

KRETAM HOLDINGS BERHAD

Company No.: 198801000928 (168285-H)

INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2020

This interim financial report is unaudited and should be read in conjunction with the Company's audited financial statements for the year ended 31 December 2019.

A. CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	CURRENT QUARTER			CUMULATIVE		
	Quarter ended 31 December			12 months ended 31 December		
	2020	2019	Changes	2020	2019	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
CONTINUING OPERATIONS:-						
Revenue	138,030	120,885	14%	476,997	395,596	21%
Cost of sales and services	(110,739)	(112,728)		(400,292)	(394,061)	
Gross profit	27,291	8,157	235%	76,705	1,535	4897%
Selling and distribution costs	(19)	(70)		(209)	(352)	
	27,272	8,087		76,496	1,183	
Other income	(2,266)	8,207		2,352	20,321	
Administrative expenses	(5,718)	(2,654)		(16,225)	(15,619)	
Other expenses	(2,501)	2,296		(4,989)	(4,257)	
Profit/(loss) before interest and taxation	16,787	15,936	5%	57,634	1,628	3440%
Finance income	83	84		183	406	
Finance costs	(383)	(980)		(2,161)	(4,312)	
Profit/(loss) before taxation	16,487	15,040	10%	55,656	(2,278)	2543%
Taxation	(3,821)	(3,293)		(9,199)	(283)	
Profit/(loss) after taxation	12,666	11,747	8%	46,457	(2,561)	1914%
Profit/(loss) after taxation attributable to:-						
Shareholders of the Company	12,667	11,720	8%	46,337	(668)	7037%
Non-Controlling Interests	(1)	27		120	(1,893)	
	12,666	11,747	8%	46,457	(2,561)	1914%
EARNINGS/(LOSS) PER SHARE (EPS):-						
	Sen	Sen		Sen	Sen	
Basic EPS	0.54	0.50		1.99	(0.03)	
Diluted EPS	0.54	0.50		1.99	(0.03)	

B. CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	CURRENT QUARTER			CUMULATIVE		
	Quarter ended 31 December			12 months ended 31 December		
	2020	2019	Changes	2020	2019	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Profit/(loss) after taxation	12,666	11,747	8%	46,457	(2,561)	1914%
Other Comprehensive Income (OCI)	0	0		0	0	
Income tax relating to components of OCI	0	0		0	0	
Other Comprehensive Income net of tax	0	0		0	0	
Total Comprehensive Income/(loss)	12,666	11,747	8%	46,457	(2,561)	1914%
Total Comprehensive Income/(loss) attributable to:-						
Shareholders of the Company	12,667	11,720	8%	46,337	(668)	7037%
Non-Controlling Interests	(1)	27	-104%	120	(1,893)	106%
	12,666	11,747	8%	46,457	(2,561)	1914%

C. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31.12.2020 RM'000	As at 31.12.2019 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	541,221	548,516
Investment property	609	614
Biological assets	3,906	4,154
Intangible assets	42,777	42,777
Trade & other receivables	4,532	4,532
CURRENT ASSETS		
Biological assets	9,540	9,499
Inventories	117,386	97,274
Receivables	35,312	44,087
Tax refundable	11,718	21,096
Derivatives	197	104
Cash and bank balances	50,024	20,991
	224,177	193,051
Assets held for sale	0	0
	224,177	193,051
CURRENT LIABILITIES		
Payables	48,073	47,996
Loans and borrowings	34,935	59,068
Derivatives	3,104	904
Dividend payable	23,276	0
	109,388	107,968
Liabilities associated with disposal group	0	0
	109,388	107,968
NET CURRENT ASSETS	114,789	85,083
NON-CURRENT LIABILITIES		
Loans and borrowings	6,588	8,445
Deferred taxation	73,195	72,361
	628,051	604,870
EQUITY		
Equity attributable to shareholders of the Company		
Share capital	746,467	746,467
Retained profits /(losses)	(117,762)	(140,823)
	628,705	605,644
Equity attributable to non-controlling interests	(654)	(774)
	628,051	604,870
NET ASSETS PER SHARE	Sen 27.0	Sen 26.0

D. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	EQUITY ATTRIBUTABLE TO:-					TOTAL EQUITY RM'000
	Shareholders of the Company				Non- controlling Interests RM'000	
	Share Capital RM'000	Reserves RM'000	Retained Profits RM'000	TOTAL RM'000		
<u>CURRENT YEAR TO DATE:</u>						
At 1 January 2020	746,467	0	(140,823)	605,644	(774)	604,870
Total Comprehensive Income/(loss) for the period	0	0	46,337	46,337	120	46,457
Dividend payable	0	0	(23,276)	(23,276)	0	(23,276)
Dividend paid to non-controlling interests	0	0	0	0	0	0
At 31 December 2020	746,467	0	(117,762)	628,705	(654)	628,051
<u>PREVIOUS YEAR CORRESPONDING PERIOD:</u>						
At 1 January 2019, as restated	746,467	0	(138,743)	607,724	6,568	614,292
Effect on Adoption of MFRS 16: Leases	0	0	(1,412)	(1,412)	0	(1,412)
Total Comprehensive Income/(loss) for the period	0	0	(668)	(668)	(1,893)	(2,561)
Derecognition of non-controlling interests upon disposal of a subsidiary	0	0	0	0	(5,400)	(5,400)
Dividend paid	0	0	0	0	0	0
Dividend paid to non-controlling interests	0	0	0	0	(49)	(49)
At 31 December 2019	746,467	0	(140,823)	605,644	(774)	604,870

E. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	12 months ended 31 Dec	
	2020 RM'000	2019 RM'000
Cash flows from operating activities		
Profit/(loss) before taxation from continuing operations	55,658	(2,278)
<u>Adjustments for:-</u>		
Depreciation and amortisation	46,417	46,593
Net fair value loss/ (gain) on biological assets	(2,759)	(3,198)
Interest income	(183)	(406)
Finance costs	2,161	4,312
Net loss / (gain) on disposal of assets / subsidiary	(65)	(8,016)
Unrealised loss/ (gain) on derivatives	2,906	2,727
Others	(922)	1,087
Changes in working capital	(19,303)	5,962
Income taxes paid, net of refunds	1,426	7,383
Interest received	183	406
Interest paid	(3,199)	(4,312)
	82,320	50,260
Cash flows from investing activities		
Purchase of property, plant and equipment	(25,680)	(23,626)
Proceeds from disposal of property plant and equipment	151	(58)
Addition to Biological Assets	0	(72)
Withdrawal/(placement) of fixed deposits of longer-term tenure	(2,010)	1,941
	(27,539)	(21,815)
Cash flows from financing activities		
Net drawdown/(repayment) of lease liabilities	(1,182)	(929)
Net drawdown/(repayment) of revolving credit, term loan & foreign bill of exchange	(25,687)	(24,590)
Payment of dividends to shareholders	0	0
Payment of dividends to non-controlling interests	0	(49)
	(26,869)	(25,568)
Increase/(decrease) in cash and cash equivalents	27,912	2,877
Cash and cash equivalents at the beginning of the year	19,858	16,981
Cash and cash equivalents at the end of the period	47,770	19,858
Cash and cash equivalents comprise the following:		
Cash and bank balances	50,024	20,991
less: Fixed deposits with maturity of more than 3 months	(2,254)	(1,133)
	47,770	19,858

1. ACCOUNTING POLICIES

The interim financial statements are prepared as required by Paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements and comply with Malaysian Financial Reporting Standard (MFRS 134) *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (MASB).

(a) Changes to Accounting Policies

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 audited financial statements for the year ended 31 December 2019.

(b) Malaysian Financial Reporting Standards (“MFRS”) and MFRS Framework

The interim financial statements of the Group for the financial period ended 31 December 2020 was prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) Framework.

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

MFRS, IC Interpretation and Amendments to IC Interpretations	Effective for annual periods beginning on or after
Amendments to MFRS 16: COVID-19 – Related Rent Concessions	1 June 2020
MFRS 17: Insurance Contracts	1 January 2021
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2022
Annual Improvements to MFRS Standards 2018–2020	1 January 2022
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Amendments to FRS 10 and FRS 128 Sale and Contribution of Assets between an Investor and its Associates or Joint Venture	Deferred

2. SEASONAL OR CYCLICAL FACTORS

The Group’s production from its plantations generally experiences an “up-down” cycle once a year, with low production usually in the early part of the year, and peak production in the second half of the year but such cyclical crop pattern can be affected by the changes in weather conditions.

The prices for the Group’s products are not within the control of the Group and it is mainly determined by the global supply and demand situation for edible oils, and somewhat related to the price of crude oil.

