Condensed Unaudited Consolidated Statement of Financial Position
As At 31 October 2021

	As at 31.10.2021 RM'000 (Unaudited)	As at 31.01.2021 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	423,132	358,793
Goodwill on consolidation	22	22
Right-of-use assets	13,718	14,019
Total non-current assets	436,872	372,834
Current assets		
Inventories	211,328	120,221
Trade and other receivables	162,289	159,777
Prepayments	5,190	9,202
Derivative financial assets	679	225
Cash and cash equivalents	344,342	124,566
Total current assets	723,828	413,991
TOTAL ASSETS	1,160,700	786,825
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	142,985	142,985
Treasury shares	(4,771)	-
Reserves	789,020	439,188
TOTAL EQUITY	927,234	582,173
Non-current liabilities		
Loans and borrowings	14,470	16,567
Deferred tax liabilities	32,339	28,285
Total non-current liabilities	46,809	44,852
Current liabilities		
Loans and borrowings	68,459	38,382
Trade and other payables	97,350	75,529
Contract liabilities	6,935	25,717
Tax payable	13,913	20,172
Total current liabilities	186,657	159,800
TOTAL LIABILITIES	233,466	204,652
TOTAL EQUITY AND LIABILITIES	1,160,700	786,825
Net assets per share attributable to owners of the company (sen)	160	100

The Condensed Unaudited Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2021.

Condensed Unaudited Consolidated Statement of Comprehensive Income
For the Third Quarter Ended 31 October 2021

	Current Quarter Ended 31.10.2021 RM'000 (Unaudited)	Corresponding Quarter Ended 31.10.2020 RM'000 (Unaudited)	Current YTD Ended 31.10.2021 RM'000 (Unaudited)	Corresponding YTD Ended 31.10.2020 RM'000 (Unaudited)
Revenue	220,930	276,688	1,266,401	627,547
Cost of sales	(155,441)	(148,149)	(593,215)	(407,248)
Gross profit	**65,489**	**128,539**	**673,186**	**220,299**
Other income	(727)	(207)	8,613	591
Selling and marketing expenses	(3,954)	(2,300)	(15,124)	(6,493)
Administrative expenses	(11,511)	(7,869)	(118,315)	(15,355)
Operating profit	**49,297**	**118,163**	**548,360**	**199,042**
Finance costs	(261)	(637)	(880)	(2,388)
Profit before tax	**49,036**	**117,526**	**547,480**	**196,654**
Income tax expense	(3,186)	(27,197)	(133,673)	(47,189)
Profit for the period	**45,850**	**90,329**	**413,807**	**149,465**
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the period	**45,850**	**90,329**	**413,807**	**149,465**
Profit attributable to:				
Owners of the Company	**45,850**	**90,329**	**413,807**	**149,465**
Total comprehensive income attributable to:				
Owners of the Company	**45,850**	**90,329**	**413,807**	**149,465**
Earnings per ordinary share attributable to owners of the Company (sen) (Note 29)				
- Basic	**7.90**	**15.50**	**71.29**	**25.64**
- Diluted	**7.90**	**15.50**	**71.29**	**25.64**

The Condensed Unaudited Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the financial year ended 31 January 2021.

Condensed Unaudited Consolidated Statement of Changes in Equity For the Third Quarter Ended 31 October 2021

