

**INTERIM FINANCIAL REPORT FOR THE 2ND QUARTER ENDED 30.9.2021**

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30.9.2021 (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 PERIOD	
	2ND QUARTER 1.7.2021 to 30.9.2021		2ND QUARTER 1.7.2020 to 30.9.2020		TO-DATE 1.4.2021 to 30.9.2021		PERIOD 1.4.2020 to 30.9.2020	
	% increase against last period	RM'000	RM'000		% increase against last period	RM'000	RM'000	
<b>Revenue</b>	16%	1,248,053	1,078,089		21%	2,473,477	2,048,238	
<b>Operating Profit</b>	-10%	140,290	156,375		-11%	265,635	298,355	
<b>Depreciation and amortisation</b>	16%	(57,716)	(49,772)		15%	(114,249)	(99,780)	
<b>Interest income</b>	9%	1,932	1,774		7%	3,781	3,548	
<b>Finance costs</b>	-4%	(13,925)	(14,534)		-17%	(23,899)	(28,840)	
<b>Share of profit of associates (net)</b>		180	3,477			171	4,439	
<b>Profit Before Taxation</b>	-27%	70,761	97,320		-26.0%	131,439	177,722	
<b>Less: Tax expense</b>		(20,028)	(24,549)	(Effective tax rate) 28.3%		(35,470)	(51,029)	(Effective tax rate) 28.7%
<b>Profit for the period</b>	-30%	50,733	72,771		-24%	95,969	126,693	
<b>Attributable to:</b>								
<b>Shareholders of the Company</b>	-34%	45,942	70,130		-27%	88,136	120,999	
<b>Minority interests</b>		4,791	2,641	6.77% (% against PBT)		7,833	5,694	5.96% (% against PBT)
<b>Profit for the period</b>		50,733	72,771			95,969	126,693	3.20% (% against PBT)
<b>Number of shares in issue ('000)</b>		2,433,657	2,433,657			2,433,657	2,433,657	
<b>Earnings per share:</b>								
<b>Basic earnings per ordinary shares (sen)</b>	-34%	1.89	2.88		-27%	3.62	4.97	
<b>Diluted earnings per ordinary shares (sen)</b>		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 2ND QUARTER ENDED 30.9.2021**

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE PERIOD ENDED 30.9.2021 (UNAUDITED)**

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

		<b>CURRENT QUARTER</b>		<b>PRECEDING QUARTER</b>
		<b>2ND QUARTER 1.7.2021 to 30.9.2021</b>		<b>1ST QUARTER 1.4.2021 to 30.6.2021</b>
	<b>% increase against last period</b>	<b>RM'000</b>		<b>RM'000</b>
<b>Revenue</b>	2%	1,248,053		1,225,424
<b>Operating Profit</b>	12%	140,290		125,345
<b>Depreciation and amortisation</b>	2%	(57,716)		(56,533)
<b>Interest income</b>	4%	1,932		1,849
<b>Finance costs</b>	40%	(13,925)		(9,974)
<b>Share of profit of associates (net)</b>		180		(9)
<b>Profit Before Taxation</b>	17%	70,761		60,678
<b>Less: Tax expense</b>		(20,028)	(Effective tax rate) 28.3%	(15,442)
<b>Profit for the period</b>	12%	50,733		45,236
<b>Attributable to:</b>				
<b>Shareholders of the Company</b>	9%	45,942		42,194
<b>Minority interests</b>		4,791	6.77% (% against PBT)	3,042
<b>Profit for the period</b>		50,733		45,236
<b>Number of shares in issue ('000)</b>		2,433,657		2,433,657
<b>Earnings per share:</b>				
<b>Basic earnings per ordinary shares (sen)</b>	9%	1.89		1.73
<b>Diluted earnings per ordinary shares (sen)</b>		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 2ND QUARTER ENDED 30.9.2021**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30.9.2021 (UNAUDITED)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING CORRESPONDING PERIOD
	2ND QUARTER 1.7.2021 to 30.9.2021	2ND QUARTER 1.7.2020 to 30.9.2020	TO-DATE 1.4.2021 to 30.9.2021	PERIOD 1.4.2020 to 30.9.2020
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the period</b>	50,733	72,771	95,969	126,693
<b>Other comprehensive income/(loss), net of tax:</b>				
Foreign currency translation differences for foreign operations	15,995	(49,534)	20,935	24,409
Share of gain/(loss) of equity-accounted associates	-	3,323	-	1,227
Cash flow hedge	1,079	4,501	565	12,807
<b>Total comprehensive income for the period</b>	<b>67,807</b>	<b>31,061</b>	<b>117,469</b>	<b>165,136</b>
<b>Total comprehensive income attributable to:</b>				
Shareholders of the Company	62,405	31,937	109,212	159,137
Minority interests	5,402	(876)	8,257	5,999
<b>Total comprehensive income for the period</b>	<b>67,807</b>	<b>31,061</b>	<b>117,469</b>	<b>165,136</b>

