

KIM LOONG RESOURCES BERHAD

(Registration No. 197501000991 (22703-K))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/01/2023 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/01/2022 RM'000	CURRENT YEAR TO-DATE 31/01/2023 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/01/2022 RM'000
Revenue	431,816	496,628	1,908,343	1,702,716
Cost of sales	<u>(356,791)</u>	<u>(428,524)</u>	<u>(1,608,887)</u>	<u>(1,435,535)</u>
Gross profit	75,025	68,104	299,456	267,181
Other income	3,038	3,465	13,529	12,921
Operating expenses	(23,465)	(22,649)	(57,740)	(67,832)
Finance costs	<u>(650)</u>	<u>(576)</u>	<u>(2,402)</u>	<u>(1,939)</u>
Profit before tax	53,948	48,344	252,843	210,331
Tax	<u>(9,172)</u>	<u>(7,955)</u>	<u>(52,855)</u>	<u>(43,289)</u>
Profit for the period	<u>44,776</u>	<u>40,389</u>	<u>199,988</u>	<u>167,042</u>
Other comprehensive income:				
Net movement on cash flow hedge	-	1,607	6,752	(6,752)
Tax relating to other comprehensive income	-	(386)	(1,620)	1,620
Other comprehensive income for the period, net of tax	-	1,221	5,132	(5,132)
Total comprehensive income for the period	<u>44,776</u>	<u>41,610</u>	<u>205,120</u>	<u>161,910</u>
Profit for the period attributable to:				
Owners of the Company	36,921	30,964	162,561	136,580
Non-controlling interests	<u>7,855</u>	<u>9,425</u>	<u>37,427</u>	<u>30,462</u>
	<u>44,776</u>	<u>40,389</u>	<u>199,988</u>	<u>167,042</u>
Total comprehensive income for the period attributable to:				
Owners of the Company	36,921	31,987	167,693	131,448
Non-controlling interests	<u>7,855</u>	<u>9,623</u>	<u>37,427</u>	<u>30,462</u>
	<u>44,776</u>	<u>41,610</u>	<u>205,120</u>	<u>161,910</u>
Earnings per share (sen):				
- Basic	3.82	3.21	16.82	14.42
- Diluted	3.81	3.20	16.78	14.40
Dividends per share (sen)	5.00	5.00	15.00	14.00

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2022)

KIM LOONG RESOURCES BERHAD

(Registration No. 197501000991 (22703-K))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT CURRENT QUARTER ENDED 31/01/2023 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/01/2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	271,656	264,944
Bearer plants	134,202	132,985
Right-of-use assets	331,652	337,499
Investment properties	-	5,810
Deferred tax assets	6,212	6,044
Prepayments	3,856	3,439
	<u>747,578</u>	<u>750,721</u>
Current assets		
Inventories	58,196	33,422
Biological assets	5,565	5,843
Receivables	47,240	58,216
Prepayments	1,497	2,722
Tax recoverable	2,845	2,629
Short term funds	164,877	102,277
Cash and bank balances	234,992	308,513
	<u>515,212</u>	<u>513,622</u>
TOTAL ASSETS	<u><u>1,262,790</u></u>	<u><u>1,264,343</u></u>
EQUITY AND LIABILITIES		
Current liabilities		
Payables and accruals	97,757	132,346
Interest bearing borrowings (secured)	12,951	10,885
Dividend payable	48,351	38,617
Derivatives	48	8,235
Tax payable	11,078	8,035
	<u>170,185</u>	<u>198,118</u>
Net current assets	<u>345,027</u>	<u>315,504</u>
Non-current liabilities		
Interest bearing borrowings (secured)	45,486	55,482
Deferred tax liabilities	93,115	91,318
	<u>138,601</u>	<u>146,800</u>
Total liabilities	<u>308,786</u>	<u>344,918</u>
Net assets	<u>954,004</u>	<u>919,425</u>
Equity attributable to owners of the Company		
Share capital	371,865	369,304
Reserves	464,452	442,125
Treasury shares	(1,626)	(1,626)
	<u>834,691</u>	<u>809,803</u>
Non-controlling interests	119,313	109,622
Total equity	<u>954,004</u>	<u>919,425</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,262,790</u></u>	<u><u>1,264,343</u></u>
Net assets per share (RM)	0.86	0.84