	← Attributable to Owners of the Company →					
	Share Capital RM'000	**Treasury Shares RM'000**	**Other Reserve RM'000**	**Revaluation Reserve RM'000**	**Retained Earnings RM'000**	**Total Equity RM'000**
9 Months Ended 31 October 2021						
At 1 February 2021	142,985	-	11,319	19,217	408,652	582,173
Total comprehensive income for the financial period						
Profit for the financial period	-	-	-	-	413,807	413,807
Realisation of revaluation reserve	-	-	-	(507)	507	-
Total comprehensive income	-	-	-	(507)	414,314	413,807
Transactions with owners of the Company						
Shares repurchased	-	(4,771)	-	-	-	(4,771)
Dividends paid on shares	-	-	-	-	(63,975)	(63,975)
Total transactions with owners	-	(4,771)	-	-	(63,975)	(68,746)
At 31 October 2021	142,985	(4,771)	11,319	18,710	758,991	927,234
	Note 27					
9 Months Ended 31 October 2020						
At 1 February 2020	142,985	-	11,319	19,892	136,498	310,694
Total comprehensive income for the financial period						
Profit for the financial period	-	-	-	-	149,465	149,465
Realisation of revaluation reserve	-	-	-	(507)	507	-
Total comprehensive income	-	-	-	(507)	149,972	149,465
Transactions with owners of the Company						
Shares repurchased	-	-	-	-	-	-
Dividends paid on shares	-	-	-	-	(8,744)	(8,744)
Total transactions with owners	-	-	-	-	(8,744)	(8,744)
At 31 October 2020	142,985	-	11,319	19,385	277,726	451,415

The Condensed Unaudited Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2021.

Condensed Unaudited Consolidated Statement of Cash Flows
For The Period Ended 31 October 2021

	Current YTD Ended 31.10.2021 RM'000 (Unaudited)	Corresponding YTD Ended 31.10.2020 RM'000 (Unaudited)
Cash flows from operating activities		
Profit before taxation	547,480	196,654
Adjustments for:		
Net fair value (gain)/loss on derivatives	(454)	143
Property, plant and equipment		
- (Gain)/loss on disposal	51	(137)
- depreciation	25,861	19,830
- written off	1	247
Depreciation of right-of-use asset	301	150
Inventories written off	3,968	-
Provision for doubtful debts	2,046	-
Interest expense	880	2,388
Interest income	(1,455)	(338)
Unrealised (gain)/loss on foreign exchange	(193)	-
Operating profit before changes in working capital	578,486	218,937
Changes in working capital:		
Inventories	(95,075)	(5,155)
Receivables	(1,077)	(33,359)
Payables	3,285	22,354
Net cash generated from operations	**485,619**	**202,777**
Income tax paid	(135,905)	(18,843)
Income tax refund	28	1
Interest received	1,455	338
Net cash flow generated from operating activities	**351,197**	**184,273**
Cash flows from investing activities		
Purchase of property, plant and equipment	(90,230)	(65,825)
Proceeds from disposal of property, plant and equipment	(21)	449
Net cash flows used in investing activities	**(90,251)**	**(65,376)**
Cash flows from financing activities		
Repurchase of treasury shares	(4,771)	-
Net changes in bill payables	30,553	(2,721)
Net changes in term loan financing	(2,097)	(2,027)
Net changes in lease liability	-	109
Interest paid	(880)	(2,388)
Dividend paid	(63,975)	(8,744)
Net cash flows used in financing activities	**(41,170)**	**(15,771)**
Net changes in cash and cash equivalents	219,776	103,126
Cash and cash equivalents at beginning of the financial year	124,566	34,864
Cash and cash equivalents at end of the financial period	**344,342**	**137,990**
	344,342	**137,990**
Cash and cash equivalents comprise:		
Cash and bank balances	221,251	121,873
Short-term investments	123,091	16,117
	344,342	**137,990**

The Condensed Unaudited Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement for the financial year ended 31 January 2021.

Notes to the unaudited interim financial report

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRSs”) 134: Interim Financial Reporting, paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berthed.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 January 2021. These interim financial statements contain selected explanatory notes which provide explanations of events and transaction that are significant to an understanding of the changes in the financial position and performance of the Group.

The significant accounting policies adopted are consistent with the audited financial statements for the financial year ended 31 January 2021.

The Group have adopted the following new MFRSs, and amendments/improvements to MFRSs for the current financial year:

Amendments/Improvements to MFRSs	
MFRS 3	Business Combinations
MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 101	Presentation of Financial Statements
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
MFRS 139	Financial Instruments: Recognition and Measurement

Amendments to MFRS 3 Business Combinations

The amendments clarify the definition of a business with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. The distinction is important because an acquirer does not recognise goodwill in an asset acquisition.

