

INTERIM FINANCIAL REPORT FOR THE 1ST QUARTER ENDED 30.6.2018

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30.6.2018 (UNAUDITED)

Table 1: Financial review for current quarter and financial year to date

	INDIVIDUAL QUARTER				CUMULATIVE QUARTERS				
	% increase against last period	CURRENT YEAR		CORRESPONDING YEAR	% increase against last period	CURRENT YEAR		CORRESPONDING PERIOD	
		1ST QUARTER 1.4.2018 to 30.6.2018		1ST QUARTER 1.4.2017 to 30.6.2017		TO-DATE 1.4.2018 to 30.6.2018		1.4.2017 to 30.6.2017	
	RM'000		RM'000 Restated		RM'000		RM'000 Restated		
Revenue	5%	816,175		778,473	5%	816,175		778,473	
Operating Profit	6%	94,494		89,377	6%	94,494		89,377	
Depreciation and amortisation	8%	(34,493)		(32,067)	8%	(34,493)		(32,067)	
Interest income	131%	1,886		817	131%	1,886		817	
Finance costs	23%	(13,055)		(10,593)	23%	(13,055)		(10,593)	
Share of profit of associates (net)		2,346		2,229		2,346		2,229	
Profit Before Taxation	3%	51,178		49,763	2.8%	51,178		49,763	
Less: Tax expense		(7,522)	(Effective tax rate) 14.7%	(6,271)		(7,522)	(Effective tax rate) 14.7%	(6,271)	(Effective tax rate) 12.6%
Profit for the period	0.4%	43,656		43,492	0.4%	43,656		43,492	
Attributable to:									
Shareholders of the Company	4%	43,862		42,032	4%	43,862		42,032	
Minority interests		(206)	-0.40% (% against PBT)	1,460		(206)	-0.40% (% against PBT)	1,460	2.93% (% against PBT)
Profit for the period		43,656		43,492		43,656		43,492	
Number of shares in issue ('000)		1,622,438		1,622,438		1,622,438		1,622,438	
Earnings per share:									
Basic earnings per ordinary shares (sen)	4%	2.70		2.59	4%	2.70		2.59	
Diluted earnings per ordinary shares (sen)		NA		NA		NA		NA	

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for year ended 31 March 2018 and the accompanying explanatory notes attached to this interim financial statements.
Note: NA denotes "Not Applicable"

INTERIM FINANCIAL REPORT FOR THE 1ST QUARTER ENDED 30.6.2018

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30.6.2018 (UNAUDITED)

Table 2: Financial review for current quarter compared with immediate preceding quarter

		CURRENT QUARTER		PRECEDING QUARTER
	% increase against last period	1ST QUARTER 1.4.2018 to 30.6.2018 RM'000		4TH QUARTER 1.1.2018 to 31.3.2018 RM'000 Restated
Revenue	4%	816,175		784,427
Operating Profit	18%	94,494		80,149
Depreciation and amortisation	1%	(34,493)		(34,307)
Interest income	0%	1,886		1,886
Finance costs	57%	(13,055)		(8,336)
Share of profit of associates (net)		2,346		3,438
Profit Before Taxation	19%	51,178		42,830
Less: Tax expense		(7,522)	(Effective tax rate) 14.7%	(7,494)
Profit for the period	24%	43,656		35,336
Attributable to:				
Shareholders of the Company	26%	43,862		34,852
Minority interests		(206)	-0.40% (% against PBT)	484
Profit for the period		43,656		35,336
Number of shares in issue ('000)		1,622,438		1,622,438
Earnings per share:				
Basic earnings per ordinary shares (sen)	26%	2.70		2.15
Diluted earnings per ordinary shares (sen)		NA		NA

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for year ended 31 March 2018 and the accompanying explanatory notes attached to this interim financial statements.