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2022)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company				Non-controlling interests	Total equity
	Non-distributable	Distributable				
	Share capital	Hedging reserve	Retained profits	Treasury shares	Total	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Year ended						
<u>31 January 2023</u>						
Balance as at 1 February 2022	369,305	(5,132)	447,256	(1,626)	809,803	109,622
Profit or loss	-	-	162,561	-	162,561	37,427
Other comprehensive income	-	5,132	-	-	5,132	-
Total comprehensive income for the year	-	5,132	162,561	-	167,693	37,427
Dividends	-	-	(145,046)	-	(145,046)	(27,736)
Issuance of shares arising from exercise of Warrants	2,560	-	(319)	-	2,241	-
Total for transactions with owners	2,560	-	(145,365)	-	(142,805)	(27,736)
Balance as at 31 January 2023	<u>371,865</u>	<u>-</u>	<u>464,452</u>	<u>(1,626)</u>	<u>834,691</u>	<u>119,313</u>
Year ended						
<u>31 January 2022</u>						
Balance as at 1 February 2021	318,437	-	432,463	(1,626)	749,274	94,884
Profit or loss	-	-	136,580	-	136,580	30,462
Other comprehensive income	-	(5,132)	-	-	(5,132)	-
Total comprehensive income for the year	-	(5,132)	136,580	-	131,448	30,462
Dividends	-	-	(115,447)	-	(115,447)	(15,724)
Issuance of shares arising from exercise of Warrants	50,868	-	(6,340)	-	44,528	-
Total for transactions with owners	50,868	-	(121,787)	-	(70,919)	(15,724)
Balance as at 31 January 2022	<u>369,305</u>	<u>(5,132)</u>	<u>447,256</u>	<u>(1,626)</u>	<u>809,803</u>	<u>109,622</u>

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2022)

KIM LOONG RESOURCES BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended ended 31/01/2023 RM'000	Year ended ended 31/01/2022 RM'000
Operating activities		
Cash receipts from customers	1,921,410	1,689,193
Rental received	309	298
Interest received	8,469	5,440
Cash paid to suppliers and employees	(1,665,545)	(1,427,094)
Cash generated from operations	264,643	267,837
Interest paid	(2,394)	(1,940)
Tax paid	(49,947)	(40,151)
Net cash from operating activities	212,302	225,746
Investing activities		
Fixed deposits	(13)	(11)
Proceeds from disposal of property, plant and equipment	7,055	743
Acquisition of property, plant and equipment, bearer plants and right-of-use assets	(63,122)	(99,522)
Net proceeds from compulsory acquisition	-	3,206
Net (investments in)/withdrawal from short term funds	(60,944)	4,702
Real property gains tax paid	(75)	-
Sundry advances	-	(258)
Net cash used in investing activities	(117,099)	(91,140)
Financing activities		
Proceeds from issuance of shares	2,241	44,528
Drawdown of bank borrowings	7,000	30,000
Repayments of bank borrowings	(14,996)	(12,092)
Dividends paid to shareholders of the Company	(135,312)	(104,839)
Dividends paid to non-controlling interests in subsidiary companies	(27,736)	(14,956)
Net cash used in financing activities	(168,803)	(57,359)
Net (decrease)/increase in cash and cash equivalents	(73,600)	77,247
Cash and cash equivalents at beginning of year	307,505	230,258
Cash and cash equivalents at end of year (Note a)	233,905	307,505
Note a : Cash and cash equivalents at end of year		
Cash on hand and cash in banks	113,060	172,894
Deposits with licensed banks	121,932	135,619
Cash and bank balances	234,992	308,513
Less: Bank overdrafts	(455)	(389)
Less: Fixed deposit pledged	(632)	(619)
Cash and cash equivalents	233,905	307,505

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2022)

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EXPLANATORY NOTES

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 January 2022. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 January 2022.

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 January 2022 except for the adoption of the following amended MFRSs and Annual Improvements which are mandatory for annual financial periods beginning on or after 1 January 2022:

Covid-19 – Related Rent Concessions beyond 30 June 2021 (Amendments to MFRS 16 Leases)	1 April 2021
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Reference to the Conceptual Framework (Amendments to MFRS 3 Business Combinations)	1 January 2022
Property, Plant and Equipment – Proceeds before Intended Use (Amendments to MFRS 116 Property, Plant and Equipment)	1 January 2022
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets)	1 January 2022

The adoption of these Amendments and Annual Improvements did not have any material impact on the interim financial report of the Group.

