



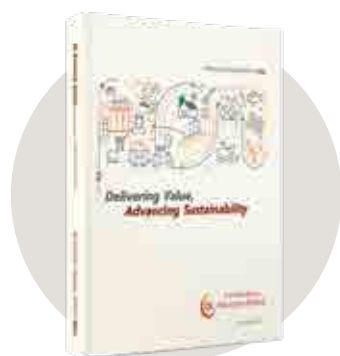
Delivering Value, Advancing Sustainability



全利資源有限公司
Resources Berhad

about this report

COVER RATIONALE



Delivering Value, Advancing Sustainability

Whilst it's been a testing time for businesses, QL continues to deliver a diverse range of agro products for the benefit of all.

We have adapted our operations and practices to evolve our business, remaining responsive to market environment and consumer needs. To further grow our business, we have enhanced and built efficiencies across our business pillars. And our focus on sustainability is reflected in our group-wide Environment, Social and Governance (ESG) initiatives.

We continue to deliver value to our shareholders as well as advance growth and sustainability in our business.



This Integrated Report is available at
<https://ql.com.my/investor-relations/annual-reports/>

The QL Resources Berhad (QL) 2022 Integrated Annual Report addresses stakeholder information needs by providing a comprehensive illustration of the company's value creation process. This report is the outcome of QL's reporting process, which is governed by the Board, and describes QL's ability to create and preserve, and minimise value erosion.

REPORTING PHILOSOPHY AND PRINCIPLES

This Integrated Annual Report contains material information relating to the value creation strategy over the short, medium, and long-term, business model, operating context, risks and opportunities, stakeholder interests, performance and outlook, and governance. It presents QL's historical, present and anticipated performances linked together in a continuous narrative that explains the operating context.

QL's financial statements are independently audited and prepared in compliance with the Malaysian Financial Reporting Standards (MFRS).

REPORTING FRAMEWORK AND GUIDANCE

- Main Market Listing Requirements of Bursa Malaysia Securities Berhad
- Malaysian Code on Corporate Governance 2021
- International Integrated Reporting Council International <IR> Framework
- Companies Act 2016
- Malaysian Financial Reporting Standards
- International Financial Reporting Standards
- Global Reporting Initiative Standards

REPORTING SCOPE AND BOUNDARIES

This Integrated Annual Report discloses QL's strategic plans together with quantitative and qualitative outcomes of the activities during the financial period 1 April 2021 to 31 March 2022. This includes financial and non-financial achievements encompassing all QL subsidiaries, unless otherwise indicated.

Where relevant and possible, the sustainability impact of QL's initiatives as well as the way in which sustainability considerations affect QL's stakeholders are disclosed. Additional information about our sustainability practices can be found in the Sustainability Statement on pages 33 to 78.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements that are, by nature, contingent, regarding QL's future performance and prospects. This includes future expectations and judgement at the time of preparing this report which may be materially changed by several emerging risks, uncertainties and other important factors that could adversely affect QL's business and financial performance. Therefore, these statements should not be construed as absolute guarantees or predictions of QL's future outcomes. Readers of this integrated report are advised not to place undue reliance on them.

MATERIAL MATTERS

This report discloses information about matters that significantly affect QL's ability to create value. The materiality process identifies key material matters that are significant to QL's stakeholders via a comprehensive engagement with both internal and external stakeholders. For more information about QL's Material Matters as well as our Materiality Assessment process, please refer to pages 38 to 41 of this report.

APPROVAL BY THE BOARD

The board acknowledges its responsibility and accountability in ensuring the integrity of this Integrated Annual Report. In the board's opinion, this report addresses all material issues that affect QL's ability to create, preserve and erode value and fairly presents QL's integrated performance.

The board is confident that the report was prepared to the best of our ability in accordance with the International <IR> Framework and approved the report on 12 July 2022.

Dr. Chia Song Kun
Executive Chairman

Mr. Chia Song Kooi
Group Managing Director

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NAVIGATION ICON

OUR CAPITALS

- Natural
- Human
- Manufactured
- Social
- Intellectual
- Financial

OUR GROWTH STRATEGY

- Regional Replication
- Sustainably Enhancing Performance
- Strengthening Value Chain
- Integrating Technology
- Downstream Integration
- Empowering Talents

STAKEHOLDERS

- Investors and shareholders
- Regulators and NGOs
- Employees
- Community
- Customers
- Media
- Vendors and suppliers



Chairman's Message **pg 10**

25th ANNUAL GENERAL MEETING



Broadcast venue at QL Training Hall
No. 16A,
Jalan Astaka U8/83,
Bukit Jelutong,
40150 Shah Alam,
Selangor

MEETING PLATFORM
TIIH Online website at
<https://tiih.online>



Tuesday,
30 August 2022



10:00 a.m.

principal activities

QL creates nourishing products from agro resources via value chains that are sustainable in both operations and growth. Our scalable business continuously strives to produce resource-efficient and nutritious protein sources and food to feed a growing population. QL's operations in Malaysia, Indonesia and Vietnam are internationally certified, enabling our products to be marketed in Asia, Europe and North America in addition to local consumption.

The value chains are streamlined into four business pillars.

OUR VISION

To be the preferred global agro-based enterprise.

OUR MISSION

We create nourishing products from agro resources, leading to benefit for all parties.

OUR CORE VALUES

Personality

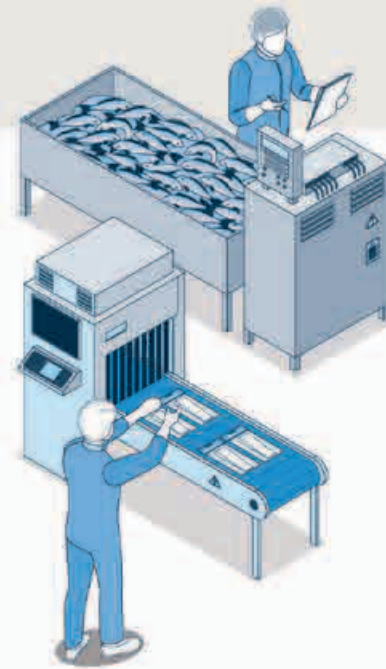
- Progressive
- Initiative
- Trustworthy
- Humility

Values

- Integrity
- Teamwork
- Win-Win
- Innovative

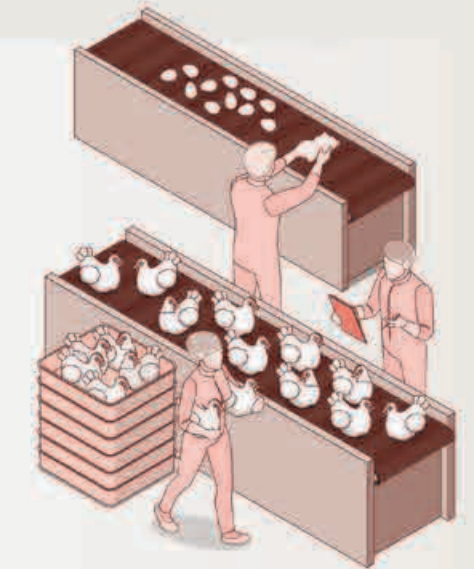
1 Marine Products Manufacturing (MPM)

Marine Products Manufacturing produces quality, convenient and nourishing marine-based products via its value chain of upstream and downstream activities. This includes aquaculture farming, deep-sea fishing, surimi and fishmeal production, and consumer foods. QL remains an industry leader as Southeast Asia's largest producer of surimi and halal fish-based products in Malaysia.



2 Integrated Livestock Farming (ILF)

QL is a leader in Integrated Livestock Farming activities in Malaysia, providing attainable sources of protein to consumers. Our activities span the entire value chain from feed and raw material trade, feed milling, layer farming to broiler integration. ILF employs biosecurity measures and optimum farming to consistently produce quality, nutritious and affordable protein sources.



four business pillars

3 Palm Oil and Clean Energy (POCE)

QL provides sustainable environmental solutions including in bioenergy, water treatment and renewable energy tailored towards the growing environmental, social and governance (ESG) needs of the market. This pillar also covers the palm oil value chain activities, which includes 16,000 hectares of oil palm estate holding and milling-as-a-service business to assist smallholders.



4 Convenience Store Chain (CVS)

Introduced in 2016, the FamilyMart convenience store chain delivers quality and nourishing ready-to-eat as well as easily prepared food that meets the needs of a busy lifestyle. This direct to consumer channel was built on the *konbini* (convenience) concept. It extends QL's existing food production and distribution portfolio. FamilyMart has grown to now include smart kiosks known as FamilyMart Mini, and 'Food Superstore' concept stores.



2022 KEY HIGHLIGHTS

Revenue
RM5.24
billion

Profit After Tax and Minority Interests (PATAMI)
RM217.35
million

Profit Before Tax
RM321.21
million

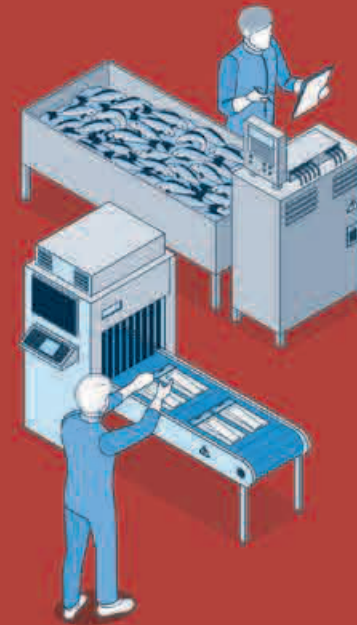
Total Dividend Payout Ratio
39.2%

Market Capitalisation
RM12.22
billion

4 Business Pillars



Integrated Livestock Farming



Marine Products Manufacturing



Palm Oil and Clean Energy



Convenience Store Chain

>700

halal certified products

30

operating entities

FamilyMart

Master Franchisee

Fishermen Financial Assistance Scheme

914 fishermen assisted



Orang Asli Programme

90 trained and equipped



Improved **S&P Global ESG Score**

Maintained **"BB" MSCI ESG rating**

2-star ESG grading band

in accordance with FTSE Russel ESG Ratings Methodology



4 out of 5 stars ESG rating

by TA Securities

Avoided

26,240 tCO₂e

in GHG emissions from Group's renewable energy facilities

Supported clients in **162 sites**

installation of clean energy solution



OUR PRESENCE

1 QL RESOURCES BERHAD
QL FEEDINGSTUFFS SDN. BHD.
QL FEED SDN. BHD.
QL INTERNATIONAL PTE. LTD.
 No. 16A, Jalan Astaka U8/83,
 Bukit Jelutong, 40150 Shah Alam,
 Selangor.
 Tel : +603 7801 2288
 Fax : +603 7801 2222
 Email : freddieyap@ql.com.my
 URL : www.ql.com.my

2 PACIFIC VET GROUP (M) SDN. BHD.
QL PACIFIC VET GROUP SDN. BHD.
 No.886-C8, Jalan Subang 9,
 Taman Perindustrian Subang,
 47600 Subang Jaya, Selangor.
 Tel : +603 8024 9508
 Fax : +603 8024 9634
 Email : pvgmal@pacificvet.com.my

3 QL POULTRY FARMS SDN. BHD.
 Lot 1338/5, Pajam, 71700 Mantin,
 Negeri Sembilan.
 Tel : +606 758 7377
 Fax : +606 758 7385
 URL : www.qleggs.com

4 QL ANSAN POULTRY FARM SDN. BHD.
 Lot 2051, 2053, 2054,
 MK Sidam Kanan, Kg. Paya Union,
 09400, Padang Serai, Kedah.
 Tel : +604 403 2526
 Fax : +604 403 4534

5 QL AGROFOOD SDN. BHD.
QL AGROVENTURES SDN. BHD.
 P.O.Box A158, Inanam,
 88857 Kota Kinabalu, Sabah.
 Tel : +6088 422 604
 Fax : +6088 421 943

6 QL AGRORESOURCES SDN. BHD.
QL LIVESTOCK FARMING SDN. BHD.
 Tingkat 1,
 Sublot 2490 Fortune Land,
 Jalan Rock, 93250 Kuching,
 Sarawak.
 Tel : +6082 252 760
 Fax : +6082 410 646

7 QL FARMS SDN. BHD.
QL BREEDER FARM SDN. BHD.
QL TAWAU FEEDMILL SDN. BHD.
QL AGROBIO SDN. BHD.
 TB 50 & 51, Mile 5, Apas Road,
 91000 Tawau, Sabah. OR
 P.O.Box 61651,
 91026 Tawau, Sabah.
 Tel : +6089 917 711/
 +6089 917 722/
 +6089 917 733
 Fax : +6089 912 045/
 +6089 913 482
 Email : qltawauhq@ql.com.my

8 PT QL TRIMITRA
 Jl. Sindanglaya, No. 100 Cipanas,
 Cianjur 43253, West Jawa-Indonesia.
 Tel : +62 263 515 100
 Fax : +62 263 519 966

