



**NPC RESOURCES BERHAD (Company No: 199901027413 (502313-P))**  
**INTERIM FINANCIAL STATEMENTS ON CONSOLIDATED RESULTS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2021**  
**The figures have not been audited**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 31/03/2021 RM'000	Preceding Year Corresponding Quarter Ended 31/03/2020 RM'000	Current Year- To-Date Ended 31/03/2021 RM'000	Preceding Year Corresponding Period Ended 31/03/2020 RM'000
Revenue	51,699	58,817	51,699	58,817
Operating expenses	(55,709)	(62,408)	(55,709)	(62,408)
Other operating income	1,538	14,144	1,538	14,144
<b>(Loss)/profit from operations</b>	<b>(2,472)</b>	<b>10,553</b>	<b>(2,472)</b>	<b>10,553</b>
Finance costs	(4,118)	(5,639)	(4,118)	(5,639)
Net foreign exchange losses	(10,268)	(44,262)	(10,268)	(44,262)
<b>Loss before tax – (Note 19)</b>	<b>(16,858)</b>	<b>(39,348)</b>	<b>(16,858)</b>	<b>(39,348)</b>
Income tax benefit – (Note 20)	315	1,731	315	1,731
<b>Loss for the period</b>	<b>(16,543)</b>	<b>(37,617)</b>	<b>(16,543)</b>	<b>(37,617)</b>
<b>Other comprehensive income/(loss), net of tax:</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Exchange differences on translating foreign operation	(1,136)	(28,530)	(1,136)	(28,530)
Remeasurement of loss on employee defined benefit liabilities	(6)	-	(6)	-
<b>Items that will not be reclassified subsequently to profit or loss</b>				
Realisation of revaluation reserve upon depreciation of revalued asset	1,578	1,409	1,578	1,409
Transfer of revaluation reserve to retained earnings	(1,578)	(1,409)	(1,578)	(1,409)
<b>Total comprehensive loss for the period</b>	<b>(17,685)</b>	<b>(66,147)</b>	<b>(17,685)</b>	<b>(66,147)</b>
<b>Loss for the period attributable to:</b>				
Equity holders of the parent	(12,541)	(29,539)	(12,541)	(29,539)
Non-controlling interests	(4,002)	(8,078)	(4,002)	(8,078)
	<b>(16,543)</b>	<b>(37,617)</b>	<b>(16,543)</b>	<b>(37,617)</b>
<b>Total comprehensive loss for the period attributable to:</b>				
Equity holders of the parent	(13,348)	(63,715)	(13,348)	(63,715)
Non-controlling interests	(4,337)	(2,432)	(4,337)	(2,432)
	<b>(17,685)</b>	<b>(66,147)</b>	<b>(17,685)</b>	<b>(66,147)</b>
<b>Loss per share attributable to equity holders of the parent:-</b>				
(a) Basic, for loss for the period (sen) - (Note 26)	(10.73)	(25.28)	(10.73)	(25.28)
(b) Diluted, for profit/(loss) for the period (sen) - (Note 26)	N/A	N/A	N/A	N/A