Note: NA denotes "Not Applicable"

INTERIM FINANCIAL REPORT FOR THE 1ST QUARTER ENDED 30.6.2018

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30.6.2018 (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT YEAR	CORRESPONDING YEAR	CURRENT YEAR	CORRESPONDING YEAR
	1ST QUARTER 1.4.2018 to 30.6.2018 RM'000	1ST QUARTER 1.4.2017 to 30.6.2017 RM'000	TO-DATE 1.4.2018 to 30.6.2018 RM'000	1.4.2017 to 30.6.2017 RM'000
		Restated		Restated
Profit for the period	43,656	43,492	43,656	43,492
Other comprehensive income/(loss), net of tax:				
Foreign currency translation differences for foreign operations	(1,581)	(11,659)	(1,581)	(11,659)
Fair value of available-for-sale financial assets	-	(59)	-	(59)
Share of gain/(loss) of equity-accounted associates	(1,130)	533	(1,130)	533
Cash Flow Hedge	17,503	(5,652)	17,503	(5,652)
Total comprehensive income for the period	58,448	26,655	58,448	26,655
Total comprehensive income attributable to:				
Shareholders of the Company	63,281	30,683	63,281	30,683
Minority interests	(4,833)	(4,028)	(4,833)	(4,028)
Total comprehensive income for the period	58,448	26,655	58,448	26,655

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for year ended 31 March 2018 and the accompanying explanatory notes attached to this interim financial statements.
Note: NA denotes "Not Applicable"

QL RESOURCES BERHAD (428915-X)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE 1ST QUARTER ENDED 30.6.2018

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30.6.2018 RM'000 Unaudited		As at 31.3.2018 RM'000 Restated		As at 1.4.2017 RM'000 Restated
ASSETS					
Property, plant and equipment	1,810,447		1,800,007		1,675,590
Investment properties	25,727		22,732		23,671
Prepaid lease payments	56,996		57,600		57,777
Intangible assets	10,565		10,617		11,067
Investment in associates	132,952		131,258		116,156
Deferred tax assets	18,290		2,172		799
Other receivables	6,715		10,033		8,056
Total non-current assets	2,061,692		2,034,419		1,893,116
Current Assets					
Biological assets	160,826		168,480		157,692
Inventories	62 days 452,761	53 days	376,289	60 days	405,728
Current tax assets	20,324		25,273		15,963
Trade receivables	36 days 320,270	35 days	311,936	37 days	307,280
Other receivables, assets and prepayment	130,012		92,678		98,968
Derivative financial assets	81		242		6,894
Cash and cash equivalents	307,753		304,028		306,907
Assets classified as held for sale	9,095		7,043		110
Total Assets	3,462,814		3,320,388		3,192,658
EQUITY AND LIABILITIES					
Equity					
Share capital	620,025		620,025		620,025
Reserves	1,246,518		1,183,237		1,153,416
Equity attributable to shareholders of the Company	1,866,543		1,803,262		1,773,441
Minority interests	70,535		75,368		71,242
Total Equity	1,937,078		1,878,630		1,844,683
Non-current liabilities					
Long term borrowings (LT Debts/Total Equity)	24% 473,268	29%	548,204	19%	344,077
Payables	8		208		-
Employee benefits	6,594		6,282		4,483
Deferred tax liabilities	89,973		98,332		96,707
	569,843		653,026		445,267
Current Liabilities					
Short term-bankers acceptance	297,970		254,393		283,752
Other short term borrowings	341,694		211,527		295,959
Payables	292,903		283,040		313,394
Derivative financial liabilities	16,170		34,339		28
Taxation	7,156		5,433		9,575
	955,893		788,732		902,708
Total Liabilities	1,525,736		1,441,758		1,347,975
Total equity and liabilities	3,462,814		3,320,388		3,192,658
Net Assets per share (RM) Based on number of shares:('000)	1.15 1,622,438		1.11 1,622,438		1.09 1,622,438

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

QL RESOURCES BERHAD (428915-X)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE 1ST QUARTER ENDED 30.6.2018 (continued)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30.6.2018