3. SIGNIFICANT ITEMS/EVENTS

Apart from the ongoing Movement Control Order (MCO) initiated by the Government to tackle the COVID-19 outbreak, there were no other material events which arose during the period under review which affected assets, liabilities, equity, net income or cash flows.

4. MATERIAL CHANGES IN ACCOUNTING ESTIMATES

During the period under review, there were no:

- (i) material changes in estimates of amounts reported in the previous interim periods of the current financial year; and
- (ii) material changes in estimates of amounts reported in prior financial years.

5. DEBT AND EQUITY SECURITIES

There were no cancellations, repurchases, resale and repayments of debt and equity securities during the period under review.

6. PAYMENT OF DIVIDENDS

The Company did not pay any dividends during the period under review.

7. SEGMENT REVENUE AND RESULTS FOR THE 12 MONTHS ENDED 31 DECEMBER 2020

	Plantation & Mill	Refinery	Elimination	TOTAL
	RM'000	RM'000	RM'000	RM'000
<u>REVENUES AND RESULTS:-</u>				
Segment Revenue – external	128,824	348,173	0	476,997
Inter-segment revenue	178,943	0	(178,943)	0
	<u>307,767</u>	<u>348,173</u>	<u>(178,943)</u>	<u>476,997</u>
Segment results	<u>36,564</u>	<u>19,807</u>	<u>2,175</u>	<u>58,546</u>
Unallocated Items:-				
Other income				17
Corporate expenses				(2,907)
Finance costs				0
Profit/(loss) before taxation from continuing operations				55,656
Taxation				(9,199)
Profit/(loss) after taxation from continuing operations				<u>46,457</u>
<u>ASSETS:-</u>				
Segment assets	<u>562,734</u>	<u>245,938</u>		808,672
Unallocated assets/(liabilities)				8,550
Assets classified as held for sale				0
Total assets				<u>817,222</u>

8. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

There was no revaluation of property, plant and equipment for the current quarter.

9. CAPITAL COMMITMENTS

As at 31 December 2020, there were no material capital commitments for capital expenditure, contracted for or known to be contracted for by the Group which might have a material impact on the financial position or business of the Group, except as disclosed below:

	As at 31.12.2020 RM'000
Approved and contracted for	24,358
Approved but not contracted for	<u>57,936</u>
	<u>82,294</u>

10. SUBSEQUENT EVENTS

As of the date of this report, Recovery Movement Control Order (RMCO) has been in place from 5th March 2021 to 18th March 2021 with inter-district travelling within Sabah are limited.

11. EFFECT OF CHANGES IN THE COMPOSITION OF THE GROUP

During the period under review there were no:

- (a) acquisitions or disposals of subsidiaries; and
- (b) discontinued operations.

12. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS SINCE THE LAST FINANCIAL YEAR

There were no changes in contingent liabilities or contingent assets since 31 December 2019.

**G. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA
MALAYSIA SECURITIES BERHAD**

13. REVIEW OF PERFORMANCE

For the 12 months of 2020, the Group achieved a total revenue of RM 477.0 million (2019: RM395.6 million) and incurred a pre-tax gain of RM 55.7 million (2019: pre-tax loss of RM 2.3 million).

Commentary on the performance of the operating segments of the Group for Q4 2020 is as follows:

(a) Plantations and Mills

As shown in Note 7, the Group's plantation and mill operations achieved revenue (including inter-segment revenue) of RM 307.8 million (2019: RM 254.5 million), and pre-tax gain of RM 36.6 million (2019: pre-tax loss of RM 4.2 million). These should be seen in the context of information presented in the tables below:

Table A: Crude palm oil (CPO) and palm kernel (PK) prices – Sabah MPOB* average

	CPO		PK	
	2020	2019	2020	2019
January	3,000.00	2,007.50	1,860.50	1,405.00
February	2,689.00	2,085.00	1,601.00	1,259.00
March	2,348.00	1,928.50	1,430.00	1,103.50
April	2,230.00	2,004.50	1,390.50	1,133.00
May	2,092.00	1,936.00	1,186.00	1,056.00
June	2,400.00	1,962.50	1,365.00	1,073.00
July	2,499.00	1,865.50	1,362.50	1,040.00
August	2,781.50	2,068.50	1,443.50	1,131.50
September	2,938.50	2,091.50	1,504.00	1,135.00
October	2,952.50	2,086.50	1,563.50	1,108.50
November	3,304.00	2,454.50	1,911.50	1,328.50
December	3,559.50	2,757.00	2,360.00	1,797.00

