

**INTERIM FINANCIAL REPORT FOR THE 2ND QUARTER ENDED 30.9.2022**

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30.9.2022 (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	
	2ND QUARTER 1.7.2022 to 30.9.2022		2ND QUARTER 1.7.2021 to 30.9.2021		TO-DATE 1.4.2022 to 30.9.2022		PERIOD 1.4.2021 to 30.9.2021	
	RM'000		RM'000		RM'000		RM'000	
<b>Revenue</b>	31%	1,638,226	1,248,053	28%	3,160,059	2,473,477		
<b>Operating Profit</b>	45%	202,781	140,290	44%	382,748	265,635		
<b>Depreciation and amortisation</b>	5%	(60,498)	(57,716)	5%	(120,130)	(114,249)		
<b>Interest income</b>	-3%	1,867	1,932	-4%	3,612	3,781		
<b>Finance costs</b>	11%	(15,424)	(13,925)	23%	(29,501)	(23,899)		
<b>Share of profit of associates (net)</b>		515	180		618	171		
<b>Profit Before Taxation</b>	83%	129,241	70,761	80.6%	237,347	131,439		
<b>Less: Tax expense</b>		(29,767)	(20,028)		(54,413)	(35,470)	(Effective tax rate) 23.0%	(Effective tax rate) 27.0%
<b>Profit for the period</b>	96%	99,474	50,733	91%	182,934	95,969		
<b>Attributable to:</b>								
<b>Shareholders of the Company</b>	104%	93,901	45,942	100%	176,325	88,136		
<b>Minority interests</b>		5,573	4,791		6,609	7,833	4.31% (% against PBT)	5.96% (% against PBT)
<b>Profit for the period</b>		99,474	50,733		182,934	95,969	2.78% (% against PBT)	
<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>	104%	3.86	1.89	100%	7.25	3.62		
<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 2022 and the accompanying explanatory notes attached to this interim financial statements.  
Note: NA denotes "Not Applicable"

**INTERIM FINANCIAL REPORT FOR THE 2ND QUARTER ENDED 30.9.2022**

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30.9.2022 (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>2ND QUARTER 1.7.2022 to 30.9.2022</b>		<b>1ST QUARTER 1.4.2022 to 30.6.2022</b>	
		<b>RM'000</b>		<b>RM'000</b>	
<b>Revenue</b>	8%	1,638,226		1,521,833	
<b>Operating Profit</b>	13%	202,781		179,967	
<b>Depreciation and amortisation</b>	1%	(60,498)		(59,632)	
<b>Interest income</b>	7%	1,867		1,745	
<b>Finance costs</b>	10%	(15,424)		(14,077)	
<b>Share of profit of associates (net)</b>		515		103	
<b>Profit Before Taxation</b>	20%	129,241		108,106	
<b>Less: Tax expense</b>		(29,767)	(Effective tax rate) 23.0%	(24,646)	(Effective tax rate) 22.8%
<b>Profit for the period</b>	19%	99,474		83,460	
<b>Attributable to:</b>					
<b>Shareholders of the Company</b>	14%	93,901		82,424	
<b>Minority interests</b>		5,573	4.31% (% against PBT)	1,036	0.96% (% against PBT)
<b>Profit for the period</b>		99,474		83,460	
<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>	14%	3.86		3.39	
<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 2022 and the accompanying explanatory notes attached to this interim financial statements.

