

INTERIM FINANCIAL REPORT FOR THE 1ST QUARTER ENDED 30.6.2021

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30.6.2021 (UNAUDITED)

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

	INDIVIDUAL QUARTER				CUMULATIVE QUARTERS			
	CURRENT YEAR		PRECEDING YEAR		CURRENT YEAR		PRECEDING CORRESPONDING	
	1ST QUARTER 1.4.2021 to 30.6.2021		1ST QUARTER 1.4.2020 to 30.6.2020		TO-DATE 1.4.2021 to 30.6.2021		PERIOD 1.4.2020 to 30.6.2020	
	% increase against last period	RM'000	RM'000		% increase against last period	RM'000	RM'000	
Revenue	26%	1,225,424	970,149		26%	1,225,424	970,149	
Operating Profit	-7%	131,403	141,980		-7%	131,403	141,980	
Depreciation and amortisation	25%	(62,591)	(50,008)		25%	(62,591)	(50,008)	
Interest income	214%	5,569	1,774		214%	5,569	1,774	
Finance costs	-4%	(13,694)	(14,306)		-4%	(13,694)	(14,306)	
Share of profit of associates (net)		(9)	962			(9)	962	
Profit Before Taxation	-25%	60,678	80,402		-25%	60,678	80,402	
Less: Tax expense		(15,442)	(26,480)	(Effective tax rate) 25.4%		(15,442)	(26,480)	(Effective tax rate) 32.9%
Profit for the period	-16%	45,236	53,922		-16%	45,236	53,922	
Attributable to:								
Shareholders of the Company	-17%	42,194	50,869		-17%	42,194	50,869	
Minority interests		3,042	3,053	5.01% (% against PBT)		3,042	3,053	3.80% (% against PBT)
Profit for the period		45,236	53,922			45,236	53,922	
Number of shares in issue ('000)		2,433,657	2,433,657			2,433,657	2,433,657	
Earnings per share:								
Basic earnings per ordinary shares (sen)	-17%	1.73	2.09		-17%	1.73	2.09	
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 2021 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 30.6.2021

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30.6.2021 (UNAUDITED)

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

		CURRENT QUARTER		PRECEDING QUARTER
		1ST QUARTER 1.4.2021 to 30.6.2021		4TH QUARTER 1.1.2021 to 31.3.2021
	% increase against last period	RM'000		RM'000
Revenue	1%	1,225,424		1,213,803
Operating Profit	-39%	131,403		214,283
Depreciation and amortisation	13%	(62,591)		(55,612)
Interest income	183%	5,569		1,967
Finance costs	-6%	(13,694)		(14,501)
Share of profit of associates (net)		(9)		149
Profit Before Taxation	-59%	60,678		146,286
Less: Tax expense		(15,442)	(Effective tax rate) 25.4%	(28,318)
Profit for the period	-62%	45,236		117,968
Attributable to:				
Shareholders of the Company	-63%	42,194		114,062
Minority interests		3,042	5.01% (% against PBT)	3,906
Profit for the period		45,236		117,968
Number of shares in issue ('000)		2,433,657		2,433,657
Earnings per share:				
Basic earnings per ordinary shares (sen)	-63%	1.73		4.69
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 2021 and the accompanying explanatory notes attached to this interim financial statements.
Note: NA denotes "Not Applicable"

INTERIM FINANCIAL REPORT FOR THE 1ST QUARTER ENDED 30.6.2021

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30.6.2021 (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING CORRESPONDING PERIOD
	1ST QUARTER 1.4.2021 to 30.6.2021	1ST QUARTER 1.4.2020 to 30.6.2020	TO-DATE 1.4.2021 to 30.6.2021	1.4.2020 to 30.6.2020
	RM'000	RM'000	RM'000	RM'000
Profit for the period	45,236	53,922	45,236	53,922
Other comprehensive income/(loss), net of tax:				
Foreign currency translation differences for foreign operations	4,940	73,943	4,940	73,943
Share of gain/(loss) of equity-accounted associates	-	(2,096)	-	(2,096)
Cash flow hedge	(514)	8,306	(514)	8,306
Total comprehensive income for the period	49,662	134,075	49,662	134,075
Total comprehensive income attributable to:				
Shareholders of the Company	46,807	127,200	46,807	127,200
Minority interests	2,855	6,875	2,855	6,875
Total comprehensive income for the period	49,662	134,075	49,662	134,075

