000.00)
Changes in Lease Liabilities		-	-
Changes in Loss C/F		12,438,040.09	37,942,611.54
Changes in Adjustment		-	-
Net cash (used in) / generated from operating activities		(6,367,274.69)	5,414,594.22
Cash flows from Investing activities			
Purchases of property, plant & equipment		913,670.77	1,857,754.02
Changes in Biological Asset		2,706,914.94	(12,364,771.32)
Changes in Deferred Tax		446,510.78	3,815,883.65
Net cash (used in) / generated from Investing activities		4,067,096.49	(6,691,133.65)
Cash flows from Financing activities			
Capital Contribution		-	-
Net cash provided by Financing Activities		-	-
Net (decrease) / increase in cash and cash equivalents		(2,300,178.20)	(1,276,539.43)
At beginning of year	Net cash increase for period	3,610,184.15	4,886,723.00
Cash at end of period		1,310,005.95	3,610,184.15

The notes on page 09 to 25 are an integral part of these financial statements

LIBINC OIL PALM INC.**Financial Statements for the year ended 30th September 2023****Notes****1. General Information**

Libinc Oil Palm Inc. is incorporated and domiciled in Liberia. The company engages in Plantation Operation under a Concession Agreement. The address of its registered office is Grand Bassa, District#4, Palm Bay Estate, Liberia.

2. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

We confirm that we have reviewed the company's accounting policies and, having regard to the possible alternative policies, our selection and application of accounting policies used for the preparation and presentation of the financial statements is appropriate in the company's particular circumstances to give a fair presentation of the financial position, financial performance and cash flows. Accounting principles and policies followed throughout the period were consistent with prior period practices unless separately disclosed in the financial statements.

Judgments and key assumptions

We confirm the appropriateness and completeness of the judgments, apart from those involving estimations, that we have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognized in Financial Statements

We confirm the appropriateness and completeness of the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Disclosure of information

We have made available to you all:

- I) financial records, contracts and related data;

- II) information regarding significant transactions and arrangements that are outside of the normal course of business.
- III) minutes of the meetings of shareholders, management and Shareholder's and
- IV) other information relevant to the audit.

Accounting records

All transactions undertaken and contractual agreements, whether written or verbal, entered into by the company (including side letters to agreements) have been properly reflected and recorded in the accounting records underlying the financial statements.

Contractual agreements

The company has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.

Fraud

We have disclosed to you

- I) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- II) our knowledge of fraud or suspected fraud affecting the company involving management, employees who have significant roles in internal control or others
- III) our knowledge of any allegations of fraud, or suspected fraud affecting the company's financial statements, communicated by employees, former employees, analysts, regulators or others

Compliance with laws and regulations

We have disclosed to you all known actual or possible non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

Accounting estimates and fair value measurements

Significant assumptions used by us in making accounting estimates, including fair value accounting estimates, are reasonable.

We confirm the following regarding the measurement of fair values for all assets and liabilities, both recorded and disclosed in the financial statements:

- I) the significant assumptions used appropriately reflect management's intent and ability to carry out specific courses of action on behalf of the company where relevant to the fair value measurements or disclosures;

- II) appropriate measurement methods, including related assumptions, were used in determining fair values;
- III) measurement methods were consistently applied from year to year and for like items;
- IV) complete and appropriate disclosure was made regarding fair values in terms of the requirements and
- V) events that occurred between the balance sheet date and the date of approval of the financial statements did not necessitate adjustment to the fair value measurements & disclosures included in the financial statements.

Related Parties

We confirm the completeness of information provided to you regarding the identification of related parties as defined by IFRS and information regarding transactions with such parties.

The identity of, and balances and transactions with, related parties have been properly recorded and adequately disclosed in the financial statements as required by IFRS.

Going Concern

We have no plans or intentions, for example to dispose of the business or cease operations that may materially affect the carrying value or classification of assets & liabilities reflected in the financial statements

Assets and liabilities

The company has satisfactory title to all assets and all liens or encumbrances on the company's assets have been disclosed in notes to the financial statements.

We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, in accordance with IFRS.

