

KIM LOONG RESOURCES BERHAD

(Company Number : 22703-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/04/2019 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2018 RM'000	CURRENT YEAR TO-DATE 30/04/2019 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2018 RM'000
Revenue	168,966	236,490	168,966	236,490
Cost of sales	<u>(138,005)</u>	<u>(195,311)</u>	<u>(138,005)</u>	<u>(195,311)</u>
Gross profit	30,961	41,179	30,961	41,179
Other income	4,118	3,133	4,118	3,133
Operating expenses	(11,984)	(11,266)	(11,984)	(11,266)
Finance costs	<u>(203)</u>	<u>(291)</u>	<u>(203)</u>	<u>(291)</u>
Profit before tax	22,892	32,755	22,892	32,755
Tax	<u>(5,206)</u>	<u>(7,859)</u>	<u>(5,206)</u>	<u>(7,859)</u>
Profit for the period	<u>17,686</u>	<u>24,896</u>	<u>17,686</u>	<u>24,896</u>
Other comprehensive income:				
Cash flow hedge	-	-	-	-
Tax relating to other comprehensive income	-	-	-	-
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	<u>17,686</u>	<u>24,896</u>	<u>17,686</u>	<u>24,896</u>
Profit for the period attributable to :				
Owners of the Company	14,506	20,129	14,506	20,129
Non-controlling interests	<u>3,180</u>	<u>4,767</u>	<u>3,180</u>	<u>4,767</u>
	<u>17,686</u>	<u>24,896</u>	<u>17,686</u>	<u>24,896</u>
Total comprehensive income for the period attributable to :				
Owners of the Company	14,506	20,129	14,506	20,129
Non-controlling interests	<u>3,180</u>	<u>4,767</u>	<u>3,180</u>	<u>4,767</u>
	<u>17,686</u>	<u>24,896</u>	<u>17,686</u>	<u>24,896</u>
Earnings per share (sen) :				
- Basic	1.55	2.16	1.55	2.16
- Diluted	1.55	2.16	1.55	2.16
Dividends per share (sen)	-	-	-	-

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2019)

KIM LOONG RESOURCES BERHAD

(Company Number : 22703-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT CURRENT QUARTER ENDED 30/04/2019 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/01/2019 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	526,505	530,872
Bearer plants	78,291	78,094
Land use rights	1,851	1,880
Deferred tax assets	3,602	3,643
Prepayments	7,814	5,091
	618,063	619,580
Current assets		
Inventories	51,504	50,712
Biological assets	2,255	2,611
Receivables	33,094	31,692
Prepayments	2,882	2,785
Tax recoverable	755	3,207
Derivative financial asset	-	263
Short term funds	79,614	78,436
Cash and bank balances	203,156	194,698
	373,260	364,404
TOTAL ASSETS	<u>991,323</u>	<u>983,984</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	318,433	318,433
Reserves	432,386	417,982
Treasury shares	(1,626)	(1,626)
	749,193	734,789
Non-controlling interests	93,585	91,063
Total equity	842,778	825,852
Non-current liabilities		
Interest bearing borrowings (secured)	3,585	4,590
Deferred tax liabilities	84,361	85,643
	87,946	90,233
Current liabilities		
Payables and accruals	43,996	51,808
Interest bearing borrowings (secured)	14,384	14,712
Derivative financial liability	640	-
Tax payable	1,579	1,379
	60,599	67,899
Total liabilities	148,545	158,132
TOTAL EQUITY AND LIABILITIES	<u>991,323</u>	<u>983,984</u>
Net assets per share (RM)	0.80	0.79

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2019)

KIM LOONG RESOURCES BERHAD

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company			Non-controlling interests	Total equity	
	Distributable					
	Share capital	Retained profits	Treasury shares	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	
3 months ended 30 April 2019						
Balance as at 1 February 2019	318,433	417,982	(1,626)	734,789	91,063	825,852
Profit or loss	-	14,506	-	14,506	3,180	17,686
Total comprehensive income for the period	-	14,506	-	14,506	3,180	17,686
Dividends	-	-	-	-	(760)	(760)
Acquisition from non-controlling interests	-	(102)	-	(102)	102	-
Total for transactions with owners	-	(102)	-	(102)	(658)	(760)
Balance as at 30 April 2019	<u>318,433</u>	<u>432,386</u>	<u>(1,626)</u>	<u>749,193</u>	<u>93,585</u>	<u>842,778</u>
3 months ended 30 April 2018						
Balance as at 1 February 2018	318,430	434,200	(1,626)	751,004	91,296	842,300
Profit or loss	-	20,129	-	20,129	4,767	24,896
Total comprehensive income for the period	-	20,129	-	20,129	4,767	24,896
Balance as at 30 April 2018	<u>318,430</u>	<u>454,329</u>	<u>(1,626)</u>	<u>771,133</u>	<u>96,063</u>	<u>867,196</u>