	←-----Non-Distributable-----→				Distributable		Total Equity RM'000	
	Share capital RM'000	Translation reserves RM'000	Fair value reserves RM'000	Hedging reserve RM'000	Retained Profit RM'000	Attributable to shareholders of the Company RM'000		Non- controlling interests RM'000
3 months ended 30.6.2017								
At 1.4.2017, as previously reported	620,025	16,405	-	(2,303)	1,114,179	1,748,306	93,305	1,841,611
Effect of transition to MFRS Framework and adoption of new MFRSs (see Note A1)	-	(16,405)	-	-	41,540	25,135	(22,063)	3,072
At 1.4.2017, as restated	620,025	-	-	(2,303)	1,155,719	1,773,441	71,242	1,844,683
Foreign currency translation differences for foreign operations	-	(6,171)	-	-	-	(6,171)	(5,488)	(11,659)
Fair value of available-for-sale financial assets	-	-	(59)	-	-	(59)	-	(59)
Share on gain of equity-accounted associates	-	-	-	533	-	533	-	533
Cash flow hedge	-	-	-	(5,652)	-	(5,652)	-	(5,652)
Total other comprehensive income/(expenses) for the year	-	(6,171)	(59)	(5,119)	-	(11,349)	(5,488)	(16,837)
Profit for the year	-	-	-	-	42,032	42,032	1,460	43,492
Total comprehensive income/(expenses) for the period	-	(6,171)	(59)	(5,119)	42,032	30,683	(4,028)	26,655
<i>Contribution by and distributions to owners of the Company</i>								
- Dividends to owners of the Company	-	-	-	-	-	-	-	-
- Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-	-	-	-
At 30.6.2017	620,025	(6,171)	(59)	(7,422)	1,197,751	1,804,124	67,214	1,871,338

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

QL RESOURCES BERHAD (428915-X)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE 1ST QUARTER ENDED 30.6.2018

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30.6.2018

3 months ended 30.6.2018	<-----Non-Distributable----->			Distributable		Non-controlling interests RM'000	Total Equity RM'000
	Share capital RM'000	Translation reserves RM'000	Hedging reserve RM'000	Retained Profit RM'000	Attributable to shareholders of the Company RM'000		
At 1.4.2018, as previously reported	620,025	(88,801)	558	1,260,818	1,792,600	98,331	1,890,931
Effect of transition to MFRS Framework and adoption of new MFRSs (see Note A1)	-	(14,219)	-	24,881	10,662	(22,963)	(12,301)
At 1.4.2018, as restated	620,025	(103,020)	558	1,285,699	1,803,262	75,368	1,878,630
Foreign currency translation differences for foreign operations	-	3,046	-	-	3,046	(4,627)	(1,581)
Fair value of available-for-sale financial assets	-	-	-	-	-	-	-
Share on gain of equity-accounted associates	-	-	(1,130)	-	(1,130)	-	(1,130)
Cash flow hedge	-	-	17,503	-	17,503	-	17,503
Total other comprehensive income/(expenses) for the year	-	3,046	16,373	-	19,419	(4,627)	14,792
Profit for the year	-	-	-	43,862	43,862	(206)	43,656
Total comprehensive income/(expenses) for the period	-	3,046	16,373	43,862	63,281	(4,833)	58,448
<i>Contribution by and distributions to owners of the Company</i>							
- Dividends to owners of the Company	-	-	-	-	-	-	-
- Dividends paid to non-controlling interest	-	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-	-	-
At 30.6.2018	620,025	(99,974)	16,931	1,329,561	1,866,543	70,535	1,937,078

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for year ended 31 March 2018 and the accompanying explanatory notes attached to the interim financial statements.

QL RESOURCES BERHAD (428915-X)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE 1ST QUARTER ENDED 30.6.2018

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30.6.2018

	1st quarter ended 30.6.2018 RM'000	1st quarter ended 30.6.2017 RM'000 Restated
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	51,178	49,763
Adjustments for:		
Depreciation & amortisation	34,493	32,067
(Increase)/Decrease in working capital	(71,930)	(130,679)
Income tax paid	(4,161)	(6,750)
Fair value loss/(gain) arising from biological assets	(5,441)	(1,016)
Other non-cash items	442	6,538
Net cash generated from/(used in) operating activities	4,581	(50,077)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(47,609)	(56,600)
Others	604	-
Net cash generated from/(used in) investing activities	(47,005)	(56,600)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net borrowings	42,167	105,173
Special dividend paid to owners of the Company	-	(37,441)
Others	-	-
Net cash generated from/(used in) financing activities	42,167	67,732
Net increase in cash and cash equivalents	(257)	(38,945)
Cash and cash equivalents at 1.4.2018	282,285	281,580
Cash and cash equivalents at 30.6.2018	282,028	242,635

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for year ended 31 March 2018 and the accompanying explanatory notes attached to this interim financial statements.

NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

This interim financial information of QL Resources Berhad ('The Group') is prepared in accordance with the requirements of paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and complies with the requirements of the Malaysian Financial Reporting Standard ('MFRSs') No. 134 – Interim Financial Reporting.

The Unaudited Condensed Consolidated Interim Financial Information should be read in conjunction with audited financial statements of the Group for the financial year ended 31 March 2018. For the periods up to and including the year ended 31 March 2018, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRSs"). The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 March 2018 except for the effect of the transition from FRSs to MFRSs and the adoption of new MFRSs, amendments to standards and IC Interpretations as disclosed below.

The Group has adopted the new Malaysian Financial Reporting Standards ("MFRSs") Framework issued by Malaysian Accounting Standards Board ("MASB") with effect from 1 April 2018. For the periods up to, and including the year ended 31 March 2018, the Group prepared its financial statements in accordance with Financial Reporting Standards ("FRSs") Framework as allowed by MASB as it includes transitioning entities.

The interim financial report of the Group for the current quarter ended 30 June 2018 is the first set of interim financial report prepared in accordance with the MFRSs Framework, including MFRS 1 "First-time Adoption of Malaysian Financial Reporting Standards". Subject to certain transition elections and the effects of adoption of MFRS 141 and MFRS 9 as disclosed below, the requirements under FRSs and MFRSs are similar. The Group has consistently applied the same accounting policies in its opening MFRSs statement of financial position as at 1 April 2017, being the transition date, and throughout all periods presented, as if these policies had always been in effect.

A) Transition from FRSs to MFRSs

(i) MFRS 1 exemption options

As provided in MFRS 1, first time adopters of MFRSs can elect optional exemptions from full retrospective application of MFRSs. The Group has elected the following exemptions:

a) Exemption for business combinations

The Group has elected to apply MFRS 3 "Business Combination" prospectively from the date FRS 3 "Business Combinations" was adopted on 1 April 2011. Business combinations that occurred prior to that date have not been restated. In addition, the Group has also applied MFRS 10 "Consolidated Financial Statements" on the same date as FRS 3. This election does not have any impact to the Group.

b) Assets and liabilities of subsidiaries, joint ventures and associates

The assets and liabilities of subsidiaries, joint ventures and associates which have adopted the MFRS Framework or International Financial Reporting Standards ("IFRS") earlier than the Group shall remain at the same carrying amounts as in the financial statements of these subsidiaries, joint ventures and associates, after adjusting for consolidation adjustments.

c) Exemption for cumulative foreign currency translation differences

The Group has elected to apply optional exemption for cumulative foreign currency translation differences and deemed the cumulative translation differences arising on the translation of a foreign operation recognised as a separate component of equity to be zero at the date of transition, and reclassify any amounts recognised in accordance with FRSs at that date to retained earnings.

d) MFRS 9 "Financial Instruments"

The Group has elected the exemption in MFRS 1 which allows the Group not to restate comparative information in the year of initial application. The Group continues to apply FRS 139 "Financial Instrument: Recognition and Measurement" and FRS 7 "Financial Instrument: Disclosures" for the comparative information. Any adjustments to align the carrying amounts of financial assets and financial liabilities under the previous FRS 139 with MFRS 9 are recognised in retained earnings and other reserve as at 1 April 2018.

The optional exemptions elected by the Group that have an impact on the reported financial positions prepared in accordance with FRSs have been applied in the opening MFRSs statement of financial position as at 1 April 2017 and throughout all periods presented in the interim financial report.

(ii)(a) Effect of adoption of MFRS 141, Agriculture

MFRS 141, Agriculture prescribes the accounting treatment, financial statements presentation and disclosures related to agricultural activity. It requires biological assets (except for bearer plants) to be measured at fair value less costs to sell from initial recognition of biological assets up to the point of harvest, other than when fair value cannot be measured reliably on initial recognition. Gains and losses arising on the initial recognition of biological assets at fair value less costs to sell and changes in fair value less costs to sell are recognised on the statement of profit or loss in the period in which they arise.

Prior to the adoption of MFRS 141 Agriculture, produce growing - fresh fruit bunches on bearer plants was not recognised and the livestock was measured at lower of amortised cost and net realisable value. Following the adoption of MFRS 141 Agriculture, produce growing - fresh fruit bunches on bearer plants and livestock (except for shrimp) are measured at fair value less cost to sell with fair value changes recognised in profit or loss as the biological assets transformation take place. Shrimp livestock are measured at cost less accumulated impairment losses due to the market prices or fair value at present conditions of these biological assets are unavailable and the valuation based on discounted cash flow method is considered unreliable given the uncertainty with respect to external factors.