The amendments, amongst others, clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments also add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

Basis of preparation (Cont'd)

The Group have adopted the following new MFRSs, and amendments/improvements to MFRSs for the current financial year: (cont'd)

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures

These amendments address an acknowledged inconsistency between the requirements in MFRS 10 and those in MFRS 128, in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business, as defined in MFRS 3. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business.

Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, and MFRS 7 Financial Instruments: Disclosures, and MFRS 16 Leases

The *Interest Rate Benchmark Reform—Phase 2* amends some specific requirements in MFRS 9, MFRS 139, MFRS 7 and MFRS 16, with respect to issues that affect financial reporting during the reform of an interest rate benchmark.

The amendments provide a practical expedient whereby an entity would not derecognise or adjust the carrying amount of financial instruments for modifications required by interest rate benchmark reform, but would instead update the effective interest rate to reflect the change in the interest rate benchmark. On hedging relationship, entities would be required to amend the formal designation of a hedging relationship to reflect the modifications and/or changes made to the hedged item and/or hedging instruments as a result of the reform. However, the modification does not constitute discontinuation of the hedging relationship nor the designation of a new hedging relationship.

Amendments to MFRS 16 Leases

The amendments exempt lessees from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and allows lessees to account for such rent concessions as if they were not lease modifications, applying to reduction in lease payments originally due on or before 30 June 2022 subject to fulfilment of other conditions.

Basis of preparation (Cont'd)

The Group have adopted the following new MFRSs, and amendments/improvements to MFRSs for the current financial year: (cont'd)

Amendments to MFRS 101 Presentation of Financial Statements

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements. To support this amendments, MFRS Practice Statement 2 was also amended to provide guidance on how to apply the concept of materiality to accounting policy information disclosures. The guidance and examples provided in the MFRS Practice Statement 2 highlight the need to focus on entity-specific information and demonstrate how the four-step materiality process can address standardised (or boilerplate) information and duplication of requirements of MFRSs in the accounting policy information disclosures.

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

The amendments revise the definition of accounting estimates to clarify how an entity should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important because the changes in accounting estimates are applied prospectively to transactions, other events, or conditions from the date of that change, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

Amendments to MFRS 116 Property, Plant and Equipment

The amendments prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity shall recognise such sales proceeds and related cost in profit or loss.

Basis of preparation (Cont'd)

The Group have adopted the following new MFRSs, and amendments/improvements to MFRSs for the current financial year: (cont'd)

Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets

The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous.

The Group and the Company are currently assessing the impact of initial application of the above applicable new MFRS, and amendments/improvements to MFRSs. Nevertheless, the Group and the Company expect that the initial application is unlikely to have material financial impacts to the current period and prior period financial statements of the Group and of the Company. The adoption of the above amendments to MRFSs do not have a material impact on the financial statements of the Group.

2. Audit qualifications

The auditors' reports on the financial statements of the Group for the financial year ended 31 January 2021 is not subject to any qualification.

3. Seasonal or cyclical factors

The Group's operations were not affected by any seasonal or cyclical factors.

4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial year to date because of their nature, size, or incidence.

5. Changes in estimates

There were no significant changes in financial estimates reported in prior financial years that would have material impact in the current financial year report.

6. Change of Financial Year End

On 26 November 2021, the Group had announced that it has changed its financial year end from 31 January to 31 December. The Group's current financial reporting period shall be eleven (11) months commencing from 1 February 2021 to 31 December 2021. Thereafter, the financial year of the Group will commence on 1 January and end on 31 December in each subsequent year.

7. Debts and equity securities

During the first quarter, the Company repurchased 2,506,100 ordinary shares from the open market and are held as treasury shares as disclosed in Note 28. As at the end of the financial year to date, the number of ordinary shares in issue after deducting treasury shares is 580,443,043 ordinary shares.

Other than the above, there were no issuance and repayment of debt and equity securities, share cancellations and resale of treasury shares in the current quarter and financial period ended 31 October 2021.

8. Contingent assets and contingent liabilities

There were no contingent assets and liabilities since the last financial year.

9. Property, plant and equipment

Property, plant and equipment are stated at valuation or cost less accumulated depreciation and impairment losses.

