

QUARTERLY REPORT

This is a quarterly report on consolidated results for the financial quarter ended 30 September 2021

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2021**

	INDIVIDUAL QUARTER		CUMULATIVE	
	Current Year Quarter Ended 30.09.2021 RM '000	Preceding Year Quarter Ended 30.09.2020 RM '000	Current Year To Date 30.09.2021 RM '000	Preceding Year To Date 30.09.2020 RM '000
Revenue	46,797	34,723	157,147	135,253
Operating Expenses	(35,893)	(26,564)	(130,240)	(114,161)
	<u>10,904</u>	<u>8,159</u>	<u>26,907</u>	<u>21,092</u>
Other Operating Income	550	438	18,836	3,341
Administrative Expenses	(5,931)	(4,523)	(19,791)	(28,786)
Other Expenses	-	(27,193)	-	(37,061)
Finance Cost	(1,316)	(1,380)	(4,695)	(4,138)
Profit / (Loss) before taxation	<u>4,207</u>	<u>(24,499)</u>	<u>21,257</u>	<u>(45,552)</u>
Taxation	324	(22,990)	(2,698)	(15,318)
Profit / (Loss) for the period	<u>4,531</u>	<u>(47,489)</u>	<u>18,559</u>	<u>(60,870)</u>
Other comprehensive income:				
Currency translation differences	588	(1,819)	578	294
Total Comprehensive income for the period	<u>5,119</u>	<u>(49,308)</u>	<u>19,137</u>	<u>(60,576)</u>
Profit / (Loss) attributable to:				
Shareholders of the parent	3,336	(48,866)	16,082	(64,702)
Non-controlling interests	1,195	1,377	2,477	3,832
Profit / (Loss) for the period	<u>4,531</u>	<u>(47,489)</u>	<u>18,559</u>	<u>(60,870)</u>
Total comprehensive income / (expenses) attributable to:				
Shareholders of the parent	3,924	(50,685)	16,660	(64,408)
Non-controlling interests	1,195	1,377	2,477	3,832
Total Comprehensive income / (expenses) for the period	<u>5,119</u>	<u>(49,308)</u>	<u>19,137</u>	<u>(60,576)</u>
Earnings per share attributable to equity holders of the parent (sen)				
Basic	0.07	-1.26	0.40	-1.68
Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited consolidated results of the Group for the financial year ended 30 September 2020)

QUARTERLY REPORT

This is a quarterly report on consolidated results for the financial quarter ended 30 September 2021

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	UNAUDITED AS AT 30.09.2021	AUDITED AS AT 30.09.2020
	RM'000	RM'000
ASSETS		
Non Current Assets		
Property, plant and equipment	215,363	224,320
Right-of-use assets	4,401	8,204
Intangible assets	19,856	19,856
Deferred tax assets	5,063	8,290
	<u>244,683</u>	<u>260,670</u>
Current Assets		
Inventories	10,348	8,791
Trade and other receivables	31,162	28,498
Tax recoverable	984	881
Cash and cash equivalents	16,313	18,566
	<u>58,807</u>	<u>56,736</u>
TOTAL ASSETS	<u>303,490</u>	<u>317,406</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	238,293	222,588
Treasury shares	(4,192)	(4,192)
Reserves	(74,707)	(91,366)
Total equity attributable to shareholders of the parent	<u>159,394</u>	<u>127,030</u>
Non-controlling interests	11,614	9,136
Total equity	<u>171,008</u>	<u>136,166</u>
Non-current liabilities		
Long term borrowings	34,228	39,678
Other payables	4,452	4,631
Deferred tax liabilities	13,589	17,900
	<u>52,269</u>	<u>62,209</u>
Current Liabilities		
Short term borrowings	36,223	42,430
Trade & other payables	39,039	63,621
Taxation	4,951	12,980
	<u>80,213</u>	<u>119,031</u>
Total liabilities	<u>132,482</u>	<u>181,240</u>
TOTAL EQUITY AND LIABILITIES	<u>303,490</u>	<u>317,406</u>
Net assets per share (RM)	0.04	0.035

(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited consolidated results of the Group for the financial year ended 30 September 2020)

QUARTERLY REPORT

This is a quarterly report on consolidated results for the financial quarter ended 30 September 2021