**The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.**

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>As at current period ended 31/03/2021 RM'000</b>	<b>Audited 31/12/2020 RM'000</b>
<b>Non-current assets</b>		
Property, plant and equipment	1,151,185	1,162,153
Investment properties	20,196	20,318
Other receivables	46,769	46,384
Deferred tax assets	278	1,458
Goodwill on consolidation	32,437	32,443
	<u>1,250,865</u>	<u>1,262,756</u>
<b>Current assets</b>		
Inventories	22,196	17,979
Biological assets	5,827	3,812
Trade and other receivables	15,567	12,616
Tax refundable	742	827
Cash and bank balances	11,834	12,984
	<u>56,166</u>	<u>48,219</u>
<b>Current liabilities</b>		
Derivatives liabilities	9,143	8,964
Trade and other payables	215,060	201,048
Borrowings – (Note 22)	302,904	293,228
Provision for taxation	441	1,041
	<u>527,548</u>	<u>504,281</u>
Net current liabilities	<u>(471,382)</u>	<u>(456,062)</u>
	<u>779,483</u>	<u>806,694</u>
Share capital	120,000	120,000
Treasury shares	(7,509)	(7,509)
Retained earnings	137,374	148,008
Asset revaluation reserve	240,712	242,290
Foreign currency translation reserve	(21,423)	(20,287)
<b>Equity attributable to equity holders of the parent</b>	<u>469,154</u>	<u>482,502</u>
<b>Non-controlling interests</b>	<u>23,643</u>	<u>27,980</u>
<b>Total equity</b>	<u>492,797</u>	<u>510,482</u>
<b>Non-current liabilities</b>		
Borrowings – (Note 22)	144,687	152,391
Employee benefits	4,414	4,545
Deferred tax liabilities	137,585	139,276
	<u>286,686</u>	<u>296,212</u>
	<u>779,483</u>	<u>806,694</u>
Net assets per share attributable to equity holders of the parent (RM) – (Note 27)	<u>4.01</u>	<u>4.12</u>

**The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.**

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**CONDENSED CONSOLIDATED STATEMENT OF CASHFLOW**

	<b>Current Year- To-Date Ended 31/03/2021 RM'000</b>	<b>Preceding Year Corresponding Period Ended 31/03/2020 RM'000</b>
Loss before tax	(16,858)	(39,348)
Adjustments for:-		
Amortisation and depreciation	13,869	13,190
Fair value changes of biological assets	(2,015)	552
Finance costs	4,118	5,639
Interest income	(18)	(627)
Fair value loss on derivatives	179	-
Gain on disposals of property, plant and equipment	-	(4)
Net unrealised loss on foreign exchange	10,268	44,262
Property, plant and equipment written off	37	221
Operating cash flows before changes in working capital	<u>9,580</u>	<u>23,885</u>
Changes in working capital		
Net change in inventories	(4,264)	6,227
Net change in receivables	(3,588)	(884)
Net change in payables	10,609	(10,525)
Interest received	18	627
Net taxes paid	(911)	(451)
Finance costs paid	(4,192)	(5,837)
Net cash flows generated from operating activities	<u>7,252</u>	<u>13,042</u>
<b>Investing Activities</b>		
Additional placement of fixed deposits	(84)	-
Purchase of property, plant and equipment	(3,993)	(5,113)
Net proceeds from disposal of property, plant and equipment	1	4
Net cash flows used in investing activities	<u>(4,076)</u>	<u>(5,109)</u>
<b>Financing Activities</b>		
Dividends paid to non-controlling interest	-	(750)
Repayment of borrowings	(11,679)	(7,553)
Proceeds from drawdown of bank borrowings	408	2,250
Net drawdown of hire purchase liabilities	21	39
Net cash flows used in from financing activities	<u>(11,250)</u>	<u>(6,014)</u>

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**CONDENSED CONSOLIDATED STATEMENT OF CASHFLOW (CONTD.)**

	<b>Current Year-To- Date Ended 31/03/2021 RM'000</b>	<b>Preceding Year Corresponding Period Ended 31/03/2020 RM'000</b>
Net change in cash and cash equivalents	(8,074)	1,919
Effect of exchange rate changes on cash and cash equivalents	764	1,673
Cash and cash equivalents at beginning of financial period	(301)	1,320
Cash and cash equivalents at end of financial period (Note A)	<u>(7,611)</u>	<u>4,912</u>

Note:

A : Cash and cash equivalents at the end of the financial period comprise the following:

Fixed deposits with licensed bank	5,915	10,756
Cash and bank balances	5,920	9,500
Bank overdraft	(13,531)	(4,588)
	<u>(1,696)</u>	<u>15,668</u>
Short term fixed deposits with licensed banks with maturity more than 3 months	(5,915)	(10,756)
	<u>(7,611)</u>	<u>4,912</u>