The Group has not elected for early adoption of the following new and amended MFRSs, which were issued but not yet effective for the financial year ending 31 January 2023:

	Effective for financial periods beginning on or after
MFRS 17 and Amendments to MFRS 17 Insurance Contracts	1 January 2023
Classification of Liabilities as Current or Non-current (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2023
Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2023
Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes)	1 January 2023
Lease Liability in a Sale and Leaseback (Amendments to MFRS 16 Leases)	1 January 2024
Non-current Liabilities with Covenants (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2024
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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The Group would adopt these new and amended MFRSs above, if applicable, when they become effective and does not expect any material impact on the financial statements in the year of initial adoption.

A2. Seasonal or cyclical factors

Crop production is seasonal and could be affected by severe weather conditions such as El-Nino and La Nina.

The production of Fresh Fruit Bunches (“FFB”) from our mature estates was low in the first quarter and has since then gradually increased from the second quarter towards the fourth quarter in the current financial year. Based on observation, the Group’s FFB production has gradually declined since January 2023 and expect to experience low yield season in the first quarter of the financial year 2024.

The Group’s FFB production for the current quarter was 83,100 MT which was 5% higher than the production recorded in the preceding quarter. As for the average FFB yield (MT/Ha) trend for the current year-to-date, it was broadly in line with the national yield trend.

A3. Unusual items

There were no unusual items that have material effects on the assets, liabilities, equity, net income or cash flows for the current financial year-to-date.

A4. Material changes in estimates

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

A5. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the year ended 31 January 2023 except for issuance of 1,601,001 new ordinary shares pursuant to exercise of 1,601,001 Warrants.

As at 31 January 2023, the Company held as treasury shares a total of 1,806,000 of its 968,822,321 issued ordinary shares.

The outstanding unexercised number of Warrants as at 31 January 2023 was 13,268,621.

A6. Dividends paid

The gross dividends paid during the current financial year-to-date were as follows:

- (i) A special single tier dividend of 4 sen per ordinary share in respect of the financial year 2022 was paid on 17 February 2022;
- (ii) A final single tier dividend of 5 sen per ordinary share in respect of the financial year 2022 was paid on 29 August 2022; and
- (iii) An interim single tier dividend of 5 sen per ordinary share in respect of the financial year 2023 was paid on 15 November 2022.

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A7. Segmental information

Major segments by activity:-

	Revenue		Results	
	Year ended		Year ended	
	31/01/2023	31/01/2022	31/01/2023	31/01/2022
	RM'000	RM'000	RM'000	RM'000
Plantation operations	263,954	220,572	147,000	120,326
Milling operations	1,866,579	1,663,794	110,827	96,120
	2,130,533	1,884,366	257,827	216,446
Add/(Less):				
Inter-segment adjustments and eliminations	(222,190)	(181,650)	(1,552)	(1,537)
	<u>1,908,343</u>	<u>1,702,716</u>	256,275	214,909
Add/(Less):				
Unallocated expenses			(7,742)	(8,088)
Finance income			6,712	5,449
Finance costs			(2,402)	(1,939)
Profit before tax			252,843	210,331
Tax expenses			(52,855)	(43,289)
Profit for the year			<u>199,988</u>	<u>167,042</u>

A8. Material subsequent events

As at 23 March 2023, there were no material subsequent events that have not been reflected in the financial statements for the current financial period.

A9. Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial year-to-date, including business combination, acquisition or disposal of subsidiaries and long-term investments, restructuring and discontinuing operations.

A10. Contingent liabilities or Contingent assets

There have been no material changes in contingent liabilities or contingent assets at Group level since the end of last annual reporting period at 31 January 2022.