Property, plant and equipment

The net carrying amounts at which property, plant and equipment are stated in the balance sheet were arrived at after providing for depreciation as described in the financial statement at rates sufficient to cover obsolescence as well as wear and tear and thus to reduce the net carrying amounts of the assets to their estimated residual values over their expected useful lives. In this respect we are satisfied that the expected useful lives and residual values have been realistically estimated and that the residual values are expressed in current terms. We confirm that residual values, useful lives and depreciation methods are reviewed at least at each financial year-end.

We confirm the change made to the estimated useful lives of the assets is accurate and a true reflection of the expected pattern of usage over the life of the asset.

Intangible assets

The net Carrying amounts at which intangible assets with finite useful lives are stated in the balance sheet were arrived at after providing for amortization as described in the financial statements at rates sufficient to reduce the net carrying amounts of the intangible assets to their estimated residual values over their expected useful lives. In this respect we are satisfied that the expected useful lives and residual values have been realistically estimated we confirm that the amortization period and the amortization method for intangible assets with finite useful lives are reviewed at least at each financial year end.

We confirm that we have considered the following factors in determining the useful life of intangible assets, including those that have been assigned indefinite useful lives:

- I) the expected usage of the asset by the company and whether the asset could be managed efficiently by another management team;
- II) typical product life cycles for the asset and public information on estimates of useful lives of similar assets that are used in a similar way;
- III) technical, technological, commercial or other types of obsolescence;
- IV) the stability of the industry in which the asset operates and changes in the market demand for the products or services output from the asset;
- V) expected actions by competitors or potential competitors;
- VI) the level of maintenance expenditure required to obtain the expected future economic benefits from the asset and the entity's ability and intention to reach such a level;
- VII) the period of control over the asset and legal or similar limits on the use of the assets, such as the expiry dates of released leases; and
- VIII) whether the useful life of the asset is dependent on the useful life of other assets of the entity.

We confirm the change made to the estimated useful lives of the asset is accurate and a true reflection of the expected pattern of usage over the life of the asset.

Impairment

We confirm that we have carried out impairment reviews appropriately, including an assessment of impairment indicators where an annual impairment test is not mandatory. We confirm that we have used appropriate assumptions in completing those reviews.

Cash and equivalents

The financial statements include all cash and bank accounts of the company. We have recorded or disclosed, as an appropriate, all formal or informal arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and line of credit or similar arrangements.

Employee Benefits

All significant post-employment benefits that the company is committed to providing, including any arrangements that are statutory, contractual or implicit in the company's actions wherever they arise, whether funded or unfunded, approved or unapproved, have been identified and properly accounted for and/or disclosed.

Litigation and claims

We are not aware of any pending or threatened litigation, proceedings, hearings or claims negotiations which may result in a material misstatement of the financial statements.

Insurance

We have disclosed to you full details of all self-insurance arrangements. We have considered and confirmed that all payments recognized as "insurance" expenses in the income statement, relate to arrangements where significant insurance risk is transfer to the insurer. We confirm that no mechanism exists whereby, economically, the company is able to recover a substantial portion of the benefits of the assets transferred to the insurer.

Revenue recognition

We have fully disclosed to you all sale terms (whether written or oral), including all customer acceptance provisions, rights of returns or price adjustments, agency agreements, warranty provisions, or similar arrangements.

All transactions recorded as revenue for the year represent revenue which arose up to the date of the balance sheet and is recorded in accordance with IFRS.

Items offset against one another

No financial assets and liabilities have been offset.

Items of income and expenses and nonfinancial assets and liabilities have been offset only where required or specifically permitted by IFRS gains or losses arising from the same or similar transactions and events are not material.

Equity

We have properly recorded or disclosed share transactions in the financial statements.

Environmental matters

Except as disclosed in the financial statements or notes to the financial statements, we are not aware of any material liabilities or contingencies arising from environmental matters, including those resulting from illegal or possibly illegal acts or any other environmental matters that may have a material impact on the financial statements.

Regulators

There has been no communications from regulatory agencies concerning non-compliance with or deficiencies in financial reporting practices.

Taxation

We have complied with the taxation requirements of all countries within which we operate & have brought to account all liabilities for taxation due to the relevant tax authorities whether in respect of any corporation or other direct tax or any indirect taxes. We are not aware of any non-compliance that would give rise to additional liabilities by way of penalty or interest.