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2019)

KIM LOONG RESOURCES BERHAD

(Company Number : 22703-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 months ended 30/04/2019 RM'000	3 months ended 30/04/2018 RM'000
Operating activities		
Cash receipts from customers	166,758	227,980
Rental received	40	37
Interest received	2,024	1,982
Cash paid to suppliers and employees	(146,442)	(198,329)
Cash generated from operations	22,380	31,670
Interest paid	(213)	(299)
Tax paid	(3,796)	(6,484)
Net cash from operating activities	18,371	24,887
Investing activities		
Fixed deposits	(6)	(5)
Additional investment in existing subsidiary company	*	-
Proceeds from disposal of property, plant and equipment	488	30
Acquisition of bearer plants and property, plant and equipment	(8,011)	(5,981)
Net investments in short term funds	(361)	(32,546)
Net cash used in investing activities	(7,890)	(38,502)
Financing activities		
Drawdown of bank borrowings	-	1,000
Repayments of bank borrowings	(1,910)	(2,010)
Dividend paid to shareholders of the Company	-	(18,672)
Dividend paid to NCI in subsidiary companies	(760)	(1,500)
Net cash used in financing activities	(2,670)	(21,182)
Net increase/(decrease) in cash and cash equivalents	7,811	(34,797)
Cash and cash equivalents at beginning of period	191,840	233,982
Effect of exchange rate changes on cash and cash equivalents	65	(17)
Cash and cash equivalents at end of period (Note a)	199,716	199,168
Note a : Cash and cash equivalents at end of period		
Cash on hand and cash in banks	48,228	65,156
Deposits with licensed banks	154,928	136,126
Cash and bank balances	203,156	201,282
Less: Bank overdrafts	(2,864)	(1,560)
Less: Fixed deposit pledged	(576)	(554)
Cash and cash equivalents	199,716	199,168

* denotes RM1.

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2019)

KIM LOONG RESOURCES BERHAD

(Company Number: 22703-K)

EXPLANATORY NOTES

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of MFRS 134 : Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 January 2019. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 January 2019.

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 January 2019 except for the adoption of the new and amended MFRSs, annual improvements and IC Interpretation which are relevant to the Group’s operations with effect from 1 February 2019 as set out below:

- MFRS 9 Prepayment Features with Negative Compensation
(Amendment to MFRS 9)
- MFRS 16 Leases
- MFRS 128 Long-term Interests in Associates and Joint Ventures
(Amendments to MFRS 128)
- Annual Improvements to MFRS Standards 2015 – 2017 Cycle
- MFRS 119 Plan Amendment, Curtailment or Settlement
(Amendment to MFRS 119)
- IC Interpretation 23: Uncertainty over Income Tax Treatments

The Group has not elected for early adoption of the following new and amended MFRSs, which were issued but not yet effective for the financial year ending 31 January 2020:

	Effective for financial periods beginning on or after
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Definition of a Business (Amendments to MFRS 3 Business Combination)	1 January 2020
Definition of Material (Amendments to MFRS 101 Presentation of Financial Statements and MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)	1 January 2020
MFRS 17 Insurance Contracts	1 January 2021
Amendments to MFRS 10 and MFRS128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

KIM LOONG RESOURCES BERHAD

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A2. Seasonal or cyclical factors

Crop production is seasonal and could be affected by severe weather condition such as El-Nino and La Nina.

Based on observation, the production of Fresh Fruit Bunches (“FFB”) from our mature estates is normally low during the second quarter of each year and will rise in the third quarter, peak in the fourth quarter and then slowly decline in the first quarter of the following year. The production of FFB for the current quarter has dropped significantly by 18% or 16,700 MT as compared to the preceding quarter. The drop in production was mainly due to seasonal trend factor and broadly in line with the FFB yield performance for Sabah in which about 75% of the Group’s plantations are located.

A3. Unusual items

There were no unusual items that have material effects on the assets, liabilities, equity, net income or cash flows for the current financial year-to-date.

A4. Material changes in estimates

There were no changes in estimates that have had a material effect in the current quarter.

A5. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the first quarter ended 30 April 2019.

As at 30 April 2019, the Company held as treasury shares a total of 1,806,000 of its 935,413,332 issued ordinary shares.

The outstanding unexercised number of Warrants as at 30 April 2019 was 46,677,610.