10. Material events

There were no material events that may materially impact the financial results for the current quarter and financial year to date.

11. Changes in composition of the Group

During the financial year-to-date, the Group has incorporated two wholly-owned subsidiaries, known as QMG Manufacturing Sdn Bhd and Fruitful Achievement Sdn Bhd on 2 June 2021 and 22 July 2021 respectively.

The share capital of QMG Manufacturing Sdn Bhd is RM2/- and the number of issued shares is 2 ordinary shares. Subsequently, QMG Manufacturing Sdn Bhd has increased its share capital to RM1,000,000 and the number of issued shares is 1,000,000 ordinary shares.

The share capital of Fruitful Achievement Sdn Bhd is RM2/- and the number of issued shares is 2 ordinary shares.

Both companies intended principal activities are to carry out manufacturing and trading of gloves.

12. Operating segments

The Group's operating segments for the 9 months period ended 31 October 2021:

	Manufacturing and Trading RM'000	Investment Holding RM'000	Inter-Segment RM'000	Total RM'000
Revenue				
Revenue from external customers	1,266,401	-	-	1,266,401
Inter segment revenue	338,881	5,383	(344,264)	-
Total revenue	1,605,282	5,383	(344,264)	1,266,401
Results				
Segment profit/(loss)	570,083	3,036	-	573,119
Interest income				1,455
Interest expense				(880)
Property, plant and equipment				
- depreciation				(25,861)
- loss on disposal				(51)
- written off				(1)
Depreciation of right-of-use asset				(301)
Profit before tax				547,480
Taxation				(133,673)
Net profit for the period				413,807

The Group's operating segments for the 9 months period ended 31 October 2020:

	Manufacturing and Trading RM'000	Investment Holding RM'000	Inter-Segment RM'000	Total RM'000
Revenue				
Revenue from external customers	627,547	-	-	627,547
Inter segment revenue	123,103	900	(124,003)	-
Total revenue	750,650	900	(124,003)	627,547
Results				
Segment profit/(loss)	219,773	(979)	-	218,794
Interest income				338
Interest expense				(2,388)
Property, plant and equipment				
- depreciation				(19,830)
- gain on disposal				137
- written off				(247)
Depreciation of right-of-use asset				(150)
Profit before tax				196,654
Taxation				(47,189)
Net profit for the period				149,465

13. Review of performance

	3rd Quarter Ended			Year to Date Ended		
	31.10.2021 (3QYE31Dec21) RM'000	31.10.2020 (3QYE31Jan21) RM'000	Changes %	31.10.2021 (9MFYE31Dec21) RM'000	31.10.2020 (9MFYE31Jan21) RM'000	Changes %
Revenue	220,930	276,688	-20%	1,266,401	627,547	102%
Gross profit	65,489	128,539	-49%	673,186	220,299	206%
Operating profit	49,297	118,163	-58%	548,360	199,042	175%
Profit before tax	49,036	117,526	-58%	547,480	196,654	178%
Profit after tax	45,850	90,329	-49%	413,807	149,465	177%
Profit attributable to Owners of the Company	45,850	90,329	-49%	413,807	149,465	177%
Net profit margin	21%	33%		33%	24%	

3QYE31Dec21 vs 3QYE31Jan21

For the current quarter ended 31 October 2021 (3QYE31Dec21), the Group achieved lower sales revenue of RM221 million, reduced by RM56 million or 20% compared with corresponding quarter in preceding year (3QYE31Jan21). This was mainly caused by lower sales volume which resulted from our two factories and foreign worker hostels were placed under EMCO and closed from 6 August 2021 to 19 August 2021. The Group had also taken precautionary actions to close our factories voluntarily for a week in August 2021 to ensure that all staff and workers are under self-quarantine to effectively prevent the spread of contagion. The Group has sufficient inventory buffer for at least one month that able to cushion the impact from further disruption to operations and customer orders. An unexpected flood incident was happened in Matang area on 19 August 2021 and those affected inventories were written off amounting to RM4 million, thus still pending for finalisation of insurance claims recovery. However, its impact was partially covered by higher Average Selling Price (ASP).