Table B: Output indicators, and comparison with industrial average

	4th Quarter			Year to Date		
	2020	2019	% change	2020	2019	% change
FFB Production (mt)	77,503	88,888	-12.8%	307,982	329,797	-6.6%
FFB Yield (mt/hectare):						
The Group's estates	4.44	5.08	-12.6%	17.63	18.83	-6.4%
MPOB* Sabah average	4.23	4.53	-6.6%	16.84	17.66	-4.6%
CPO Closing Stock at Palm Oil Mills (mt)	4,961	5,929	-16.3%	4,961	5,929	-16.3%
Oil Extraction Rate:						
The Group's palm oil mills	20.29%	20.63%	-1.6%	20.22%	20.55%	-1.6%
MPOB* Sabah average	20.71%	20.95%	-1.2%	20.74%	20.97%	-1.1%

* - MPOB: Malaysian Palm Oil Board

The plantation division's Q4 2020 results are better than Q4 2019 mainly due to higher CPO prices. However, for the overall 12 months, FFB productions were lower when compared to 12 months of 2019. The relative higher CPO prices have cushioned the impact of lower FFB production and further translated to better profit margin for the Group.

(b) Refinery

Also as shown in Note 7, the Group's refinery operations achieved revenue of RM 348.2 million (2019: RM 247.1 million) and generated a pre-tax gain of RM 19.8 million (2019: pre-tax gain of RM 1.8 million). The refinery's pre-tax gain had resulted from better margin generated through sales of its products.

14. COMPARISON WITH THE PREVIOUS QUARTER'S RESULTS

The following is a summary based on the two respective quarters' condensed consolidated income statements:

	<u>Current Quarter</u> RM'000	<u>Previous Quarter</u> RM'000	<u>Changes</u> %
<u>CONTINUING OPERATIONS:-</u>			
Revenue	138,030	141,695	-3%
Cost of sales and services, including distribution	(110,758)	(115,718)	
	27,272	25,977	
Other income	(2,266)	(896)	
Administrative and other expenses	(8,219)	(5,312)	
Profit/(loss) before interest and taxation	16,787	19,769	-15%
Interest income	83	33	
Interest costs	(383)	(478)	
Profit/(loss) before taxation	16,487	19,324	-15%
Taxation	(3,821)	(2,300)	
Profit/(loss) after taxation	12,666	17,024	-26%
Profit/(loss) after taxation attributable to:			
Shareholders of the Company	12,667	16,991	-25%
Non-Controlling Interests	(1)	33	
	12,666	17,024	-26%

The lower pre-tax gain as compared to previous quarter was mainly due to higher unrealized losses from swap and futures contracts and the lower revenue generated by the Group due to lower FFB crop production.

15. CURRENT YEAR PROSPECTS

Year 2020 began with great optimism of commodity prices reaching the height of RM3,000 per mt in January 2020 and started to fizzle out with the emergence of COVID-19 pandemic. By mid of March 2020, the commodity prices have dropped significantly mainly due to the pandemic which dampened the demand for edible oil. However, the palm oil commodity price has since rallied and hovered around RM3,700 to RM4,000 per mt range in January and February 2021.

By the end of Q4 2020, the palm oil production has been low which has continued into Q1 2021. This is clearly reflected in the closing inventory stock in January 2021, with the total stocks for palm oil products is 1,324,963 mts only. When compared to January 2020 stock of 1,755,417 mts, it is down by 430,454 mts. Such low inventory has boosted the rise in current commodity prices.

Going into year 2021, it has started with great optimism with the rollout of COVID-19 vaccines and the World economies are looking forward to a recovery. Such recovery is expected to spur demand for edible oil especially when sectors such as travel, tourism and food & beverages are gradually opening up. This may subsequently support the CPO commodity prices as demands return. On the other hand, the recovery expectation will further reduce the disruption on the edible oil commodity supply chain and this translates to higher productions. With the increase in production, this may limit the potential upside of the CPO commodity prices from the current price.