In particular:

- I) In connection with any tax accounting requirements, we are satisfied that our systems are capable of identifying all material tax liabilities and transactions subject to tax and have maintained all documents and records required to be kept by the relevant tax authorities in accordance with the law of each country or in accordance with any agreement reached with such authorities.
- II) We have submitted all returns and made all payments that were required to be made (within the relevant time limits) to the relevant tax authorities including any return requiring us to disclose any tax planning transactions that have been undertaken, whether for the company's benefit or any other party's benefit.
- III) We are not aware of any taxation, penalties or interest that are yet to be assessed relating to either the company or any related party for whose taxation liabilities the company may be responsible.

In managing the tax affairs of the company, we have taken into account any special provisions such as transfer pricing & controlled foreign companies legislation applied in different tax jurisdictions.

General financial statement disclosure

The following have been properly recorded and, when appropriate, adequately disclosed in the financial statements: in respect of any corporation or other direct tax or any indirect taxes. We are not aware of any non-compliance that would give rise to additional liabilities by way of penalty or interest.

- I) losses arising from contractual agreements;
- II) agreements, rights and options to buy back assets previously sold;
- III) assets pledged as collateral;
- IV) off-balance sheet activities, including transactions involving special purpose entities, cell structures, and securitization structures;
- V) significant common ownership or management control relationships; and
- VI) changes in accounting policies.

Events after balance sheet date

We have identified all events that occurred between the balance sheet date and the date of approval of the financial statements that may require adjustment of, or disclosure in, the financial statements, and have effected such adjustment or disclosure.

a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Director's to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgments or complexity, or where assumptions & estimates are significant to the financial statements, are disclosed in Note 3.

i) Statement of compliance

The financial statements are prepared in compliance with International Financial Reporting Standards.

ii) Basis of Measurement

The financial statements have been prepared under the historical cost convention.

b) Foreign Currency Translation

i) Functional and presentation currency

The functional and presentation currency of the company is the United States Dollar.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in currencies other than the company's functional currency are recognized in the profit or loss.

c) Property and equipment

Property plant and equipment is stated at cost less accumulated depreciation at rates calculated to write off the cost of Property, Plant & Equipment over their estimated useful life. The principal annual rates used for this purpose are:

<u>Assets</u>	<u>Straight-line</u> <u>2022-23</u>	<u>Reducing Balance</u> <u>2021-22</u>
Machinery & Equipment (Light)	10%	10%
Machinery & Equipment (Heavy)	10%	10%
Vehicle (Light)	20%	20%
Vehicle (Heavy)	20%	20%
Furniture & Fixture	20%	20%
Building	15 Years	15 Years

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount to the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and loss on disposals are

determined by comparing the proceeds with the carrying amount and are recognized within 'Other (losses)/gains – net' in profit or loss.

d) Impairment of non-financial assets

Property, plant and equipment and intangible assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant assets).

e) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

f) Income Tax

Income tax comprises current and deferred income tax. Income tax is recognized in the profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or directly in equity, in which case the income tax is also recognized directly in other comprehensive income or equity, respectively.

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the reporting date and are expected to apply when the deferred tax asset is realized or liability is settled. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred income tax assets and liabilities are presented as non-current.

g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less, net of bank overdrafts

h) Financial Instruments

Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the company has transferred substantially all risk and rewards of ownership.

Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

At initial recognition, the company classifies its financial instruments in the following categories:

i) Trade and other receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The company's receivables comprise of trade receivables and cash and cash equivalents, and are included in current assets due to their short term nature. Receivables are initially recognized at the amount expected to be received, less when material, a discount to reduce the receivables to fair value. Subsequently, receivables are measured at amortized cost using the effective interest method less a provision for impairment.

ii) Financial liabilities at amortized cost

Financial liabilities at amortized cost include trade and other payables. Trade and other payables are initially recognized at the amount required to be paid, less when material, a discount to reduce the payables to fair value. Subsequently, trade and other payables are measured at amortized cost using the effective interest method. These are classified as current liabilities if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

i) Stated Capital

Ordinary shares are classified as 'stated capital' in equity.

j) Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are stated at their nominal value and recognized when an obligation to settle is established. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

k) Revenue Recognition

IFRS 15 was adopted from 1 October 2018. There were no material changes to the revenue arising from the adoption.