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for year ended 31 March 2021 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 30.6.2021

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30.6.2021 RM'000 Unaudited	As at 31.3.2021 RM'000 Audited
ASSETS		
Property, plant and equipment	2,201,673	2,211,129
Right-of-use assets	472,062	475,784
Investment properties	18,158	19,841
Intangible assets	133,850	129,224
Investment in associates	2,255	2,264
Deferred tax assets	8,311	7,308
Trade and other receivables	25,333	25,480
	<u>2,861,642</u>	<u>2,871,030</u>
Current Assets		
Biological assets	228,534	209,570
Inventories	64 days 736,162	55 days 652,216
Contract assets	40,305	29,361
Contract costs	1,365	3,296
Current tax assets	20,898	21,760
Trade receivables	32 days 431,880	32 days 414,335
Other receivables, assets and prepayment	156,385	142,621
Derivative financial assets	136	208
Cash and cash equivalents	508,317	486,493
Assets classified as held for sale	4,545	4,545
	<u>2,128,527</u>	<u>1,964,405</u>
Total Assets	<u>4,990,169</u>	<u>4,835,435</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	620,025	620,025
Reserves	1,740,975	1,694,168
Equity attributable to shareholders of the Company	<u>2,361,000</u>	<u>2,314,193</u>
Minority interests	234,176	231,321
Total Equity	<u>2,595,176</u>	<u>2,545,514</u>
Non-Current Liabilities		
Long term borrowings (LT Debts/Total Equity)	22% 576,920	24% 608,253
Lease liabilities	139,591	141,975
Other payables	1,433	1,298
Employee benefits	12,588	12,029
Deferred tax liabilities	141,012	144,716
	<u>871,544</u>	<u>908,271</u>
Current Liabilities		
Short term-bankers acceptance	529,876	437,256
Other short term borrowings	343,011	346,264
Lease liabilities	24,010	24,216
Trade and other payables	509,596	465,436
Contract liabilities	81,886	70,986
Derivative financial liabilities	13,071	14,445
Taxation	21,999	23,047
	<u>1,523,449</u>	<u>1,381,650</u>
Total Liabilities	<u>2,394,993</u>	<u>2,289,921</u>
Total Equity and Liabilities	<u>4,990,169</u>	<u>4,835,435</u>
Net Assets per share (RM)	0.97	0.95
Based on number of shares:('000)	<u>2,433,657</u>	<u>2,433,657</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.

QL RESOURCES BERHAD (428915-X)
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INTERIM FINANCIAL REPORT FOR THE 1ST QUARTER ENDED 30.6.2021

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30.6.2021

	←-----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		
3 months ended 30.6.2020							
At 1.4.2020	620,025	(136,276)	(31,926)	1,565,693	2,017,516	73,498	2,091,014
Foreign currency translation differences for foreign operations	-	70,121	-	-	70,121	3,822	73,943
Share on gain of equity-accounted associates	-	-	(2,096)	-	(2,096)	-	(2,096)
Cash flow hedge	-	-	8,306	-	8,306	-	8,306
Total other comprehensive income/(expenses) for the year	-	70,121	6,210	-	76,331	3,822	80,153
Profit for the period	-	-	-	50,869	50,869	3,053	53,922
Total comprehensive income/(expenses) for the period	-	70,121	6,210	50,869	127,200	6,875	134,075
<i>Contribution by and distributions to owners of the Company</i>							
- Dividends to owners of the Company	-	-	-	-	-	-	-
- Dividends paid to non-controlling interests	-	-	-	-	-	-	-
- Acquisition of non-controlling interests	-	-	-	-	-	-	-
- Changes in ownership of non-controlling interests	-	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-	-	-
At 30.6.2020	620,025	(66,155)	(25,716)	1,616,562	2,144,716	80,373	2,225,089

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.

