

**INTERIM FINANCIAL REPORT FOR THE 4TH QUARTER ENDED 31.3.2024**

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 31.3.2024 (UNAUDITED)**

**Table 1: Financial review for current quarter and financial year to date**

	INDIVIDUAL QUARTER				CUMULATIVE QUARTERS				
	CURRENT YEAR		PRECEDING YEAR		CURRENT YEAR		PRECEDING CORRESPONDING		
	4TH QUARTER 1.1.2024 to 31.3.2024		4TH QUARTER 1.1.2023 to 31.3.2023		TO-DATE 1.4.2023 to 31.3.2024		PERIOD 1.4.2022 to 31.3.2023		
		RM'000		RM'000		RM'000		RM'000	
<b>Revenue</b>	14%	1,675,962		1,474,603	7%	6,677,760		6,242,622	
<b>Operating Profit</b>	15%	218,857		190,635	21%	949,966		782,847	
<b>Depreciation and amortisation</b>	6%	(66,587)		(62,753)	6%	(260,364)		(246,517)	
<b>Interest income</b>	14%	2,092		1,829	5%	8,121		7,760	
<b>Finance costs</b>	5%	(18,515)		(17,573)	12%	(71,933)		(64,475)	
<b>Share of profit of associates (net)</b>		(44)		375		737		1,216	
<b>Profit Before Taxation</b>	21%	135,803		112,513	30.3%	626,527		480,831	
<b>Less: Tax expense</b>		(29,824)	(Effective tax rate) 22.0%	(34,640)	(Effective tax rate) 30.8%	(153,154)	(Effective tax rate) 24.4%	(118,929)	(Effective tax rate) 24.7%
<b>Profit for the period</b>	36%	105,979		77,873	31%	473,373		361,902	
<b>Attributable to:</b>									
<b>Shareholders of the Company</b>	35%	98,718		73,317	26%	437,789		346,821	
<b>Minority interests</b>		7,261	5.35% (% against PBT)	4,556	4.05% (% against PBT)	35,584	5.68% (% against PBT)	15,081	3.14% (% against PBT)
<b>Profit for the period</b>		105,979		77,873		473,373		361,902	
<b>Number of shares in issue ('000)</b>		2,433,657		2,433,657		2,433,657		2,433,657	
<b>Earnings per share:</b>									
<b>Basic earnings per ordinary shares (sen)</b>	35%	4.06		3.01	26%	17.99		14.25	
<b>Diluted earnings per ordinary shares (sen)</b>		NA		NA		NA		NA	

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial statements.  
Note: NA denotes "Not Applicable"

**QL RESOURCES BERHAD** (428915-X)  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE 4TH QUARTER ENDED 31.3.2024**

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 31.3.2024 (UNAUDITED)**

**Table 2: Financial review for current quarter compared with immediate preceding quarter**

		<b>CURRENT QUARTER</b>		<b>PRECEDING QUARTER</b>	
	% increase against last period	<b>4TH QUARTER 1.1.2024 to 31.3.2024</b>		<b>3RD QUARTER 1.10.2023 to 31.12.2023</b>	
		<b>RM'000</b>		<b>RM'000</b>	
<b>Revenue</b>	-2%	1,675,962		1,712,192	
<b>Operating Profit</b>	-16%	218,857		259,317	
<b>Depreciation and amortisation</b>	0%	(66,587)		(66,655)	
<b>Interest income</b>	-13%	2,092		2,398	
<b>Finance costs</b>	4%	(18,515)		(17,835)	
<b>Share of profit of associates (net)</b>		(44)		373	
<b>Profit Before Taxation</b>	-24%	135,803		177,598	
<b>Less: Tax expense</b>		(29,824)	(Effective tax rate) 22.0%	(43,085)	(Effective tax rate) 24.3%
<b>Profit for the period</b>	-21%	105,979		134,513	
<b>Attributable to:</b>					
<b>Shareholders of the Company</b>	-20%	98,718		123,620	
<b>Minority interests</b>		7,261	5.35% (% against PBT)	10,893	6.13% (% against PBT)
<b>Profit for the period</b>		105,979		134,513	
<b>Number of shares in issue ('000)</b>		2,433,657		2,433,657	
<b>Earnings per share:</b>					
<b>Basic earnings per ordinary shares (sen)</b>	-20%	4.06		5.08	
<b>Diluted earnings per ordinary shares (sen)</b>		NA		NA	

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial statements.