Under IFRS15, Revenue from Contracts with Customers, five key points to recognize revenue have been assessed:

Step 1: Identity the contract(s) with a customer,

Step 2: Identity the performance obligations in the contract;

Step 3: Determine the transaction price;

Step 4: Allocate the transaction price to the performance obligations in the contract; and

Step 5: Revenue is recognized at a point in time upon delivery of products and the entity satisfies a performance obligation.

l) Employee Benefits

i) Retirement benefits obligations

The company and its entire employee contribute to the National Pension Scheme and Employment Injury Scheme which are defined contribution schemes.

A defined contribution scheme is a pension plan under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefit relating to employee service in the current and prior periods.

3. Critical accounting estimates and judgments

i) Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

a) Useful lives of property, plant and equipment

The Company's management determines the estimated useful lives and related depreciation charges of its property, plant and equipment. This estimate is based on projected lifecycles of the assets. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than the previously estimated lives, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

b) Income taxes

Significant judgment is required in determining the provision for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain during the course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters are different from the amounts that were initially recorded, such differences will impact the current income tax and deferred income tax provisions in the period in which such determination is made.

4. Bearer Plants

New Planting expenditure incurred on land clearing and upkeep of trees to maturity is capitalized as plantation development expenditure under bearer plant. Plantation development expenditure of matured fields will be Depreciate over useful life.

5. Intangible Assets

The entity has no intangible assets.

6. Property, plant & equipments

	Machinery USD	Furniture USD	Vehicles USD	Oil Palm Mill USD	Effluent Treatment USD	Building USD	Road & Bridges USD	TOTAL USD
Cost								
As at 1st October 2022	13,628,281.72	1,966,130.69	3,722,913.70	4,976,449.64	297,935.97	2,865,195.75	-	27,456,907.47
Additions	147,249.40	14,462.78	475,452.24	-	-	767,955.15	30,797.48	1,435,917.05
Write Off	-	-	-	(40,689.72)	-	40,689.72	-	-
Adjustment - Reclassification	-	-	-	-	-	-	-	-
Disposal of Assets	-	-	-	-	-	-	-	-
Transferred EPO	-	-	-	-	-	-	-	-
As at 30th September 2023	13,775,531.12	1,980,593.47	4,198,365.94	4,935,759.92	297,935.97	3,673,840.62	30,797.48	28,892,824.52
Accumulated Depreciation								
As at 1st October 2022	5,035,518.09	830,005.52	3,188,261.45	1,401,933.28	237,072.26	1,124,425.50	-	11,817,216.11
Charge for the year	1,319,895.23	188,357.64	241,173.60	329,290.73	59,580.19	210,263.85	1,026.58	2,349,587.82
Write Off	-	-	-	(25,643.59)	-	25,643.59	-	-
Adjustment - Reclassification	-	-	-	-	-	-	-	-
Disposal of Assets	-	-	-	-	-	-	-	-
Accumulated from EPO	-	-	-	-	-	-	-	-
Accumulated adjustment	-	-	-	-	-	-	-	-
As at 30th September 2023	6,355,413.32	1,018,363.16	3,429,435.05	1,705,580.42	296,652.45	1,360,332.94	1,026.58	14,166,803.93
Net Book Amount	7,420,117.80	962,230.31	768,930.89	3,230,179.50	1,283.51	2,313,507.68	29,770.90	14,726,020.59
Cost								
As at 1st October 2021	13,515,611.24	1,943,685.14	3,438,829.20	4,976,449.64	297,935.97	2,814,622.05	-	26,987,133.24
Additions	118,110.48	17,690.21	284,084.50	-	-	50,573.70	-	470,458.89
Write Off	(5,440.00)	-	-	-	-	-	-	(5,440.00)
Adjustment - Reclassification	-	-	-	-	-	-	-	-
Transferred from LFPI	-	-	-	-	-	-	-	-
Transferred from EPO	-	4,755.34	-	-	-	-	-	4,755.34
As at 30th September 2022	13,628,281.72	1,966,130.69	3,722,913.70	4,976,449.64	297,935.97	2,865,195.75	-	27,456,907.47
Accumulated Depreciation								
As at 1st October 2021	3,728,518.90	638,753.13	2,938,442.49	1,072,642.55	177,485.07	933,845.71	-	9,489,687.86
Charge for the year	1,308,474.86	186,664.62	249,818.96	329,290.73	59,587.19	190,579.79	-	2,324,416.15
Write Off	(1,475.67)	-	-	-	-	-	-	(1,475.67)
Adjustment - Reclassification	-	-	-	-	-	-	-	-
Accumulated from LFPI	-	-	-	-	-	-	-	-
Accumulated from EPO	-	-	-	-	-	-	-	-
Accumulated adjustment	-	4,587.77	-	-	-	-	-	4,587.77
As at 30th September 2022	5,035,518.09	830,005.52	3,188,261.45	1,401,933.28	237,072.26	1,124,425.50	-	11,817,216.11
Net Book Amount	8,592,763.63	1,136,125.17	534,652.25	3,574,516.36	60,863.70	1,740,770.25	-	15,639,691.36