(ii)(b) Amendments to MFRS 116 and MFRS 141 Agriculture: Bearer Plants

The amendments to MFRS 116 and MFRS 141, Agriculture: Bearer Plants change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants will be within the scope of MFRS 116, Property, Plant and Equipment. After initial recognition, bearer plants will be measured under MFRS 116 at accumulated cost (before maturity) and using either the cost model or revaluation model (after maturity). Under FRS accounting framework, the Group capitalised all the new planting expenditure incurred from land clearing to the point of harvesting under plantation development expenditure and was not amortised and the replanting expenditure, which represents cost incurred in replanting old planted areas, was charged to profit or loss. Hence, the effect of adoption of Amendments to MFRS 116 and MFRS 141 would result in reclassification of bearer plants from biological assets – plantation development expenditure to property, plant and equipment and additional depreciation on property, plant and equipment.

B) Adoption of new MFRSs, amendments to standards and IC interpretations

Following the adoption of MFRSs framework, the Group has adopted the following new accounting standards and amendments to standards which are applicable and effective for annual periods beginning on 1 January 2018:

- MFRS 9, *Financial Instruments (2014)*
- MFRS 15, *Revenue from Contracts with Customers*
- Clarifications to MFRS 15, *Revenue from Contracts with Customers*
- IC Interpretation 22, *Foreign Currency Transactions and Advance Consideration*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 140, *Investment Property – Transfers of Investment Property*

The adoption of these new MFRSs, amendments and IC interpretations did not have any material impact on the interim financial report of the Group except for the following:

(i) MFRS 9, Financial Instruments

MFRS 9 replaces the guidance in MFRS 139, Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets and financial liabilities, and on hedge accounting.

Under MFRS 9, there are three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income ("OCI"). The basis of classification depends on the entity's business model and cash flow characteristics of the financial assets. Investment in equity instruments are always measured at fair value through profit or loss with an irrevocable option at inception to present changes in fair value in OCI. A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cashflow and the cash flow represent principle and interest.

Currently, the Group classifies and measures financial assets and liabilities based on amortised cost. Upon adoption of MFRS 9, the Group does not expect the new guidance to affect the classification and measurement of these financial instruments.

In respect of impairment of financial assets, MFRS 9 replaces the "incurred loss" model in MFRS 139 with an "expected credit loss" (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments measured at fair value through other comprehensive income, but not to investments in equity instruments. Upon the adoption of MFRS 9, the impairment allowance on receivables has increased.

The effects of the adoption of transition from FRSs to MFRSs and adoption of new MFRSs, amendments to standards and IC interpretations are as follow:

Condensed Consolidated Income Statements

	As previously stated under FRSs RM'000	Effect of transition from FRSs to MFRSs		Effect of adoption of new MFRS MFRS 9 RM'000	Restated under MFRS RM'000
		MFRS 1 RM'000	MFRS 141 RM'000		
Quarter ended 30 June 2017					
Operating profit	88,361	-	1,016	-	89,377
Depreciation and amortisation	(30,447)	-	(1,620)	-	(32,067)
Profit before taxation	50,367	-	(604)	-	49,763
Taxation	(6,072)	-	(199)	-	(6,271)
Profit for the period	44,295	-	(803)	-	43,492
Profit/(Loss) attributable to:					
Owners of the Company	42,211	-	(179)	-	42,032
Non-controlling interests	2,084	-	(624)	-	1,460
Number of shares in issue ('000)	1,622,438				1,622,438
Earnings per share (sen):					
- Basic	2.60				2.59

Condensed Consolidated Statement of Comprehensive Income

	As previously stated under FRSs RM'000	Effect of transition from FRSs to MFRSs		Effect of adoption of new MFRS MFRS 9 RM'000	Restated under MFRS RM'000
		MFRS 1 RM'000	MFRS 141 RM'000		
Quarter ended 30 June 2017					
Profit for the financial period	44,295	-	(803)	-	43,492
Foreign currency translation differences ("FCTR")	(11,378)	-	(281)	-	(11,659)
Total comprehensive income for the period	27,739	-	(1,084)	-	26,655
Total comprehensive income attributable to:					
Owners of the Company	31,271	-	(588)	-	30,683
Non-controlling interests	(3,532)	-	(496)	-	(4,028)