9 PT QL AGROFOOD
 Jl. Pangkalan VI RT. 03/RW,
 06 Kel. Ciketingudik, Kec.
 Bantargebang, Bekasi, Jawa Barat,
 17153 Indonesia.
 Tel : +62 21 2296 7444
 Fax : +62 21 3396 7437

10 QL VIETNAM AGRORESOURCES LIABILITY LIMITED CO.
QL FEEDINGSTUFFS VIETNAM LIMITED LIABILITY CO.
QL FARMS (TAY NINH) LIABILITY LIMITED CO.
 18 Cong Hoa, Ward 4,
 Tan Binh District, Ho Chi Minh City
 (Warehouse No.6), Vietnam.
 Tel : +84 28384 25131/
 +84 28384 28435/
 +84 28384 28437
 Fax : +84 28384 28434
 URL : www.qlvietnam.com.vn

11 QL MARINE PRODUCTS SDN. BHD.
QL AQUAMARINE SDN. BHD.
QL FRESH CHOICE SEAFOOD SDN. BHD.
QL DEEP SEA FISHING SDN. BHD.
 P.O.Box 502, 89208 Tuaran, Sabah.
 Tel : +6088 791 833/
 +6088 791 866
 Fax : +6088 791 822/
 +6088 787 166
 URL : www.qlmarine.com.my

12 QL ENDAU MARINE PRODUCTS SDN. BHD.
QL ENDAU DEEP SEA FISHING SDN. BHD.
QL ENDAU FISHMEAL SDN. BHD.
RIKAWAWASAN SDN. BHD.
 No.11, Jalan Merlimau,
 86900 Endau, Johor.
 Tel : +607 794 3814/
 +607 794 4087
 Fax : +607 794 4088
 URL : www.qlendau.com.my

13 QL FIGO (JOHOR) SDN. BHD.
HQ QUARTER:
 Lot 3627, Jalan Harmoni 1,
 Taman Harmoni, 81000 Kulai, Johor.
 Tel : +607 663 7388
 Fax : +607 663 7366

14 QL LIAN HOE SDN. BHD.
 No.4, Jalan Penaga 9,
 Kawasan Perindustrian Kota Putri,
 81750 Masai, Johor Bahru.
 Tel : +607 387 5745/
 +607 387 5700
 Fax : +607 386 1629
 Email : sales@lian-hoefood.com.my
 URL : www.lian-hoefood.com.my

15 QL FOODS. SDN. BHD.
 Lot 9120 & 9121,
 Jalan Tepi Sungai,
 36400 Hutan Melintang, Perak.
 Tel : +605 641 5805/
 +605 641 7954
 Fax : +605 641 2257
 URL : www.qlfoods.com

16 QL FISHMEAL SDN. BHD.
 Lot 164, 3314 & 2647,
 Jalan Tepi Sungai,
 36400 Hutan Melintang, Perak.
 Tel : +605 641 2752
 Fax : +605 641 1042

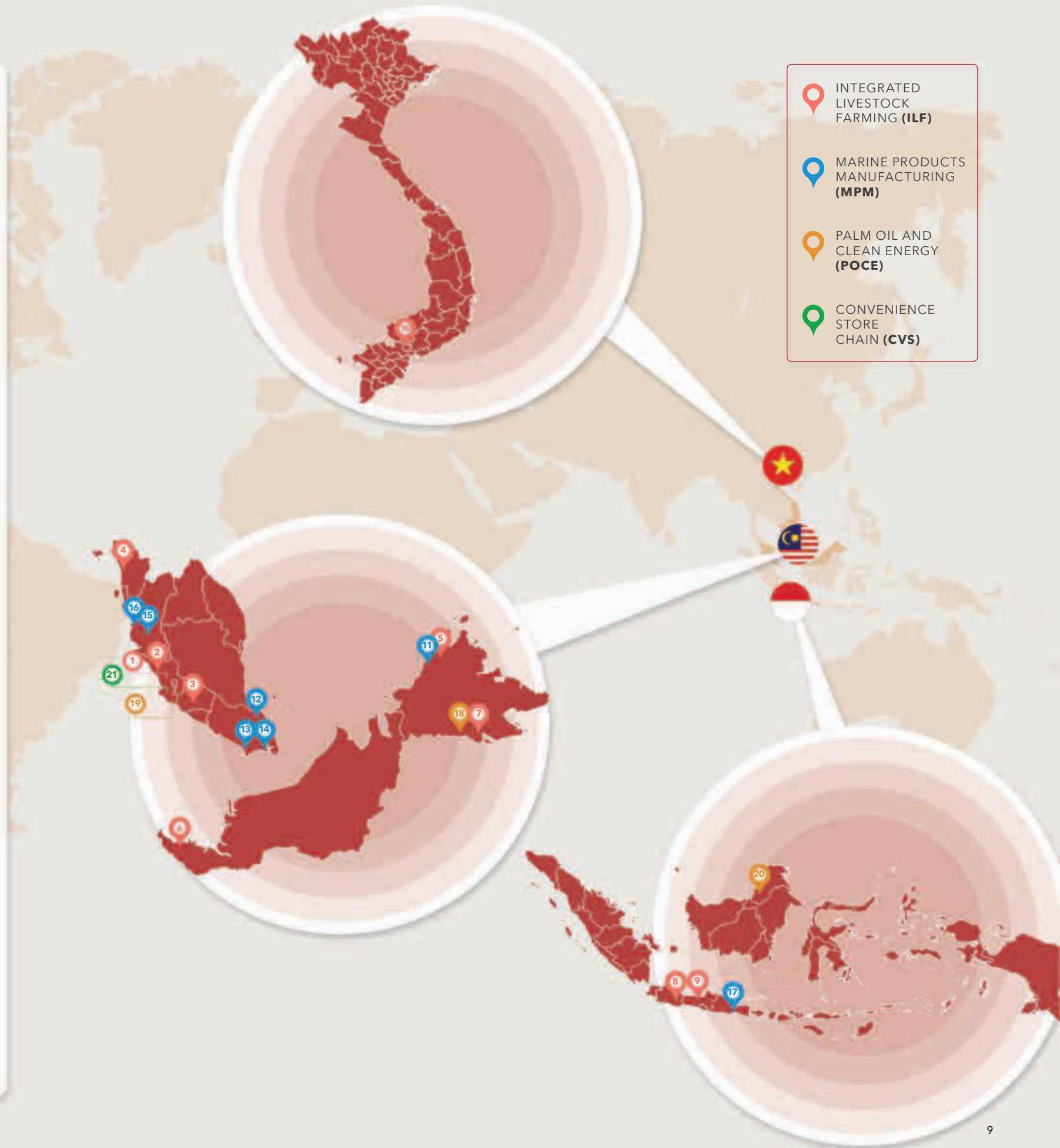
17 PT QL HASIL LAUT
 Jl. Raya Deansdles KM.81.25,
 Desa Sedayulawas,
 Kecamatan Brondong-Kabupaten,
 Lamongan 62263, Jatim-Indonesia.
 Tel : +62 322 662 828
 Fax : +62 322 663 222





18 QL OIL SDN. BHD.
QL BIOENERGY SDN. BHD.
QL PLANTATION SDN. BHD.
QL TAWAU BIOGAS SDN. BHD.
 TB 50 & 51, Mile 5, Apas Road,
 91000 Tawau, Sabah.
 OR
 P.O.Box 61651,
 91026 Tawau, Sabah.
 Tel : +6089 917 711/
 +6089 917 722/
 +6089 917 733
 Fax : +6089 912 045/
 +6089 913 482
 Email : qltawauhq@ql.com.my

19 BOILERMECH HOLDINGS BERHAD HEAD OFFICE:
 Lot 875, Jalan Subang 8,
 Taman Perindustrian Subang,
 47620 Subang Jaya,
 Selangor Darul Ehsan.
 Tel : +603 8023 9137
 Fax : +603 8023 2127
 URL : www.boilermech.com

20 PT PIPIT MUTIARA INDAH
 Jl. Slamet Riady RT, 26/123,
 Tarakan, Kalimantan Utara.
 Tel : +62 551 24 328
 Fax : +62 551 32 667

21 QL MAXINCOME SDN. BHD.
QL KITCHEN SDN. BHD.
 No. 16A, Jalan Astaka U8/83,
 Bukit Jelutong, 40150 Shah Alam,
 Selangor.
 Tel : +603 7801 2288
 Fax : +603 7801 2222
 Email : freddieyap@ql.com.my
 URL : www.ql.com.my



-  INTEGRATED LIVESTOCK FARMING (ILF)
-  MARINE PRODUCTS MANUFACTURING (MPM)
-  PALM OIL AND CLEAN ENERGY (POCE)
-  CONVENIENCE STORE CHAIN (CVS)



DR. CHIA SONG KUN
Executive Chairman

chairman's statement

Dear Valued Shareholders,

FY2022 presented businesses with unique challenges. Through it all, QL Resources Berhad (QL) continued to create shared value in the financial year under review of 1 April 2021 to 31 March 2022 (FY2022).

<p>➔ REVENUE</p> <p>RM5.24</p> <p>billion</p>	<p>➔ PROFIT BEFORE TAX</p> <p>RM321.21</p> <p>million</p>
--	--

The aftershocks of COVID-19 continued to be felt in FY2022. Economic and business recovery was slowed by a spike in infections caused by the Delta variant. Consequently, the Malaysian government implemented yet another Movement Control Order (MCO) to mitigate the spread of infection in May 2021.

As a food producer, QL was allowed to operate during the lockdown under the guidelines set out by the government. By the third quarter, the National COVID-19 Immunisation Programme (PICK) had charted a clearer path towards endemicity, achieving a vaccination rate of 91.4% of Malaysia's adult population in October 2021. Economic recovery regained its momentum, borders reopened and business activities set sail.

Just as the MCO woes abated, costs of raw materials rose rapidly. Across QL's value chain, costs remain escalated as inflationary pressures arising from recovering oil demand and geopolitical tensions led to near record high commodity prices. The price of corn and soybean has risen approximately 70% in the past year while Brent crude oil prices rose to a 10-year high in March 2022.

Amidst the fast-moving business landscape, our risk management systems are in place to continuously identify, monitor and mitigate the risks that arise to achieve QL's short-, medium- and long-term goal. Led by QL's governance, we optimised and deployed resources with a core focus on value chain strengthening, regional replication, downstream integration, sustainably enhancing performance, technology integration and talent empowerment.

QL remained steadfast and resilient despite the challenging business environment encountered. Employee health and safety is a continued priority. We facilitated the vaccination of the workforce, conducted mass testing when necessary and implemented standard operating procedures (SOPs) in line with government guidelines.

STRATEGIC FOCUS

Sustainability initiatives are central to QL's strategy as we progress towards being the preferred global agro-based enterprise. Our economic, environmental and social impact is driven by our strategic thrusts which focus on Environmental, Social, and Governance (ESG), technology integration and talent management. These strategic priorities power QL's ability to sustain and thrive, creating and preserving value for the benefit of all.

QL's three-pronged strategy continues to yield success. The CVS business pillar is now reported separately as a standalone pillar. In just five years, CVS contribution to revenue has surpassed the 10% threshold outlined in MFRS 8. Further details can be found in the Business Review on CVS on pages 30-31 and Notes to the Financial Statements on pages 131-227.

We have enlarged the 3C approach to include Cultivate, growing the strategic tool to 4C. We continue to navigate choppy waters while monitoring and conserving performing business pillars, constantly investing strategically and sustainably, as well as focusing on downstream integration activities.

In addition, the Group's ESG initiatives are led by the Sustainability Steering Committee, helmed by QL's Group Managing Director. Strategies are planned and executed with the guidance of our materiality assessment process. To ensure the achievement of our sustainability objectives, we have developed a 3-year sustainability roadmap utilising the 4-step approach of identification, prioritisation, validation and reporting on QL's material matters.

Safeguarding operational activities and ensuring continuous production is of utmost importance to QL. We are committed to delivering nourishing products derived from agro resources contributing towards national food security, for the benefit of all.

FINANCIAL PERFORMANCE

FY2022 proved to be a challenging year as COVID-19 and the consequences of containment effects were an obstacle yet again.

Compounding the volatile business landscape were operational disruptions, supply chain bottlenecks and labour difficulties. Geopolitical tensions between Ukraine and Russia and adverse weather conditions in South America further exacerbated the situation, affecting global commodity supply and ultimately, driving prices further upwards.

Notwithstanding this, QL continued to advance forward. Directed by our strategies and core values, we showed resilience in our operations to meet the needs of consumers and deliver another year of uninterrupted revenue growth.

Group revenue increased 19.6% year-on-year (YoY) to RM5.24 billion while profit before tax (PBT) decreased 25.7% to RM321.21 million. After excluding the one-off remeasurement gain for POCE in FY2021, PBT is lower by 9.1%, a clearer indication and comparison of the Group's performance in FY2022. This is QL's first dip after recording 21 consecutive years of earnings growth.

The top-line growth is mainly attributable to investments in technology integration for increased efficiency, and downstream integration that meets the needs of consumers including CVS.