**The condensed consolidated statement of cashflow should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.**

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to equity holders of the parent						Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Distributable Retained Earnings RM'000	Foreign Currency Translation Reserve RM'000	Asset Revaluation Reserve RM'000	Total RM'000		
<b>Preceding year corresponding period ended 31 December 2020</b>								
<b>As at 1 January 2020</b>	120,000	(7,509)	155,360	(10,296)	261,391	518,946	37,133	556,079
- Prior year adjustment	-	-	(2,788)	-	-	(2,788)	(1,188)	(3,976)
At 1 January 2020, as restated	120,000	(7,509)	152,572	(10,296)	261,391	516,158	35,945	552,103
Total comprehensive loss for the period	-	-	(12,073)	(9,991)	(15,137)	(37,201)	(6,896)	(44,097)
Realisation of revaluation reserve	-	-	7,509	-	(6,227)	1,282	(1,282)	-
Reduction of tax rate	-	-	-	-	2,263	2,263	963	3,226
<b>Transactions with owners</b>								
Dividend paid to non-controlling interests	-	-	-	-	-	-	(750)	(750)
<b>Balance as at 31 December 2020</b>	120,000	(7,509)	148,008	(20,287)	242,290	482,502	27,980	510,482

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTD.)**

	Attributable to equity holders of the parent						Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Treasury Shares RM'000	Distributable Retained Earnings RM'000	Foreign Currency Translation Reserve RM'000	Asset Revaluation Reserve RM'000	Total RM'000		
<b>Current year to date ended 31 March 2021</b>								
<b>As at 1 January 2021</b>	120,000	(7,509)	148,008	(20,287)	242,290	482,502	27,980	510,482
Total comprehensive loss for the period	-	-	(12,541)	(1,136)	-	(13,677)	(4,008)	(17,685)
Realisation of revaluation reserve	-	-	1,907	-	(1,578)	329	(329)	-
<b>Balance as at 31 March 2021</b>	<b>120,000</b>	<b>(7,509)</b>	<b>137,374</b>	<b>(21,423)</b>	<b>240,712</b>	<b>469,154</b>	<b>23,643</b>	<b>492,797</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to the interim financial report.

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**1. Basis of preparation**

The unaudited interim financial statements have been prepared in accordance with the requirements of *MFRS 134: Interim Financial Reporting* and *paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”)*.

The unaudited interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2020. The explanatory notes attached to the unaudited interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2020.

**2. Significant Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2020 except for those standards, amendments and interpretations which are effective from the annual period beginning 1 January 2021. 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:

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 16: COVID-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Annual Improvements to MFRS Standards 2018-2020:	
- Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards – Subsidiary as A First-time Adopter	1 January 2022
- Amendments to MFRS 9: Financial Instruments – Fees in the ‘10 percent’ Test for Derecognition of Financial Liabilities	1 January 2022
- Amendments to MFRS 141: Agriculture – Taxation in Fair Value Measurements	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 MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023

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**2. Significant Accounting Policies**

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

Initial application of these pronouncements are not expected to have any material impact on the financial statements of the Group and of the Company.

**3. Qualified auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the year ended 31 December 2020 was unqualified.

**4. Seasonality or cyclicity of operations**

The Group's operations are mainly affected by seasonal and cyclical factors such as the seasonal pattern in the production of fresh fruit bunches (FFB) and the seasonal weather conditions. Consistent with the industry FFB production trend, the first half of the year is usually the low FFB production period whereas, the second half of the year is expected to be the high FFB production period.

**5. Unusual items**

There were no items affecting assets, liabilities, equity, net income, or cash flows for the current period that are unusual because of their nature, size, or incidence.

**6. Changes in estimates**

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

**7. Debt and equity securities**

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year-to-date. None of the treasury shares has been resold or distributed as share dividends during the financial period ended 31 March 2021.

**8. Dividends paid**

No dividend was paid during the current period.