	<u>2022-23</u>	<u>2021-22</u>
7. Bearer Plant		
Mature Plantation	48,012,022.90	54,138,238.15
Total PDE at Cost	<u>48,012,022.90</u>	<u>54,138,238.15</u>
Less : Accumulated Amortization	(8,030,348.57)	(11,449,648.88)
Add : Impairment	-	-
	<u>39,981,674.33</u>	<u>42,688,589.27</u>
8. Capital - WIP		
WIP Cost	850,726.50	723,616.31
	<u>850,726.50</u>	<u>723,616.31</u>
9. Inventory		
CPO Stock	2,595,285.96	2,153,063.04
PKO Stock	16,940.12	20,878.87
	<u>2,612,226.08</u>	<u>2,173,941.91</u>
Store Stock	1,920,912.43	1,450,802.05
	<u>4,533,138.51</u>	<u>3,624,743.96</u>
10. Account Receivable		
Trade Receivable		
FGV IFFCO SDN BHD	884,104.01	4,279,252.33
Local Buyers	(13,118.98)	(9,368.98)
KLK Emmerich GmbH	2,216,311.70	-
Others		
Sundry receivable - Others	8,919.71	69,425.06
Sundry receivable - Palm Bay	33,070.00	8,500.91
Sundry receivable - Mill	-	60,000.70
Receivables - Konnex Investment Ltd	-	694.07
Prepayments Others	-	-
	<u>3,129,286.44</u>	<u>4,408,504.09</u>
11. Amount Due from Related Companies		
Equatorial Palm Oil (Liberia) Inc.	116,326.00	137,685.02
	<u>116,326.00</u>	<u>137,685.02</u>
12. Prepaid Expenses		
GIT-Palmbay, Mill, Biogas & Bulking	390,971.00	1,270,424.00
Prepaid Quit Rent	6,948.58	3,996.85
Prepaid Other Expenses	1,666.82	6,768.49
Prepaid Insurance	66,894.66	52,436.66
Prepaid Bulking	28,633.29	14,037.23
Prepaid KCP	1,653.66	1,788.55
Prepaid Bio-Gas	3,234.96	3,145.08
	<u>500,002.97</u>	<u>1,352,596.86</u>