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)  
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**INTERIM FINANCIAL REPORT FOR THE 2ND QUARTER ENDED 30.9.2021**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at 30.9.2021 RM'000 Unaudited	As at 31.3.2021 RM'000 Audited
<b>ASSETS</b>		
Property, plant and equipment	2,207,252	2,211,129
Right-of-use assets	469,489	475,784
Investment properties	17,988	19,841
Intangible assets	128,808	129,224
Investment in associates	2,220	2,264
Deferred tax assets	11,189	7,308
Trade and other receivables	24,740	25,480
	<u>2,861,686</u>	<u>2,871,030</u>
<b>Current Assets</b>		
Biological assets	234,864	209,570
Inventories	63 days 720,585	55 days 652,216
Contract assets	44,336	29,361
Contract costs	7,930	3,296
Current tax assets	22,153	21,760
Trade receivables	31 days 423,475	32 days 414,335
Other receivables, assets and prepayment	152,924	142,621
Derivative financial assets	222	208
Cash and cash equivalents	577,230	486,493
Assets classified as held for sale	4,545	4,545
	<u>2,188,264</u>	<u>1,964,405</u>
<b>Total Assets</b>	<u>5,049,950</u>	<u>4,835,435</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	620,025	620,025
Reserves	1,803,380	1,694,168
<b>Equity attributable to shareholders of the Company</b>	<u>2,423,405</u>	<u>2,314,193</u>
Minority interests	230,861	231,321
<b>Total Equity</b>	<u>2,654,266</u>	<u>2,545,514</u>
<b>Non-Current Liabilities</b>		
Long term borrowings (LT Debts/Total Equity)	20% 531,958	24% 608,253
Lease liabilities	136,321	141,975
Other payables	1,487	1,298
Employee benefits	11,692	12,029
Deferred tax liabilities	142,171	144,716
	<u>823,629</u>	<u>908,271</u>
<b>Current Liabilities</b>		
Short term-bankers acceptance	586,964	437,256
Other short term borrowings	393,652	346,264
Lease liabilities	25,310	24,216
Trade and other payables	461,381	465,436
Contract liabilities	75,602	70,986
Derivative financial liabilities	4,916	14,445
Taxation	24,230	23,047
	<u>1,572,055</u>	<u>1,381,650</u>
<b>Total Liabilities</b>	<u>2,395,684</u>	<u>2,289,921</u>
<b>Total Equity and Liabilities</b>	<u>5,049,950</u>	<u>4,835,435</u>
Net Assets per share (RM)	1.00	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 2ND QUARTER ENDED 30.9.2021**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30.9.2021**

	←-----Non-Distributable-----→			Distributable		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		Non- controlling interests RM'000
<b>6 months ended 30.9.2020</b>							
<b>At 1.4.2020</b>	620,025	(136,276)	(31,926)	1,565,693	<b>2,017,516</b>	73,498	<b>2,091,014</b>
Foreign currency translation differences for foreign operations	-	24,104	-	-	<b>24,104</b>	305	<b>24,409</b>
Share on gain of equity-accounted associates	-	-	1,227	-	<b>1,227</b>	-	<b>1,227</b>
Cash flow hedge	-	-	12,807	-	<b>12,807</b>	-	<b>12,807</b>
Total other comprehensive income/(expenses) for the year	-	24,104	14,034	-	<b>38,138</b>	305	<b>38,443</b>
Profit for the period	-	-	-	120,999	<b>120,999</b>	5,694	<b>126,693</b>
<b>Total comprehensive income/(expenses) for the period</b>	-	24,104	14,034	120,999	<b>159,137</b>	5,999	<b>165,136</b>
<i>Contribution by and distributions to owners of the Company</i>							
- Dividends to owners of the Company	-	-	-	-	-	-	-
- Dividends paid to non-controlling interests	-	-	-	-	-	(323)	<b>(323)</b>
- Acquisition of non-controlling interests	-	-	-	-	-	-	-
- Changes in ownership of non-controlling interests	-	-	-	-	-	-	-
<b>Total transactions with owners of the Company</b>	-	-	-	-	-	(323)	<b>(323)</b>
<b>At 30.9.2020</b>	620,025	(112,172)	(17,892)	1,686,692	<b>2,176,653</b>	79,174	<b>2,255,827</b>