VALUE CREATION PERFORMANCE

I am pleased to note that QL continues to be on the FTSE Bursa Malaysia KLCI reserve list and is a constituent of MSCI Global Index.

In recognition of our sustainability advancements, QL received a two-star ESG Grading Band in accordance with FTSE Russell ESG Ratings Methodology. Our S&P Global ESG Score also improved and at the same time, we maintained a BB rating in the MSCI ESG rating. Additionally in FY2021, TA Securities awarded QL an overall 4 out of 5 stars ESG rating.

These improvements of our ratings are an acknowledgement of the efforts across our business pillars as we strengthen our portfolio of brands, sustainability initiatives and value creation abilities.

CHAIRMAN'S STATEMENT (CONT'D)

As at 31 March 2022, QL's market capitalisation decreased to RM12.22 billion with a closing share price of RM5.02. In spite of the turbulent business environment, QL decided to reward our loyal shareholders with a proposed final single tier dividend of 3.50 sen per share. This amounts to a total dividend payout of RM85.18 million representing a 39.2% dividend payout ratio, higher than FY2021's 27.3%.

KEY ACHIEVEMENTS

QL continued to deliver value by advancing our core operations sustainably.

Quality Nutritious Food

QL provides quality, safe and nutritious food that comply with local and international standards and certifications. Standards, processes and controls are perpetually monitored and enhanced to ensure food quality and safety. To this end, we formalised the Health and Nutrition Statement and also established the Health and Nutrition R&D team.

We are pleased to note that our Customer Satisfaction Survey conducted in FY2022 showed increased Excellent rating for two main products - QL Eggs and QL Mushroom brand with an almost 100% rating of Fair to Excellent.

Sustainability Highlights



Environmental

As an agro-based enterprise, we understand the importance of our impact on the environment and climate change, and vice versa. With greenhouse gas (GHG) emission reduction targets set in FY2021, we increased solar panel installations at our farms. Our ongoing efforts generated positive results with GHG intensity reduced by 24.5% against base year FY2020 and avoided over 26,240 tCO₂e in GHG emissions.

Complementing QL's environmental initiatives, we reduced water withdrawal intensity by 30.2% due to optimised water usage at the ILF and MPM business pillars. We improved water management systems at several sites and increased usage of rainwater harvesting tanks.

Going forward, QL plans to set a reduction target for water withdrawal intensity.

We also ramped up waste management initiatives, which are elaborated in our Sustainability Statement.

Our planned collaboration with Wetlands International as part of our biodiversity initiative has sprouted, with the planted mangrove seedlings recording 99% survival rate after three months.

Social

Socially, we created employment opportunities, emphasise a conducive and safe work environment, and doubled the training hours YoY to develop and upskill employees. In FY2022, QL trained 90 Orang Asli across the various business pillars, equipping them with skills for employment.

At the same time, our flagship Fishermen Financial Assistance Scheme (FFAS) continues to help local fishermen build, upgrade and improve their fishing capabilities. This year, QL's FFAS distributed RM20.81 million, benefitting 914 fishermen.

Governance

QL adopts a zero-tolerance policy on bribery and corruption. The Suppliers and Business Associates Code of Business Ethics was successfully signed by 2,988 suppliers.

Operational continuity remains a focus in an environment of elevated costs and volatile market conditions. Leveraging our core competencies, QL managed a strong performance with top-line growth. The Group will continue to monitor market conditions and strategise tactically, adapting to the dynamic business landscape.

CORPORATE GOVERNANCE

QL's governance is directed by the tone set by the Board and management via purpose-driven leadership. Together with the values and culture embedded within the Group, the top leadership continuously drives and enables capabilities required to manage and thrive in this volatile environment.

Continuing our journey to provide stakeholders with increased integrity and transparency of disclosures, this year represents our second Integrated Annual Report. The report contains information

regarding how QL creates, preserves or erodes value over time. We aim to continuously improve the disclosures to better communicate our value creation abilities, capital utilisation and sustainability initiatives to stakeholders.

QL is strengthening our risk management and internal control system by building a dedicated team comprising experienced personnel with diverse competency.

The Board reviews its Corporate Governance (CG) practices annually to ensure alignment with the practices prescribed by the Malaysian Code on Corporate Governance (MCCG) 2021. The Board has conducted a comprehensive review of the CG practices in July 2022 and conducted a Gap Analysis to identify departures.

As at 31 March 2022, QL applied 42 out of the total of 48 recommended MCCG practices. In accordance with the comply or explain approach set out by MCCG 2021, details on the departures are disclosed in the CG Report available at <https://ql.com.my/corporate-governance/>.

The Board understands its fiduciary duty to stakeholders to promote business prosperity and corporate accountability. We are committed to continuously enhance QL's governance structure with the ultimate objective of creating and preserving value for our stakeholders.

More details about QL's CG practices can be read on page(s) 98-105.

PROSPECTS

Being an agro-based food producer is QL's reason for being. And, food is a basic need. No matter the situation, everyone needs to eat.

Despite the robust demand, protracted supply chain disruptions, high commodity prices and inflationary pressures will pose a challenge for QL in the coming financial year. Compounding it, is the risk of recession.

As we continue our responsibility to provide Malaysians with nourishing and affordable protein sources, cost pressures will only narrow margins. The Russia-Ukraine war heightened inflationary environment, driving the cost of logistics, fertiliser and energy upwards. The performance of QL in FY2023 is reliant on the extent of the disruption caused by the war and the severity of its impact on commodity flows.

The increased costs will only cascade onto soybean meal and corn production which are the main feed for livestock. Ultimately, the high prices of corn and soybean will be at the mercy of volatile input prices (fertiliser and energy), adverse weather patterns (La Nina) and macroeconomic uncertainties.

QL remains assured that our governance, strategy and policies will guide us to achieve positive results. Our risk management policies and procedures assist the business to identify, monitor and respond to key risks, allowing us to capture opportunities when they arise. In the face of adversities, our strategies will navigate the way forward as prospects remain positive.

"IN THE FACE OF ADVERSITIES, OUR STRATEGIES WILL NAVIGATE THE WAY FORWARD AS PROSPECTS REMAIN POSITIVE."

ACKNOWLEDGEMENTS AND APPRECIATION

QL will continue to persevere and adapt, executing our plan with the support of our hard working and committed pool of talent, key leadership and solid fundamentals.

Quan li, our philosophy of creating value for all, is deeply rooted into the DNA of QL and drives us to continue delivering growth and value creation for stakeholders. This is supplemented by our focus on sustainability and values of integrity, transparency and accountability.

On behalf of the Board of Directors, I would like to express our gratitude to all stakeholders including customers, suppliers, partners and shareholders for their patience and faith. We sincerely appreciate the support given to us during this challenging period. Additionally, I extend my sincerest appreciation to my fellow Board members, Management, and all employees for your faithfulness, dedication and loyalty.

In FY2022, Chia Lik Khai transitioned to an Executive Director position and we also welcomed Madam Tan Ler Chin (Cindy) onto our Board as an Independent Non-Executive Director. Her wealth of experience in compliance and risk management will add depth to our risk management and internal control systems. With her addition, QL's Board comprises 38% female representation.



“THE GROUP REMAINS FOCUSED ON OUR STRATEGIC INITIATIVES TO DELIVER SUSTAINABLE LONG-TERM GROWTH”

MR. CHIA SONG KOOI
Group Managing Director

group managing director's review

Dear Shareholders

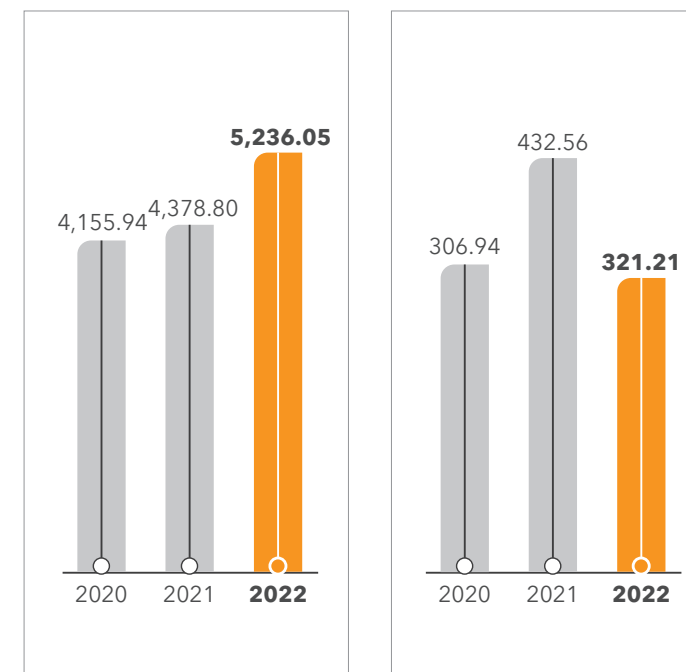
QL kept focus on our mission and strategy in FY2022 as economies continued to navigate through rough seas that tested the mettle of the business community. It was a period of emerging new COVID-19 variants that led to cautious response to contain infection and save lives that resulted in prolonged disruptions on a global scale.

Prospects began to improve as global vaccination initiatives progressed and economies reopened. This also held true in Malaysia as the national vaccination rate continued on an uptrend. Economic activities resumed in earnest with the Movement Control Order (MCO) lifted in phases as Malaysia transitioned to endemicity towards the close of our financial year. In tandem with this, our FY2022 was halved into two distinct periods of marked difference in performance.

The waves of uncertainty tested QL's acumen and exactitude of our strategic focus and fundamental priorities. Against such a backdrop, QL delivered 19.6% top-line year-on-year (YoY) growth to post a revenue that stood at RM5.24 billion in FY2022. This was achieved in a year marred by disrupted operations, high cost of doing business and erratic demand as well as geopolitical developments towards the end of our financial year.

These factors weighed on our profit before tax (PBT). A PBT contraction of about 9.1% (without the one-off remeasurement gain of FY2021) to RM321.21 million is a clear reflection of the utmost challenging business environment that QL sailed through in FY2022. The environment is discussed further in our sections on operational review. Accordingly, profit after tax and minority interests (PATAMI) stood at RM217.35 million.

REVENUE (RM million) — PBT (RM million)



As anticipated, the first half of FY2022 was an overall tough period as waves of challenges buffeted businesses. Operations across our complementary business pillars of Marine Products Manufacturing (MPM), Integrated Livestock Farming (ILF), Palm Oil and Clean Energy (POCE) and Convenience Store Chain (CVS) were not spared.

A surge in number of COVID-19 infections and the spread of the Delta variant led to the return of stringent government-imposed restrictions. This resulted in a weaker market, and severe operational disruptions, such as fishing vessels remaining grounded, which in turn had a consequential effect on the downstream value-add processing activities of MPM. The situation was also exacerbated by the limited workforce permitted on-site at any one time in compliance with standard operating procedures (SOPs). Collectively, production output was hampered.

Similar operations cause and impact situations were experienced in ILF and POCE. The POCE business pillar also had the additional challenge posed by wet weather conditions, affecting oil extraction rate (OER).

Throughout such challenging situations, QL continued to prioritise employee well-being. QL heightened health and safety awareness among employees, encouraging opt-in for vaccination under the PICK or via our participation in the Private-Public Partnership COVID-19 Industry Immunisation Programme (PIKAS) and *Program Vaksin Selangor* (SelVAX). Routine Rapid Test Kit (RTK) testing was also proactively carried out.

The Crisis Management Plan (CMP) which was established in FY2021 guided our business units in responding to disruptions and on resuming critical business operations in a timely and effective manner.