Note: NA denotes "Not Applicable"

**INTERIM FINANCIAL REPORT FOR THE 4TH QUARTER ENDED 31.3.2024**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31.3.2024 (UNAUDITED)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING CORRESPONDING PERIOD
	4TH QUARTER 1.1.2024 to 31.3.2024 RM'000	4TH QUARTER 1.1.2023 to 31.3.2023 RM'000	TO-DATE 1.4.2023 to 31.3.2024 RM'000	PERIOD 1.4.2022 to 31.3.2023 RM'000
<b>Profit for the period</b>	105,979	77,873	473,373	361,902
<b>Other comprehensive income/(loss), net of tax:</b>				
Actuarial gain on estimated liabilities for employee benefits	42	373	42	587
Foreign currency translation differences for foreign operations	2,535	20,487	10,962	7,645
Cash flow hedge	1,763	(233)	(1,208)	5,151
<b>Total comprehensive income for the period</b>	<b>110,319</b>	<b>98,500</b>	<b>483,169</b>	<b>375,285</b>
<b>Total comprehensive income attributable to:</b>				
Shareholders of the Company	104,300	92,020	449,030	362,890
Minority interests	6,019	6,480	34,139	12,395
<b>Total comprehensive income for the period</b>	<b>110,319</b>	<b>98,500</b>	<b>483,169</b>	<b>375,285</b>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial statements.  
Note: NA denotes "Not Applicable"

**QL RESOURCES BERHAD** (428915-X)  
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**INTERIM FINANCIAL REPORT FOR THE 4TH QUARTER ENDED 31.3.2024**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at 31.3.2024 RM'000 Unaudited	As at 31.3.2023 RM'000 Audited
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	2,381,814	2,209,906
Right-of-use assets	525,973	520,544
Investment properties	24,484	25,065
Intangible assets	126,623	125,017
Investment in associates	6,556	6,202
Deferred tax assets	28,250	14,081
Trade and other receivables	23,563	26,085
	<u>3,117,263</u>	<u>2,926,900</u>
<b>Current Assets</b>		
Biological assets	246,712	251,914
Inventories	62 days 884,729	70 days 955,218
Contract assets	45,929	55,743
Contract costs	1,863	850
Current tax assets	28,497	32,884
Trade receivables	30 days 556,922	27 days 462,016
Other receivables, assets and prepayment	175,043	220,530
Derivative financial assets	22,294	25,643
Cash and cash equivalents	397,771	346,499
Assets classified as held for sale	2,378	6,902
	<u>2,362,138</u>	<u>2,358,199</u>
<b>Total Assets</b>	<u>5,479,401</u>	<u>5,285,099</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	620,025	620,025
Reserves	2,322,557	2,036,420
<b>Equity attributable to shareholders of the Company</b>	<u>2,942,582</u>	<u>2,656,445</u>
Minority interests	255,221	231,101
<b>Total Equity</b>	<u>3,197,803</u>	<u>2,887,546</u>
<b>Non-Current Liabilities</b>		
Long term borrowings (LT Debts/Total Equity)	2% 71,399	8% 237,898
Lease liabilities	192,650	181,284
Other payables	11,246	6,684
Employee benefits	16,383	12,258
Deferred tax liabilities	186,168	172,756
	<u>477,846</u>	<u>610,880</u>
<b>Current Liabilities</b>		
Short term-bankers acceptance	715,206	691,329
Other short term borrowings	277,646	325,839
Lease liabilities	32,401	29,493
Trade and other payables	671,235	649,117
Contract liabilities	72,140	77,265
Derivative financial liabilities	120	52
Taxation	35,004	13,578
	<u>1,803,752</u>	<u>1,786,673</u>
<b>Total Liabilities</b>	<u>2,281,598</u>	<u>2,397,553</u>
<b>Total Equity and Liabilities</b>	<u>5,479,401</u>	<u>5,285,099</u>
Net Assets per share (RM)	1.21	1.09
Based on number of shares:( '000)	<u>2,433,657</u>	<u>2,433,657</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements.