QL RESOURCES BERHAD (428915-X)
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INTERIM FINANCIAL REPORT FOR THE 1ST QUARTER ENDED 30.6.2021

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30.6.2021

	<-----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		
3 months ended 30.6.2021							
At 1.4.2021	620,025	(99,369)	(9,870)	1,803,407	2,314,193	231,321	2,545,514
Foreign currency translation differences for foreign operations	-	5,127	-	-	5,127	(187)	4,940
Share on gain of equity-accounted associates	-	-	-	-	-	-	-
Cash flow hedge	-	-	(514)	-	(514)	-	(514)
Total other comprehensive income/(expenses) for the year	-	5,127	(514)	-	4,613	(187)	4,426
Profit for the period	-	-	-	42,194	42,194	3,042	45,236
Total comprehensive income/(expenses) for the period	-	5,127	(514)	42,194	46,807	2,855	49,662
<i>Contribution by and distributions to owners of the Company</i>							
- Dividends to owners of the Company	-	-	-	-	-	-	-
- Dividends paid to non-controlling interests	-	-	-	-	-	-	-
- Acquisition of non-controlling interests	-	-	-	-	-	-	-
- Changes in ownership of non-controlling interests	-	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-	-	-
At 30.6.2021	620,025	(94,242)	(10,384)	1,845,601	2,361,000	234,176	2,595,176

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for year ended 31 March 2021 and the accompanying explanatory notes attached to the interim financial statements.

QL RESOURCES BERHAD (428915-X)
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INTERIM FINANCIAL REPORT FOR THE 1ST QUARTER ENDED 30.6.2021

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30.6.2021

	Period ended 30.6.2021 RM'000	Period ended 30.6.2020 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	60,678	80,402
Adjustments for:		
Depreciation & amortisation	62,591	50,008
(Increase)/Decrease in working capital	17,141	(20,104)
Income tax paid	(20,948)	(11,625)
Other non-cash items	690	89,421
Net cash generated from/(used in) operating activities	120,152	188,102
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(48,749)	(118,419)
Others	-	-
Net cash generated from/(used in) investing activities	(48,749)	(118,419)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net borrowings	(45,575)	6,807
Payment of lease liabilities	(7,752)	(6,652)
Dividend paid to minority interest	-	-
Dividend paid to shareholders	-	-
Others	-	-
Net cash generated from/(used in) financing activities	(53,327)	155
Net increase in cash and cash equivalents	18,076	69,838
Cash and cash equivalents at 1.4.2021	480,521	261,549
Cash and cash equivalents at 30.6.2021	498,597	331,387

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for year ended 31 March 2021 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 2021.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the preparation of the financial statements for the financial year ended 31 March 2021 except for the adoption of the followings:

- Amendments to MFRS 9, Financial Instruments, MFRS 139, Financial Instruments: Recognition and Measurement, MFRS 7, Financial Instruments: Disclosures, MFRS 4, Insurance Contracts and MFRS 16, Leases – Interest Rate Benchmark Reform – Phase 2
- Amendment to MFRS 16, Leases – Covid-19-Related Rent Concessions beyond 30 June 2021

The adoption of the above standards and interpretations did not have any material impact on the interim financial report of the Group.

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. Meanwhile, the clean energy business activities are not seasonal but dependant on orders and delivery schedule.
- (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 for the period under review.

A7. Segmental information

Segment information in respect of the Group's business segments for the 1st quarter ended 30.6.2021

	RM'000	RM'000
	Sales	PBT
Marine Products Manufacturing	270,857	41,691
Palm Oil and Clean Energy	153,244	12,237
Integrated Livestock Farming	801,323	6,750
Total	<u>1,225,424</u>	<u>60,678</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.

INTERIM FINANCIAL REPORT FOR THE 1ST QUARTER ENDED 30.6.2021

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
	1.4.2021 to 30.6.2021	1.4.2020 to 30.6.2020		1.4.2021 to 30.6.2021	1.4.2020 to 30.6.2020	
	Sales	Sales		Sales	Sales	
	RM'000	RM'000		RM'000	RM'000	
Marine Product Manufacturing (MPM)	270,857	305,715	-11%	270,857	305,715	-11%
Palm Oil and Clean Energy (POCE)	153,244	60,908	152%	153,244	60,908	152%
Integrated Livestock Farming (ILF)	801,323	603,526	33%	801,323	603,526	33%
Total	1,225,424	970,149	26%	1,225,424	970,149	26%
	Profit before tax	Profit before tax		Profit before tax	Profit before tax	
	RM'000	RM'000		RM'000	RM'000	
Marine Product Manufacturing (MPM)	41,691	61,857	-33%	41,691	61,857	-33%
Palm Oil and Clean Energy (POCE)	12,237	14,489	-16%	12,237	14,489	-16%
Integrated Livestock Farming (ILF)	6,750	4,056	66%	6,750	4,056	66%
Total	60,678	80,402	-25%	60,678	80,402	-25%

- a. MPM's current quarter sales decreased by 11% against the corresponding quarter mainly due to weaker sales across all MPM activities as a result of re-emergence of low fish landing cycle and unforeseen regional drastic surge in Covid-19 cases leading to more severe disruption in fishing and manufacturing activities.