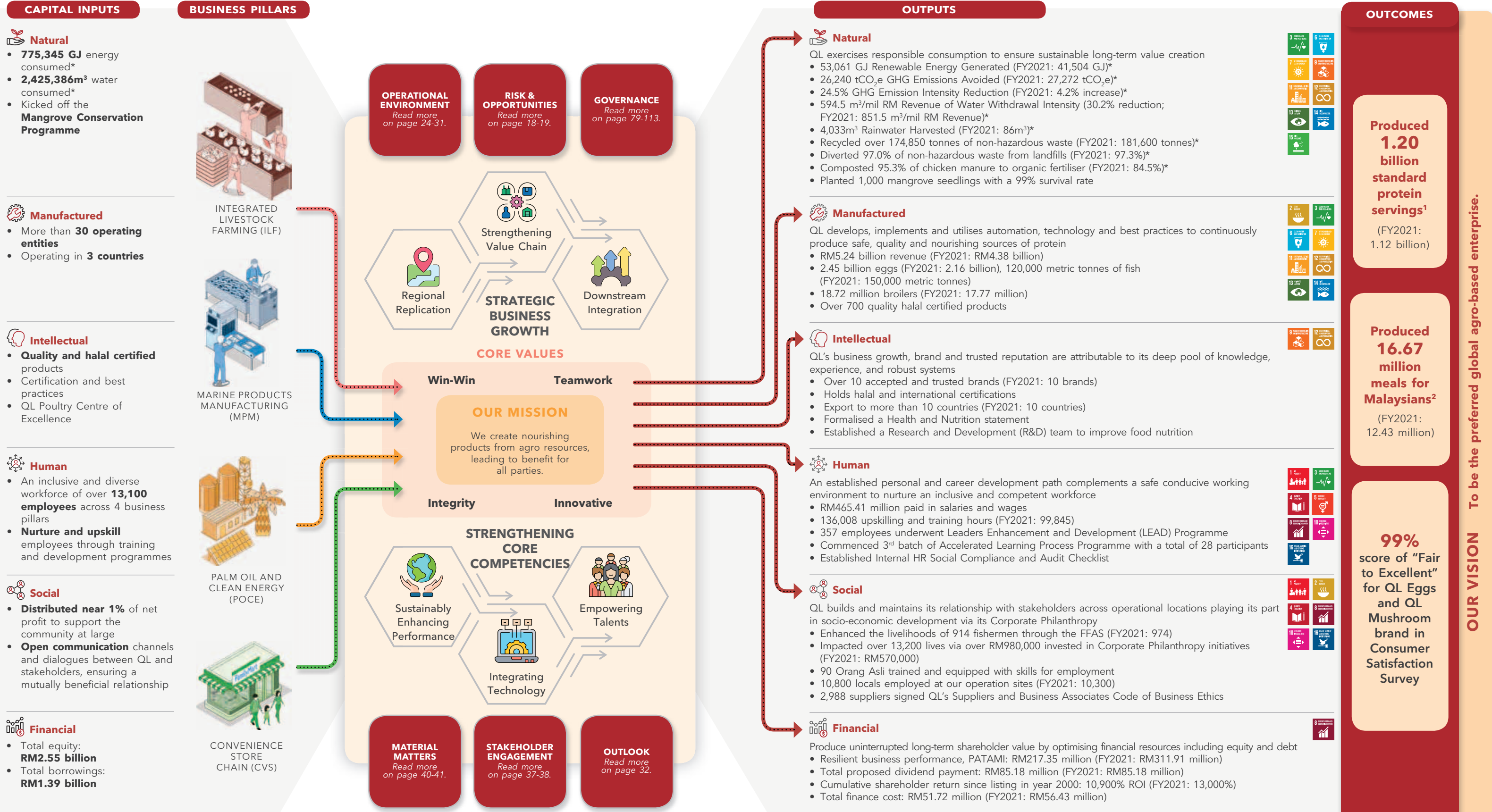
QL is trained on producing convenient, attainable and nourishing sources of protein for the benefit of customers. This fidelity to delivering quality products has enabled us to achieve consistent performance in creating shared value throughout the years, regardless of market dynamics.

➔ PRODUCED **1.20 BILLION**
— standard protein servings in 2022

Having established ourselves as a trusted agro-food producer, we are now enabling sustainability efforts with an established clean energy and environmental technology specialist in Malaysia in our business portfolio. This is in addition to being the preferred poultry egg producer, benchmark-raising CVS (FamilyMart) operator, Malaysia's largest fishmeal producer, largest surimi producer in Southeast Asia and top 10 surimi-based producer in the world.

Further analysis about our business performance and operational outlook can be read in the Business Review on pages 24 to 31.

VALUE CREATION BUSINESS MODEL









¹Based on average protein serving of 26g(recommended average daily protein intake by USDA Dietary Guidelines), computed using production volume for MPM and ILF businesses.
²Based on average 2,000 calories per meal per day (recommended daily calories intake by the Ministry of Health Malaysia), computed using CVS meal production.
 *Information pertains to subsidiaries reported within the Sustainability Statement.

QL is committed to value creation in pursuit of 'Benefit for All'. We are guided by our philosophy enshrined in the initials of Quan Li (全利) to create long-term shared value for our stakeholders and society.

Prudent management and allocation of key resources and capital inputs are necessary in our ability to create, preserve, enhance or erode value across our entire value chain spanning four complementary business pillars. This involves multi-capital management centred around material issues that affect the capitals managed by QL.

Material matters for QL are skewed towards natural and manufactured capital in our endeavour to be the preferred global agro-based enterprise. We strive to produce nourishing protein products readily available to the masses while preserving the environment.

CAPITALS	KEY FOCUS	RISKS AND OPPORTUNITIES
Natural 	<ul style="list-style-type: none"> Manage QL's carbon footprint by monitoring and minimising GHG emission intensity Increase usage of renewable energy sources Water security management and responsible disposal of waste Preserve and manage biodiversity to maintain a balanced ecosystem 	<p>Risks</p> <ul style="list-style-type: none"> Negative impacts on the environment due to operations, especially our impact on climate change Scarcity of natural resources may impact our operations <p>Opportunities</p> <ul style="list-style-type: none"> Utilise technology for efficient use of natural resources Clean Energy business pillar with the competency to build and implement environmental solutions internally and externally
Manufactured 	<ul style="list-style-type: none"> Promote greater production efficiency by continuously improving and streamlining operational processes Implement automation and technology for consistent output and quality Biosecurity measures supplemented by robust controls, audit and monitoring Produce high quality, safe and nutritious agro foods that meet the needs of consumers 	<p>Risks</p> <ul style="list-style-type: none"> Unable to build competitive advantage due to inefficiency and technology obsolescence Production output and quality disrupted by disease outbreaks Compromised cyber security leading to business disruptions and data breaches Supply chain disruption driving up cost of business, and high inflation <p>Opportunities</p> <ul style="list-style-type: none"> R&D to enhance food safety, quality and nutrition Investment in digitalisation, automation and technology integration resulting in enhanced data insights for targeted improvement plans Identify and tap new markets to capture growth opportunities
Intellectual 	<ul style="list-style-type: none"> Heighten and maintain QL brands' presence amongst customers and the public Acquire and maintain relevant certifications and licenses to operate and for quality assurance 	<p>Risks</p> <ul style="list-style-type: none"> Inferior products and safety issues that affect goodwill and brand reputation Loss of market share due to slow adaptation to market trends and disruptions Non-compliance with regulations impacting our license to operate <p>Opportunities</p> <ul style="list-style-type: none"> Meet the needs of consumers by offering enhanced customer experience, increased customer touchpoints and innovative products Online channels to grow brand awareness and widen reach

CAPITALS	KEY FOCUS	RISKS AND OPPORTUNITIES
Human 	<ul style="list-style-type: none"> Maintain a safe and conducive working environment Foster professional and personal development through merit-based career progression and upskilling Emphasis on an inclusive work environment and fair labour practices 	<p>Risks</p> <ul style="list-style-type: none"> Labour shortages and changes to labour law Non-compliance to regulatory requirements High turnover of employees Workplace accidents that could result in injuries or fatalities Epidemic and pandemic <p>Opportunities</p> <ul style="list-style-type: none"> Preservation and enhancement of safety and health precautions to prevent occupational illnesses or injuries Attract, develop and retain talent via workplace policy and practice improvements A continuous pipeline of talents via strategic partnerships
Social 	<ul style="list-style-type: none"> Mutual growth via socio-economic development Assist and develop local communities Create job opportunities for locals Contribute to food security through uninterrupted production 	<p>Risks</p> <ul style="list-style-type: none"> Reputational damage amongst the community Loss of goodwill arising from diminished trust in products and brand Negative consumer perception and impact of processed or unhealthy food Potential lawsuits and damages <p>Opportunities</p> <ul style="list-style-type: none"> Contribute to the community through strategic and targeted initiatives Continuous engagement and communication with stakeholders
Financial 	<ul style="list-style-type: none"> Deliver effective and transparent stakeholder communication Sustainable business performance to generate long-term growth for stakeholders 	<p>Risks</p> <ul style="list-style-type: none"> Forex, interest rates and credit risks Fiscal policies (tax, incentives, etc) Share price not reflective of the intrinsic value of the company <p>Opportunities</p> <ul style="list-style-type: none"> Enhanced and more transparent external communications Effective financial management strategies to capitalise on growth opportunities

OUR GROWTH STRATEGY

The world population is projected to exceed the 8 billionth person mark this year.

Countries are in the race not just to feed the world, but to feed them with nutritious food. Such increasing demand exerts pressure on natural resources. It is into this scenario that QL builds our strategy to deliver value with a focus on sustainability. We take due care in the allocation of resources to optimise efficiency across our businesses.

In FY2022, we refined our strategies into two components with sustainable growth in mind.



STRATEGIC BUSINESS GROWTH

In driving growth, QL established the long-term strategies of regional replication, value chain strengthening and downstream integration. This foundation laid in 2010 served QL well and continues to do so in creating shared value.

QL management uses the 3C approach to evaluate and identify opportunities across our value chain, taking into consideration external environment. Factors such as macroeconomy, geopolitical tensions, climate change, and consumer lifestyle are among the determining factors.

Channeling investment at over 4% of our FY2022 revenue, we continued to reinforce our Core Focus areas while Continue the business activities that align with our mission, and Conserve the others to power QL's growth. Key performance indicators are monitored and reported against goals set.

Under this 3C approach, we have commenced the divestment process of the Sabah Palm Oil Mill 2 and its surrounding estates, and increased focus in Clean Energy in POCE. At the same time in MPM, we are solidifying our aquaculture venture and continue our deep-sea purse seine fishing.

To guide on new areas of business that hold potential, a fourth strategic tool, Cultivate, was introduced. Going forward, this 4C approach will continue to be a barometer of business activities and QL is open to M&A opportunities to accelerate growth.

STRENGTHENING CORE COMPETENCIES

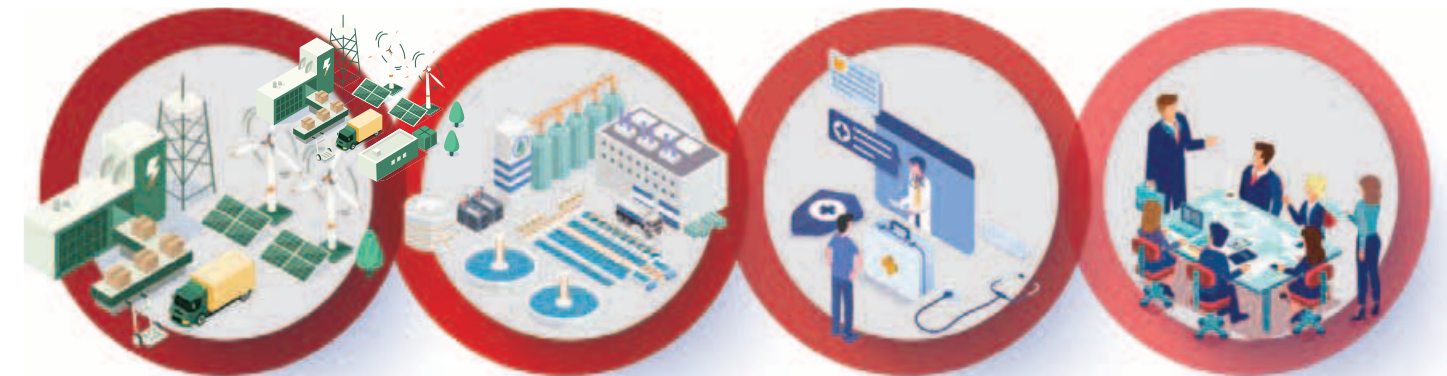
Central to our strategies is meeting customer needs at their convenience. As we do so, we are conscious of the larger ecosystem of our business value chain. From planting mangroves to caring for and developing employees, our initiatives are guided by our belief of creating value for all.

Sustainably Enhancing Performance

QL is accelerating our ESG initiatives. Climate change is not a buzzword to QL. We experience its impact on our business activities. Likewise, we are acutely conscious of the impact of our activities on the environment. Striving to return sustainable performance, we dedicate attention to the six capitals.

"WE FORMALISED A FOOD AND NUTRITION STATEMENT"

DRIVEN FROM THE TOP, EVERY BUSINESS PILLAR HEAD ACROSS OUR OPERATIONS ARE TASKED WITH SPECIFIC ACTIONABLE PLAN FOR EACH OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE INITIATIVES. FROM TRANSITIONING TO CLEAN ENERGY, WASTE WATER MANAGEMENT, SAFETY AND HEALTH TO CODE OF CONDUCT AND ANTI-BRIBERY POLICY, THE PLAN CASCADES THROUGH TO OUR BUSINESS PILLARS. GOALS ARE COMMUNICATED, AND REGULAR STATUS REPORTS ENSURED PROGRESS AND THAT POTENTIAL SITUATIONS ARE ADDRESSED EARLY.



Clean Energy

Waste Water Management

Safety and Health

Code of Conduct and Anti-Bribery Policy

For example, QL increased our audits of operations in FY2022. According priority to our top revenue generator, QL conducted 16 biosecurity audits across 12 poultry farms despite travel challenges during the MCO. Animal care is of utmost importance. The QL Poultry Centre of Excellence (QLPCOE), which is staffed by experienced veterinarians is tasked with further improving farm management practices.