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ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES**B1. Review of the performance of the Company and its principal subsidiaries**

The Group achieved a record high revenue and profit before tax (“PBT”) at RM1.91 billion and RM252.84 million respectively for the financial year ended 31 January 2023, which were 12% and 20% higher as compared to RM1.70 billion and RM210.33 million respectively for the corresponding period last year. The good performance for the current financial year-to-date was mainly due to higher average selling prices of FFB and CPO by 10% and 9% respectively. The FFB and CPO production for the current year-to-date were higher by 8% and 6% respectively as compared to the corresponding period last year. Further information and statistics are tabulated below:

	Individual Period (4 th quarter)			Cumulative Period		
	Current Year Quarter	Preceding Year Quarter	Changes (%)	Current Year To-date	Preceding Corresponding Period	Changes (%)
	31/01/2023	31/01/2022		31/01/2023	31/01/2022	
(A) Financial Data:	RM'000	RM'000		RM'000	RM'000	
Revenue	431,816	496,628	(13%)	1,908,343	1,702,716	12%
Earnings before interest, tax, depreciation and amortisation (“EBITDA”)	65,040	58,410	11%	295,079	248,149	19%
Profit before interest and tax	54,598	48,920	12%	255,245	212,270	20%
Profit before tax	53,948	48,344	12%	252,843	210,331	20%
Profit after tax	44,776	40,389	11%	199,988	167,042	20%
Profit attributable to ordinary equity holders of the Company	36,921	30,964	19%	162,561	136,580	19%
(B) Statistics:						
Plantation						
FFB production (MT)	83,119	67,526	23%	286,987	265,037	8%
FFB yield per hectare (MT/Ha)	5.83	5.20	12%	20.84	20.59	1%
Average FFB selling price (RM/MT)	753	930	(19%)	920	832	10%
Palm Oil Milling						
CPO production (MT)	90,139	78,704	15%	330,968	311,752	6%
CPO sold (MT)	92,443	77,963	19%	324,879	312,134	4%
CPO extraction rate (%)	21.00	21.14	(1%)	20.75	21.04	(1%)
Average CPO price (RM/MT)	3,970	5,118	(22%)	4,898	4,488	9%

As at 31 January 2023, the Group’s total planted area (excluding land for infrastructure, unplanted land and area under development) is 15,940 hectares. The age profile of planted area can be analysed as follows:

- a) < 3 years (Immature): 11%
- b) 3 – 6 years (Young mature): 13%
- c) 7 – 15 years (Prime mature): 26%
- d) 16 – 20 years (Old mature): 19%
- e) > 20 years (Pre-replanting): 31%

There was no replanting carried out during the current year to-date.

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Performance analysis by segments (before inter-segments adjustments and eliminations):

	Individual Period (4 th quarter)			Cumulative Period		
	Current Year Quarter	Preceding Year Quarter	Changes (%)	Current Year To-date	Preceding Corresponding Period	Changes (%)
	31/01/2023	31/01/2022		31/01/2023	31/01/2022	
Revenue:	RM'000	RM'000		RM'000	RM'000	
Plantation	62,576	67,344	(7%)	263,954	220,572	20%
Milling	423,643	485,550	(13%)	1,866,579	1,663,794	12%
	486,219	552,894	(12%)	2,130,533	1,884,366	13%
Results:						
Plantation	30,753	35,933	(14%)	147,000	120,326	22%
Milling	29,257	20,970	40%	110,827	96,120	15%
	60,010	56,903	5%	257,827	216,446	19%

Plantation operations

The Group recorded a lower revenue and profit for the current quarter as compared to the corresponding period last year mainly due to 19% lower average FFB selling price, despite a 23% higher FFB production recorded. Higher fertilizer cost recognised during the current quarter was also a contributing factor to lower profit.

For the current year-to-date, the revenue and profit were 20% and 22% higher as compared to the corresponding period last year mainly due to higher average FFB selling price and production by 10% and 8% respectively. Lower increase in FFB yield per hectare was mainly due to the additional 1,100 hectares replanted area came into maturity in the third quarter of the current financial year.

The plantation operations did not face problem in selling its FFB production as most of the produce was supplied to mills within the Group.

Palm oil milling operations

The revenue and profit from the milling operations were higher for the current year-to-date as compared to the corresponding period last year mainly benefited from higher sales quantity and average CPO selling price as well as better processing margin.

Revenue for the current quarter was lower as compared to the corresponding period last year mainly due to a 22% lower average selling price despite a higher sales quantity. However, profit for the current quarter was 40% higher due to better processing margin and higher processing volume.

The market condition and demand for the Group's milling products has been good and stable for the current quarter and year-to-date.

The revenue generated from supplying power to TNB grid from our biogas plant for the current year-to-date was RM4.64 million which was slightly lower than RM5.20 million in the previous year corresponding period. Lower revenue was mainly due to breakdowns of biogas engines resulting disruption to power generation.