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**9. Segmental reporting**

	<b>Plantation and milling RM'000</b>	<b>Hotel RM'000</b>	<b>Fishery RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b>For three months ended 31 March 2021</b>					
<b>Segment Revenue</b>					
External revenue	51,115	584	-	-	51,699
Inter-segment revenue	-	1	-	(1)	-
<b>Total</b>	<b>51,115</b>	<b>585</b>	<b>-</b>	<b>(1)</b>	<b>51,699</b>
<b>Segment Results</b>					
Unallocated corporate income	(1,119)	(11)	1	-	(1,129)
Loss from operation					(3,988)
Finance costs					(5,117)
Loss before tax					(11,741)
Income tax benefit					(16,858)
Loss for the period					315
					<u>(16,543)</u>
<b>For three months ended 31 March 2020</b>					
<b>Segment Revenue</b>					
External revenue	57,744	1,073	-	-	58,817
Inter-segment revenue	-	3	-	(3)	-
<b>Total</b>	<b>57,744</b>	<b>1,076</b>	<b>-</b>	<b>(3)</b>	<b>58,817</b>
<b>Segment Results</b>					
Unallocated corporate income	13,073	(704)	30	-	12,399
Loss from operation					(46,108)
Finance costs					(33,709)
Loss before tax					(5,639)
Income tax benefit					(39,348)
Loss for the period					1,731
					<u>(37,617)</u>

**10. Valuations**

There are no new valuations of property, plant and equipment for the current financial year-to-date.

**11. Material subsequent events not reflected in the financial statements**

Subsequent to the reporting date, the management has given a preliminary acceptance to a conditional offer by a third party to acquire part of the oil palm plantations of the Group in Malaysia within the plantation segment. The proposed transaction is subject to further negotiations and approvals by the Board of Directors and Shareholders. Consequently, the plantation assets will be classified as held for sales subsequent to reporting date. A sale is expected by the first quarter of 2022.

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**12. Changes in the composition of the Group**

There was no change in the composition of the Group for the current quarter and financial year-to-date.

**13. Contingent liabilities or contingent assets**

The Company provided corporate guarantees amounting to RM229,877,000 to certain financial institutions to secure banking facilities granted by them to its subsidiaries. As at 31 March 2021, the total amount owing to these financial institutions amounted to RM180,385,951.

There are no other contingent liabilities or contingent assets to be disclosed during the current quarter under review.

**14. Capital commitments**

The amount of capital commitments not provided for in the unaudited interim financial report as at 31 March 2021 is as follows:

	<b>RM'000</b>
Approved and contracted	2,431
Approved but not contracted for	13,186
	<u>15,617</u>

**15. Review of performance**

The Group recorded a loss before tax of RM16.858 million for the current quarter on the back of turnover of RM51.699 million for the current quarter. These represent a decrease of 57% in loss before tax and 12% in revenue as compared to the loss before tax and revenue in the preceding year corresponding quarter ended 31 March 2020.

The loss before tax for the current quarter as compared to preceding corresponding quarter was mainly due to net unrealised foreign exchange loss in USD against MYR/IDR of RM10.268 million and loss on crude palm oil pricing swap of RM7.307 million for the current quarter.

The detailed analysis of the respective operating segments of the Group with reference to the segmental information as disclosed in note 9 are discussed below:-

**Plantation segment**

The external revenue of the plantation segment decreased by 11.47% for the current quarter as compared to preceding corresponding quarter mainly due to lower production of crude palm oil ("CPO") and palm kernel ("PK") by 41.43% and 15.54% respectively.

The lower production mainly due to low crop seasons. Additionally, an excessive amount of rainfall also cause flooding and made the field roads impassable. This has interrupt the evacuation process of FFB from estate to mill, raise moisture in the fruitlets, and consequently lower oil extraction rate. Nonetheless, the lower production was complemented by higher realised CPO & PK prices per below statistic:

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**15. Review of performance (Cont.d)**

**Plantation segment**

<b>Quarter ended</b>	<b>31 March 2021</b>	<b>31 March 2020</b>	<b>%</b>
Average CPO price	RM2,958 /metric ton	RM2,333 /metric ton	+ 26.80
Average PK price	RM2,122 /metric ton	RM1,160 /metric ton	+ 82.93

The plantation segment registered a decrease in segment profit of >100% for the current quarter as compared to previous year corresponding quarter due to lower production and loss on crude palm oil pricing swap during current quarter review.