Note: NA denotes "Not Applicable"

**INTERIM FINANCIAL REPORT FOR THE 2ND QUARTER ENDED 30.9.2022**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30.9.2022 (UNAUDITED)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING CORRESPONDING PERIOD
	2ND QUARTER 1.7.2022 to 30.9.2022	2ND QUARTER 1.7.2021 to 30.9.2021	TO-DATE 1.4.2022 to 30.9.2022	PERIOD 1.4.2021 to 30.9.2021
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the period</b>	99,474	50,733	182,934	95,969
<b>Other comprehensive income/(loss), net of tax:</b>				
Foreign currency translation differences for foreign operations	24,458	15,995	37,762	20,935
Cash flow hedge	(4,551)	1,079	(2,921)	565
<b>Total comprehensive income for the period</b>	<b>119,381</b>	<b>67,807</b>	<b>217,775</b>	<b>117,469</b>
<b>Total comprehensive income attributable to:</b>				
Shareholders of the Company	114,680	62,405	214,518	109,212
Minority interests	4,701	5,402	3,257	8,257
<b>Total comprehensive income for the period</b>	<b>119,381</b>	<b>67,807</b>	<b>217,775</b>	<b>117,469</b>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for year ended 31 March 2022 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 2ND QUARTER ENDED 30.9.2022**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at 30.9.2022 RM'000 Unaudited	As at 31.3.2022 RM'000 Audited
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	2,244,187	2,187,275
Right-of-use assets	488,310	475,265
Investment properties	24,406	26,813
Intangible assets	127,251	128,108
Investment in associates	6,209	2,391
Deferred tax assets	17,862	11,803
Trade and other receivables	26,024	24,614
	<u>2,934,249</u>	<u>2,856,269</u>
<b>Current Assets</b>		
Biological assets	252,065	231,988
Inventories	67 days 933,099	57 days 679,302
Contract assets	56,225	53,820
Contract costs	3,544	1,075
Current tax assets	30,195	28,944
Trade receivables	28 days 483,708	30 days 427,617
Other receivables, assets and prepayment	145,593	142,990
Derivative financial assets	54,738	4,281
Cash and cash equivalents	508,454	481,131
Assets classified as held for sale	35,111	49,638
	<u>2,502,732</u>	<u>2,100,786</u>
<b>Total Assets</b>	<u>5,436,981</u>	<u>4,957,055</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	620,025	620,025
Reserves	1,978,980	1,851,101
<b>Equity attributable to shareholders of the Company</b>	<u>2,599,005</u>	<u>2,471,126</u>
Minority interests	229,755	235,281
<b>Total Equity</b>	<u>2,828,760</u>	<u>2,706,407</u>
<b>Non-Current Liabilities</b>		
Long term borrowings (LT Debts/Total Equity)	13% 356,271	16% 436,289
Lease liabilities	157,215	145,996
Other payables	5,683	4,642
Employee benefits	10,512	10,875
Deferred tax liabilities	155,904	154,085
	<u>685,585</u>	<u>751,887</u>
<b>Current Liabilities</b>		
Short term-bankers acceptance	728,135	575,607
Other short term borrowings	399,410	348,499
Lease liabilities	26,977	25,563
Trade and other payables	637,864	463,952
Contract liabilities	96,417	62,221
Derivative financial liabilities	2,439	490
Taxation	31,394	22,429
	<u>1,922,636</u>	<u>1,498,761</u>
<b>Total Liabilities</b>	<u>2,608,221</u>	<u>2,250,648</u>
<b>Total Equity and Liabilities</b>	<u>5,436,981</u>	<u>4,957,055</u>
Net Assets per share (RM)	1.07	1.02
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 2022 and the accompanying explanatory notes attached to the interim financial statements.

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

**INTERIM FINANCIAL REPORT FOR THE 2ND QUARTER ENDED 30.9.2022**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30.9.2022**

	←-----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>6 months ended 30.9.2021</b>							
<b>At 1.4.2021</b>	620,025	(99,369)	(9,870)	1,803,407	2,314,193	231,321	2,545,514
Foreign currency translation differences for foreign operations	-	20,511	-	-	20,511	424	20,935
Cash flow hedge	-	-	565	-	565	-	565
Total other comprehensive income/(expenses) for the year	-	20,511	565	-	21,076	424	21,500
Profit for the period	-	-	-	88,136	88,136	7,833	95,969
<b>Total comprehensive income/(expenses) for the period</b>	-	20,511	565	88,136	109,212	8,257	117,469
<i>Contribution by and distributions to owners of the Company</i>							
- Dividends to owners of the Company	-	-	-	-	-	-	-
- Dividends paid to non-controlling interests	-	-	-	-	-	(8,717)	(8,717)
- Acquisition of non-controlling interests	-	-	-	-	-	-	-
<b>Total transactions with owners of the Company</b>	-	-	-	-	-	(8,717)	(8,717)
<b>At 30.9.2021</b>	620,025	(78,858)	(9,305)	1,891,543	2,423,405	230,861	2,654,266

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.