**QL RESOURCES BERHAD** (428915-X)  
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**INTERIM FINANCIAL REPORT FOR THE 4TH QUARTER ENDED 31.3.2024**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31.3.2024**

	←-----Non-Distributable----->			Distributable		Non-controlling interests RM'000	Total Equity RM'000
	Share capital RM'000	Translation reserves RM'000	Hedging reserve RM'000	Retained Profit RM'000	Attributable to shareholders of the Company RM'000		
<b>12 months ended 31.3.2023</b>							
<b>At 1.4.2021</b>	620,025	(78,370)	(3,810)	1,933,281	2,471,126	235,281	2,706,407
Foreign currency translation differences for foreign operations	-	10,306	-	-	10,306	(2,661)	7,645
Actuarial gain/(loss) on estimated liabilities for employee benefits	-	-	-	612	612	(25)	587
Cash flow hedge	-	-	5,151	-	5,151	-	5,151
Total other comprehensive income/(expenses) for the year	-	10,306	5,151	612	16,069	(2,686)	13,383
Profit for the period	-	-	-	346,821	346,821	15,081	361,902
<b>Total comprehensive income/(expenses) for the period</b>	-	10,306	5,151	347,433	362,890	12,395	375,285
<i>Contribution by and distributions to owners of the Company</i>							
- Dividends to owners of the Company	-	-	-	(170,356)	(170,356)	-	(170,356)
- Dividends paid to non-controlling interests	-	-	-	-	-	(10,691)	(10,691)
- Acquisition of non-controlling interests	-	-	-	(7,215)	(7,215)	(5,884)	(13,099)
<b>Total transactions with owners of the Company</b>	-	-	-	(177,571)	(177,571)	(16,575)	(194,146)
<b>At 31.3.2023</b>	620,025	(68,064)	1,341	2,103,143	2,656,445	231,101	2,887,546

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements.

**QL RESOURCES BERHAD** (428915-X)  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE 4TH QUARTER ENDED 31.3.2024**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31.3.2024**

	<-----Non-Distributable----->			Distributable		Non-controlling interests RM'000	Total Equity RM'000
	Share capital RM'000	Translation reserves RM'000	Hedging reserve RM'000	Retained Profit RM'000	Attributable to shareholders of the Company RM'000		
<b>12 months ended 31.3.2024</b>							
<b>At 1.4.2023</b>	620,025	(68,064)	1,341	2,103,143	2,656,445	231,101	2,887,546
Foreign currency translation differences for foreign operations	-	12,322	-	-	12,322	(1,360)	10,962
Actuarial gain/(loss) on estimated liabilities for employee benefits	-	-	-	25	25	17	42
Cash flow hedge	-	-	(1,106)	-	(1,106)	(102)	(1,208)
Reclassification	-	18,851	-	(18,851)	-	-	-
Total other comprehensive income/(expenses) for the year	-	31,173	(1,106)	(18,826)	11,241	(1,445)	9,796
Profit for the period	-	-	-	437,789	437,789	35,584	473,373
<b>Total comprehensive income/(expenses) for the period</b>	-	31,173	(1,106)	418,963	449,030	34,139	483,169
<i>Contribution by and distributions to owners of the Company</i>							
- Dividends to owners of the Company	-	-	-	(158,188)	(158,188)	-	(158,188)
- Dividends paid to non-controlling interests	-	-	-	-	-	(46,302)	(46,302)
- Acquisition of non-controlling interests	-	-	-	(2,592)	(2,592)	36,183	33,591
- Changes in ownership of non-controlling interests	-	-	-	-	-	100	100
- Members' voluntary liquidation	-	(4,144)	-	2,031	(2,113)	-	(2,113)
<b>Total transactions with owners of the Company</b>	-	(4,144)	-	(158,749)	(162,893)	(10,019)	(172,912)
<b>At 31.3.2024</b>	620,025	(41,035)	235	2,363,357	2,942,582	255,221	3,197,803

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for year ended 31 March 2023 and the accompanying explanatory notes attached to the interim financial statements.