Condensed Consolidated Statement of Financial Position

	As previously stated under FRSs RM'000	Effect of transition from FRSs to MFRSs		Effect of adoption of new MFRS MFRS 9 RM'000	Restated under MFRS RM'000
		MFRS 1 RM'000	MFRS 141 RM'000		
As at 31 March 2018					
Non-current assets					
Property, plant and equipment	1,705,224	-	94,783	-	1,800,007
Biological assets	133,681	-	(133,681)	-	-
Current assets					
Biological assets	133,213	-	35,267	-	168,480
Trade receivables	313,836	-	-	(1,900)	311,936
Equity					
Retained earnings	1,260,818	12,232	14,056	(1,407)	1,285,699
Foreign currency translation differences ("FCTR")	(88,801)	(12,232)	(1,987)	-	(103,020)
Non-controlling interests	98,331	-	(22,926)	(37)	75,368
Non-current liabilities					
Deferred tax liabilities	91,561	-	7,227	(456)	98,332
As at 1 April 2017					
Non-current assets					
Property, plant and equipment	1,559,805	-	115,785	-	1,675,590
Biological assets	151,989	-	(151,989)	-	-
Current assets					
Biological assets	108,758	-	48,934	-	157,692
Equity					
Retained earnings	1,114,179	15,396	26,144	-	1,155,719
Foreign currency translation differences ("FCTR")	16,405	(15,396)	(1,009)	-	-
Non-controlling interests	93,305	-	(22,063)	-	71,242
Non-current liabilities					
Deferred tax liabilities	87,050	-	9,657	-	96,707

Condensed Consolidated Statement of Cash Flows

	As previously stated under FRSs RM'000	Effect of transition from FRSs to MFRSs		Effect of adoption of new MFRS MFRS 9 RM'000	Restated under MFRS RM'000
		MFRS 1 RM'000	MFRS 141 RM'000		
Quarter ended 30 June 2017					
Cash flows from operating activities					
Profit before taxation	50,367	-	(604)	-	49,763
Depreciation & amortisation	30,447	-	1,620	-	32,067
(Increase)/Decrease in working capital	(131,283)	-	604	-	(130,679)
Fair value loss/(gain) arising from biological assets	-	-	(1,016)	-	(1,016)

A2. Seasonal or cyclical factors

Certain segment of the Group's business are affected by cyclical factors.

The management considers that on a quarter to quarter basis, the demand and/or production of the Group's products for each of the three core activities varies and the variation in each quarters were as follows:

- (1) marine products manufacturing activities are affected by monsoon in the 4th quarter.
- (2) crude palm oil milling activities are seasonally affected by monsoon resulting in low crops in the 2nd and 4th quarters.
- (3) integrated livestock farming activities are not significantly affected in any of the quarters.

On an overall basis therefore, the group's performance varies seasonally and maybe affected by unusual and unforeseen events affecting each of the core activities.

Based on past 5 years quarterly data, our average seasonal earnings index is as follows:

Q1	April to June	0.21
Q2	July to September	0.27
Q3	October to December	0.28
Q4	January to March	0.24
		<u>1.00</u>

A3. Unusual items

There are no unusual items that have material effect on the assets, liabilities, equity, net income or cash flow during the quarter under review.

A4. Nature and amount of changes in estimates

There were no material changes in estimates during the quarter under review.

A5. Debts and securities

There are no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the quarter under review.

A6. Dividend Paid

No dividend was paid during the quarter under review.

A7. Segmental Information

Segment information in respect of the Group's business segments for the 1st quarter ended 30.6.2018

	RM'000	RM'000
	Sales	PBT
Marine products manufacturing	217,280	30,866
Palm Oil Activities	72,327	2,826
Integrated Livestock Farming	526,568	17,486
Total	<u>816,175</u>	<u>51,178</u>

A8. Property, plant and equipment

The valuations of land and building have been brought forward, without amendment from the previous annual report.

A9. Material subsequent Event

There were no material events subsequent to the end of current quarter that have not been reflected in the financial statements.