Although there is a vaccine for COVID-19, the Group is aware that the COVID-19 pandemic has not been fully contained until herd-immunity has been achieved. With the recovery of the World economies in sight, the Group expects the overall performance will improve further in the coming year with optimism that 2021 will see growth in demand but the Group notes that there are still impending COVID-19 risks that may impact the Group's performance.

16. ACHIEVEMENT OF REVENUE/PROFIT ESTIMATES, FORECASTS AND/OR INTERNAL TARGETS

Not applicable as the Company did not provide any revenue or profit estimate, forecast or projection, and did not publish any internal targets, in any public document.

17. EXPLANATION OF VARIANCES FROM PROFIT FORECAST OR PROFIT GUARANTEE

Not applicable as the Company did not provide any profit forecast or guarantee, in any public document.

18. TAXATION

	Quarter ended <u>31.12.2020</u> RM'000	12 months ended <u>31.12.2020</u> RM'000
Provision in respect of results for the current quarter/period	2,884	7,964
Overprovision for taxation in respect of previous years	(11)	(10)
Deferred taxation	948	1,245
	<u>3,821</u>	<u>9,199</u>

The Group's tax credit on its Profit Before Tax for the current quarter was lower than the statutory tax rate mainly due to deferred tax assets previously not recognised on business losses in certain subsidiaries.

19. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT YET COMPLETED

(a) Bulking Joint Venture Agreement ("BJVA")

On 7 July 2014, Usaha Dimega Sdn Bhd ("UDSB"), a wholly-owned subsidiary of the Group, entered into a conditional Bulking Joint Venture Agreement ("BJVA") with Rikaworth Sdn Bhd ("RSB") and Sawit Bulkers Sdn Bhd ("SBSB") to venture into the business of palm oil common bulking installations for palm oil and related products together with a system of pipe racks to facilitate the transfer of liquid products between the bulking facilities and users of such facilities and the conveyance of the same to and from the jetty facilities of the Sabah Ports Authority in Sandakan, subject to the terms and conditions of the BJVA.

The BJVA is subject to the fulfilment (unless waived by mutual written consent of UDSB and RSB) of certain Conditions Precedent, after which UDSB and RSB are to subscribe for shares at par in the JV Company in cash on a date to be decided by the Board of Directors of the JV Company within 10 days after the Conditions Precedent are fulfilled or waived. Following the subscription of shares, the equity interest held by the respective parties shall be as follows:

	<u>No. of Shares</u>	<u>Percentage</u>
UDSB	12,750,000	60%
RSB	8,500,000 (including the existing 100,000 issued shares)	40%

The status of the Conditions Precedent are as follows:

Conditions Precedent		Status
1	The approvals of RSB and UDSB for the rolling business plan for the JV Company relating to the then current financial year and three succeeding financial years	Obtained
2	RSB and UDSB obtaining the approvals of their respective shareholders to the terms and conditions of the BJVA	Obtained
3	Obtaining the licence/consent from the Malaysian Palm Oil Board to commence construction of the bulking installation	Obtained
4	Increasing the authorised capital of the JV Company to RM50,000,000 consisting of 50,000,000 shares of RM1.00 each	Done
5	RSB and UDSB agreeing to the form and substance of the Land Sale and Purchase Agreement relating to the purchase of the Land and price relating thereto	Not yet agreed
6	RSB and UDSB agreeing to the terms and conditions of the Bulking Facilities User Agreement relating to the use of the JV Company's bulking facilities by Green Edible Oil Sdn Bhd ("GEOSB") (a wholly-owned subsidiary of the Group) operating a refinery in the vicinity of the Sawit POIC Area to produce refined palm oil products	Done

7	The JV Company (as sublessee) and Sandakan Bulkers (as sublessor) agreeing to the terms and conditions of the Pipe Rack Land Sublease relating to the sublease of a strip of land on which the JV Company's pipe racks would be erected	Not yet agreed
8	Issuance of the letter of offer in respect of the alienation of the Land by the Lands and Surveys Department	Issued
9	The JV Company obtaining such other authorizations, consents and permits as shall be necessary for commencing its business according to written laws	In progress
10	Sandakan Bulkers (as landowner and licensor) and the Offtaker (as licensee) agreeing to the form of the Land Licence Agreement for Sandakan Bulkers to grant a licence for the Offtaker to use a stretch of land for the purpose of building a pipe rack to carry pipes for liquid goods and water pipe	Not yet agreed
11	RSB issuing a letter to the JV Company promising to insert into all future sale and purchase agreements in respect of the sale of various lots within the Sawit POIC Area, words to restrict the use of the said lots for conducting bulking business	Done
12	The execution and delivery of KHB's Guarantee issued in favour of RSB to guarantee the performance, liabilities and obligations of UDSB under the BJVA	Done
13	RSB and UDSB agreeing to the rate of charges payable to the JV Company for each metric ton of goods loaded onto any barge or vessel at the mini jetty located adjacent to GEOSB's land	In progress