At the same time, the ISO 45001 (Occupational Safety and Health Management System) certification journey that started last financial year is in the final stages; we are now in the project pilot phase for the Pajam poultry farm. This will add to our existing recognised accreditations and certifications.

As an agro-based food producer, QL holds ourselves accountable for the safety and quality of our products. We walk the talk. The Health and Nutrition Committee established last year formed a R&D team to improve our food nutrition in accordance with nutritional guidelines. This culminated in the formalisation of a Food and Nutrition statement.

Our increasing focus on clean energy has translated into more solar solutions being implemented at our operating sites. At the same time, this also gave us the opportunity to help other businesses adopt clean energy technology, becoming a business activity of its own.

We also pay heed to two important components of QL's growth - our network of vendors and the community in which we operate.

To promote governance within and without, QL requires vendors to uphold transparency and business best practices. We endeavour to increase the number of vendors signing on to the QL's Suppliers and Business Associates Code of Business Ethics.

The FFAS is more than just a social exercise. QL never forgot where we came from. Our business is still closely intertwined with our roots and supporting these communities is more than just ensuring a sustainable supply of fish. The FFAS helps the fishermen improve income and is a means of survival for their families.

Our Sustainability Statement on pages 33-78 provides further reading on our initiatives.

OUR GROWTH STRATEGY (CONT'D)

Integrating Technology

The pandemic drove home the importance of technology adoption for businesses to survive and thrive. The Information Technology (IT) blueprint put in place since 2019 and increasing transition to automation helped QL deliver strong sets of financial results amidst business disruptions and upheavals.

Technology enabled greater targeted data collection in a timely manner and with improved accuracy to be analysed for improvement initiatives. Processes are enhanced as a result. QL undertook better data-driven improvement initiatives to boost operational efficiency, which is reflected in our report this year. This rang true in our MPM and ILF business pillars in particular, with the investment into advanced automation and new technology equipment and tool.

Increased data visibility has also enabled us to introduce well-timed innovative products such as the ready-to-eat packaged food, new touchpoints & channels as well as identify strategic CVS locations.

CVS led the utilisation of e-commerce during the pandemic and QL is expanding this further. To grow our cloud computing and

e-commerce capability, we acquired Axrail Pte Ltd, an Amazon Web Services partner. This paves the way for QL to onboard merchants onto our existing e-commerce solution.

We will continue to extend the use of data analytics and artificial intelligence to strengthen our core competencies, and concurrently strengthen our supply chain and performance management. In the plan is the migration of our daily management activities onto an Enterprise Resource Platform (ERP) system to integrate and organise key business information from all our business pillars onto a dashboard view. This will help us employ resources more effectively to gain efficiency, increased productivity and support business growth.

Empowering Talents

QL is driven by our philosophy, mission and values. Delivering on our mission are our employees who embody the corporate values of integrity, innovation, team work and win-win.


To achieve a motivated and high-performance culture, QL nurtures employees through talent development and well-being programmes that empower them.




TALENT PIPELINE & ON-THE-JOB COACHING

Having a healthy pool of young talent with dynamic senior management providing guidance and coaching will help propel QL towards our vision. At over 50% of our workforce under 30 years of age and over 40% in the 30- to 50-year-old bracket, QL is developing the next generation of leaders.

This is complemented by internship placements and Orang Asli employment opportunities.



EMPLOYEE WELL-BEING

Enlarging the conducive and inspiring workplace focus, QL notes and responds to changing work environment. In an accelerated work and life pace, QL introduced employee well-being programmes. In addition to participation in after-hours on-site exercise programme, there are Mental Health Awareness and Diabetes Awareness programmes.

Policies such as Whistleblower Policy and Grievance and Harassment Policy provide a safe channel to voice concerns and discontentment without repercussion. It also promotes accountability and transparency.



TRAINING, UPSKILLING & CAREER PROGRESSION

The focus to increase training hours per employee is measured by set targets. By setting a moving goalpost, the upskilling is a continuous process as we align approach, mindset and skillset to evolving consumer lifestyle.

Dedicated skills enhancement and management training initiatives in the form LEAD and Accelerated Learning Programme nurture high-potential employees and equip them to make critical business decisions. The initiatives provide clarity on career progression.



TALENT ATTRACTION & RETENTION

Recognition and rewards are key components of attracting talent. QL's reward scheme is a structured approach based on financial performance and individual performance. Appreciating contribution of talents, QL endeavours to upkeep its annual salary increment. This held true even through the years headlined by the pandemic.

Of note, over 30% of QL's workforce have recorded over five years of service. 50% of the total employees with under five years of service are from CVS, understandably so as this downstream integration was established in 2016.

QL WILL HOLD STEADFAST TO OUR STRATEGIES AND ADJUST OUR SAILS ACCORDING TO THE WIND TO CREATE A PURPLE OCEAN OF OUR OWN. THIS LONG-TERM GROWTH FOUNDATION HELPED US KEEP COURSE IN A HORRID YEAR. WE WILL CONTINUE TO TAKE COGNISANCE OF DEVELOPMENTS. WE WILL CONTINUE TO INVEST TO GROW AND HAVE SET SIGHT ON A LOW TEEN COMPOUND ANNUAL GROWTH RATE (CAGR) IN OUR EFFORTS TO DELIVER VALUE BY ADVANCING SUSTAINABILITY.



BUSINESS REVIEW

MARINE PRODUCTS MANUFACTURING (MPM)

QL HAS VESTED INTEREST IN EVERY PROCESS OF THE MPM VALUE CHAIN TO PROVIDE QUALITY NOURISHING PRODUCTS THAT ARE CONVENIENT FOR CONSUMERS.

Catering to strong demand, our downstream activities comply with international standards including but not limited to Hazard Analysis and Critical Control Point (HACCP) certification, Malaysian Good Agricultural Practice (MyGAP) and EU regulations where applicable, as well as halal certification.

Our portfolio includes deep-sea fishing and aquaculture farming to production of surimi, surimi-based products, convenient and wholesome seafood snacks. Espousing responsible consumption and production, our fishmeal production utilises surimi by-products to complete the processing chain.

OUR VALUE CHAIN

- Aquaculture farming
- Deep-sea fishing
- Fishmeal production
- Surimi production
- Surimi-based products manufacturing
- Seafood snacks production

MPM ASSETS

- 9 operating entities

KEY DEVELOPMENTS

- Contract awarded for new surimi-based products plant to enlarge ability to produce marine-based products in Indonesia
- Converted vacant warehouse into new factory in Kulai for Figo-branded products
- Acquiring 86 hectares of land in Hutan Melintang for future expansion
- Wider adoption of renewable energy - 0.7MW solar installation commissioned at Kembang Subur aquaculture site

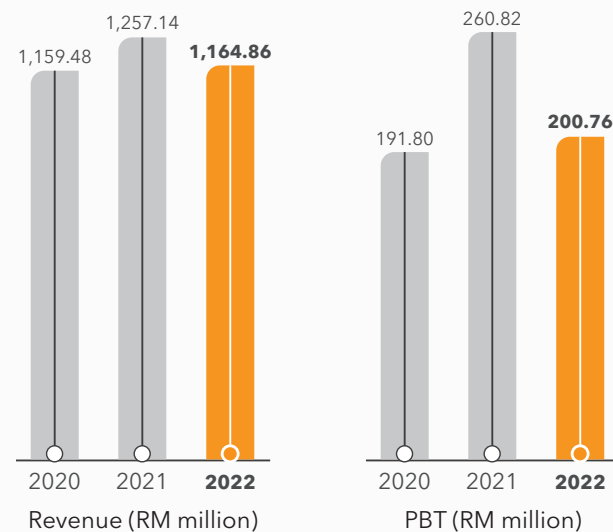
FINANCIAL PERFORMANCE

The MPM business pillar posted RM1.16 billion revenue in FY2022, a 7.3% slip YoY. The smaller turnover cascaded to a 23.0% bottom-line tightening to RM200.76 million.

Overall, pandemic-impeded capacity, labour situation, lower fish landing and higher operating costs took their toll on this business pillar.

As a whole, the MPM pillar waded through brackish waters.

Marine Products Manufacturing (MPM)



Operational Review

On aquaculture activities, we are happy to report that the planned expansion is underway. Approval for earthwork to develop a new aquaculture project in Kota Belud was received. A final boundary survey was also conducted and we are working with the local authority to commence site works.

QL's fishing fleet comprises 29 well-equipped purse seine vessels. Operating in the South China Sea, the fleet is equipped with advanced onboard radar and sonar technology for effective, efficient and sustainable fishing methods. Labouring hard to overcome crew shortage, we managed to increase operations of the vessels from a measly 3 at the beginning of FY2022 to 22 units at the end of Q4, after the monsoon season.

Progress has been made with the planned expansion of our Indonesian unit for elevated economies of scale for the operations. The contract has been awarded for a new surimi-based plant following a strict tender. This will augment the current 3,000 metric tonnes production capacity. Full completion is expected in FY2024.

Our local surimi-based plant in Kulai, Johor is in the midst of an exciting operations expansion, involving the conversion of a vacant warehouse into a production floor. At the same time, we are acquiring 86 hectares of land adjacent to our Hutan Melintang factory. Earmarked for expansion projects, it is undergoing crucial land planning procedure.

Challenges

The outlook from FY2021 of low fish landing, low sales volume and production adversely impacting MPM performance proved accurate. Compounding it was the labour and workforce allowed on-site situation.

COVID-19 SOPs were re-enacted in varying degrees of strictness throughout the year to combat the resurgence in cases. Total compliance with these measures limited operations capacity and output.

For a period of time, 90% of our 29-strong purse seine fishing fleet were left docked due to insufficient manpower and movement restrictions. Although this improved as the financial year progressed, the entire fleet had not operated in full for well over 12 months. And when the vessels were deployed, the sharp rise in fuel costs took its toll on profitability.

QL's aquaculture business was not spared from the pinch. Its lacklustre year was a result of weaker grow-out farm performance, made worse by the national and state lockdown measures.

The surimi and fishmeal units experienced the domino effect of low fish landing, shortage of fishing crew and operational disruptions caused by MCO. Overall, MPM activities saw lower selling volume and higher input cost. This translated to lower sales and earnings. Encouraging consumer demand for convenient nourishing food sources and higher selling price could not hoist the anchor on performance.

OUTLOOK

As the labour situation improves, QL expects the entire fishing fleet in Endau to be fully operational. With the fleet in the field, fish landing is expected to improve should weather patterns be good. However, rising fuel costs will adversely affect earnings.

Prices for surimi and surimi-based products remain stable due to strong demand for those products. This is bolstered by supply interruptions from major producers such as India and Vietnam. Despite upward revisions to prices caused by raw ingredient price hikes, demand for surimi and surimi-based products are forecasted to be bullish.

Fishmeal prices are forecast to improve arising from globally low inventory, hike in protein substitute (feed raw material) for aquaculture feed and recovery of aquaculture activities. Sales volume is also anticipated to improve in tandem with better fish landing.

With these factors taken into consideration and barring adverse weather conditions, MPM performance in FY2023 is budgeted to be neutral to positive.





BUSINESS REVIEW

INTEGRATED LIVESTOCK FARMING (ILF)

THIS BUSINESS PILLAR PRODUCES RELIABLE AND AFFORDABLE SOURCES OF NATURAL PROTEIN I.E. EGGS AND POULTRY MEAT THAT ARE NUTRITIOUS FOR THE MASSES. TECHNOLOGY IS UTILISED TO ENSURE GOOD FARM ENVIRONMENT, BALANCED NUTRITION FOR THE LAYERS, AND STRICT HYGIENE CONTROL.

ILF operations span the entire value chain from animal feed raw material, commercial feed milling, layer farming and broiler integration. We operate across Malaysia, Indonesia and Vietnam.

QL continues to strive to ensure that all our products are good and safe for consumption. Supporting our endeavours are third party recognition of our stringent process and assurance of safety and quality products. We also hold halal certification from Jabatan Kemajuan Islam Malaysia (JAKIM), assuring that QL's products have complied with and are permissible in accordance with Islamic law.