**Hotel segment**

The external revenue of the hotel segment decreased by 45% for the current quarter as compared to previous year corresponding quarter. Consecutively, the hotel segment registered segment losses for the current quarter. The deterioration was mainly due the lower occupancy rate as a result of the implementation a nationwide Movement Control Order since 2020.

**16. Variance of the results against the immediate preceding quarter**

The Group recorded a loss before tax of RM16.858 million for the current quarter as compared to the loss before tax of RM12.707 million for the immediate preceding quarter ended 31 December 2020. Management attributes the resulted in loss before tax was mainly due to net unrealised foreign exchange losses in USD against MYR/IDR of RM10.268 million and loss on crude palm oil pricing swap of RM7.486 million during the current quarter under review.

**17. Prospects**

**Plantation segment**

Given the recent spike in CPO and PK prices, the Group's plantation segment is expected to register an improved result for the financial year 2021. There are significant revenue and profit contribution from the Group's plantation operations in Indonesia as most of the plantation areas are matured and the rest reaching maturity stage.

**Hotel segment**

The prospect of the hotel segment is expected to be extremely challenging due to the Coronavirus pandemic which the Sabah State Government is continue to restrict all flights from overseas to Sabah. Currently, the hotel is operating under a stricter standard operating procedures to curb growing Covid-19 infection as ruled out by Ministry of Health Malaysia. Nonetheless, the Management of hotel segment is proactively taking cost cutting measures to lower down operating cost and to offer special room rates to moderate the overall impacts.

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**18. Profit forecast**

Not applicable.

**19. Loss for the period**

Loss for the period is arrived at after charging/(crediting):

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 31/03/2021 RM'000	Preceding Year Corresponding Quarter Ended 31/03/2020 RM'000	Current Year- To-Date Ended 31/03/2021 RM'000	Preceding Year Corresponding Period Ended 31/03/2020 RM'000
Amortisation and depreciation	13,869	13,190	13,869	13,190
Loss/(gain) on crude palm oil pricing swap	7,486	(12,260)	7,486	(12,260)
Interest income	(18)	(627)	(18)	(627)
Other income	(1,520)	(1,257)	(1,520)	(1,257)
Net gain on disposal of property, plant and equipment	-	(4)	-	(4)
Net unrealised loss on foreign exchange	10,268	44,262	10,268	44,262
Property, plant and equipment written off	37	221	37	221

Save as disclosed above, the other items as required under Appendix 9B, Part A(16) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

**20. Income tax expense/(benefit)**

Income tax benefit comprises :-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 31/03/2021 RM'000	Preceding Year Corresponding Quarter Ended 31/03/2020 RM'000	Current Year- To-Date Ended 31/03/2021 RM'000	Preceding Year Corresponding Period Ended 31/03/2020 RM'000
Tax expense for the period:				
- Malaysian Income Tax	398	455	398	455
- relating to origination and reversal of temporary differences	(731)	(1,816)	(731)	(1,816)
	(333)	(1,361)	(333)	(1,361)
Under provided in prior years:				
- Deferred taxation	(18)	(370)	(18)	(370)
	(315)	(1,731)	(315)	(1,731)

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**21. Status of corporate proposals**

There were no other corporate proposals which were announced but not completed as at 29 June 2021.