13. Cash & cash equivalents		2022-23	2021-22		
Cash on Hand		2,962.51	-		
SIB Bank		223.13	928.01		
GT Bank - Sales A/c		1,114,309.65	2,485,006.84		
GT Bank - Palmbay A/c		260,519.29	1,118,284.07		
SIB Bank		5,388.44	5,682.44		
Cheques In Transit		(73,397.07)	-		
		<u>1,310,005.95</u>	<u>3,609,901.36</u>		
14. Trade & Other Payable		2022-23	2021-22		
Union Due		(726.66)	4,032.40		
Accruals		125,038.31	105,124.44		
NASSCORP		26,424.31	25,280.45		
Sundry Payable-Community Develop Fund		416,080.48	-		
Sundry Payable-Oil Palm Develop Fund		620,636.16	-		
Sundry Payable-Others		761,705.55	2,808,717.71		
Lease Liability		698,307.51	698,863.27		
FGV IFFCO Contract Liability		412,478.32	1,312,562.00		
Provision for Gatuity		(11,136.51)	-		
Advance Received		61.56	-		
		<u>3,048,869.03</u>	<u>4,954,580.27</u>		
15. Amount Due to Related Companies		2022-23	2021-22		
Kuala Lumpur Kepong Berhad		1,010,972.51	206,181.93		
Liberian Fund Development Ltd		272,508.83	-		
		<u>1,283,481.34</u>	<u>206,181.93</u>		
16. Taxes Payable		2022-23	2021-22		
Withholding Payable (Wages)		46,413.08	30,211.86		
Withholding Payable (Other)		56,998.87	13,027.30		
		<u>103,411.95</u>	<u>43,239.16</u>		
17. Income Tax					
Year of assesment	Balance as at 1st October	Charge for the Year	Asstt. Tax Trf	Payments	Balance as at 30th September
2016-17	-	-	-	5,822.22	5,822.22
2017-18	5,822.22	-	-	10,895.78	16,718.00
2018-19	16,718.00	-	-	59,248.92	75,966.92
2019-20	75,966.92	-	-	180,303.99	256,270.91
2020-21	256,270.91	-	-	359,021.80	615,292.71
2021-22	615,292.71	-	-	652,202.99	1,267,495.70
2022-23	1,267,495.70	-	-	416,914.95	1,684,410.65
					<u>1,684,410.65</u>
		2022-23			2021-22
Profit(Loss) for the year		1,339,530.69			25,504,571.45
Tax losses B/F		(4,194,361.37)			(29,698,932.82)
Tax losses C/F		<u>(2,854,830.68)</u>			<u>(4,194,361.37)</u>

The company paid taxes of \$ 416,914.95 (2021-22 : \$ 652,202.99)

The Government of Liberia enacted the Consolidated Tax Amendments Act of 2010 to amend the Revenue Code of Liberia Avt of 2000 in November 2011. The corporate income tax rate was revised effective 1st January 2011 from 30% to 25%.

	<u>2022-23</u>		<u>2021-22</u>	
	No. of Shares	Proceeds	No. of Shares	Proceeds
18. Stated Capital				
Authorised				
Ordinary shares of no par value	100		100	
Issued				
Share Capital		100.00		100.00
Accumulated loss c/f		(11,098,509.40)		(12,438,040.09)
Capital Contributions		-		-
Funds Cont For Operations		74,766,715.02		82,566,715.16
19. Revenue		<u>2022-23</u>		<u>2021-22</u>
Sales - CPO		19,070,984.13		29,308,855.88
Sales - PKE		-		18,957.77
Sales - PKO		1,774,763.20		3,282,322.55
		<u>20,845,747.33</u>		<u>32,610,136.20</u>
20. Cost of Goods sold		<u>2022-23</u>		<u>2021-22</u>
CPO- Operation				
Mature Are Upkeep		4,926,318.66		4,387,437.98
Harvesting & Collection		1,834,260.75		1,873,394.97
Indirect Costs		4,393,643.36		4,218,732.23
Depreciation		339,698.70		336,402.21
Mill Processing Cost		914,224.00		721,363.84
Indirect Costs- POM		748,407.00		550,308.30
Depreciation - POM		1,540,049.00		1,518,610.67
Closing Stock - CPO		(442,222.92)		(2,887,043.94)
Amortisation - Bearer Plant		2,706,912.36		1,864,250.88
PKO- Operation				
Processing Cost-KPC		283,867.00		262,859.54
Indirect Cost-KPC		39,270.00		33,016.09
Depreciation -KPC		50,427.00		49,047.33
Closing Stock - PKO		3,938.75		2,814,372.36
		-		-
Total Cost of Goods Sold		<u>17,338,793.66</u>		<u>15,742,752.46</u>
21. General and administrative expenses		<u>2022-23</u>		<u>2021-22</u>
Finance Charges		149,071.87		78,862.40
PDE Impairment		-		(14,229,022.00)
Depreciation		-		25.79
Lease Interest		-		90,250.28
Legal & Professional Charges		19,999.92		18,333.26
Misc Expenses		-		9,000.00
Fixed Assets Written Off		-		3,964.33
		<u>169,071.79</u>		<u>(14,028,585.94)</u>