A10. Changes in composition of the Group

During the quarter under review, there were no material changes to group composition.

A11. Changes in Contingent Liabilities

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

There were no contingent liabilities at the end of the current financial period for the Group.

A12. Disclosure of audit report qualification

There was no qualification in the audit report of the preceding annual financial statements.

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1 Review of performance for the current quarter and financial period to-date.

	Current quarter	Last year corresponding quarter	% change	Cumulative quarters	Cumulative corresponding quarters last year	% change
	1.4.2018 to 30.6.2018	1.4.2017 to 30.6.2017		1.4.2018 to 30.6.2018	1.4.2017 to 30.6.2017	
	Sales	Sales		Sales	Sales	
	RM'000	RM'000		RM'000	RM'000	
Marine Product Manufacturing (MPM)	217,280	215,082	1%	217,280	215,082	1%
Palm Oil Activities (POA)	72,327	115,856	-38%	72,327	115,856	-38%
Integrated Livestock Farming (ILF)	526,568	447,535	18%	526,568	447,535	18%
Total	816,175	778,473	5%	816,175	778,473	5%
	1.4.2018 to 30.6.2018	1.4.2017 to 30.6.2017		1.4.2018 to 30.6.2018	1.4.2017 to 30.6.2017	
	Profit before tax	Profit before tax		Profit before tax	Profit before tax	
	RM'000	RM'000		RM'000	RM'000	
		Restated			Restated	
Marine Product Manufacturing (MPM)	30,866	30,716	0.5%	30,866	30,716	0.5%
Palm Oil Activities (POA)	2,826	5,711	-51%	2,826	5,711	-51%
Integrated Livestock Farming (ILF)	17,486	13,336	31%	17,486	13,336	31%
Total	51,178	49,763	3%	51,178	49,763	3%

- a. MPM's current quarter sales and earnings remained almost flat mainly due to slower recovery of post El-Nino low fish cycle in Malaysia water.
- b. POA's current quarter sales decreased 38% against corresponding quarter mainly due to:
- decrease in own FFB production caused by poorer fruit setting in Indonesia plantation unit due to excessive rainfall as well as post El-Nino tree stress on older plant in Tawau.
 - decrease in FFB processed in Indonesia operation due to entrant of new CPO mills, resulting in less outside FFB crop.
- POA's current quarter earnings also decreased 51% against corresponding quarter due to the same reason as well as lower OER (poor fruit setting & labour shortage) & lower CPO price. (RM2,364 current qtr vs RM2,746 corresponding qtr)
- c. ILF's current quarter sales increased 18% against corresponding quarter mainly due to higher sales contribution from feed raw material trade. Earnings increased 31% due to better margins from feed raw material trade as well as higher contribution from regional poultry operations.

B2 Review of current quarter performance with the preceding quarter.

	Current quarter	Preceding quarter	% change	Current quarter	Preceding quarter	% change
	1.4.2018 to 30.6.2018	1.1.2018 to 31.3.2018		1.4.2018 to 30.6.2018	1.1.2018 to 31.3.2018	
	Sales	Sales		Profit before tax	Profit before tax	
	RM'000	RM'000		RM'000	RM'000	
					Restated	
Activities:						
Marine Product Manufacturing (MPM)	217,280	206,537	5%	30,866	21,774	42%
Palm Oil Activities (POA)	72,327	89,946	-20%	2,826	5,132	-45%
Integrated Livestock Farming (ILF)	526,568	487,944	8%	17,486	15,924	10%
Total	816,175	784,427	4%	51,178	42,830	19%

- a. MPM's current quarter sales and earnings increased 5% and 42% respectively against preceding quarter due to seasonal effect and improved prawn aquaculture performance.
- b. POA's current quarter sales decreased 20% against preceding quarter mainly due to:
- decrease in own FFB production caused by poorer fruit setting in Indonesia plantation unit due to excessive rainfall as well as post El-Nino tree stress on older plant in Tawau.
 - decrease in FFB processed in Indonesia operation due to entrant of new CPO mills, resulting in less outside crop.
- POA's current quarter earnings also decreased 45% against preceding quarter due to the same reason as well as lower OER (poor fruit setting & labour shortage) & lower CPO price. (RM2,364 current qtr vs RM2,426 preceding qtr)
- c. ILF's current quarter sales increased 8% against preceding quarter mainly due to higher volume and higher unit value of feed raw material. Earnings increased 10% against preceding quarter mainly due to higher margins from feed raw material trade.