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

**INTERIM FINANCIAL REPORT FOR THE 2ND QUARTER ENDED 30.9.2022**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30.9.2022**

	<-----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>6 months ended 30.9.2022</b>							
<b>At 1.4.2022</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	-	41,114	-	-	41,114	(3,352)	37,762
Cash flow hedge	-	-	(2,921)	-	(2,921)	-	(2,921)
Total other comprehensive income/(expenses) for the year	-	41,114	(2,921)	-	38,193	(3,352)	34,841
Profit for the period	-	-	-	176,325	176,325	6,609	182,934
<b>Total comprehensive income/(expenses) for the period</b>	-	41,114	(2,921)	176,325	214,518	3,257	217,775
<i>Contribution by and distributions to owners of the Company</i>							
- Dividends to owners of the Company	-	-	-	(85,176)	(85,176)	-	(85,176)
- Dividends paid to non-controlling interests	-	-	-	-	-	(7,058)	(7,058)
- Acquisition of non-controlling interests	-	-	-	(1,463)	(1,463)	(1,725)	(3,188)
<b>Total transactions with owners of the Company</b>	-	-	-	(86,639)	(86,639)	(8,783)	(95,422)
<b>At 30.9.2022</b>	620,025	(37,256)	(6,731)	2,022,967	2,599,005	229,755	2,828,760

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for year ended 31 March 2022 and the accompanying explanatory notes attached to the interim financial statements.

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

**INTERIM FINANCIAL REPORT FOR THE 2ND QUARTER ENDED 30.9.2022**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30.9.2022**

	<b>Period ended 30.9.2022 RM'000</b>	<b>Period ended 30.9.2021 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	237,347	131,439
Adjustments for:		
Depreciation & amortisation	120,130	114,249
(Increase)/Decrease in working capital	29,741	34,055
Income tax paid	(47,846)	(41,683)
Other non-cash items	1,512	9,134
<b>Net cash generated from/(used in) operating activities</b>	<b>340,884</b>	<b>247,194</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(136,644)	(93,026)
Others	(3,201)	(82)
<b>Net cash generated from/(used in) investing activities</b>	<b>(139,845)</b>	<b>(93,108)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net borrowings	(72,174)	(49,681)
Payment of lease liabilities	(17,961)	(15,495)
Dividend paid to minority interest	(7,058)	(8,717)
Dividend paid to shareholders	(85,176)	-
Others	-	-
<b>Net cash generated from/(used in) financing activities</b>	<b>(182,369)</b>	<b>(73,893)</b>
<b>Net increase in cash and cash equivalents</b>	<b>18,670</b>	<b>80,193</b>
<b>Cash and cash equivalents at 1.4.2022</b>	<b>471,821</b>	<b>480,522</b>
<b>Cash and cash equivalents at 30.9.2022</b>	<b>490,491</b>	<b>560,715</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for year ended 31 March 2022 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 2022.

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 2022 except for the adoption of the followings:

- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)*

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><u>1.00</u></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 review.

### **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 2022, a final single tier dividend of 3.50 sen per ordinary share totalling approximately RM85.18 million was approved at the AGM held on 30 August 2022 and paid on 23 September 2022.