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

	12 MONTHS ENDED	12 MONTHS ENDED
	30.09.2021	30.09.2020
	RM'000	RM'000
(Loss)/ Profit before taxation	21,257	(45,552)
Adjustments for :-		
Non-operating items	25,325	55,722
Interest expenses	4,695	4,138
Interest income	(338)	(396)
Cash from operating activities before working capital changes	<u>50,939</u>	<u>13,912</u>
Net change in current assets	(4,222)	6,371
Net change in current liabilities	(35,174)	16,288
Tax (paid)/ refunded	(2,434)	(3,003)
Interest paid	(4,695)	(315)
Net cash generated from operating activities	<u>4,414</u>	<u>33,253</u>
Investing activities		
Purchase of property, plant and equipment	(8,633)	(44,411)
Proceeds from sales of property, plant and equipment	266	3,080
Interest received	338	396
Net cash used in investing activities	<u>(8,029)</u>	<u>(40,935)</u>
Financing activities		
Proceeds from bank borrowings	7,620	7,616
Repayment of bank borrowings	(16,521)	(6,860)
Proceeds from capital raising exercises	15,705	2,000
Expenses relating to capital raising	(244)	-
Net cash generated from financing activities	<u>6,560</u>	<u>2,756</u>
Net changes in cash and cash equivalents	2,945	(4,926)
Cash and cash equivalents at beginning of financial period	12,586	16,728
Effects of Exchange Rate Changes	(2,653)	784
Cash and cash equivalents at end of the financial period	<u>12,878</u>	<u>12,586</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Cash and bank balances	16,313	18,566
Bank overdraft	(3,435)	(5,980)
Cash and cash equivalents	<u>12,878</u>	<u>12,586</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited consolidated results of the Group for the financial year ended 30 September 2020)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2021

< ----- Attributable to Shareholders of the Parent ----- >

	Share capital	Warrant reserve	Treasury shares	Translation reserves	Capital reserves	RCN reserves	Retained Profit	Non-Controlling interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
12 MONTHS ENDED 30 SEP 2020									
At 1 October 2019	218,538	118,094	(4,192)	(14,583)	(86,027)	358	(44,442)	5,304	193,050
Conversion of RCN	4,050					(358)			3,692
Expiry of Warrants A		(75,298)			75,298				-
Total comprehensive income for the period				294			(64,702)	3,832	(60,576)
At 30 September 2020	<u>222,588</u>	<u>42,796</u>	<u>(4,192)</u>	<u>(14,289)</u>	<u>(10,729)</u>	<u>-</u>	<u>(109,144)</u>	<u>9,136</u>	<u>136,166</u>
12 MONTHS ENDED 30 SEP 2021									
At 1 October 2020	222,588	42,796	(4,192)	(14,289)	(10,728)	-	(109,145)	9,136	136,166
Expiry of Warrants B		(15,396)			15,396				-
Private Placement	15,705								15,705
Total comprehensive income for the period				578			16,082	2,477	19,137
At 30 September 2021	<u>238,293</u>	<u>27,400</u>	<u>(4,192)</u>	<u>(13,711)</u>	<u>4,668</u>	<u>-</u>	<u>(93,063)</u>	<u>11,613</u>	<u>171,008</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited consolidated results of the Group for the financial year ended 30 September 2020)

NOTES TO THE INTERIM FINANCIAL REPORT – FRS 134

A1. Basis of preparation

The Interim Financial Report of the Group are unaudited and have been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board, and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

These unaudited condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. These condensed consolidated interim financial statements should be read in conjunction with the annual audited financial statements of Hubline Berhad and its subsidiaries for the financial year ended 30 September 2020.

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the financial statements for the year ended 30 September 2020.

A2. Auditors' report on preceding Annual Financial Statements

The auditors' report on the Group's financial statements for the year ended 30 September 2020 was not qualified but contained a paragraph on material uncertainty related to going concern as follows:

"We draw attention to Note 4 to the financial statements, which indicates that the Group incurred a net loss of RM60,869,933 during the financial year ended 30 September 2020 and, as of that date, the Group's current liabilities exceeded its current assets by RM62,294,772. These events indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

In assessing the appropriateness of the use of the going concern assumption, management have considered the Group's cash flow forecast for the financial year ending 30 September 2021 as well as other factors enumerated in Note 4 to the financial statements.