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**INTERIM FINANCIAL REPORT FOR THE 4TH QUARTER ENDED 31.3.2024**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31.3.2024**

	<b>Period ended 31.3.2024 RM'000</b>	<b>Period ended 31.3.2023 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	626,527	480,831
Adjustments for:		
Depreciation & amortisation	260,364	246,517
Increase in working capital	57,046	(41,010)
Income tax paid	(130,061)	(115,493)
Other non-cash items	49,568	47,760
<b>Net cash generated from operating activities</b>	<b>863,444</b>	<b>618,605</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(352,697)	(240,318)
Others	3,974	8,914
<b>Net cash used in investing activities</b>	<b>(348,723)</b>	<b>(231,404)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(255,383)	(283,547)
Payment of lease liabilities	(41,873)	(29,141)
Dividend paid to minority interest	(46,302)	(10,691)
Dividend paid to shareholders	(158,188)	(170,356)
Others	36,183	(22,099)
<b>Net cash used in financing activities</b>	<b>(465,563)</b>	<b>(515,834)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>49,158</b>	<b>(128,633)</b>
<b>Cash and cash equivalents at 1 April</b>	<b>343,188</b>	<b>471,821</b>
<b>Cash and cash equivalents at 31 March</b>	<b>392,346</b>	<b>343,188</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for year ended 31 March 2023 and the accompanying explanatory notes attached to this interim financial statements.

## **NOTES TO THE INTERIM FINANCIAL REPORT**

### **A1. Basis of preparation**

This interim financial information of QL Resources Berhad ('The Group') is prepared in accordance with the requirements of paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and complies with the requirements of the Malaysian Financial Reporting Standard ('MFRSs') No. 134 – Interim Financial Reporting. The Unaudited Condensed Consolidated Interim Financial Information should be read in conjunction with audited financial statements of the Group for the financial year ended 31 March 2023.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the preparation of the financial statements for the financial year ended 31 March 2023 except for the adoption of the followings:

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosures of Accounting Policies*
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- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction and International Tax Reform – Pillar Two Model Rules*

The adoption of the above standards and interpretations did not have any material impact on the interim financial report of the Group.

### **A2. Seasonal or cyclical factors**

Certain segment of the Group's business are affected by cyclical factors.

The management considers that on a quarter to quarter basis, the demand and/or production of the Group's products for each of the following core activities varies and the variation in each quarters were as follows:

- 1) Marine products manufacturing activities are affected by monsoon in the 4th quarter.
- 2) Crude palm oil milling activities are seasonally affected by monsoon resulting in low crops in the 2nd and 4th quarters. Meanwhile, the clean energy business activities are not seasonal but dependant on orders and delivery schedule.
- 3) Integrated livestock farming activities are not significantly affected in any of the quarters.
- 4) Convenience store chain activities are not significantly affected in any of the quarters, but more dependant on new stores opening and store operating hours.

On an overall basis therefore, the group's performance varies seasonally and maybe affected by unusual and unforeseen events affecting each of the core activities.

Based on past 5 years quarterly data, our average seasonal earnings index is as follows:

<b>Q1 April to June</b>	<b>0.21</b>
<b>Q2 July to September</b>	<b>0.27</b>
<b>Q3 October to December</b>	<b>0.28</b>
<b>Q4 January to March</b>	<b>0.24</b>
	<b>1.00</b>

### **A3. Unusual items**

There are no unusual items that have material effect on the assets, liabilities, equity, net income or cash flow during the quarter under

### **A4. Nature and amount of changes in estimates**

There were no material changes in estimates during the quarter under review.

### **A5. Debts and securities**

There are no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the quarter under review.

### **A6. Dividend paid**

In respect of the financial year ended 31 March 2024, a single tier interim dividend of 3.00 sen per ordinary share totalling approximately RM73.01 million was declared on 29 February 2024 and paid on 29 March 2024.