OUR VALUE CHAIN

- Animal feed raw material trade
- Commercial feed milling
- Layer farming
- Broiler integration (eggs, broiler chickens, Day Old Chicks (DOCs))

ILF ASSETS

- 14 operating entities

KEY DEVELOPMENTS

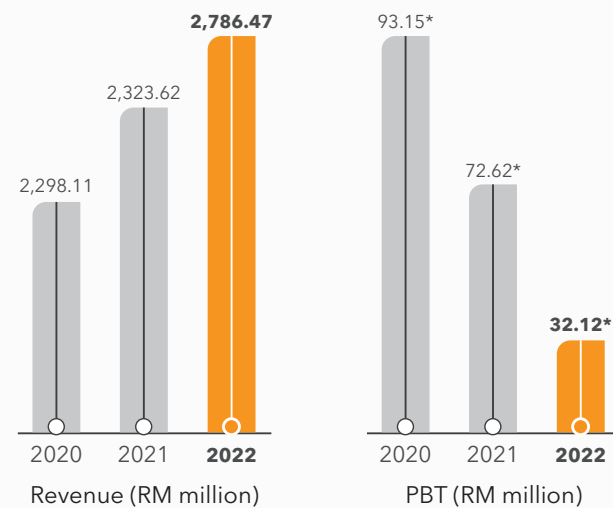
- The Farming Units Transformation & Refocusing Initiatives (FUTRI) implemented last year provided critical data for better planning, decision-making and productivity
- Intensified investment in automation to improve productivity, reduce labour dependency
- Obtained better data quality for analysis to improve performance management
- Conducted and completed 16 audits across all farms
- 0.4 MW solar energy project completed at Sabah farm

FINANCIAL PERFORMANCE

FY2022 revenue for the ILF business pillar rose 19.9% to RM2.79 billion. While top line grew, PBT shrank 55.8% YoY to RM32.12 million.

The super high prices of feed raw material in particular corn and soybean adversely affected the performance of every ILF activity. As prices rose, feed raw material trading volume dropped. Add into the mix were the government price control and egg price remaining depressed as demand stayed weak while operations cost crept higher due to higher feed cost as economies of scale shrank.

Integrated Livestock Farming (ILF)



*excludes CVS which is reported as a standalone Operating Segment in FY2022

Operational Review

QL lived up to our focus of producing quality protein for the masses.

In our FY2021 Integrated Annual Report (IAR), QL had anticipated commodity prices to stay extremely high. It turned out to be a feed raw material price super run. Needless to say, this put tremendous pressure on an already-difficult farming operations.

Volume in our trading business declined as farm production decreased resulting in lower demand amidst high price volatility, a situation made worse by the Russia-Ukraine war.

The layer farming operations were severely impacted by the high feed cost and weaker demand arising from stringent lockdown measures in Malaysia, Vietnam and Indonesia. Biosecurity measures remain strong and we were able to quickly contain and remedy any disease outbreak.

On a brighter note, we are pleased that the effort to increase renewal energy as a power source notched up with the commissioning of a 0.4 MW solar installation at our Sabah farm.

Challenges

Near record high feed raw material prices adversely affected all ILF activities, causing operations costs to balloon.

At the same time, severe supply chain disruptions and weakened demand due to the lockdown situations in the three countries of our operations further aggravated business performance.

Demand fell, compressing economies of scale and margin.

There was a slight respite in the downward performance when the Malaysian government introduced a cost subsidy for eggs and chicken to assist with the soaring feed and operations costs and ceiling price control. Supply tightness as producers scaled down operations or shuttered also played a part in a slight recovery in egg prices.



6.75 million eggs per day (epd) with 9.88 million layers (FY2021: 6.10 million epd with 10.20 million layers)



41.69 million day old chicks (DOCs) (FY2021: 42.50 million DOCs)



18.72 million broilers per annum (FY2021: 17.77 million broilers)

OUTLOOK

The persisting Russia-Ukraine war, drought in South America and the strong USD/MYR exchange rate will cause commodity prices to rise. The high commodity prices will continue to pressure operational cost in the first half of FY2023.

Demand recovery is expected as the lifted restrictions encouraged consumption. Trading volume is projected to stabilise and along with it, the margin. Likewise, layer and broiler operations are expected to experience stable demand as eggs and chicken are sought-after sources of protein.

With the government subsidies providing reprieve in 1H FY2023 and if market dynamics are allowed to determine price equilibrium in 2H FY2023, we expect a cautiously positive performance for ILF for FY2023.



BUSINESS REVIEW

▶ PALM OIL AND CLEAN ENERGY (POCE)

AS PER ITS NAME, ACTIVITIES IN THE POCE BUSINESS PILLAR ARE GROUPED INTO PALM OIL ACTIVITIES (UPSTREAM AND DOWNSTREAM), AND CLEAN ENERGY (CE) ENGINEERING (BIOENERGY, WATER TREATMENT AND SOLAR ENERGY).

These activities provide vital value chain services required by businesses. Via the POCE activities, we help companies adopt environmental solutions such as solar photovoltaic system and conversion of industrial byproducts into energy sources. QL also provides palm oil fresh fruit bunch (FFB) milling service to smallholders. Our oil palm estate complies with the requirements of the Indonesian Sustainable Palm Oil (ISPO) certification.



OUR VALUE CHAIN

- Oil palm plantation
- Crude Palm Oil (CPO) milling
- Water treatment solutions
- Bioenergy and solar energy solutions



POCE ASSETS

- 6 operating entities



KEY DEVELOPMENTS

- Greater sustainability efforts across industries led to strong order book for CE
- Indonesian estate FFB production increased 5% YoY (FY2021: 134,000 metric tonnes)
- CPO price trended higher by about 50% YoY

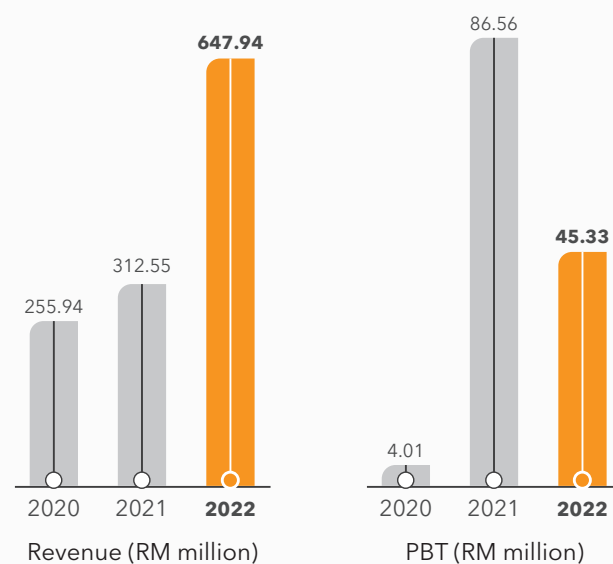


FINANCIAL PERFORMANCE

Performance of POCE was positive as stated in the business pillar outlook in our FY2021 IAR. Top line for POCE saw an outstanding 107.3% growth YoY to RM647.94 million. This stellar performance is attributable to full year consolidation of Boilermech for FY2022, higher CPO prices and increased CE project delivery.

PBT came in at RM45.33 million, which was 499.6% higher YoY after excluding the one-off re-measurement gain of RM79 million in FY2021 arising from the consolidation of Boilermech in Q4 FY2021. Without exclusion, PBT decreased 47.6% YoY.

Palm Oil and Clean Energy (POCE)



Operational Review

QL has 16,000 hectares of estate holding. To best utilise our natural capital, 9,000 hectares are cultivated of which 8,500 hectares are in the mature profile. The remaining 7,000 hectares lie fallow in line with good agriculture practice.

During the reporting period, one of our Sabah mills had to halt operations for three weeks to remove empty fruit bunch (EFB) stored onsite. The EFB was found to be releasing leachate into the waterway. Following the rectification, the mill was operating at only 50% capacity for three months before being cleared to operate fully.

In another development, QL has engaged CH Williams Talhar & Wong to conduct a valuation and sale by tender for Sabah Palm Oil Mill 2 and its surrounding estate of approximately 935 hectares.

Our Indonesian operations remained intact after the Tarakan Court decreed the withdrawal and annulment of the lawsuit commenced against one of QL's directors and subsidiaries.

QL also tightened the decision-making process in forward selling with review and authorisation by the Hedging Committee.

The rise in awareness on Climate Change turns the spotlight on the need to adopt sustainable solutions. One of the major sources of GHG emissions is fossil fuels. Operations are transitioning to Clean Energy including biomass and solar. This has translated to a healthy project pipeline for the Clean Energy business activities. Details of our Clean Energy performance can be read in Boilermech Holdings Berhad FY2022 Annual Report.

Challenges

The MCO caused operational disruptions to CE project delivery. Adding to this situation, material (steel and solar panels) cost spiked.

Labour shortage, and excessive rainfall towards the end of the financial year affected palm oil activities. Higher logistic cost and Indonesian windfall tax added to the challenges.

OUTLOOK

FFB production is expected to maintain. CPO prices are on the decline and the lifting of export ban by Indonesia will further exert price pressure.

On the CE front, the healthy order book is challenged by rising material and logistic costs, and manpower shortage.

All in all, the outlook for POCE is negative.



BUSINESS REVIEW

CONVENIENCE STORE CHAIN (CVS)

THE FAMILYMART CONVENIENCE STORE CHAIN IS A DIRECT TO CONSUMER CHANNEL THAT DELIVERS QUALITY AND NOURISHING READY-TO-EAT (RTE) AS WELL AS EASY-TO-PREPARE FOOD THAT SATISFY REQUIREMENTS OF BUSY LIFESTYLES.

Embodying the *konbini* concept, FamilyMart extends our food production and distribution portfolio. During the financial year, FamilyMart grew to include smart kiosks known as FamilyMart Mini (FM Mini), and 'Food Superstore' concept stores which provide an array of easy-to-prepare food for home consumption. This advances the value proposition of providing convenience that caters to modern consumer behaviour.

FamilyMart's central kitchen operated by QL Kitchen since 2016, is certified halal by Jabatan Kemajuan Islam Malaysia (JAKIM).

OUR VALUE CHAIN

- FamilyMart stores, FamilyMart Food Superstores, FM Mini
- Central kitchens

CVS ASSETS

- 290 FamilyMart stores (as at May 2022)
- 17 FM Mini
- 2 central kitchens

KEY DEVELOPMENTS

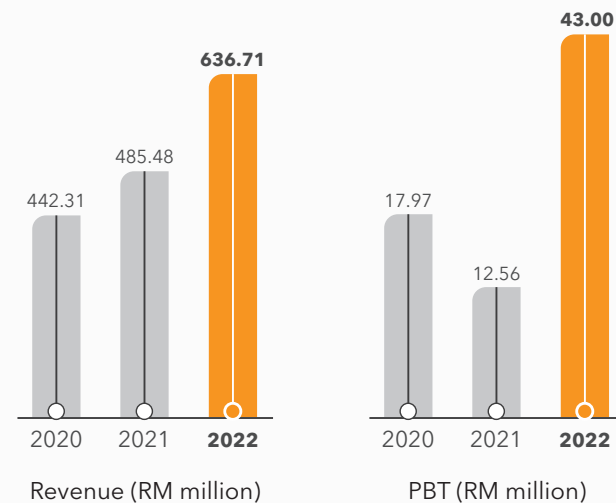
- Introduction of FM Mini and 'Food Superstore' concept stores for greater selection of easy-to-prepare food for changing consumer lifestyles
- Second central kitchen targeted to be operational in May 2022
- Reporting of CVS as an operating segment
- Trained Orang Asli and equipped them with skills for employment

FINANCIAL PERFORMANCE

In FY2022, the revenue of CVS business pillar surpassed the 10% threshold prescribed in MFRS 8.13 for Operating Segment reporting.

CVS recorded a PBT of RM43.00 million on the back of RM636.71 million revenue as FamilyMart achieved economies of scale. Pent-up demand and increased consumer consumption translated to recovering sales, which has been earlier impacted by lower footfall due to the MCO.

Convenience Store Chain (CVS)



Operational Review

QL continues to innovate FamilyMart touchpoints to make it easier and more convenient for consumers. FM Mini and FamilyMart Food Superstore concept were introduced in quick succession to meet market needs.

With the vending machine approach, FM Mini emphasises next-level convenience via an automated, cashless and contactless customer experience. FamilyMart Food Superstore offers customers the opportunity to enjoy their RTE and stock up easy-to-prepare food at home and in the office.

The implementation of online ordering and delivery system operating in tandem with physical stores in FY2021 enabled FamilyMart enthusiasts to continue enjoying RTE and easy-to-prepare food in the safety of their homes. Our collaboration with established food delivery service providers to enlarge reach to excited customers has also proven successful. Together, the technology integration and e-commerce adoption sustained total FamilyMart sales.

Perpetuating the essence of providing convenient and nourishing products to customers, QL Kitchen's new production lines in the second central kitchen began operating in May 2022 at an investment of RM100 million.

FamilyMart maintained its enforcement of strict SOPs such as physical distancing measures to protect our workforce and minimise risk of virus spreading.

Challenges

The resurgence of COVID-19 community spread resulted in varying MCOs being implemented between different states and districts within the same state. This complicated operations and planning.

Overall business landscape was dotted with interruptions and disruptions, and footfall and patronage were inconsistent.

The MCOs interrupted the commissioning of QL Kitchen's new production lines. It was initially slated to begin operations in FY2022.

OUTLOOK

FamilyMart continues to emphasise unique *konbini* value proposition by innovating new touchpoints to meet customers' evolving needs at their convenience.

More FM Mini are planned for high traffic density locales such as hospitals and universities.

Consumers can also look forward to the 'Food Superstore' concept coming to a FamilyMart near them.