## A7. Segmental information

Segment information in respect of the Group's business segments for the 2nd quarter ended 30.9.2022

	<b>RM'000</b>	<b>RM'000</b>
	<b>Sales</b>	<b>PBT</b>
Marine Products Manufacturing	352,884	76,383
Palm Oil and Clean Energy	157,120	3,176
Integrated Livestock Farming	904,692	34,988
Convenience Store Chain	223,530	14,694
Total	<u>1,638,226</u>	<u>129,241</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
	1.7.2022 to 30.9.2022	1.7.2021 to 30.9.2021		1.4.2022 to 30.9.2022	1.4.2021 to 30.9.2021	
	Sales	Sales		Sales	Sales	
	RM'000	RM'000		RM'000	RM'000	
Marine Product Manufacturing (MPM)	352,884	284,359	24%	685,321	555,216	23%
Palm Oil and Clean Energy (POCE)	157,120	127,844	23%	298,604	281,088	6%
Integrated Livestock Farming (ILF)	904,692	693,719	30%	1,751,298	1,355,386	29%
Convenience Store Chain (CVS)	223,530	142,131	57%	424,836	281,787	51%
Total	1,638,226	1,248,053	31%	3,160,059	2,473,477	28%
	1.7.2022 to 30.9.2022	1.7.2021 to 30.9.2021		1.4.2022 to 30.9.2022	1.4.2021 to 30.9.2021	
	Profit before tax	Profit before tax		Profit before tax	Profit before tax	
	RM'000	RM'000		RM'000	RM'000	
Marine Product Manufacturing (MPM)	76,383	53,170	44%	126,482	94,861	33%
Palm Oil and Clean Energy (POCE)	3,176	11,040	-71%	(1,388)	23,277	NA
Integrated Livestock Farming (ILF)	34,988	835	4090%	81,712	960	8412%
Convenience Store Chain (CVS)	14,694	5,716	157%	30,541	12,341	147%
Total	129,241	70,761	83%	237,347	131,439	81%

- a. MPM's current quarter sales increased by 24% against the corresponding quarter mainly due to higher selling prices across all business units and improved selling volume for all activities except for surimi-based products with labour constraint.

Earnings increased by 44% mainly due to higher sales and production volume as well as improved selling price arising from strong US Dollar, thus margin improved substantially.

Cumulative sales increased by 23% mainly due to improved sales volume and selling price for all activities, where the fishing activities normalized from severe MCO disruption in the preceding year.

Cumulative earnings increased by 33% mainly due to the same reasons as the quarterly result.

- b. POCE's current quarter sales increased by 23% against the corresponding quarter mainly due to higher project progress at Boilermech but was partially offset by weaker performance of palm oil activities with lower CPO selling price and drop in FFB tonnage processed.

Despite improvement in sales performance, earnings decreased substantially against the corresponding quarter mainly due to thinner project margin at Boilermech with high input cost. In addition, palm oil activities reported weaker performance with lower CPO price coupled with lower FFB tonnage processed.

Cumulative sales increased marginally against the corresponding period mainly due to higher project progress at Boilermech which was offset by significant drop in FFB tonnage produced and processed despite higher CPO selling price.

Despite higher sales and positive contribution from Boilermech, cumulative loss reported mainly due to weak performance of palm oil activities with significant drop in FFB tonnage produced and processed as well as sales disruption caused by Indonesia export ban in Q1. In addition, the weakening of Indonesian Rupiah against US Dollar resulted in foreign currency translation loss had further impacted the performance negatively.

- c. ILF's current quarter sales increased by 30% against the corresponding quarter mainly due to high feed raw material trading volume and price as well as higher farm produce selling price.

Despite margin compression in feed raw material trading, earnings increased significantly against the corresponding quarter mainly due to overall turnaround in farming operation especially in Vietnam after the market normalization which was severely disrupted by stringent Covid-19 control measures previously. In Malaysia, cost subsidy by government helped to mitigate the high input cost with selling price was under price control.

Cumulative sales increased by 29% against the corresponding period mainly due to the same reasons as the quarterly sales.

Cumulative earnings increased significantly mainly due to turnaround in Vietnam and Peninsular Malaysia after market normalized as compared to depressed market under stringent Covid-19 control measures previously.