## A7. Segmental information

Segment information in respect of the Group's business segments for the 4th quarter ended 31.3.2024

	<b>RM'000</b>	<b>RM'000</b>
	<b>Sales</b>	<b>PBT</b>
Marine Products Manufacturing	318,278	51,655
Palm Oil and Clean Energy	166,484	30,289
Integrated Livestock Farming	918,371	39,987
Convenience Store Chain	272,829	13,872
Total	<u>1,675,962</u>	<u>135,803</u>

## A8. Property, plant and equipment

The valuations of land and building have been brought forward, without amendment from the previous annual report.

## A9. Material subsequent event

There were no material events subsequent to the end of current quarter that have not been reflected in the financial statements.

## A10. Changes in composition of the Group

During the quarter under review, there were no material changes to group composition.

## A11. Changes in contingent liabilities

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

There were no contingent liabilities at the end of the current financial period for the Group.

## A12. Disclosure of audit report qualification

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

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of performance for the current quarter and financial period to-date

	Current quarter	Last year corresponding quarter	% change	Cumulative quarters	Cumulative corresponding quarters last year	% change
	1.1.2024 to 31.3.2024	1.1.2023 to 31.3.2023		1.4.2023 to 31.3.2024	1.4.2022 to 31.3.2023	
	Sales	Sales		Sales	Sales	
	RM'000	RM'000		RM'000	RM'000	
Marine Product Manufacturing (MPM)	318,278	307,138	4%	1,390,576	1,341,701	4%
Palm Oil and Clean Energy (POCE)	166,484	167,251	0%	676,284	600,489	13%
Integrated Livestock Farming (ILF)	918,371	778,818	18%	3,523,686	3,439,415	2%
Convenience Store Chain (CVS)	272,829	221,396	23%	1,087,214	861,017	26%
Total	1,675,962	1,474,603	14%	6,677,760	6,242,622	7%
	1.1.2024 to 31.3.2024	1.1.2023 to 31.3.2023		1.4.2023 to 31.3.2024	1.4.2022 to 31.3.2023	
	Profit before tax	Profit before tax		Profit before tax	Profit before tax	
	RM'000	RM'000		RM'000	RM'000	
Marine Product Manufacturing (MPM)	51,655	41,198	25%	275,798	242,232	14%
Palm Oil and Clean Energy (POCE)	30,289	14,369	111%	64,340	11,736	448%
Integrated Livestock Farming (ILF)	39,987	49,538	-19%	227,386	183,115	24%
Convenience Store Chain (CVS)	13,872	7,408	87%	59,003	43,748	35%
Total	135,803	112,513	21%	626,527	480,831	30%

- a. MPM's current quarter sales were marginally higher than the corresponding quarter where better performance of fishmeal and surimi-based products contributed partly by higher export price from strong USD helped to offset weaker performance of fishing and aquaculture activities while surimi products stayed flat with the international competition.

Earnings improved by 25% against the corresponding quarter mainly due to higher margin for fishmeal and surimi-based products from higher export selling price as a result of strong USD and better international fishmeal unit price despite weaker performance of fishing and aquaculture activities.

Cumulative sales also improved marginally mainly due to the same reason as the quarterly sales.

Cumulative earnings increased by 14% against the corresponding period mainly due to improved margin for fishing activities, fishmeal and surimi-based products as a result of better fish landing and higher export price.

- b. Despite better sales of BM Greentech (formerly known as Boilermech Holdings Berhad) with higher project progress, POCE's current quarter sales were flat against the corresponding quarter due to weaker performance in palm oil activities affected by lower CPO price and lower Malaysia's FFB processed tonnage with the disposal of one of the Tawau palm oil mills.

Earnings were significantly higher than the corresponding quarter mainly due to better sales and improved margin at BM GreenTech. In addition, disposal gain of Tawau palm oil mill helped to boost performance of palm oil activities despite weaker operating results affected by lower FFB processed tonnage and CPO price.

Cumulative sales increased by 13% against the corresponding period mainly due to better sales at BM Greentech and also overall improved FFB production tonnage for 1HFY2024.

Strong turnaround in cumulative earnings mainly due to strong performance of BM Greentech, Tawau palm oil mill disposal gain and improved plantation productivity.

- c. Despite lower unit price for egg and feed raw material trade, ILF's current quarter sales were 18% higher than the corresponding quarter mainly due to higher volume of raw material trading as well as increase in egg production volume contributed by Vietnam operations and the newly acquired layer farm in Peninsula Malaysia.