22. Selling Expenses	<u>2022-23</u>	<u>2021-22</u>
CPO- Operation		
Transport Cost to Bulking Station	219,236.00	245,377.47
Bulking Installation Throughput Fees	662,502.00	621,813.65
Community Development Fund Contribution	190,709.84	191,046.54
Oil Palm Development Fund Contribution	190,709.84	242,182.08
PKO- Operation		
Transportation Cost-PKO	132,425.00	112,216.07
Community Development Fund Contribution	17,747.64	16,576.46
Oil Palm Development Fund Contribution	17,747.64	24,680.18
	<u>1,431,077.96</u>	<u>1,453,892.45</u>
23. Other Income	<u>2022-23</u>	<u>2021-22</u>
Gain/Loss on Disposal of Fixed Asset	-	-
Sundry Income Scrap/Others	19,141.00	-
Gain/Loss on FV of Unharvested FFB	(139,904.44)	(121,621.61)
Unrealised Profit	-	-
	<u>(120,763.44)</u>	<u>(121,621.61)</u>
24. Capital Commitments		
There were no commitments for capital expenditure at 30th September 2023. (Nil 2022)		
25. Contingent Liabilities		
There were no contingent liabilities as at 30th September 2023.		
Note : Previous year's figures are regrouped/reclassified wherever necessary, to match current year presentations.		

LIBINC OIL PALM INC

Financial statements for the year ended

Statement of Comprehensive Income

(All Amounts are expressed in United States Dollars)

Particulars	Notes	2016-17 Amount (in USD)	2017-18 Amount (in USD)	2018-19 Amount (in USD)	2019-20 Amount (in USD)	2020-21 Amount (in USD)	2021-22 Amount (in USD)	Total Amount (in USD)
Revenue	20	291,111.45	597,845.71	2,962,446.05	9,015,199.96	17,950,699.24	32,610,136.20	63,427,438.61
Less : Cost of Goods Sold	21	2,805,120.15	3,682,147.60	8,441,581.73	13,838,917.79	14,436,027.26	15,742,752.46	58,946,546.99
Gross Profit		(2,514,008.70)	(3,084,301.89)	(5,479,135.68)	(4,823,717.83)	3,514,671.98	16,867,383.74	4,480,891.62
Less : General & Administration E:	22	1,107,600.73	1,336,628.76	2,165,205.88	246,121.87	14,378,204.26	(14,028,585.94)	5,205,175.56
Operating Profit		(3,621,609.43)	(4,420,930.65)	(7,644,341.56)	(5,069,839.70)	(10,863,532.28)	30,895,969.68	(724,283.94)
Less: Other Expenses	22	1,168,551.16	87,714.96	116.60	987,806.52	1,004,178.95	1,453,892.45	4,702,260.64
Add: Other Income	23	-	-	49,389.00	216,458.89	572,961.68	(121,621.61)	717,187.96
Profit/Loss before Income Tax		(4,790,160.59)	(4,508,645.61)	(7,595,069.16)	(5,841,187.33)	(11,294,749.55)	29,320,455.62	(4,709,356.62)
Less : Loss C/F (Section: 15.3)		-	-	-	-	-	-	-
Profit/(loss) before income tax		(4,790,160.59)	(4,508,645.61)	(7,595,069.16)	(5,841,187.33)	(11,294,749.55)	29,320,455.62	(4,709,356.62)
Less : Income Tax	18	-	-	-	-	-	-	-
Add : Deferred Tax		1,132,753.63	899,810.27	1,903,818.44	1,046,179.57	(651,682.49)	(3,815,884.17)	514,995.25
Profit/(loss) for the year		(3,657,406.96)	(3,608,835.34)	(5,691,250.72)	(4,795,007.76)	(11,946,432.04)	25,504,571.45	(4,194,361.37)