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B2. Comparison of profit before tax for the quarter reported on with the immediate preceding quarter

The PBT for the current quarter was RM53.95 million which was marginally lower as compared to RM54.11 million achieved in the preceding quarter ended 31 October 2022.

Although the average FFB selling price and production increased by 2% and 5% respectively, the profit from plantation operations only improved by 2% or RM0.66 million to RM30.75 million as compared to RM30.09 million in the preceding quarter, mainly due to higher fertilizer cost recognised in the current quarter.

For the milling operations, despite a lower FFB throughput recorded in the current quarter, the profit from milling operations was RM29.26 million, representing an increase of 14% or RM3.56 million as compared to RM25.70 million recorded for the preceding quarter, mainly due to better processing margin.

Total FFB processed has dropped by 4% to 429,000 MT as compared to 449,000 MT in the preceding quarter.

Further information and statistics are tabulated below:

	Current Quarter	Immediate Preceding Quarter	Changes (%)
	31/01/2023	31/10/2022	
(A) Financial Data:			
	RM'000	RM'000	
Revenue	431,816	402,412	7%
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	65,040	64,859	0%
Profit before interest and tax	54,598	54,725	(0%)
Profit before tax	53,948	54,113	(0%)
Profit after tax	44,776	42,599	5%
Profit attributable to ordinary equity holders of the Company	36,921	36,742	0%
(B) Statistics:			
Plantation			
FFB production (MT)	83,119	79,463	5%
FFB yield per hectare (MT/Ha)	5.83	5.57	5%
Average FFB selling price (RM/MT)	753	740	2%
Palm Oil Milling			
CPO production (MT)	90,139	91,854	(2%)
CPO sold (MT)	92,443	83,557	11%
CPO oil extraction rate (%)	21.00	20.47	3%
Average CPO price (RM/MT)	3,970	3,901	2%

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B3. Current financial year prospects

The management forecasts the FFB production for the current financial year ending 31 January 2024 could be 15% higher than the quantity achieved in the financial year 2023 on account of more replanted area coming into maturity and better age profile of young palms productive area.

As for palm oil milling operations, the management expects the total processing quantity could maintain at least 1.5 million MT of FFB for the current financial year. Our biogas plant at Keningau has commenced supply of power to grid in December 2022 and we expect this plant could contribute positively to revenue in the financial year 2024. On the other hand, we expect our biogas plant at Telupid could commence operations in the second half of the financial year 2024.

The movement of CPO price has become highly unpredictable, hence the Group will continue to monitor the impact of volatile pricing on the performance of the Group. Nevertheless, the management expects the average CPO price for the financial year 2024 could stand above RM4,000 per MT and is of the view that the Group could still benefit from the current level of CPO price especially the plantation operations. Having said that, the industry outlook still remains challenging if labour shortage problem does not improve.

Based on the above, we expect the Group to perform satisfactorily for the financial year 2024.

B4. Variance of actual profit from forecast profit and shortfall in profit guarantee

This is not applicable.

B5. Income tax

	Current Quarter Ended 31/01/2023 RM'000	Financial Year-to-date Ended 31/01/2023 RM'000
Malaysian Income Tax		
- Current year	9,057	52,957
- Over provision in prior year	-	(185)
	9,057	52,772
Real property gains tax		
- Current year	-	75
Deferred tax		
- Current year	34	(73)
- Under provision of liabilities in prior year	75	75
- Over provision of assets in prior year	6	6
	115	8
	<u>9,172</u>	<u>52,855</u>

The effective tax rate for the current quarter and year-to-date is lower than statutory income tax rate mainly due to expected utilisation of unused tax losses brought forward not previously recognised for deferred tax assets and tax incentive available.

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B6. Status of corporate proposals

There is no outstanding corporate proposal as at 23 March 2023.

B7. Group borrowings and debt securities

The total secured borrowings, which are denominated in Ringgit Malaysia, are as follows:

	As at 31/01/2023 RM'000	As at 31/01/2022 RM'000
Short term borrowings:		
Overdrafts	455	389
Revolving credit	2,500	500
Term loans	9,996	9,996
	<u>12,951</u>	<u>10,885</u>
Long term borrowings:		
Term loans	<u>45,486</u>	<u>55,482</u>

- (a) There were no unsecured interest bearing borrowing as at 31 January 2023.
- (b) The movements terms loans were due to repayments.
- (c) Weighted average interest rate of borrowings as at 31 January 2023 was 4.43% per annum. There is no borrowing that is based on fixed interest rate.