The Group achieved profit after tax of RM46 million, reduced by RM44 million or 49% compared with RM90 million in corresponding quarter of preceding year (3QYE31Jan21). The lower profit after tax was mainly caused by lower sales volume.

9MFYE31Dec21 vs 9MFYE31Jan21

For the 9 months ended 31 October 2021 (9MFYE31Dec21), the Group achieved significantly higher sales revenue of RM1,266 million, increased by RM639 million or 102% compared with corresponding period in preceding year (9MFYE31Jan21). The higher sales revenue was mainly due to the increase in ASP.

The Group also achieved the significant profit after tax of RM414 million, increased by RM265 million or 177% compared with RM149 million in corresponding period of preceding year (9MFYE31Jan21). The profit after tax of RM414 million for the 9 months ended 31 October 2021 (9MFYE31Dec21) had already exceeded the full year profit for financial year ended 31 January 2021 of RM280 million by RM134 million, or 48%. The increase of profit after tax was mainly due to higher sales revenue attributable to higher ASP and better profit margin.

14. Variation of quarterly results against preceding quarter

	Quarter Ended		
	31.10.2021 (3QYE31Dec21) RM'000	31.07.2021 (2QYE31Dec21) RM'000	Changes %
Revenue	220,930	504,229	-56%
Gross profit	65,489	268,796	-76%
Operating profit	49,297	205,230	-76%
Profit before tax	49,036	204,919	-76%
Profit after tax	45,850	148,823	-69%
Profit attributable to owners of the Company	45,850	148,823	-69%
Net profit margin	21%	30%	

3QYE31Dec21 vs 2QYE31Dec21

For the current quarter ended 31 October 2021 (3QYE31Dec21), the Group achieved lower sales revenue of RM221 million, reduced by RM283 million or 56% compared with preceding quarter (2QYE31Dec21). The lower sales revenue was mainly caused by lower sales volume which resulted from our two factories and foreign worker hostels were placed under EMCO and closed for two weeks from 6 August 2021 to 19 August 2021. An unexpected flood incident was happened in Matang area on 19 August 2021 and those affected inventories in our Matang plant were written off amounting to RM4M, thus still pending for finalisation of insurance claims recovery. Its impact was further worsened by the softening of ASP.

The profit after tax of RM46 million for the quarter (3QYE31Dec21) reduced by RM103 million or 69% compared with preceding quarter (2QYE31Dec21). The lower profit margin was mainly caused by both lower sales volume and softening of ASP.

15. Current year prospects

With the completion of four double former dipping lines, the Group will have 62 production lines in total towards the end of the financial period ended 31st December 2021. In line with the global gloves demand, the Group's expansion of additional three double former dipping lines are expected to be completed by 1st quarter of next financial year.

The Group anticipates that the business environment will be challenging in immediate term as the competition will be very intense despite the weakening glove demand. In view of that, the Group is planning to rationalise the existing capacity by upgrading and revamping its production lines as the Group has better competitive advantage to differentiate ourselves by producing premium specialty gloves in which the production capacity can be fully utilised. With the advanced production facility, the Group is expected to achieve better economies of scale with no idle capacity that will improve the overall profit margin.

The ASP has been softening continuously due to the increase of gloves supply. 'Nonetheless, the Group expects that the global demand for gloves will continue to rise in long term since the outbreak of COVID-19 pandemic. With recent widespread of Delta and Omicron variants, the hygiene awareness will increase, hence the usage and demand for gloves as a protective barrier will also increase in immediate term.

Moving forward, the Group remains optimistic towards its long-term prospects and well prepared to capitalise the market opportunities to continue growing and succeed for years to come.

16. Disclosure of COVID-19 related impacts

Our two factories and foreign worker hostels were placed under EMCO and closed for two weeks from 6 August 2021 to 19 August 2021. The closure was to allow for mass screening of employees and mandatory quarantine. The Group had also taken precautionary actions to close factories voluntarily for a week in August 2021 to ensure that all staff and workers are under self-quarantine to effectively prevent the spread of contagion.