Despite better performance of Malaysia layer operations supported by lower feed cost and cost subsidy as well as contribution from newly acquired layer farm, earnings were 19% lower than the corresponding quarter mainly due to margin erosion in raw material trading affected by commodity price downtrend and losses reported by the Indonesia and Vietnam farming operations caused by weak market sentiment.

Cumulative sales were marginally higher than the corresponding period mainly due to overall higher volume of farm produce contributed partly by the newly acquired layer farm. Meanwhile, feed raw material trading recorded higher volume albeit at a lower unit price.

Despite weaker margin for feed raw material trading and Vietnam layer operations, cumulative earnings increased by 24% against the corresponding period mainly due to strong performance of Malaysia farming operations including the contribution from newly acquired layer farm and recovery in Indonesia operations. In addition, high input costs were partly mitigated by continued Malaysia government cost subsidy for egg.

- d. CVS's current quarter sales increased by 23% against the corresponding quarter mainly due to net increase of 38 stores and 32 FM Mini during the period as well as better average store sales.

Earnings increased significantly against the corresponding quarter mainly due to higher sales and margin normalization from store operation efficiency.

Cumulative sales increased by 26% against the corresponding period mainly due to the same reasons as the quarterly sales.

Cumulative earnings increased by 35% against the corresponding period in line with higher sales while margin was enhanced from continued store operation efficiency improvement efforts.

## B2 Review of current quarter performance with the preceding quarter

	Current quarter	Preceding quarter	% change	Current quarter	Preceding quarter	% change
	1.1.2024 to 31.3.2024	1.10.2023 to 31.12.2023		1.1.2024 to 31.3.2024	1.10.2023 to 31.12.2023	
	Sales	Sales		Profit before tax	Profit before tax	
	RM'000	RM'000		RM'000	RM'000	
Activities:						
Marine Product Manufacturing (MPM)	318,278	361,664	-12%	51,655	88,689	-42%
Palm Oil and Clean Energy (POCE)	166,484	154,556	8%	30,289	8,758	246%
Integrated Livestock Farming (ILF)	918,371	911,297	1%	39,987	63,604	-37%
Convenience Store Chain (CVS)	272,829	284,675	-4%	13,872	16,547	-16%
Total	1,675,962	1,712,192	-2%	135,803	177,598	-24%

- a. MPM's current quarter sales decreased by 12% against the preceding quarter mainly due to seasonal factor where fishing activities were halted with the onset of monsoon as well as weaker performance of fishmeal caused by slower demand while aquaculture activities were impacted by production efficiency from extreme weather.
- Similarly, earnings decreased by 42% mainly due to seasonal factors and margin compression in fishmeal, surimi and aquaculture activities.
- b. POCE's current quarter sales increased by 8% against the preceding quarter mainly due to better sales recorded at BM Greentech with higher project progress despite lower FFB production and processed tonnage by palm oil activities.
- Earnings increased significantly from the preceding quarter mainly due to improved margin and higher sales at BM Greentech as well as disposal gain of Tawau palm oil mill.
- c. Despite lower unit price for feed raw material trading, ILF's current quarter sales were flat against the preceding quarter mainly due to improved farm produce selling price in Indonesia and full quarterly contribution from the newly acquired layer farm.
- Earnings decreased by 37% against the preceding quarter mainly due to margin erosion in feed raw material trading with volatile commodity price as well as significantly weaker performance of Vietnam farming operations.
- d. Despite increase of 10 stores and 13 FM Mini, CVS's current quarter sales decreased by 4% against the preceding quarter mainly due to lower seasonal average store sales.
- Earning decreased by 16% against the preceding quarter mainly due to lower margin caused by lower average store sales.

## B3 Prospects for the next quarter to 30th June 2024

Bank Negara Malaysia expects Malaysia's economy to grow at 4% - 5% in year 2024, supported by resilient domestic demand and recovery in exports with soft landing expected for global major economies. With the improved manufacturing export, Malaysia registered a 4.2% growth in 1Q2024 as compared to 2.9% in 4Q2023. Globally, shifting expectations of major economies' monetary policy paths, continued Sino-US trade war and ongoing geopolitical tensions including Taiwan Strait confrontation which may lead to heightened volatility in both capital flows and exchange rates across the region, including the ringgit and also supply chain disruption.