B3 Prospects for the year ending 31st March 2019

Barring unforeseen events, the management are confident that FY2019 performance will be better than FY2018.

B4 Profit Forecast

No profit forecast was published during the period under review.

B5 Tax expense

Current income tax expense
Deferred tax expense

	Individual quarter 3 months ended 30.6.2018 RM'000	Cumulative period To date 30.6.2018 RM'000
	4,921	4,921
	2,601	2,601
	7,522	7,522

The annual effective tax rate is lower than the statutory rate is mainly due to availability of tax incentives.

B6 Unquoted investments and properties

There were no material disposal of unquoted investments and/or properties during quarter under review.

B7 Quoted Investments

There were no sales or purchase of quoted investment for the quarter under review except as disclosed.

B8 Corporate Proposals

There were no corporate proposals for the quarter under review.

B9 Group Borrowings

	As at 1st quarter ended 30.6.2018					
	Long term		Short term		Total borrowings	
	Foreign denomination (USD\$1 = RM4.039)	RM denomination	Foreign denomination (USD\$1 = RM4.039)	RM denomination	Foreign denomination (USD\$1 = RM4.039)	RM denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Unsecured						
Term loans (Conventional)	244,864	-	102,625	-	347,489	-
Term loans (Islamic)	124,734	103,604	26,728	76,220	151,462	179,824
Bank overdrafts	-	-	663	25,061	663	25,061
Bankers' acceptance (Conventional)	-	-	-	189,703	-	189,703
Bankers' acceptance (Islamic)	-	-	-	108,267	-	108,267
Revolving credit	-	-	-	110,277	-	110,277
Finance lease liabilities (HP creditors)	9	58	13	106	22	164
Total	369,607	103,662	130,029	509,634	499,636	613,296

	As at 4th quarter ended 31.3.2018					
	Long term		Short term		Total borrowings	
	Foreign denomination (USD\$1 = RM3.865)	RM denomination	Foreign denomination (USD\$1 = RM3.865)	RM denomination	Foreign denomination (USD\$1 = RM3.865)	RM denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Unsecured						
Term loans (Conventional)	270,432	5,757	59,298	1,204	329,730	6,961
Term loans (Islamic)	144,938	126,960	-	71,037	144,938	197,997
Bank overdrafts	-	-	-	21,745	-	21,745
Bankers' acceptance (Conventional)	-	-	-	173,613	-	173,613
Bankers' acceptance (Islamic)	-	-	-	80,780	-	80,780
Revolving credit	-	-	-	58,146	-	58,146
Finance lease liabilities (HP creditors)	8	109	21	76	29	185
Total	415,378	132,826	59,319	406,601	474,697	539,427

The borrowings denominated in foreign currencies are hedged to RM as well as interest rate.

B10 Financial instruments

As at 30.6.2018, the outstanding derivatives (including financial instruments designated as hedging instruments) are as follows:

Types of derivatives	Contract/Notional Value as at 30.6.2018	Fair Value as at 30.6.2018
	RM'000	RM'000
(i) Cross currency swap		
- Less than 1 year	-	-
- More than 1 year	421,570	(17,106)
(ii) Interest rate swap		
- Less than 1 year	-	-
- More than 1 year	110,000	(191)
(iii) Foreign exchange contracts (sell)		
- Less than 1 year	54,326	(894)
- More than 1 year	-	-
(iv) Foreign exchange contracts (buy)		
- Less than 1 year	23,399	381
- More than 1 year	-	-
	609,295	(17,810)

B11 Changes in Material Litigation

There were no changes in material litigation at the date of this report.

B12 Dividend

The directors do not recommend any dividend during the period under review.

B13 Earnings Per Share

The calculations of basic earnings per share were as follows:

	Current quarter ended 30.6.2018	Cumulative to date 30.6.2018
(a) Net profit attributable to ordinary shareholders (RM'000)	43,862	43,862
(b) Number of ordinary shares in issue ('000)-weighted average	1,622,438	1,622,438
Basic Earnings per share (sen)	2.70	2.70