Ever since EMCO has been lifted, the Group is committed to comply with government's SOPs on more stringent basis. The activities of prevention and control measures are continued to be undertaken to protect our employees from COVID-19 even though full vaccination from all workers.

To support for Government's initiative, the Group has achieved full vaccination rate for all workers at the date of announcement through the Public-Private Partnership COVID-19 Industry Immunisation Program (PIKAS) with the support of MITI.

The Group is also targeted to get 100% vaccination rate of booster shots for all workers although it is not mandatory to do so. The implementation is crucial to ensure that our employees' wellbeing is safeguarded with safe working conditions. The Group always believe that the health and welfare of our employees are our top priority.

17. Profit forecast or profit guarantee

The Group did not publish any profit forecast or issue any profit guarantee during the reporting year.

18. Profit before taxation

This was arrived at after crediting/(charging):

	3 months ended 31.10.2021 RM'000	3 months ended 31.10.2020 RM'000	YTD ended 31.10.2021 RM'000	YTD ended 31.10.2020 RM'000
Interest income	602	85	1,455	338
Interest expense	(261)	(637)	(880)	(2,388)
Depreciation on property, plant and equipment	(8,945)	(7,079)	(25,861)	(19,830)
Depreciation of right-of-use asset	(101)	22	(301)	(150)
Gain/(loss) on Foreign Exchange:				
- realised	2,663	(486)	6,520	(391)
- unrealised	(4,995)	61	193	109
Fair value gain/(loss) on derivatives	1,023	(323)	454	(143)
Property, plant and equipment written off	-	(247)	(1)	(247)
Gain/(Loss) on disposal of plant and equipment	(57)	(85)	(51)	137
Inventories written off	(3,968)	-	(3,968)	-
Provision for doubtful debts	-	-	(2,046)	-

19. Capital Commitments

As at 31 October 2021, the Group has the below capital commitments:

	YTD Ended 31.10.2021 RM'000
Property, plant and equipment	
- approved and contracted for	23,210
- approved but not contracted for	-
	23,210

The capital commitments were in relation to the construction of additional production lines in addition to auxiliary and ancillary equipment.

20. Taxation

	YTD Ended 31.10.2021 RM'000	YTD Ended 31.01.2021 RM'000
Deferred taxation	(4,054)	(4,068)
Taxation	(129,619)	(79,026)
	(133,673)	(83,094)

21. Derivative financial assets

	Year Ended 31.10.2021		Year Ended 31.01.2021	
	Contract Amount RM'000	Assets/(Liabilities) RM'000	Contract Amount RM'000	Assets/(Liabilities) RM'000
Non-hedging derivative:				
Forward exchange contracts	43,140	679	49,226	225

The Group use forward exchange contracts to manage some of the foreign currency exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.

Forward exchange contracts are used to manage the foreign currency exposures arising from the Group's sales denominated in USD. The forward exchange contracts have maturities of not more than 6 months.

During the financial period, the Group recognised a gain of RM454 thousand arising from fair value changes of derivative. The fair value changes are attributable to changes in foreign exchange spot and forward rate.

22. Quoted investment

There were no purchases or sales of quoted securities for the current financial year.

23. Status of corporate proposal announced

On 18 May 2021, the Group had approved the proposals detailed as follows:-

i. Issuance of Warrants

The issuance of up to 174,132,762 Warrants on the basis of 3 Warrants for every 10 existing Ordinary Shares held in Comfort.

The issuance had been completed following the listing of and quotation for 174,132,762 Warrant B on the Main Market of Bursa Securities on 6 July 2021. The exercise price was fixed at RM2.30 with a 5-years conversion period expiring on 26 June 2026.

ii. Employees' Shares Scheme ("ESS")

The establishment of an ESS of up to fifteen percent (15%) of the issued and paid-up share capital of Comfort (excluding treasury shares) at any point in time during the duration of the scheme.

The ESS was effective on 2nd July 2021 following the lodgement of the by-laws with Bursa Securities.