A6. Dividends paid

No dividends have been paid during the current financial year-to-date.

A7. Material subsequent events

As at 24 June 2019, there were no material subsequent events that have not been reflected in the financial statements for the current financial period except for the following:

On 9 June 2019 around midnight, a fire broke out at our mill at Kota Tinggi, Johor which has caused damages to processing plant. We have assessed the financial impact caused by the fire incident and expect the net financial impact to be minimal considering the mill is expected to resume 70% processing capacity by end of June 2019 and any potential loss will be substantially covered by insurance.

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A8. Segmental information

Major segments by activity:-

	Revenue		Results	
	3 months ended		3 months ended	
	30/04/2019	30/04/2018	30/04/2019	30/04/2018
	RM'000	RM'000	RM'000	RM'000
Plantation operations	27,649	38,277	7,891	17,834
Milling operations	165,784	232,094	13,758	12,626
	193,433	270,371	21,649	30,460
Add/(Less):				
Inter-segment adjustments and eliminations	(24,467)	(33,881)	176	1,520
	<u>168,966</u>	<u>236,490</u>	21,825	31,980
Less:				
Unallocated expenses			(751)	(862)
Finance income			2,021	1,928
Finance costs			(203)	(291)
Profit before tax			<u>22,892</u>	<u>32,755</u>
Tax expenses			(5,206)	(7,859)
Profit for the period			<u>17,686</u>	<u>24,896</u>

A9. Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial year-to-date, including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations except for the following:

- (i) On 29 March 2019, an indirect wholly-owned subsidiary of the Company, Kim Loong Palm Oil Mills Sdn. Bhd. ("KLPOM"), acquired the remaining 60,000 ordinary shares fully paid in Sungkit Enterprise Sdn. Bhd. ("SESB"), a 98% owned subsidiary of KLPOM, from Prominent Platform Sdn. Bhd. for a total cash consideration of RM1 ("Acquisition").

As a result of the Acquisition, SESB is now a wholly-owned subsidiary of KLPOM.

A10. Contingent liabilities or Contingent assets

As at 24 June 2019, there were no material changes in contingent liabilities or contingent assets at Group level since the end of last annual reporting period at 31 January 2019.

KIM LOONG RESOURCES BERHAD

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ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES**B1. Review of the performance of the Company and its principal subsidiaries**

The Group recorded a lower revenue and profit before tax (“PBT”) at RM168.97 million and RM22.89 million respectively for the current quarter ended 30 April 2019, as compared to RM236.49 million and RM32.76 million respectively for the corresponding period last year. Drop in performance was mainly due to lower palm oil prices. Further information and statistics are tabulated below:

	Individual Period (1 st quarter)			Cumulative Period		
	Current Year Quarter	Preceding Year Quarter	Changes (%)	Current Year To-date	Preceding Corresponding Period	Changes (%)
	30/04/2019	30/04/2018		30/04/2019	30/04/2018	
(A) Financial Data:	RM'000	RM'000		RM'000	RM'000	
Revenue	168,966	236,490	(29%)	168,966	236,490	(29%)
Earnings before interest, tax, depreciation and amortisation (“EBITDA”)	31,661	41,556	(24%)	31,661	41,556	(24%)
Profit before interest and tax	23,095	33,046	(30%)	23,095	33,046	(30%)
Profit before tax	22,892	32,755	(30%)	22,892	32,755	(30%)
Profit after tax	17,686	24,896	(29%)	17,686	24,896	(29%)
Profit attributable to ordinary equity holders of the Company	14,506	20,129	(28%)	14,506	20,129	(28%)
(B) Statistics:						
Plantation						
FFB production (MT)	77,968	80,254	(3%)	77,968	80,254	(3%)
FFB yield per hectare (MT/Ha)	5.68	5.50	3%	5.68	5.50	3%
Average FFB selling price (RM/MT)	355	477	(26%)	355	477	(26%)
Palm Oil Milling						
CPO production (MT)	71,378	71,946	(1%)	71,378	71,946	(1%)
CPO sold (MT)	70,899	81,483	(13%)	70,899	81,483	(13%)
CPO oil extraction rate (%)	21.83	21.81	0%	21.81	21.81	0%
Average CPO price (RM/MT)	1,997	2,418	(17%)	1,997	2,418	(17%)

As at 30 April 2019, the Group’s total planted area is 14,897 hectares. The age profile of planted area can be analysed as follows:

- < 3 years (Immature) : 8%
- 3 – 6 years (Young mature) : 7%
- 7 – 15 year (Prime mature) : 30%
- 16 – 20 years (Old mature) : 47%
- > 20 years (Pre-replanting) : 8%

During the current year to-date, the Group has carried out replanting of about 200 hectares.