Earnings decreased by 33% with overall lower sales in addition to higher operating cost as a result of lower production volume.

- b. POCE's current quarter sales increased by 152% against the corresponding quarter mainly due to consolidation of Boilermech's sales following it becoming a subsidiary in Quarter 4 of Financial Year 2021 and also higher CPO selling price, despite lower tonnage of FFB harvested and processed.

Despite higher contribution from Boilermech, earnings decreased by 16% against the corresponding quarter mainly due to stronger Indonesian Rupiah resulting in marginal translation loss as compared to significant translation gain recorded in the corresponding quarter.

- c. ILF's current quarter sales increased by 33% against the corresponding quarter mainly due to super high feed raw material trading price.

Correspondingly, earnings increased marginally by RM2.7 million mainly due to improved FamilyMart's contribution.

B2 Review of current quarter performance with the preceding quarter

	Current quarter	Preceding quarter	% change	Current quarter	Preceding quarter	% change
	1.4.2021 to 30.6.2021	1.1.2021 to 31.3.2021		1.4.2021 to 30.6.2021	1.1.2021 to 31.3.2021	
	Sales	Sales		Profit before tax	Profit before tax	
	RM'000	RM'000		RM'000	RM'000	
Activities:						
Marine Product Manufacturing (MPM)	270,857	303,659	-11%	41,691	51,646	-19%
Palm Oil and Clean Energy (POCE)	153,244	141,761	8%	12,237	73,657	-83%
Integrated Livestock Farming (ILF)	801,323	768,383	4%	6,750	20,983	-68%
Total	1,225,424	1,213,803	1%	60,678	146,286	-59%

- a. MPM's current quarter sales decreased by 11% against the preceding quarter mainly due to re-emergence of low fishing landing cycle and disruption in fishing and manufacturing activities impacted by regional drastic surge in Covid-19 cases including tight border control during the period.

Earnings decreased by 19% mainly due to lower selling volume and selling price which were compounded further by higher operating costs.

- b. POCE's current quarter sales increased by 8% against the preceding quarter mainly due to higher tonnage of FFB harvested and processed and better CPO selling price.

Despite improved performance from palm oil activities, earnings decreased by 83% due to one-off remeasurement gain of RM79 million reported in the preceding quarter under MFRS 3 Business Combination following the step acquisition of Boilermech.

- c. ILF's current quarter sales increased by 4% against the preceding quarter mainly due to higher sales from farm produce.

Despite sales increase, earnings decreased by 68% against the preceding quarter mainly due to severe erosion in farming margin caused by super high feed raw material price and unforeseen regional drastic surge in Covid-19 cases leading to more severe disruption in farming activities and market demand.

B3 Prospects for the next quarter to 30th September 2021

As the unforeseen regional drastic surge in Covid-19 cases from Delta variant causing severe business disruption and exceptionally high feed raw material price continue, the management expects the coming quarter remains very challenging. However, with faster and higher vaccination rate achieved in Malaysia, we are positive that business performance will stage a recovery in second half of Financial Year 2022.

B4 Profit forecast

No profit forecast was published during the period under review.

B5 Tax expense

	Individual quarter 3 months ended 30.6.2021	Cumulative period To date 30.6.2021
	RM'000	RM'000
Current income tax expense	21,133	21,133
Deferred tax expense	(5,691)	(5,691)
	15,442	15,442

The effective tax rate of the Group for the current quarter was higher than the statutory rate principally due to certain expenses being not deductible for tax purposes.

B6 Unquoted investments and properties

There were no 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 announced but not completed as at the date of this report.