In view of the above, barring any unforeseen circumstances, management has a reasonable expectation that the Group have adequate resources to continue as a going concern for the foreseeable future. Accordingly, the financial statements of the Group have been prepared on the going concern basis.

Our opinion is not modified in respect of this matter."

A3. Seasonality or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

A4. Material and unusual items

There were no exceptional items in the quarterly financial statement under review.

A5. Changes in estimates

There were no changes in the estimates of amounts, which give a material effect in the current interim period.

A6. Debts and equity securities

There were no issuances, cancellations, repurchases, resale of debts and equity securities during the financial period under review.

A7. Dividend

No dividends have been declared or paid for the current financial period to date.

A8. Segmental Information

Segmental information for the 12 months ended 30 September 2021

	Shipping & Related Activities RM'000	Aviation & Related Activities RM'000	HQ & Related Overheads RM'000	Group RM'000
Revenue				
External sales	104,071	53,076	-	157,147
Total revenue	104,071	53,076	-	157,147
Results				
Gross profit	10,595	16,312	-	26,907
Interest & other income	2,667	-	16,169	18,836
Administrative costs	(4,947)	(10,019)	(4,825)	(19,791)
Finance cost	(1,352)	(1,094)	(2,249)	(4,695)
Segment (loss)/profit before taxation	6,963	5,199	9,095	21,257

Segmental information for the 12 months ended 30 September 2020

	Shipping & Related Activities RM'000	Aviation & Related Activities RM'000	HQ & Related Overheads RM'000	Discontinued Operations RM'000	Group RM'000
Revenue					
External sales	80,557	54,696	-	-	135,253
Total revenue	80,557	54,696	-	-	135,253
Results					
Gross profit	226	20,866	-	-	21,092
Interest & other income	2,452	889	-	-	3,341
Administrative costs	(5,995)	(13,062)	(9,729)	-	(28,786)
Finance cost	(797)	(648)	(250)	(2,443)	(4,138)
Other expenses	-	-	-	(37,061)	(37,061)
Segment (loss)/profit before taxation	(4,114)	8,045	(9,979)	(39,504)	(45,552)

A9. Profit before tax

The following items have been included in arriving at profit/loss before tax:

	INDIVIDUAL QUARTER		CUMULATIVE	
	Current Year Quarter Ended 30.09.2021 RM '000	Preceding Year Quarter Ended 30.09.2020 RM '000	Current Year To Date 30.09.2021 RM '000	Preceding Year To Date 30.09.2020 RM '000
Interest income	7	2	338	396
Other income	234	245	18,494	2,858
Foreign exchange gains/(losses) (net)	124	318	(347)	(746)
Depreciation and amortisation	(7,862)	(6,770)	(21,702)	(21,538)

A10. Valuations of property, plant and equipment

The valuations of property, plant and equipment have been brought forward, without amendment from the most recent annual audited financial statements.

A11. Subsequent material events

There were no material events subsequent to the end of the current quarter up to the date of this report.

A12. Changes in composition of the Company

There was no change in the composition of the Group during the current quarter under review.

A13. Changes in contingent liabilities or contingent assets

The contingent liabilities of the Company are as follows:

	RM'000
Corporate Guarantees given to financial institutions and third parties for credit facilities provided to subsidiaries	<u>38,243</u>

A14. Related Party Transactions

	3 Months ended 30.09.2021 RM'000	3 Months Ended 30.09.2020 RM'000	12 Months Ended 30.09.2021 RM'000	12 Months Ended 30.09.2020 RM'000
A Company in which a director is also the key management personnel				
Rental of premises	<u>103</u>	<u>129</u>	<u>413</u>	<u>516</u>

A15. Capital Commitment

	RM
Amount approved and committed	4.77 million
Amount approved and not committed	<u>. NIL .</u>
Total	<u>4.77 million</u>