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)  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE 2ND QUARTER ENDED 30.9.2021**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30.9.2021**

	<-----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		
<b>6 months ended 30.9.2021</b>							
<b>At 1.4.2021</b>	620,025	(99,369)	(9,870)	1,803,407	<b>2,314,193</b>	231,321	<b>2,545,514</b>
Foreign currency translation differences for foreign operations	-	20,511	-	-	<b>20,511</b>	424	<b>20,935</b>
Share on gain of equity-accounted associates	-	-	-	-	-	-	-
Cash flow hedge	-	-	565	-	<b>565</b>	-	<b>565</b>
Total other comprehensive income/(expenses) for the year	-	20,511	565	-	<b>21,076</b>	424	<b>21,500</b>
Profit for the period	-	-	-	88,136	<b>88,136</b>	7,833	<b>95,969</b>
<b>Total comprehensive income/(expenses) for the period</b>	-	20,511	565	88,136	<b>109,212</b>	8,257	<b>117,469</b>
<i>Contribution by and distributions to owners of the Company</i>							
- Dividends to owners of the Company	-	-	-	-	-	-	-
- Dividends paid to non-controlling interests	-	-	-	-	-	(8,717)	<b>(8,717)</b>
- Acquisition of non-controlling interests	-	-	-	-	-	-	-
- Changes in ownership of non-controlling interests	-	-	-	-	-	-	-
<b>Total transactions with owners of the Company</b>	-	-	-	-	-	(8,717)	<b>(8,717)</b>
<b>At 30.9.2021</b>	620,025	(78,858)	(9,305)	1,891,543	<b>2,423,405</b>	230,861	<b>2,654,266</b>

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.

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**INTERIM FINANCIAL REPORT FOR THE 2ND QUARTER ENDED 30.9.2021**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30.9.2021**

	<b>Period ended 30.9.2021 RM'000</b>	<b>Period ended 30.9.2020 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	131,439	177,722
Adjustments for:		
Depreciation & amortisation	114,249	99,780
(Increase)/Decrease in working capital	34,055	(13,097)
Income tax paid	(41,683)	(24,795)
Other non-cash items	9,134	72,528
<b>Net cash generated from/(used in) operating activities</b>	<b>247,194</b>	<b>312,138</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(93,026)	(153,125)
Others	(82)	-
<b>Net cash generated from/(used in) investing activities</b>	<b>(93,108)</b>	<b>(153,125)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net borrowings	(49,681)	27,065
Payment of lease liabilities	(15,495)	(13,188)
Dividend paid to minority interest	(8,717)	(323)
Dividend paid to shareholders	-	-
Others	-	-
<b>Net cash generated from/(used in) financing activities</b>	<b>(73,893)</b>	<b>13,554</b>
<b>Net increase in cash and cash equivalents</b>	<b>80,193</b>	<b>172,567</b>
<b>Cash and cash equivalents at 1.4.2021</b>	<b>480,522</b>	<b>261,549</b>
<b>Cash and cash equivalents at 30.9.2021</b>	<b>560,715</b>	<b>434,116</b>

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:

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

### **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 2nd quarter ended 30.9.2021

	<b>RM'000</b>	<b>RM'000</b>
	<b>Sales</b>	<b>PBT</b>
Marine Products Manufacturing	284,359	53,170
Palm Oil and Clean Energy	127,844	11,040
Integrated Livestock Farming	835,850	6,551
Total	<u>1,248,053</u>	<u>70,761</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
	1.7.2021 to 30.9.2021	1.7.2020 to 30.9.2020		1.4.2021 to 30.9.2021	1.4.2020 to 30.9.2020	
	Sales	Sales		Sales	Sales	
	RM'000	RM'000		RM'000	RM'000	
Marine Product Manufacturing (MPM)	284,359	337,320	-16%	555,216	643,035	-14%
Palm Oil and Clean Energy (POCE)	127,844	57,615	122%	281,088	118,523	137%
Integrated Livestock Farming (ILF)	835,850	683,154	22%	1,637,173	1,286,680	27%
Total	1,248,053	1,078,089	16%	2,473,477	2,048,238	21%
	1.7.2021 to 30.9.2021	1.7.2020 to 30.9.2020		1.4.2021 to 30.9.2021	1.4.2020 to 30.9.2020	
	Profit before tax	Profit before tax		Profit before tax	Profit before tax	
	RM'000	RM'000		RM'000	RM'000	
Marine Product Manufacturing (MPM)	53,170	73,592	-28%	94,861	135,449	-30%
Palm Oil and Clean Energy (POCE)	11,040	(1,621)	NA	23,277	12,868	81%
Integrated Livestock Farming (ILF)	6,551	25,349	-74%	13,301	29,405	-55%
Total	70,761	97,320	-27%	131,439	177,722	-26%

- a. MPM's current quarter sales decreased by 16% against the corresponding quarter mainly due to lower sales volume across all MPM activities as a result of continuation in low fish landing cycle from Quarter 1 and also disruption in fishing activities from the shortage of foreign fishing crew caused by Covid-19 lockdown.

Earnings decreased by 28% mainly due to lower sales, higher unit cost with lower production volume and additional Covid-19 compliance expenses.

Cumulative sales and earnings decreased by 14% and 30% respectively due to the same reasons.

- b. POCE's current quarter sales increased by 122% 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 significant improvement in CPO selling price.

Earnings reported a turnaround against the corresponding quarter mainly due to positive contribution from plantation and the inclusion of Boilermech as subsidiary.

Cumulative sales and earnings increased by 137% and 91% respectively mainly due to the same reasons.

- c. ILF's current quarter sales increased by 22% against the corresponding quarter mainly due to high feed raw material trading price and improved egg price and volume.

Despite sales increase, earnings decreased by 74% against the corresponding quarter mainly due to erosion in farming margin caused by super high feed cost and slow recovery in egg selling price.

Cumulative sales increased by 27% against corresponding period due to the same reasons.

Cumulative earnings decreased by 55% mainly due to the same reasons.

## B2 Review of current quarter performance with the preceding quarter

	Current quarter	Preceding quarter	% change	Current quarter	Preceding quarter	% change
	1.7.2021 to 30.9.2021	1.4.2021 to 30.6.2021		1.7.2021 to 30.9.2021	1.4.2021 to 30.6.2021	
	Sales	Sales		Profit before tax	Profit before tax	
	RM'000	RM'000		RM'000	RM'000	
Activities:						
Marine Product Manufacturing (MPM)	284,359	270,857	5%	53,170	41,691	28%
Palm Oil and Clean Energy (POCE)	127,844	153,244	-17%	11,040	12,237	-10%
Integrated Livestock Farming (ILF)	835,850	801,323	4%	6,551	6,750	-3%
Total	1,248,053	1,225,424	2%	70,761	60,678	17%

- a. MPM's current quarter sales increased by 5% against the preceding quarter mainly due to improved fish landing from fishing activity where 50% of the fishing fleet resumed operations and also higher selling price.

Earnings increased by 28% mainly due to improved margin with higher selling price especially for fishmeal and surimi.

- b. POCE's current quarter sales decreased by 17% against the preceding quarter mainly due to delay in project delivery and site installation by Boilermach with Covid-19 lockdown and also lower FFB tonnage processed.

Earning decreased by 10% mainly due to lower activities in Boilermach.

- c. ILF's current quarter sales increased by 4% against the preceding quarter mainly due to higher egg selling price and improved feed raw material trading volume.

Despite sales increase, earnings decreased marginally against the preceding quarter mainly due to lower feed raw material trading margin.

## B3 Prospects for the next quarter to 31st December 2021

With Malaysia now into National Recovery Plan Phase 4 and full re-opening of all economic activities, the management continues to be positive about a significant recovery in overall business performance for second half of Financial Year 2022 barring no new stringent movement restriction measures.