The Group's core businesses are food related which are generally sensitive to consumer sentiment and changes in government policy, including tax and subsidy scheme. The current high interest rate environment is expected to stay for a longer period which will affect the cost of doing business and consumer sentiment. In addition, the anticipated changes to Malaysia's egg price control and cost subsidy mechanism to market-driven pricing approach and volatile commodity prices will impact the performance of ILF segment. The outlook for MPM is neutral as upstream activities especially export may face demand headwinds but surimi based products are likely to benefit from lower input costs.

Nevertheless, as our core businesses are dealing in basic foods, the management is cautiously positive that the Group's business performance will remain resilient for the new financial year. The recovery momentum from past few quarters and our continued focus in driving operational efficiency, new investment in production capacity and scheduled opening of new CVS stores will help to cushion the adverse effects from the above-mentioned challenges. Further, we expect the consumer confidence to improve in view of the new civil servant wage structure and change in Employee Provident Fund ("EPF") withdrawal scheme.

In addition, through our subsidiary BM Greentech, we are also well positioned as a full Environment Social Governance ("ESG") focused engineering solutions provider, to capture the growth opportunities and play a significant role in Malaysia's net zero transition as part of the wider National Energy Transition Roadmap ("NETR") initiative.

## B4 Profit forecast

No profit forecast was published during the period under review.

## B5 Tax expense

	Individual quarter 3 months ended 31.3.2024 RM'000	Cumulative period To date 31.3.2024 RM'000
Current income tax expense	32,189	156,556
Deferred tax expense	(2,365)	(3,402)
	<u>29,824</u>	<u>153,154</u>

The effective tax rate of the Group for the current quarter is lower mainly due to tax incentive and the inclusion of palm mill disposal gain with different tax rate. The rate for cumulative period was almost per statutory rate.

## B6 Unquoted investments and properties

There were no disposal of unquoted investments and/or properties during quarter under review.

## B7 Quoted investments

There were no sales or purchase of quoted investment for the quarter under review except as disclosed.

## B8 Corporate proposals

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

## B9 Group borrowings

	As at 4th quarter ended 31.3.2024					
	Long term		Short term		Total borrowings	
	Foreign denomination (USD\$1 = RM4.723)	RM denomination	Foreign denomination (USD\$1 = RM4.723)	RM denomination	Foreign denomination (USD\$1 = RM4.723)	RM denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Secured</b>						
Term loans (Conventional)	-	1,957	-	453	-	2,410
Term loans (Islamic)	-	-	-	3,008	-	3,008
	-	1,957	-	3,461	-	5,418
<b>Unsecured</b>						
Term loans (Conventional)	48,952	-	180,813	-	229,765	-
Term loans (Islamic)	19,911	-	4,343	-	24,254	-
Bank overdrafts	-	-	4,649	580	4,649	580
Bankers' acceptance (Conventional)	-	-	285,431	367,259	285,431	367,259
Bankers' acceptance (Islamic)	-	-	-	62,515	-	62,515
Revolving credit	-	-	27,450	56,116	27,450	56,116
Supplier factoring facilities	-	-	-	-	-	-
Hire purchase liabilities	43	536	-	235	43	771
	68,906	536	502,686	486,705	571,592	487,241
<b>Total</b>	68,906	2,493	502,686	490,166	571,592	492,659

	As at 4th quarter ended 31.3.2023					
	Long term		Short term		Total borrowings	
	Foreign denomination (USD\$1 = RM4.42)	RM denomination	Foreign denomination (USD\$1 = RM4.42)	RM denomination	Foreign denomination (USD\$1 = RM4.42)	RM denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Secured</b>						
Term loans (Conventional)	-	2,409	-	445	-	2,854
Term loans (Islamic)	-	-	-	-	-	-
	-	2,409	-	445	-	2,854
<b>Unsecured</b>						
Term loans (Conventional)	223,841	-	239,625	-	463,466	-
Term loans (Islamic)	11,648	-	2,496	-	14,144	-
Bank overdrafts	-	-	2,408	713	2,408	713
Bankers' acceptance (Conventional)	-	-	214,657	410,334	214,657	410,334
Bankers' acceptance (Islamic)	-	-	-	66,338	-	66,338
Revolving credit	-	-	7,375	47,840	7,375	47,840
Supplier factoring facilities	-	-	-	24,937	-	24,937
Hire purchase liabilities	-	-	-	-	-	-
	235,489	-	466,561	550,162	702,050	550,162
<b>Total</b>	235,489	2,409	466,561	550,607	702,050	553,016