- d. CVS's current quarter sales increased by 57% against the corresponding period mainly due to additional 70 new stores opening and higher average sales per store with business activities normalized after economy re-opened in October 2021.

Earnings increased significantly mainly due to margin normalization with higher average store sales and additional stores opening.

Cumulative sales increased by 51% mainly due to the same reasons as the quarterly sales.

Cumulative earnings increased significantly mainly due to the same reasons as the quarterly earnings.

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

	Current quarter	Preceding quarter	% change	Current quarter	Preceding quarter	% change
	1.7.2022 to 30.9.2022	1.4.2022 to 30.6.2022		1.7.2022 to 30.9.2022	1.4.2022 to 30.6.2022	
	Sales	Sales		Profit before tax	Profit before tax	
	RM'000	RM'000		RM'000	RM'000	
Activities:						
Marine Product Manufacturing (MPM)	352,884	332,437	6%	76,383	50,099	52%
Palm Oil and Clean Energy (POCE)	157,120	141,484	11%	3,176	(4,564)	NA
Integrated Livestock Farming (ILF)	904,692	846,606	7%	34,988	46,724	-25%
Convenience Store Chain (CVS)	223,530	201,306	11%	14,694	15,847	-7%
Total	1,638,226	1,521,833	8%	129,241	108,106	20%

- a. Despite lower selling volume for surimi-based products caused by labour constraint, MPM's current quarter sales increased marginally against the preceding quarter mainly due to better selling volume and price for other activities.

Earnings increased by 52% mainly due to higher sales and production volume as well as improved selling price arising from strong US Dollar, thus margin improved substantially.

- b. POCE's current quarter sales increased by 11% against the preceding quarter mainly due to higher project progress at Boilermach despite significant lower CPO selling price for palm oil activities.

Turnaround in earnings from the preceding quarter mainly due to higher profit reported by Boilermach and the absence of foreign currency translation loss in the current quarter for palm oil activities.

- c. ILF's current quarter sales increased by 7% against the preceding quarter mainly due to higher volume and price for farm produce as well as higher feed raw material trading volume despite weaker selling price.

However, earning decreased by 25% against the preceding quarter mainly due to margin erosion under feed raw material trading caused by the volatile market and higher financing cost.

- d. CVS's current quarter sales increased by 11% against the preceding quarter mainly due to additional 22 new stores opening and improved average store sales.

Despite higher sales, earning decreased marginally against the preceding quarter mainly due to margin compression caused by higher input cost and hike in minimum wage.

## B3 Prospects for the next quarter to 31st December 2022

With the softening of consumer sentiment due to rising inflationary pressure and economy slowdown caused by high interest rate, the management is cautiously optimistic that the business performance will remain resilient with the continued cost subsidy by Malaysian government to help to mitigate high farming cost.

## B4 Profit forecast

No profit forecast was published during the period under review.

## B5 Tax expense

	Individual quarter 3 months ended 30.9.2022 RM'000	Cumulative period To date 30.9.2022 RM'000
Current income tax expense	29,310	58,427
Deferred tax expense	457	(4,014)
	<u>29,767</u>	<u>54,413</u>

The effective tax rate of the Group for the current quarter and cumulative period was marginally lower than the statutory rate due to tax incentive received for qualifying projects and also lower tax rate for its Vietnam's operation.