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Performance analysis by segments (before inter-segments adjustments and eliminations):

	Individual Period (1 st quarter)			Cumulative Period		
	Current Year Quarter	Preceding Year Quarter	Changes (%)	Current Year To-date	Preceding Corresponding Period	Changes (%)
	30/04/2019	30/04/2018		30/04/2019	30/04/2018	
Revenue:	RM'000	RM'000		RM'000	RM'000	
Plantation	27,649	38,277	(28%)	27,649	38,277	(28%)
Milling	165,784	232,094	(29%)	165,784	232,094	(29%)
	193,433	270,371	(28%)	193,433	270,371	(28%)
Results:						
Plantation	7,891	17,834	(56%)	7,891	17,834	(56%)
Milling	13,758	12,626	9%	13,758	12,626	9%
	21,649	30,460	(29%)	21,649	30,460	(29%)

Plantation operations

The lower revenue and profit for the current quarter and the year-to-date as compared to the corresponding period last year was mainly due to a 26% lower average selling price with a marginal 3% drop in FFB production.

The plantation operations did not face problem in selling its FFB production as most of the produce was supplied to mills within the Group.

Palm oil milling operations

The lower revenue from the milling operations for the current quarter and the year to-date as compared to the corresponding period last year was mainly due to drops in CPO selling price and quantity by 13% and 17% respectively.

Despite the fact of lower CPO selling price and quantity sold, the milling operation recorded a 9% higher profit as compared to the corresponding period last year mainly due to better processing margin recorded in our operations at Kota Tinggi, Johor.

The market condition and demand for the Group's milling products has been good and steady for the current quarter and year-to-date.

B2. Comparison of profit before tax for the quarter reported on with the immediate preceding quarter

The PBT for the current quarter was RM22.89 million which was 79% higher than RM12.81 million achieved in the preceding quarter ended 31 January 2019.

The profit contribution from plantation has dropped by RM1.23 million or 13% from RM9.12 million to RM7.89 million mainly due to lower FFB production. As for the milling operations, the profit increased by RM5.31 million or 63% from RM8.45 million to RM13.76 million mainly contributed by better processing margin despite a 20% drop in production. Further information and statistics are tabulated below:

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	Current Quarter	Immediate Preceding Quarter	Changes (%)
	30/04/2019	31/01/2019	
(A) Financial Data:			
	RM'000	RM'000	
Revenue	168,966	198,519	(15%)
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	31,661	21,463	48%
Profit before interest and tax	23,095	13,041	77%
Profit before tax	22,892	12,805	79%
Profit after tax	17,686	2,078	751%
Profit attributable to ordinary equity holders of the Company	14,506	3,148	361%
(B) Statistics:			
Plantation			
FFB production (MT)	77,968	94,679	(18%)
FFB yield per hectare (MT/Ha)	5.68	6.82	(17%)
Average FFB selling price (RM/MT)	355	346	3%
Palm Oil Milling			
CPO production (MT)	71,378	89,740	(20%)
CPO sold (MT)	70,899	86,578	(18%)
CPO oil extraction rate (%)	21.83	21.26	3%
Average CPO price (RM/MT)	1,997	1,862	7%

B3. Current financial year prospects

For the financial year ending 31 January 2020, we forecast the FFB production to have no material difference as compared to the financial year 2019 after taking into consideration of drop in production from oil palm areas due to replanting programs but cushioned by increasing yield from young mature areas.

Despite the fire incident at our mill at Kota Tinggi, Johor in June causing disruption to operations, the management is still optimistic that the milling operations of the Group could achieve high utilization rate of processing capacity in the financial year 2020.

We are of the view that CPO price could be moving higher from the current level of RM2,000 per MT considering production trends would be in low yield cycle in the second and third quarters of 2019. However, CPO price is generally susceptible to fluctuation of currency exchange rate, demand and supply of commodity and import policies of major importing countries.

Based on the above, we foresee the Group would still be able to perform satisfactorily for the financial year 2020.

B4. Variance of actual profit from forecast profit and shortfall in profit guarantee

This is not applicable.

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B5. Income tax

	Current Quarter Ended 30/04/2019 RM'000	Financial Year-to-date Ended 30/04/2019 RM'000
Malaysian Income Tax		
- Current year	6,367	6,367
- Under provision in prior years	81	81
	6,448	6,448
Deferred tax		
- Current year	(1,242)	(1,242)
	<u>5,206</u>	<u>5,206</u>

B6. Status of corporate proposals

There is no outstanding corporate proposal as at 24 June 2019.