B EXPLANATORY NOTES OF BURSA MALAYSIA LISTING REQUIREMENTS

B1. Review of performance

	INDIVIDUAL QUARTER			CUMULATIVE		
	Current Year Quarter 30.09.2021 RM '000	Preceding Year Quarter 30.09.2020 RM '000	Changes RM '000	Current Year To Date 30.09.2021 RM '000	Preceding Year To Date 30.09.2020 RM '000	Changes RM '000
Revenue	46,797	34,723	12,074	157,147	135,253	21,894
Operating Profit	10,904	8,159	2,745	26,907	21,092	5,815
(Loss)/Profit before Interest, Tax, Depreciation, and Amortisation (EBITDA)	13,385	10,844	2,541	47,654	15,748	31,906
Profit/(Loss) Before Tax	4,207	(24,499)	28,706	21,257	(45,552)	66,809
Profit/(Loss) After Tax	4,531	(47,489)	52,020	18,559	(60,870)	79,429

- Group revenue for the quarter ended 30 September 2021 was RM 46.80 million compared to RM 34.72 million in the corresponding period of the previous year. The improvement of RM 12.08 million were contributed as follows:
 - Our drybulk segment revenue increased by RM 13.75 million from RM 19.43 million to RM 33.18 million. This was due to the improved number of shipments performed as well as improved freight rates. The Group managed to increase efficiencies by decreasing turnaround times to enable the improvement of shipments. Coupled with the increase in freight rates these have resulted in the increase in dry bulk revenue.
 - Aircraft and helicopter charters fell by RM 1.37 million in the current quarter when compared to the same quarter last year. Further, student fee revenue fell by RM 0.3 million this quarter when compared to the preceding year quarter which caused the RM 1.67 million drop in revenue by this segment. The fall in helicopter charters and student fee revenue was the result the Movement Control Order (“MCO”) in relation to the COVID-19 pandemic.
- Operating profit for both the quarter under review and the current cumulative year to date up to 30 September 2021 were higher when compared to the corresponding period of the previous year. The improvement of RM 2.75 million in the quarter results were contributed as follows:
 - Our drybulk segment had improved by RM 4.72 million when compared to the same quarter last year. In the September 2020 quarter, the drybulk segment recorded an operating loss of RM 0.29 million compared to an operating profit of RM 4.43 million in September 2021 quarter. This was despite the provision for impairment of a vessel of RM 3.0 million in the current quarter. This improvement in operating profit was attributed to the increase in freight rates as well as the efficiency in turnaround times that the operations team has managed to perform.
 - The operating profit of our aviation segment fell in the current quarter by RM 1.96 million when compared to the same quarter last year. The decrease in operating profit from this segment was due to the reduction in revenue as explained above.
- The Group’s EBITDA for the current quarter was RM 13.39 million compared to RM 10.84 million in the same quarter last year. The improved EBITDA was due to the improved revenue as mentioned above.

B2. Comparison with preceding quarter's results

	Current Year Quarter 30.09.2021 RM '000	Immediate Preceding Quarter 30.06.2021 RM '000	Changes Amount RM '000
Revenue	46,797	40,462	6,335
Operating Profit	10,904	6,136	4,768
Profit/(Loss) before Interest, Tax, Depreciation, and Amortisation (EBITDA)	13,385	7,325	6,060
Profit / (Loss) Before Tax	4,207	1,472	2,735
Profit / (Loss) Profit After Tax	4,531	535	3,996

- Overall revenue has improved by RM 6.33 million during the September 2021 quarter increasing to RM 46.80 million this quarter from RM 40.46 million in the previous quarter.
 - The dry bulk segment contributed a total of RM 33.18 million in revenue during the quarter as compared to RM 26.17 million in the preceding quarter, an improvement of RM 7.01 million. Freight rates have continued to increase due to the shortage of vessels to carry such cargo within the South East Asian region.
 - Revenue contributed by the aviation segment fell by RM 0.68 million during the quarter. Their revenue fell from RM 14.30 million to RM 13.62 million this quarter. Both general aviation and student fee revenue fell between the two quarters, with the majority of the decrease due to reduced student fee revenue.
- Operating profit had improved by RM 4.77 million from RM 6.14 million to RM 10.90 million. This improvement were contributed as follows:
 - Our drybulk segment had improved by RM 1.80 million when compared to the previous quarter. In the previous quarter, the drybulk segment recorded an operating profit of RM 2.63 million compared to RM 4.43 million in September 2021 quarter. This was despite the provision for impairment of a vessel of RM 3.0 million in the current quarter. This improvement in operating profit was attributed to the continued upward trend in freight rates.
 - Our aviation segment had also improved by RM 2.97 million between the previous quarter and the September 2021 quarter. The improvement was mainly due to the reduction in maintenance costs, allowances for staff and students and reduction in instructor payroll due to lesser instructors.
- EBITDA in the current quarter was RM 13.39 million as compared to RM 7.33 million in the immediate preceding quarter. This was due to the improvement in revenue during the quarter.