On 5 May 2016, UDSB received from RSB a draft Deed of Variation proposing the following major changes to the BJVA:

- the respective proportions in which UDSB and RSB will hold the issued ordinary share capital of the JV Company from time to time shall be as follows:

<u>Party</u>	<u>Percentage</u>
UDSB	40%
RSB	60%

- the BJVA shall be inserted with a new Condition Precedent as follows:

"The relevant authority shall have issued separate land titles in respect of the lands which are the subject matter of the Pipe Rack Land Sublease."

The draft Deed of Variation is under consideration by the Board of Directors and an announcement will be made once a decision has been made.

20. GROUP BORROWINGS

	<u>As at</u> <u>31.12.2020</u> RM'000	<u>As at</u> <u>31.12.2019</u> RM'000
Short term secured:		
Bankers' acceptances	22,555	43,387
Revolving credit	10,000	14,000
Term loans	938	938
Lease	1,442	743
	34,935	59,068
Long term secured:		
Term loans	945	1,875
Lease	5,643	6,570
	6,588	8,445
TOTAL BORROWINGS	41,523	67,513

The above borrowings are denominated in Malaysian Ringgit except where otherwise indicated.

21. ADDITIONAL DISCLOSURES

(a) Financial Derivatives

Outstanding financial derivatives held by the Group as at 31 December 2020 are as follows:

	<u>Currency</u>	<u>Contract/ Notional Amount '000</u>	<u>Fair Value</u>	
			<u>Assets RM'000</u>	<u>Liabilities RM'000</u>
US Dollar forward contracts - less than 1 year	USD	5,200	197	0
Palm oil futures contracts - less than 1 year	MYR	22,970	0	2,723
Olein price swap contracts - less than 1 year	USD	2,490	0	380

(b) Gains/(Losses) Arising from Fair Value Changes of Financial Liabilities

For the period ended 31 December 2020, there were no gains or losses arising from changes to fair values of the Group's financial liabilities.

22. CHANGES IN STATUS OF MATERIAL LITIGATION UP TO 8 March 2021

Not applicable as the Group is not involved in any material litigation.

23. DIVIDENDS DECLARED

On 30 December 2020, the Company proposed an interim dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 December 2020 amounting to RM 23,276,271.35. The dividend was subsequently paid on 29 January 2021.

24. EARNINGS/(LOSS) PER SHARE ("EPS")

Basic and diluted EPS for the period under review is calculated based on the following:

	<u>Quarter ended 31.12.2020</u>	<u>12 months ended 31.12.2020</u>
Weighted average number of shares in issue	2,327,627,135	2,327,627,135
Number of shares used in calculating diluted EPS	2,327,627,135	2,327,627,135
	<u>RM'000</u>	<u>RM'000</u>
Profit/(loss) after taxation from continuing operations	12,666	46,457
less: (profit)/loss after taxation from continuing operations attributable to non-controlling interests	1	(120)
Profit/(loss) after taxation from continuing operations attributable to shareholders of the Company	<u>12,667</u>	<u>46,337</u>
	<u>Sen</u>	<u>Sen</u>
EPS:		
- Basic	0.54	1.99
- Diluted	0.54	1.99

Basic EPS is calculated by dividing "Profit/(loss) after taxation attributable to shareholders of the Company" by the "Weighted average number of shares in issue".

Diluted EPS is calculated by dividing "Adjusted profit/(loss) after taxation" by the "Number of shares used in calculating diluted EPS".

25. AUDITOR'S REPORT ON THE PREVIOUS YEAR'S FINANCIAL STATEMENTS

The auditors' report on the Group's consolidated financial statements for the year ended 31 December 2019 was not qualified.

26. AUTHORISED FOR ISSUE

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board on 12 March 2021.

By Order of the Board,

DATUK LIM NYUK SANG @ FREDDY LIM
Chief Executive Officer

12th March 2021