## 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 2nd quarter ended 30.9.2022					
	Long term		Short term		Total borrowings	
	Foreign denomination (USD\$1 = RM4.636)	RM denomination	Foreign denomination (USD\$1 = RM4.636)	RM denomination	Foreign denomination (USD\$1 = RM4.636)	RM denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Secured</b>						
Term loans (Conventional)	-	2,629	-	445	-	3,074
Term loans (Islamic)	-	-	-	-	-	-
	-	<b>2,629</b>	-	<b>445</b>	-	<b>3,074</b>
<b>Unsecured</b>						
Term loans (Conventional)	338,533	-	277,707	-	616,240	-
Term loans (Islamic)	14,835	-	10,226	-	25,061	-
Bank overdrafts	-	-	7,842	9,935	7,842	9,935
Bankers' acceptance (Conventional)	-	-	231,669	424,243	231,669	424,243
Bankers' acceptance (Islamic)	-	-	14,498	57,726	14,498	57,726
Revolving credit	-	-	-	93,000	-	93,000
Supplier factoring facilities	-	-	-	-	-	-
Hire purchase liabilities	-	274	-	254	-	528
	<b>353,368</b>	<b>274</b>	<b>541,942</b>	<b>585,158</b>	<b>895,310</b>	<b>585,432</b>
<b>Total</b>	<b>353,368</b>	<b>2,903</b>	<b>541,942</b>	<b>585,603</b>	<b>895,310</b>	<b>588,506</b>

	As at 4th quarter ended 31.3.2022					
	Long term		Short term		Total borrowings	
	Foreign denomination (USD\$1 = RM4.208)	RM denomination	Foreign denomination (USD\$1 = RM4.208)	RM denomination	Foreign denomination (USD\$1 = RM4.208)	RM denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Secured</b>						
Term loans (Conventional)	-	2,851	-	440	-	3,291
Term loans (Islamic)	-	-	-	-	-	-
	-	<b>2,851</b>	-	<b>440</b>	-	<b>3,291</b>
<b>Unsecured</b>						
Term loans (Conventional)	419,972	-	255,990	-	675,962	-
Term loans (Islamic)	13,466	-	27,847	-	41,313	-
Bank overdrafts	-	-	-	9,124	-	9,124
Bankers' acceptance (Conventional)	-	-	207,863	279,507	207,863	279,507
Bankers' acceptance (Islamic)	-	-	11,810	76,427	11,810	76,427
Revolving credit	-	-	-	29,537	-	29,537
Supplier factoring facilities	-	-	-	25,561	-	25,561
Hire purchase liabilities	-	-	-	-	-	-
	<b>433,438</b>	-	<b>503,510</b>	<b>420,156</b>	<b>936,948</b>	<b>420,156</b>
<b>Total</b>	<b>433,438</b>	<b>2,851</b>	<b>503,510</b>	<b>420,596</b>	<b>936,948</b>	<b>423,447</b>

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

**B10 Financial instruments**

As at 30.9.2022, the outstanding derivatives (including financial instruments designated as hedging instruments) are as follows:

Types of derivatives	Contract/Notional Value as at 30.9.2022	Fair Value gain/ (loss) as at 30.9.2022
	RM'000	RM'000
<b>(i) Cross currency swap</b>		
- Less than 1 year		
- More than 1 year	446,527	52,568
<b>(ii) Interest rate swap</b>		
- Less than 1 year		
- More than 1 year	87,450	2,046
<b>(iii) Foreign exchange contracts (sell)</b>		
- Less than 1 year	75,678	(2,080)
- More than 1 year		
<b>(iv) Foreign exchange contracts (buy)</b>		
- Less than 1 year	74,638	14,300
- More than 1 year		
	<b>684,293</b>	<b>66,834</b>

**B11 Changes in material litigation**

There were no changes in material litigation at the date of this report.

**B12 Dividend**

In respect of the financial year ended 31 March 2022, a final single tier dividend of 3.50 sen per ordinary share totalling approximately RM85.18 million was approved at the AGM held on 30 August 2022 and paid on 23 September 2022.

**B13 Earnings per share**

The calculations of basic earnings per share were as follows:

	<b>Current quarter ended 30.9.2022</b>	<b>Cumulative to date 30.9.2022</b>
(a) Net profit attributable to ordinary shareholders (RM'000)	93,901	176,325
(b) Number of ordinary shares in issue ('000)- weighted average	2,433,657	2,433,657
Basic Earnings per share (sen)	3.86	7.25