B3. Commentary on Prospects

The Group's dry bulk business has continued to show improvement with the steady increase in vessel utilization and freight rates. This is despite the increases in bunker prices by 55% year on year which has dampened the segment's results. The Group expects to continue its performance thereby contributing to an improved profitability.

As for the aviation segment, notwithstanding the current poor economic conditions and the reduction in student fee revenue, the Group has improved its fixed wing and helicopter charters. We are confident that this segment will be able to improve its results for our flying school once the continued Movement Control Order ("MCO") due to COVID-19 is lifted. For general aviation, we expect improvement in our results from higher demand for our fleet.

The Group continues to strive to achieve our objective to expand our business in all our operating segments so as to enable the Group in achieving better profitability in the longer term.

B4. Profit Forecast / Profit Guarantee

Not applicable as the Group did not issue any profit forecast and /or profit guarantee for the quarter.

B5. Taxation

	3 Months Ended 30.09.2021 RM'000	3 Months Ended 30.09.2020 RM'000	12 Months Ended 30.09.2021 RM'000	12 Months Ended 30.09.2020 RM'000
Income tax charge				
- current period	(1,623)	(2,649)	(3,781)	(489)
- under provision of prior period	-	(16,454)	-	(10,284)
Deferred taxation	1,947	(3,887)	1,083	(4,545)
	<u>324</u>	<u>(22,990)</u>	<u>(2,698)</u>	<u>(15,318)</u>

Domestic current income tax is calculated at the statutory tax rate of 24% (2019: 24%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

B6. Sales of unquoted investment and/or properties

There are no sales of unquoted investment and/or properties during the current quarter and financial year to date.

B7. Purchase or disposal of quoted securities

There was no purchase or disposal of quoted securities during the current quarter.

B8. Status of corporate proposals

Save for the following, there were no other corporate proposals announced by the Company which were pending completion as at 24 November 2021, being the latest practical date, which is not earlier than 7 days from the date of issue of this report.

(i) Redeemable Convertible Notes program ("RCN")

The RCN Program which was approved at the EGM held on 23 October 2018 had all conditions precedent to the Subscription Agreement satisfied by 14 January 2019.

HUBLINE BERHAD
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As at 24 November 2021, the status of the utilisation of the gross proceeds received from the RCN is as follows:

Purpose	Approved Amount RM'000	Drawdown & Actual Utilisation RM'000	Intended Timeframe for Utilisation	Deviation Amount %	Explanations (if deviation is 5% or more)
(i) Repayment of borrowings	70,000	4,449	Within 3 years of drawdown	Note A	Note A
(ii) Capital expenditure (acquisition of tugs, barges and vessels)	95,000	-	Within 5 years of drawdown	Note A	Note A
(iii) Working capital	25,000	624	Within 5 years of drawdown	Note A	Note A
(iv) Estimated expenses in relation to RCN	10,000	927	Within 1 month of drawdown	Note A	Note A
TOTAL	200,000	6,000			

Note A: The RCN program is a 5 year programme that covers up to the period ended 18 February 2024. While not all proceeds have been drawn down, the Group expects it to be utilised within the timeframe provided. Actual utilisation disclosed above is within the proposed utilisation range for the full RCN issued of RM 6.0 million and the Group does not expect any material deviation as at the date of this quarterly report.

(ii) Private Placement

On 22 February 2021, the Company announced a proposed private placement of up to 390,003,014 new Hubline shares representing approximately 10% of the Company's total number of issued shares.

Submission of the listing application was made to Bursa Malaysia on 1 March 2021 and approval was received from Bursa Malaysia on 11 March 2021.

The Private Placement was successfully completed on 9 September 2021 with full subscription raising a total RM 15.704 million for the Group.