We have set our sight on opening another 300 FamilyMart stores in the next five years after reaching our landmark 300th store in June 2022. New stores and where possible to retrofit, will follow the new 'Food Superstore' concept to provide a fresh customer experience.

The commissioning of QL Kitchen's new production lines will improve our ability to produce a wider variety of nourishing products that meet the needs of modern lifestyles.

Our CVS business pillar is projected to maintain its positive trajectory in FY2023.

GROUP OUTLOOK

After two years battling the pandemic, nations are progressing towards endemicity following uptake in vaccination. Economies reopened and international borders are reopening. Likewise, Malaysia has begun the endemic transition phase. Restrictions are lifted and economic activities resumed in earnest.

The World Bank noted global recovery is expected to decelerate to 4.1% in 2022 after reaching its strongest post-recession pace in 80 years at 5.5%. The retardation is amid diminished fiscal policy support, continued COVID-19 flare-ups and prolonged supply chain bottlenecks. Emerging market and developing economies' output will remain below pre-pandemic levels.

The Russia-Ukraine war has a domino effect on the global supply chain, triggering seismic repercussions for businesses and consumers. Brent crude has already surpassed US\$120 per barrel and price remains volatile. More expensive fuel pressures logistics costs.

Commodity prices are also ballooning. Corn and soybean meal are fundamental in animal feed. Wheat is a main ingredient for many of the items Malaysians consume daily. Therefore, Malaysian producers and consumers will pay the price for imported agro products.

➔ 60% of Malaysia's food is imported. In 2020, food imports totalled RM55.4 billion (US\$12.67 billion). Being a net importer, Malaysia is at the mercy of foreign exchange rates in maintaining food security.

The Ringgit's slide against the greenback is not helping matters. It slid 0.7% in the first quarter of 2022 (as at 11 May 2022: -4.7%) driven by continuous interest rate hikes, global risk-off sentiment and modest growth expectations in China. This is double-edged; a boon for exports but procuring raw materials is costlier.

Compounding this, the protracted La Nina weather phenomenon might persist into 2023. South America is among the locations expected to bear the brunt of its effects; the drought will ruin production of animal feed ingredients. At the same time, the above average Atlantic hurricane season and rainfall in Southeast Asia will affect fish landing.

There are rays of sunshine for Malaysia. Being a producer of both crude oil and palm oil puts the nation in an advantageous position.

Malaysia's economy is showing encouraging signs. Bank Negara Malaysia projected growth of 5.3% to 6.3% for 2022. This is underpinned by stronger domestic demand, continued expansion in external demand, and further improvement in the labour market, with unemployment rate dipped below 4% for the first time since the pandemic outbreak.

Headline inflation is projected to average between 2.2% and 3.2%, and the April 2022 food inflation was at 4.1%.

➔ QL keeps a watchful and vigilant eye on business dynamics to respond to changes in a timely manner. While we cannot change the direction of the wind, we can adjust our sails to reach our destination. We will continue to strive to provide attainable sources of protein for all.

QL is also increasing emphasis on Clean Energy as we help ourselves to be greener in our operations. This gives rise to opportunities to assist other businesses in doing the same with ESG being a key focus.

➔ We have laid strong foundations for strategic growth. With CVS coming onstream as a catalyst for growth alongside our core focus on MPM and ILF, QL is cautiously optimistic of a better performance in FY2023.



sustainability statement



PREPARATION OF THIS STATEMENT

This Sustainability Statement (the Statement) aims to communicate QL's commitment to sustainability, activities and progress to our stakeholders.

This Statement is prepared in accordance with the Sustainability Reporting Guide (2nd Edition) issued by Bursa Malaysia Securities Berhad. This year, we continue to apply our standard reporting approach by preparing this Statement with reference to the Global Reporting Initiative Standards ("GRI Standards") and adopting the content elements of the International Integrated Reporting <IR> Framework, in line with Bursa Malaysia's recommendation.

SUSTAINABILITY STATEMENT (CONT'D)

PREPARATION OF THIS STATEMENT

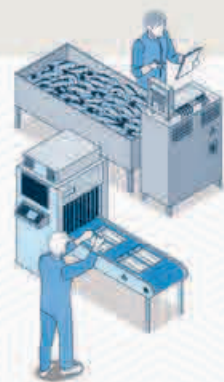
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INTEGRATED LIVESTOCK FARMING (ILF)

- QL Poultry Farms Sdn. Bhd.
- QL Breeder Farm Sdn. Bhd.
- QL Feed Sdn. Bhd.
- QL Ansan Poultry Farm Sdn. Bhd.
- QL Tawau Feedmill Sdn. Bhd.



MARINE PRODUCTS MANUFACTURING (MPM)

- QL Foods Sdn. Bhd.
- QL Endau Marine Products Sdn. Bhd.
- QL Endau Deep Sea Fishing Sdn. Bhd.
- QL (Figo) Johor Sdn. Bhd.



PALM OIL AND CLEAN ENERGY (POCE)

- QL Plantation Sdn. Bhd.
- QL Tawau Biogas Sdn. Bhd.
- Boilermech Holdings Berhad



CONVENIENCE STORE CHAIN (CVS)

- QL Maxincome Sdn. Bhd.
- QL Kitchen Sdn. Bhd.

REPORTING SCOPE AND PERIOD

This Statement discloses the activities and performance for QL's identified material matters for the financial period of 1 April 2021 to 31 March 2022, unless otherwise stated. This year, we added QL Tawau Feedmill Sdn Bhd and Boilermech Holdings Berhad. The scope of this Statement covers QL's 14 main business units located in Malaysia from all 4 business pillars with significant revenue contribution.

FEEDBACK

We are committed to listening to your valued feedback in our efforts to continuously improve our sustainability performance and approach. Please direct any questions, comments or feedback to esg@ql.com.my

FY2022 AT A GLANCE

ENVIRONMENTAL RESPONSIBILITY



Generated over **53,061 GJ** of renewable energy from solar and biogas



Reduced **24.5% GHG** intensity from base year FY2020



Diverted **97.0% non-hazardous waste** generated away from landfill; composted **over 95.3%** manure into organic fertiliser



Avoided over **26,240 tCO₂e** in GHG emissions from solar energy generation



Reduced water withdrawal intensity **30.2% YoY**



Planted **1,000 mangrove** seedlings; 99% survival rate

SOCIAL RESPONSIBILITY



Formalised a Health and Nutrition Statement



Zero fatality and LTIFR improvement of 2.95% from FY2021



Over 106,490 employee development hours

Assisted **13,200 beneficiaries** via our Corporate Philanthropy collaborations at an investment of over RM980,000;



Upgraded the fishing equipment of 914 fishermen via **RM20.81 million** interest-free Fishermen Financial Assistance Scheme (FFAS)

GOVERNANCE



100% of operations assessed for risk related to corruption



Zero violation on Anti-Bribery Policy



2,988 suppliers signed QL's Suppliers and Business Associates Code of Business Ethics (COBE)

SUSTAINABILITY STATEMENT (CONT'D)

OUR SUSTAINABILITY APPROACH

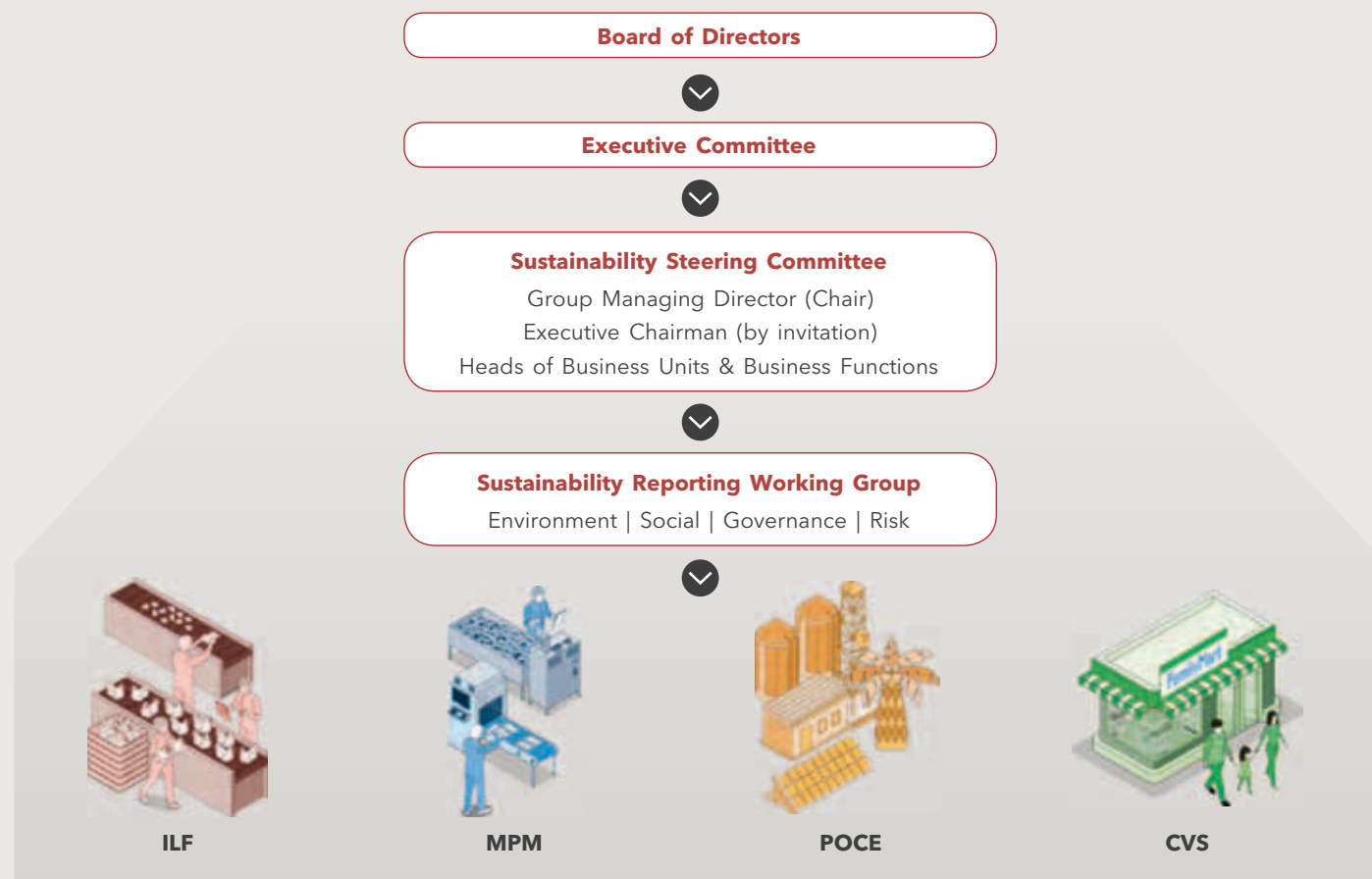
Sustainability is far greater than just reducing consumption. It encompasses creating and delivering lasting value for all, which is the very meaning of our Company name, QL, *quan li*. In creating sustainable value, we emphasise not just reductions but optimising value generation in complementary forms.

QL focuses on creating value for all stakeholders, from investors, employees, suppliers, clients and customers to communities. Extending this philosophy, we embrace an integrated approach to sustainability, encompassing three key aspects of sustainability management, namely Environmental, Social and Governance (ESG). ESG elements are woven into QL's business strategy planning and work practices across our operations. Our sustainability governance structure ensures our sustainability approach is underpinned by strategic risk and opportunity management, and guided by principles and industry best practices.

SUSTAINABILITY GOVERNANCE

QL's Board of Directors (the Board) sets the sustainability direction for the Group and ensure our sustainability strategies, priorities, targets and performance are communicated to both internal and external stakeholders. The Board and Executive Committee (EXCO) review the Group's sustainability performance in addressing material sustainability risks and opportunities.

A Sustainability Steering Committee (SSC) chaired by QL's Group Managing Director and comprising Heads of Business Units and Business Functions supports the Board in steering the Group's sustainability efforts. The SSC is assisted by the Sustainability Reporting Working Group (SRW) to guide and monitor QL's sustainability performance across businesses units. Based on the agreed framework and focused areas, the business units work on implementing their sustainability initiatives within their businesses.



STAKEHOLDER ENGAGEMENT

Effective stakeholder engagement enables QL to identify key sustainability issues and solutions to manage our material matters. We seek continuous improvement alongside our stakeholders throughout the year with regular engagement. The table below summarises our key stakeholders and engagement methods.