**22. Group's borrowings and debt securities**

Particulars of the Group's borrowings as at 31 March 2021 are as follows :-

	<b>Secured RM'000</b>
<b>Short term borrowings</b>	
Revolving credits	163,681
Bankers' acceptance	8,487
Bank overdraft	13,531
Term loans	115,910
	<hr/>
Hire purchase and lease payables	1,295
<b>Sub-total</b>	<hr/> <b>302,904</b> <hr/>
	<b>Secured RM'000</b>
<b>Long term borrowings</b>	
Term loan	142,529
Hire purchase and lease payables	2,158
<b>Sub-total</b>	<hr/> <b>144,687</b> <hr/>
<b>Total Borrowings</b>	<hr/> <b>447,591</b> <hr/>

All borrowings are denominated in Ringgit Malaysia, except for the following borrowings:

	<b>Foreign Currencies USD'000</b>	<b>RM Equivalent RM'000</b>
USD – Revolving credit @ 4.146	25,752	106,768
USD – Term loan @ 4.146	21,000	87,066
		<hr/>
		<b>193,834</b> <hr/>

There are no debt securities issued as at 31 March 2021.

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**23. Financial Instruments**

(a) Fair Value of Financial Instruments

The following hierarchies were applied to determine the fair value of all the financial instruments carried at fair value:

- (i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at 31 March 2021, there were no outstanding derivatives (including financial instruments designated as hedging derivatives).

(b) Derivative Financial Instruments

The Group entered into Crude Palm Oil (“CPO”) pricing swap contracts offered by certain reputable banks in Malaysia to mitigate the exposure to fluctuations in the price of CPO in accordance with the guidelines set by the Management.

As at the date of the statement of financial position, the outstanding notional volume and value of the CPO pricing swap contracts and their fair value are as follows:

<u>CPO pricing swap contracts</u>	Notional volume outstanding as at the date of statement of financial position (Metric tonnes)	Notional value outstanding as at the date of statement of financial position (RM'000)	Fair value of derivative financial liability (RM'000)
- Less than 1 year	16,000	45,448	9,143
- 1 year to 3 years	-	-	-
- More than 3 years	-	-	-

(c) Gains or Losses Arising From Fair Value Changes of Financial Instruments

As of 31 March 2021, the Group recognised a fair value loss of approximately RM0.179 million on the CPO pricing swap contracts.

The fair value change is due to the difference between fixed CPO prices as per the swap contracts and the average future CPO prices quoted on the Bursa Malaysia Derivative Exchange for the specific contracted periods.

Fair value gain is recorded when the average future CPO prices quoted on the Bursa Malaysia Derivative Exchange is lower than the contracted fixed CPO prices. Conversely, a fair value loss will be recorded when the average future CPO prices quoted on the Bursa Malaysia Derivative Exchange are higher than the contracted fixed CPO prices.

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**24. Changes in material litigation**

There was no pending material litigation as at 23 June 2021, being a date not earlier than 7 days from the date of the quarterly report.

**25. Proposed dividend**

No dividend was proposed for the current period.

**26. Loss per share**

**(a) Basic**

Basic loss per share amounts are calculated by dividing the net loss for the period by the weighted average number of ordinary shares in issue during the period excluding treasury shares held by the Company.

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year Quarter Ended 31/03/2021 RM'000</b>	<b>Preceding Year Corresponding Quarter Ended 31/03/2020 RM'000</b>	<b>Current Year- To-Date Ended 31/03/2021 RM'000</b>	<b>Preceding Year Corresponding Period Ended 31/03/2020 RM'000</b>
(a) Loss attributable to equity holders of the parent	(12,541)	(29,539)	(12,541)	(29,539)
(b) Weighted average number of shares	116,863	116,863	116,863	116,864
(c) Basic loss per share (sen)	(10.73)	(25.38)	(10.73)	(25.38)

**(b) Diluted**

The Group has no potential ordinary shares in issue as at end of current quarter and therefore, diluted earnings per share has not been presented.

**27. Net assets per share attributable to equity holders of the parent**

The net assets per share attributable to equity holders of the parent is calculated by dividing the total equity attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the period excluding treasury shares as at end of current quarter.

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**28. Authorisation for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 29 June 2021.

By Order of the Board  
Dorothy Luk Wei Kam  
Company Secretary  
Kota Kinabalu, Sabah  
29 June 2021