The borrowings denominated in foreign currencies are hedged to RM as well as interest rate.

## B10 Financial instruments

As at 31.3.2024, the outstanding derivatives (including financial instruments designated as hedging instruments) are as follows:

Types of derivatives	Contract/Notional Value as at 31.3.2024	Fair Value gain/ (loss) as at 31.3.2024
	RM'000	RM'000
<b>(i) Cross currency swap</b>		
- Less than 1 year		
- More than 1 year	168,051	22,059
<b>(ii) Interest rate swap</b>		
- Less than 1 year		
- More than 1 year	18,184	402
<b>(iii) Foreign exchange contracts (sell)</b>		
- Less than 1 year	92,382	34
- More than 1 year		
<b>(iv) Foreign exchange contracts (buy)</b>		
- Less than 1 year	104,531	445
- More than 1 year		
	<b>383,148</b>	<b>22,940</b>

**B11 Changes in material litigation**

On 3 August 2023, QLRB's subsidiary, QL Oil ("QLO") had commenced arbitration proceedings in the Singapore International Arbitration Centre ("SIAC") against Hang Ting Pte Ltd (HT or First Respondent), and PT. Pipit Citra Perkasa (PCP or Second Respondent) (Collectively referred to as Respondents) to seek specific performance order(s) to compel the Respondents to comply with their obligations and duties under the Master Joint Venture Agreement dated 16 August 2006 ("MJVA") involving Pipit Mutiara Indah ("PMI"), an operating plantation company, and/or the relevant law and damages in relation to Respondents' breaches under MJVA.

On 4 September 2023, the Respondents had filed the Respondents' Response to the Notice of Arbitration ("RRNOA") with the Singapore International Arbitration Centre ("SIAC"). The Respondents had in the RRNOA, inter alia, counterclaimed against the QLO for alleged breaches by the QLO of the terms of the MJVA as well as oppressive conduct against the Respondents within the meaning of s. 216 of the Singapore Companies Act 1967. QLO has obtained preliminary legal advice from its Singapore counsels, and is of the view that the Respondents' counterclaims are unmeritorious.

On 12 September 2023, QLO announced to Bursa Malaysia that the General Division of the High Court of the Republic of Singapore had on 11 September 2023 granted an order that all further proceedings related to or in connection with the Singapore High Court Suit (HC/S982/2021) be stayed pending the outcome of the SIAC arbitration as announced by QLO on 3 August 2023. The Singapore lawsuit is against PCP, Ibu Juliet Kristianto Liu and the Estate of Pak Kristianto Kandi Saputro for, among other things, breach of the arbitration agreement contained in the MJVA with the intent to injure and/or cause loss to PMI, Chia Seong Fatt and/or QL Mutiara (S) Pte Ltd ("QLM") by unlawful and/or lawful means, and for conspiring and combining together to damage or destroy the financial and/or business interests of PMI, Chia and/or QLM.

The arbitration proceedings are still on ongoing.

**B12 Dividend**

The Directors have proposed a final single tier dividend of 3.50 sen per share totalling of approximately RM85.2 million in respect of the year ended 31.3.2024, subject to the approval of the shareholders at the forthcoming Annual General Meeting.

**B13 Earnings per share**

The calculations of basic earnings per share were as follows:

	<b>Current quarter ended 31.3.2024</b>	<b>Cumulative to date 31.3.2024</b>
(a) Net profit attributable to ordinary shareholders (RM'000)	98,718	437,789
(b) Number of ordinary shares in issue ('000)- weighted average	2,433,657	2,433,657
Basic Earnings per share (sen)	4.06	17.99