As at 24 November 2021, all proceeds from the Private Placement have been fully utilised as follows:

Purpose	Expected Proceeds RM'000	Actual Proceeds Received RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation	Deviation Amount %	Explanations (if deviation is 5% or more)
(i) Partial repayment of borrowings	9,000	8,630	8,630	Within 12 months from receipt of funds	-	N/A
(ii) Working capital	7,207	6,904	6,904	Within 12 months from receipt of funds	-	N/A
(iii) Estimated expenses in relation to Private Placement	170	170	170	Within 1 month from receipt of funds	-	N/A
TOTAL	16,377	15,704	15,704			

B9. Group borrowings and debt securities

As at 4 th quarter ended 30 September 2021						
Secured	Short term		Long term		Total borrowings	
	Foreign denomination (RM '000)^	RM denomination (RM '000)	Foreign denomination (RM '000)^	RM denomination (RM '000)	Foreign denomination (RM '000)^	RM denomination (RM '000)
Overdraft		3,435				3,435
Invoice Financing	9,073	14,186			9,073	14,186
Term Loan		9,247		33,902		43,149
Hire Purchase		282		326		608
Total	9,073	27,150		34,228	9,073	61,378
Grand Total	36,223		34,228		70,451	

^ Loan is denominated in USD. As at 30 September 2021, the total balance outstanding was USD 2.167 million. Exchange rate used to convert to RM was 4.1870.

As at 4 th quarter ended 30 September 2020						
Secured	Short term		Long term		Total borrowings	
	Foreign denomination (RM '000)^	RM denomination (RM '000)	Foreign denomination (RM '000)^	RM denomination (RM '000)	Foreign denomination (RM '000)^	RM denomination (RM '000)
Overdraft		5,137				5,137
Invoice Financing		20,037				20,037
Term Loan	8,428	5,131		39,678	8,428	44,809
Hire Purchase		3,697				3,697
Total	8,428	34,002		39,678	8,428	73,680
Grand Total	42,430		39,678		82,108	

^ Loan is denominated in USD. As at 30 September 2020, the total balance outstanding was USD 2.03 million. Exchange rate used to convert to RM was 4.1555.

Borrowings decreased by RM 11.66 million from RM 82.11 million on 30 September 2020 compared to RM 70.45 million this quarter. The decrease was due to repayments of term loans and hire purchases during year as well as reduction in overdraft facility.

The average weighted interest rate of borrowings for the Group is 5.5% per annum.

The Group's foreign currency debt is denominated in USD and is not hedged to RM. Our view is that while we are exposed to some foreign currency volatility in the short term, the impact is not significant in the long term, especially where our Group's freight income is mainly in USD. Furthermore, hedging is costly and can introduce unwanted leverage to the Group.

The exchange rate used to convert USD borrowings is based on the 5pm USD exchange rate on the last business day of the quarter as announced by Bank Negara Malaysia and the current quarter's exchange rate has been quoted above.

B10. Off balance sheet financial instruments

There are no financial instruments with off balance sheet risk at the date of this quarterly report.

B11. Derivatives

There were no derivatives entered into by the Group as at the end of the quarter under review.

B12. Gains/losses arising from fair value changes of financial liabilities

There were no gains/losses arising from the fair value changes of financial liabilities.

B13. Material litigation

As at the date of this report, Hubline and its subsidiaries, are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and do not know of any proceedings pending or threatened or of any fact which may materially affect their income from, title to or possession of any of their assets and /or businesses.

B14. Dividend declared

The Directors do not recommend any dividend for the quarter under review.

B15. Earnings per share

(a) Basic

Basic earnings per share are calculated by dividing the net profit for the quarter/year by the weighted average number of ordinary shares in issue.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 30.09.2021	Quarter Ended 30.09.2020	Year to Date ended 30.09.2021	Year to Date ended 30.09.2020
Net profit / (loss) attributable to equity holders of the parent (RM'000)	3,336	(48,866)	16,082	(64,702)
Weighted average no. of ordinary shares ('000)	4,529,207	3,891,878	4,064,535	3,840,879
Basic earnings per share attributable to equity holders of the parent (sen)	0.07	(1.26)	0.40	(1.68)

(b) Diluted

The diluted earnings per share are not shown as the effect of the warrants on the basic earnings per share is anti-dilutive.

B16. Authority for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 30 November 2021.