24. Borrowings

The Group have the following borrowings as at 31 October 2021:

	YTD Ended 31.10.2021 RM'000	**YTD Ended 31.01.2021 RM'000**
Non current:		
Secured		
- Term Loan (RM denominated)	13,454	15,551
- Lease liability	1,016	1,016
	14,470	16,567
Current:		
Secured		
- Bill payables (USD denominated)	55,037	23,194
- Bill payables (RM denominated)	10,612	12,378
- Term Loan (RM denominated)	2,796	2,796
- Lease liability	14	14
	68,459	38,382
	82,929	54,949

25. Material litigation

The Group was not aware of any material litigation that may have significant impact to the Group's profit.

26. Dividends

Record of dividends paid:

Financial Year	Net Dividend per share (sen)	Total Dividend (RM)
Q2YE31Dec2021	2.00	11,608,861
Q1YE31Dec2021	4.00	23,217,722
YE31Jan2021	6.50	37,891,696
YE31Jan2019	1.50	8,744,238
YE31Jan2018	1.00	5,619,491

During the financial period, the Group had paid the following dividend for the financial year ended 31 January 2021:-

- A single tier interim dividend of 1.50 sen per ordinary share, amounting to RM9 million; and
- Special dividend of 3.50 sen per ordinary share, amounting to RM20 million.

The dividends were declared on 15 Mar 2021 and subsequently paid on 13 Apr 2021.

During the financial period, the Group had paid the following dividend for the financial period ended 31 December 2021:-

- A single tier interim dividend of 4.00 sen per ordinary share, amounting to RM23 million. The dividend was declared on 21 June 2021 and subsequently paid on 22 July 2021; and
- A single tier interim dividend of 2.00 sen per ordinary share, amounting to RM12 million. The dividend was declared on 21 September 2021 and subsequently paid on 22 October 2021.

27. Share Capital

The Group's share capital as at 31 October 2021 is as follow:

	YTD Ended 31.10.2021	
	No. of shares Unit' 000	RM'000
Issued and fully paid: - At 1 Feb 2021 / 31 Oct 2021	582,949	142,985

28. Treasury Shares

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company.

In last quarter, out of the total 582,949,143 issued and fully paid ordinary shares, the Company repurchased 2,506,100 shares from the open market at an average price of RM1.90 per share. The total consideration paid including transaction costs was RM4.77 million, which was financed by internally generated funds.

At 31 October 2021, the Company's treasury shares are held at a carrying amount of RM4,771,408.

There was no cancellation or distribution of treasury shares during the financial period.

29. Earnings Per Share

(a) Basic earnings per share

Basic earnings per share are based on the profit for the financial period or year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial period or year, calculated as follows:

	3 months ended 31.10.2021	3 months ended 31.10.2020	YTD ended 31.10.2021	YTD ended 31.10.2020
Profit attributable to owners of the Company (RM'000)	45,850	90,329	413,807	149,465
Weighted average number of ordinary shares for basic earnings per share ('000)	580,443	582,949	580,443	582,949
Basic earnings per ordinary share (sen)	7.90	15.50	71.29	25.64

29. Earnings Per Share (Cont'd)

(b) Diluted earnings per share

Diluted earnings per share are based on the profit for the financial period or year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

Potential ordinary shares are treated as dilutive when their conversion to ordinary shares would decrease earnings per share or increase loss per share. Potential ordinary shares are antidilutive when their conversion to ordinary shares would increase earnings per share or decrease loss per share.

Diluted earnings per share calculated as follows:

	3 months ended 31.10.2021	3 months ended 31.10.2020	YTD ended 31.10.2021	YTD ended 31.10.2020
Profit attributable to owners of the Company (RM'000)	45,850	90,329	413,807	149,465
Weighted average number of ordinary shares for basic earnings per share ('000)	580,443	582,949	580,443	582,949
Effect of dilution from:				
- Share options ('000)	-	-	-	-
Weighted average number of ordinary shares for diluted earnings per share ('000)	580,443	582,949	580,443	582,949
Diluted earnings per ordinary share (sen)	7.90	15.50	71.29	25.64