B7. Group borrowings and debt securities

The total secured borrowings, which are denominated in Ringgit Malaysia, are as follows:

	As at 30/04/2019 RM'000	As at 30/04/2018 RM'000
Short term borrowings:		
Overdrafts	2,864	1,560
Revolving credit	7,500	7,500
Term loans	4,020	7,940
	<u>14,384</u>	<u>17,000</u>
Long term borrowings:		
Term loans	<u>3,585</u>	<u>7,605</u>

(a) There were no unsecured interest bearing borrowing as at 30 April 2019.

(b) The movements in terms loans were due to repayments.

(c) Weighted average interest rate of borrowings as at 30 April 2019 was 5.45%. There is no borrowing that is based on fixed interest rate.

B8. Material litigation

As at 24 June 2019, there were no material litigations against the Group.

B9. Dividend

No dividend has been declared or proposed for the current financial period ended 30 April 2019 and previous year corresponding period ended 30 April 2018.

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B10. Earnings per share

Basic earnings per share (“Basic EPS”)

The Basic EPS is calculated by dividing the profit attributable to the owners of the Company for the current quarter and the first 3 months by the weighted average number of ordinary shares in issue during the current quarter and the first 3 months respectively, excluding treasury shares held by the Company:

		Current Quarter Ended 30/04/2019	Financial Year-to-date Ended 30/04/2019
Net profit for the period	(RM'000)	14,506	14,506
Weighted average number of ordinary shares in issue	('000)	933,607	933,607
Basic EPS	(sen)	1.55	1.55

Diluted earnings per share (“Diluted EPS”)

The Diluted EPS is calculated by dividing the profit attributable to the owners of the Company for the current quarter and the first 3 months by the weighted average number of ordinary shares in issue during the current quarter and the first 3 months respectively, which has been adjusted for the number of ordinary shares that could have been converted from the warrants issued by the Company.

Shares that are anti-dilutive are ignored in the computation of Diluted EPS.

		Current Quarter Ended 30/04/2019	Financial Year-to-date Ended 30/04/2019
Net profit for the period	(RM'000)	14,506	14,506
Weighted average number of ordinary shares in issue	('000)	933,607	933,607
Adjustment for dilutive effect of warrants *	('000)	-	-
Adjusted weighted average number of shares for Diluted EPS	('000)	933,607	933,607
Diluted EPS	(sen)	1.55	1.55

* There is no adjustment as the effect is anti-dilutive.

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B11. Profit before tax

Profit before tax is arrived at after charging/(crediting) the following items:

	Current Quarter Ended 30/04/2019 RM'000	Financial Year-to-date Ended 30/04/2019 RM'000
(a) Interest income	(2,021)	(2,021)
(b) Other income including investment income	(2,032)	(2,032)
(c) Interest expense	203	203
(d) Depreciation and amortization	8,566	8,566
(e) Provision for and write off of receivables	8	8
(f) Provision for and write off of inventories	-	-
(g) Gain or loss on disposal of quoted or unquoted investment or properties	-	-
(h) Provision for/(Reversal of) impairment of assets	-	-
(i) Foreign exchange (gain)/loss	(65)	(65)
(j) (Gain) or loss on derivatives	1,533	1,533
(k) Net (gain)/loss arising from changes in fair value of biological assets	356	356
(l) Exceptional items	-	-

B12. Audit qualification

The auditors' report of the preceding annual financial statements of the Group did not contain any qualification.

B13. Derivatives

The Group has entered into the following derivative which is outstanding as at 30 April 2019:

Type of Derivatives	Contract/Notional Value as at 30 April 2019 RM'000	Fair Value as at 30 April 2019 RM'000
(i) CPO Futures – Long Contract - Less than 1 year	15,705	15,065

The CPO Futures Contracts entered are for the purpose of hedging the cost of purchase of FFB under the milling operations.

There is no change in risks, cash requirements and policies associated with the derivatives since the preceding financial year.

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B14. Gains/losses arising from fair value changes of financial liabilities

	Current Quarter Ended 30/04/2019 RM'000	Financial Year-to-date Ended 30/04/2019 RM'000
Loss on derivatives	1,533	1,533

- (a) The loss was arising from the CPO Futures Contract as disclosed in Note B13.
- (b) The loss was caused by drop in CPO price in commodity futures market.
- (c) The fair value is calculated by reference to closing price quoted at the end of reporting period.

B15. Additional Information

- (a) Receivables

Total receivables as at 30 April 2019 is RM33.1 million of which RM25.6 million is trade in nature with normal trade credit terms of less than 60 days.