Stakeholder Groups	Focus Areas	Our Response	Engagement Channels	Frequency of Engagement
Investors and shareholders 	<ul style="list-style-type: none"> Financial performance Good corporate governance Responsible value creation in business management 	<ul style="list-style-type: none"> Refer to Management Discussion and Analysis ("MD&A") (pg14) Refer to Social Responsibility (pg 51) 	<ul style="list-style-type: none"> Annual General Meeting Analyst briefings & investor presentations & meetings Financial results Press releases Corporate website 	<ul style="list-style-type: none"> Annual Regular meetings with investors & analysts Quarterly As needed Throughout the year
Employees 	<ul style="list-style-type: none"> Respect for human rights Learning & development Safe & healthy workplace Supportive welfare Continuous business growth 	<ul style="list-style-type: none"> Refer to Environmental Responsibility (pg 42) and Social Responsibility (pg 51) 	<ul style="list-style-type: none"> Workshop discussions Induction training Learning & development programmes Employee Performance appraisal 	<ul style="list-style-type: none"> As needed As needed Throughout the year Annual
Customers 	<ul style="list-style-type: none"> Safe, nutritious quality products Good governance practices Regulatory compliance Third party food certifications 	<ul style="list-style-type: none"> Refer to Environmental Responsibility (pg 42) and Social Responsibility (pg 51) 	<ul style="list-style-type: none"> Feedback survey Face-to-face interactions Online platform (Facebook, mobile apps) Customer Careline 	<ul style="list-style-type: none"> Annual As needed Throughout the year Throughout the year
Vendors and suppliers 	<ul style="list-style-type: none"> Business continuity Regulatory compliance COBE 	<ul style="list-style-type: none"> Refer to MD&A (pg 14) Refer to Social Responsibility (pg 51) and Governance (pg 71) 	<ul style="list-style-type: none"> Interviews Face-to-face interactions 	<ul style="list-style-type: none"> As needed Throughout the year
Regulators and Non-Governmental Organisations (NGOs) 	<ul style="list-style-type: none"> Regulatory compliance Responsible business practices Indirect economic contribution Industry trends & standards Halal certification 	<ul style="list-style-type: none"> Refer to MD&A (pg 14) Refer to Environmental Responsibility (pg 42) and Social Responsibility (pg 51) Participate in NGOs as member, board or committee member 	<ul style="list-style-type: none"> Participation as Council Member in the Chinese Chamber of Commerce & Industry of Kuala Lumpur & Selangor Member of Federation of Malaysian Manufacturers Member of Sabah Livestock Association Member of Federation of Livestock Farmers Association of Malaysia, etc Audit and assessment 	<ul style="list-style-type: none"> Throughout the year Throughout the year Throughout the year Throughout the year As needed

SUSTAINABILITY STATEMENT (CONT'D)

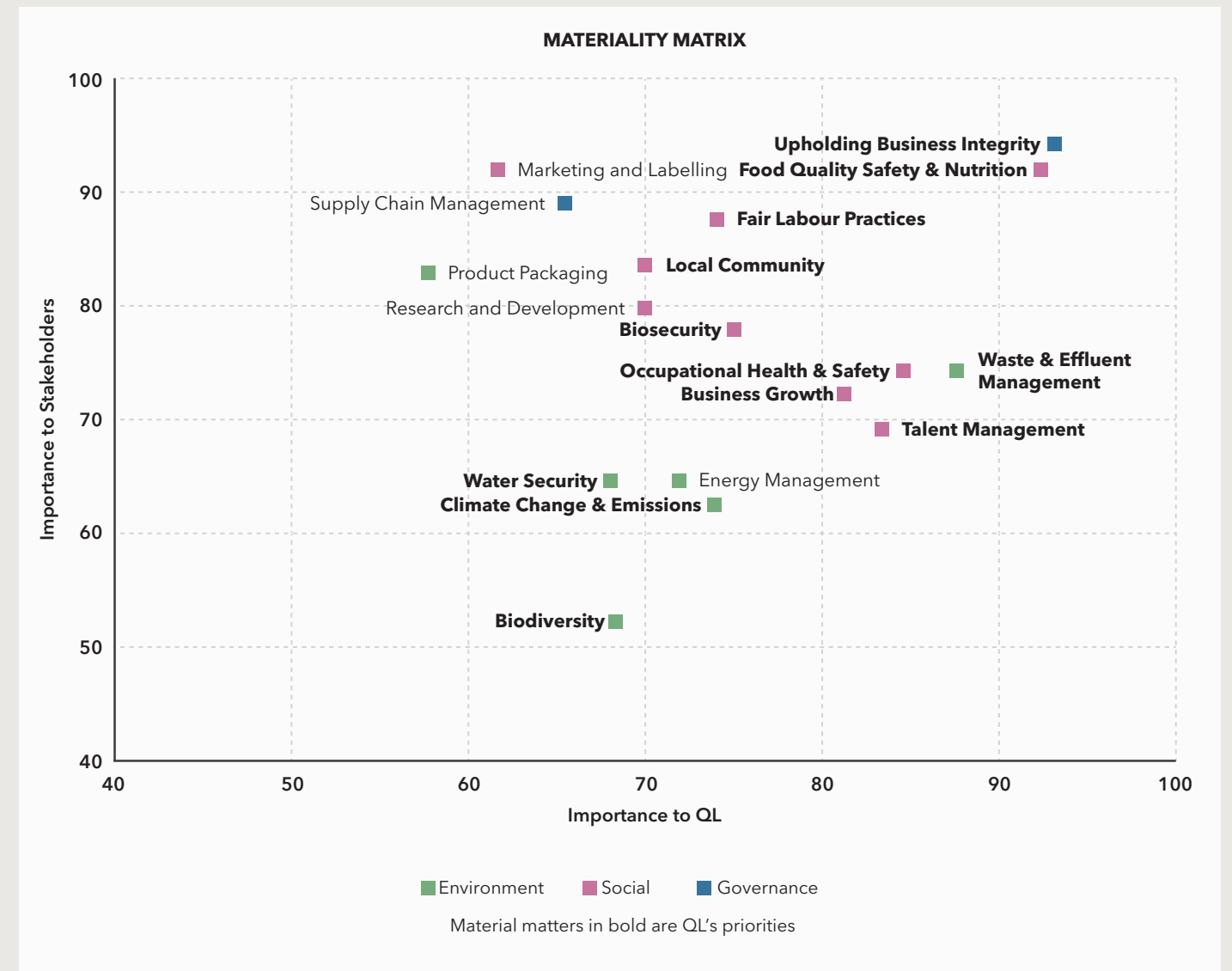
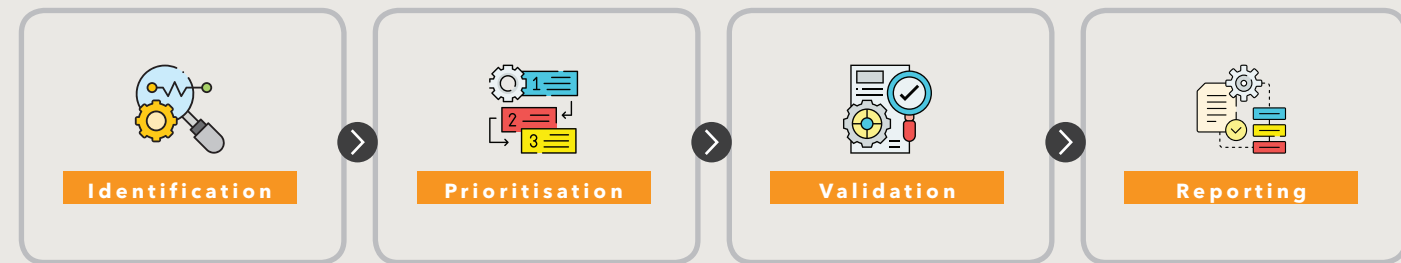
Stakeholder Groups	Focus Areas	Our Response	Engagement Channels	Frequency of Engagement
Community 	<ul style="list-style-type: none"> Direct & indirect economic contribution Responsible environmental management & contributions to society 	<ul style="list-style-type: none"> Refer to Environmental Responsibility (pg 42) and Social Responsibility (pg 51) 	<ul style="list-style-type: none"> Corporate Philanthropy activities Corporate website 	<ul style="list-style-type: none"> Throughout the year Throughout the year
Media 	<ul style="list-style-type: none"> Business strategy & business growth Food quality & safety Indirect economic contribution Regulatory compliance Environmental management Workplace management 	<ul style="list-style-type: none"> Refer to MD&A (pg 14) Refer to Environmental Responsibility (pg 42) and Social Responsibility (pg 51) 	<ul style="list-style-type: none"> Press conferences & events Press releases Media interviews 	<ul style="list-style-type: none"> As needed Throughout the year As needed

MATERIALITY ASSESSMENT

With numerous sustainability matters concerning society today, we identified 17 matters which are most material to our business. In FY2021, we reviewed these 17 matters with the EXCO and endorsed 12 priorities where we have the most impact through our business relationships. A 3-year sustainability roadmap was established with programmes which are duly incorporated into the Group's business strategy and priority.

In FY2022, QL stayed focused on the implementation of the identified programmes. Progress and performance updates were communicated to the Board and other stakeholders regularly through different engagement channels.

Summary of our approach used in materiality matters management and roadmap development.



SUSTAINABILITY STATEMENT (CONT'D)

MATERIALITY BOUNDARY

Pillar	Material Matter	Why is it material to QL?	Our Response	Links to Our Capitals	Boundary	SDGs Supported by QL
Environmental Responsibility	Climate Change & Emissions	Manufacturing and distribution activities emit GHG. It is critical to maximise our energy efficiency to manage the carbon footprint and minimise our impact on climate change.	<ul style="list-style-type: none"> Invest in renewable energy technologies and solutions; QL also offers these solutions to businesses through POCE Install renewable energy solutions in our facilities Manage GHG emissions at all levels 		<ul style="list-style-type: none"> QL 	
	Water Security	Water is a scarce resource for our business and the community. Efficient water management is critical to prevent stress on the water ecosystem.	<ul style="list-style-type: none"> Secure water through rainwater harvesting facility Set up alternative sources of water supply (e.g. river, ground, municipal and rain) Offer water treatment solutions to clients and industries through POCE 		<ul style="list-style-type: none"> QL 	
	Waste Management	Our operations generate waste and wastewater. Processing waste before discharge prevents environmental contamination.	<ul style="list-style-type: none"> Optimise the 3R-principle (Reduce, Recycle and Repurpose) in business operations Ensure proper disposal of organic waste Install Wastewater Treatment (WWT) 		<ul style="list-style-type: none"> QL Suppliers Customers 	
	Biodiversity	Biodiversity is critical to maintain a balanced ecosystem and mitigate climate change.	<ul style="list-style-type: none"> Committed to a mangrove conservation programme 		<ul style="list-style-type: none"> QL Community 	
Social Responsibility	Food Quality, Safety & Nutrition	As an agro food producer, it is vital that we produce food that is high quality, safe and nutritious for consumers.	<ul style="list-style-type: none"> Enhance food safety, quality and nutrition through research & development Formalised a Health and Nutrition Statement 		<ul style="list-style-type: none"> QL Suppliers Customers 	
	Biosecurity	Our poultry farms are core to our business and value chain. Healthy and hygienic poultry are integral to undisrupted operations.	<ul style="list-style-type: none"> Adhere to good farm management practices Strict biosecurity measures in the farms at all times, including improved disease surveillance and response Continuous identification of improvement areas via monthly audits 		<ul style="list-style-type: none"> QL Suppliers Customers 	
	Growing Our Business	Sustainable business growth is key to delivering long-term shared value to stakeholders.	<ul style="list-style-type: none"> Continuously strengthen the business model and identify opportunities guided by our strategies Increase focus on ESG across all business pillars Continuous innovation and agility to meet changing market demand and consumer lifestyle 		<ul style="list-style-type: none"> QL 	
	Local Community	The local community is interlinked with our activities. It is important to support the community for mutual growth.	<ul style="list-style-type: none"> Support local communities through Corporate Philanthropy activities, financial assistance and job opportunities 		<ul style="list-style-type: none"> QL Suppliers Community 	
	Fair Labour Practice	Our workforce is core to our operations. Employee fair treatment and respect aligns with our core values and promotes job satisfaction.	<ul style="list-style-type: none"> Keep abreast and strengthen fair employment practices by intensifying efforts on human rights and fair labour practices audits 		<ul style="list-style-type: none"> QL Suppliers 	
	Occupational Safety & Health ("OSH")	Good health and safety measures reduce risk of accidents. A safe and healthy workplace leads to better employee wellbeing and increased productivity.	<ul style="list-style-type: none"> Reinforce and embed the "WECARE" OSH Guiding Principles in our work approaches and decisions Awareness and training programmes to equip employees with skills and knowledge 		<ul style="list-style-type: none"> QL 	
	Talent Management	A skilled and equipped workforce led by progressive leadership is central to business continuity and QL's success.	<ul style="list-style-type: none"> Instil QL's core values and strengthen human capital management practices in the areas of leadership development and growth, and attracting and retaining talents 		<ul style="list-style-type: none"> QL 	
Governance	Upholding Business Integrity	Continuous enhancement and embedment of sound corporate governance practices helps strengthen the trust of our stakeholders, safeguarding their interests in an effective, transparent and ethical manner.	<ul style="list-style-type: none"> Uphold Anti-Bribery Policy Create awareness and engage all employees and suppliers on the Suppliers and Business Associates Code of Business Ethics 		<ul style="list-style-type: none"> QL Suppliers 	