## 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 30.9.2021	Cumulative period To date 30.9.2021
	RM'000	RM'000
	22,896	44,029
	(2,868)	(8,559)
	20,028	35,470

The effective tax rate for cumulative period to date is higher than the statutory rate mainly due to tax expense recognised on the unrealized forex gain from Indonesian Rupiah movement as per Indonesian tax law.

## 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 2nd quarter ended 30.9.2021					
	Long term		Short term		Total borrowings	
	Foreign denomination (USDS\$1 = RM4.189)	RM denomination	Foreign denomination (USDS\$1 = RM4.189)	RM denomination	Foreign denomination (USDS\$1 = RM4.189)	RM denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Secured</b>						
Term loans (Conventional)	-	3,072	-	438	-	3,510
Term loans (Islamic)	-	-	-	-	-	-
	-	3,072	-	438	-	3,510
<b>Unsecured</b>						
Term loans (Conventional)	519,645	-	214,956	-	734,601	-
Term loans (Islamic)	9,241	-	36,962	-	46,203	-
Bank overdrafts	-	-	3,216	13,115	3,216	13,115
Bankers' acceptance (Conventional)	-	-	244,828	266,740	244,828	266,740
Bankers' acceptance (Islamic)	-	-	10,080	65,315	10,080	65,315
Revolving credit	-	-	-	76,620	-	76,620
Supplier factoring facilities	-	-	-	48,282	-	48,282
Hire purchase liabilities	-	-	-	63	-	63
	528,886	-	510,042	470,135	1,038,928	470,135
<b>Total</b>	528,886	3,072	510,042	470,573	1,038,928	473,645

	As at 4th quarter ended 31.3.2021					
	Long term		Short term		Total borrowings	
	Foreign denomination (USDS\$1 = RM4.148)	RM denomination	Foreign denomination (USDS\$1 = RM4.148)	RM denomination	Foreign denomination (USDS\$1 = RM4.148)	RM denomination
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Secured</b>						
Term loans (Conventional)	-	3,290	-	435	-	3,725
Term loans (Islamic)	-	-	-	-	-	-
	-	3,290	-	435	-	3,725
<b>Unsecured</b>						
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
<b>Total</b>	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 30.9.2021, the outstanding derivatives (including financial instruments designated as hedging instruments) are as follows:

Types of derivatives	Contract/Notional	Fair Value gain/
	Value as at	(loss) as at
	30.9.2021	30.9.2021
	RM'000	RM'000
<b>(i) Cross currency swap</b>		
- Less than 1 year		
- More than 1 year	602,339	(3,753)
<b>(ii) Interest rate swap</b>		
- Less than 1 year		
- More than 1 year	122,052	(2,427)
<b>(iii) Foreign exchange contracts (sell)</b>		
- Less than 1 year	65,487	186
- More than 1 year		
<b>(iv) Foreign exchange contracts (buy)</b>		
- Less than 1 year	99,340	(35)
- More than 1 year		
	<b>889,218</b>	<b>(6,029)</b>

## 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 (collectively called "Defendants"). 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.

In the latest announcement to Bursa Malaysia on 28 October 2021, PMI has been notified by its Indonesian counsels that the Tarakan Court has upon request of the Plaintiff, issued a Court Attachment Order dated 25 October 2021 against the assets of the PMI and QLM. The Court Attachment Order will have no material impact on the Group's operations. As per advice of its Indonesian counsels, there are abnormalities and irregularities amounting to breach of natural justice in the conduct of the court proceedings, and the Defendants have accordingly instructed the Indonesian counsels to lodge a formal complaint to the superior courts in Indonesia on such matter. There is no further progress since the announcement.

## B12 Dividend

In respect of the financial year ended 31 March 2021, a final dividend of 3.50 sen per ordinary share amounting to approximately RM 85.18 million was approved at the AGM held on 22 September 2021 and paid on 15 October 2021.

## B13 Earnings per share

The calculations of basic earnings per share were as follows:

	Current quarter ended	Cumulative
	30.9.2021	to date
		30.9.2021
(a) Net profit attributable to ordinary shareholders (RM'000)	45,942	88,136
(b) Number of ordinary shares in issue ('000)- weighted average	2,433,657	2,433,657
Basic Earnings per share (sen)	1.89	3.62