B9 Group borrowings

	As at 1st quarter ended 30.6.2021					
	Long term		Short term		Total borrowings	
	Foreign denomination <i>(USD\$1 = RM4.154)</i>	RM denomination	Foreign denomination <i>(USD\$1 = RM4.154)</i>	RM denomination	Foreign denomination <i>(USD\$1 = RM4.154)</i>	RM denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Secured						
Term loans (Conventional)	-	3,182	-	436	-	3,618
Term loans (Islamic)	-	-	-	-	-	-
	-	3,182	-	436	-	3,618
Unsecured						
Term loans (Conventional)	555,412	-	192,321	-	747,733	-
Term loans (Islamic)	18,326	-	36,653	-	54,979	-
Bank overdrafts	-	-	2,766	6,851	2,766	6,851
Bankers' acceptance (Conventional)	-	-	180,405	264,905	180,405	264,905
Bankers' acceptance (Islamic)	-	-	-	84,566	-	84,566
Revolving credit	-	-	-	58,731	-	58,731
Supplier factoring facilities	-	-	-	45,159	-	45,159
Hire purchase liabilities	-	-	-	94	-	94
	573,738	-	412,145	460,306	985,883	460,306
Total	573,738	3,182	412,145	460,742	985,883	463,924

	As at 4th quarter ended 31.3.2021					
	Long term		Short term		Total borrowings	
	Foreign denomination <i>(USD\$1 = RM4.148)</i>	RM denomination	Foreign denomination <i>(USD\$1 = RM4.148)</i>	RM denomination	Foreign denomination <i>(USD\$1 = RM4.148)</i>	RM denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Secured						
Term loans (Conventional)	-	3,290	-	435	-	3,725
Term loans (Islamic)	-	-	-	-	-	-
	-	3,290	-	435	-	3,725
Unsecured						
Term loans (Conventional)	577,513	-	194,588	-	772,101	-
Term loans (Islamic)	27,450	-	36,600	-	64,050	-
Bank overdrafts	-	-	2,280	3,589	2,280	3,589
Bankers' acceptance (Conventional)	-	-	95,599	298,140	95,599	298,140
Bankers' acceptance (Islamic)	-	-	-	43,517	-	43,517
Revolving credit	-	-	-	50,177	-	50,177
Supplier factoring facilities	-	-	-	58,471	-	58,471
Hire purchase liabilities	-	-	-	124	-	124
	604,963	-	329,067	454,018	934,030	454,018
Total	604,963	3,290	329,067	454,453	934,030	457,743

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

B10 Financial instruments

As at 30.6.2021, the outstanding derivatives (including financial instruments designated as hedging instruments) are as follows:

Types of derivatives	Contract/Notional	Fair Value gain/
	Value as at 30.6.2021	(loss) as at 30.6.2021
	RM'000	RM'000
(i) Cross currency swap		
- Less than 1 year		
- More than 1 year	625,087	(11,196)
(ii) Interest rate swap		
- Less than 1 year		
- More than 1 year	129,915	(2,911)
(iii) Foreign exchange contracts (sell)		
- Less than 1 year	83,540	533
- More than 1 year		
(iv) Foreign exchange contracts (buy)		
- Less than 1 year	33,002	171
- More than 1 year		
	871,544	(13,403)

B11 Changes in material litigation

On 9 August 2021, a lawsuit has been initiated against QL subsidiaries, PT Pipit Mutiara Indah ("PMI") and QL Mutiara (S) Pte Ltd ("QLM"), as well as Chia Seong Fatt (a director of QL Resources Berhad ("QLR")) in his capacity as a director of PMI. QLR has obtained preliminary legal advice from its Indonesia counsels, and is of the view that the lawsuit is frivolous, vexatious, inarticulate, obscure and without any legal merits, and is an abuse of legal and contractual process. QLR does not expect any material losses to arise by reason of the commencement of the lawsuit by the Plaintiff other than legal costs in defending the claim. Details of the lawsuit can be referred to the Bursa Announcement made on 16 August 2021.

Referring to the Bursa Announcement made on 23 August 2021, the Court has on 19 August 2021 granted an adjournment and the hearing date be postponed to 2 September 2021. There is no further progress since the announcement.

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 30.6.2021	Cumulative to date 30.6.2021
(a) Net profit attributable to ordinary shareholders (RM'000)	42,194	42,194
(b) Number of ordinary shares in issue ('000)- weighted average	2,433,657	2,433,657
Basic Earnings per share (sen)	1.73	1.73