B8. Material litigation

As at 23 March 2023, there were no material litigations against the Group.

B9. Dividend

The Board is pleased to propose a final single tier dividend of 5 sen per share in respect of the financial year ended 31 January 2023 subject to shareholders' approval at the forthcoming 48th Annual General Meeting.

- (a) (i) amount per share: 5 sen single tier;
(ii) previous corresponding period: 5 sen single tier per share;
(iii) date of payment: 29 August 2023; and
(iv) in respect of deposited securities, entitlement to dividends will be determined on the basis of the record of the depositors as at 11 August 2023; and
- (b) total dividend for the current financial year: 15 sen single tier per share.

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B10. Earnings per share

Basic earnings per share (“Basic EPS”)

The Basic EPS is calculated by dividing the profit attributable to the owners of the Company for the current quarter and the financial year by the weighted average number of ordinary shares in issue during the current quarter and the financial year respectively, excluding treasury shares held by the Company:

		Current Quarter Ended 31/01/2023	Financial Year-to-date Ended 31/01/2023
Net profit for the period	(RM'000)	36,921	162,561
Weighted average number of ordinary shares in issue	('000)	966,977	966,455
Basic EPS	(sen)	3.82	16.82

Diluted earnings per share (“Diluted EPS”)

The Diluted EPS is calculated by dividing the profit attributable to the owners of the Company for the current quarter and the financial year by the weighted average number of ordinary shares in issue during the current quarter and the financial year respectively, which has been adjusted for the number of ordinary shares that could have been converted from the warrants issued by the Company.

Shares that are anti-dilutive are ignored in the computation of Diluted EPS.

		Current Quarter Ended 31/01/2023	Financial Year-to-date Ended 31/01/2023
Net profit for the period	(RM'000)	36,921	162,561
Weighted average number of ordinary shares in issue	('000)	966,977	966,455
Adjustment for dilutive effect of warrants	('000)	1,544	2,100
Adjusted weighted average number of shares for Diluted EPS	('000)	968,521	968,555
Diluted EPS	(sen)	3.81	16.78

B11. Audit qualification

The auditors' report of the preceding annual financial statements of the Group did not contain any qualification.

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B12. Profit before tax

Profit before tax is arrived at after charging/(crediting) the following items:

	Current Quarter Ended 31/01/2023 RM'000	Financial Year-to-date Ended 31/01/2023 RM'000
(a) Interest income	(1,946)	(6,712)
(b) Other income including investment income	(1,092)	(6,357)
(c) Interest expense	650	2,402
(d) Depreciation and amortization	10,442	39,834
(e) Provision for and write off of receivables	17	237
(f) Provision for and write off of inventories	68	68
(g) (Gain) or loss on disposal of investment properties	-	(460)
(h) Provision for/(Reversal of) impairment of assets	-	-
(i) Foreign exchange (gain)/loss	-	-
(j) (Gain) or loss on derivatives	(15)	2,634
(k) Net loss/(gain) arising from changes in fair value of biological assets	256	278
(l) Exceptional items	-	-

B13. Derivatives

The Group has entered into the following derivative instruments which are outstanding as at 31 January 2023:

Type of Derivatives	Contractual/ Notional Value as at 31/01/2023 RM'000	Fair Value Assets/ (Liabilities) as at 31/01/2023 RM'000
CPO Futures contracts		
- Less than 1 year	3,865	(48)
	<u>3,865</u>	<u>(48)</u>

The outstanding positions for CPO Futures contracts were entered for the purpose of hedging the purchase of FFB and/or CPO for committed sales under the milling operations.

There is no change in risks, cash requirements and policies associated with the derivatives since the preceding financial year.

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B14. Gains/losses arising from fair value changes of financial liabilities

	Current Quarter Ended 31/01/2023 RM'000	Financial Year-to-date Ended 31/01/2023 RM'000
<u>Fair value (gains)/losses arising from:</u>		
- CPO Futures contracts	(15)	512
- CPO SWAP contracts	-	6,442
	<u>(15)</u>	<u>6,954</u>
Amount recognised as:		
- effective hedge in hedging reserve	-	4,320
- other expenses in profit or loss	(15)	2,634
	<u>(15)</u>	<u>6,954</u>

- (a) The fair value gains/losses were arising from the transactions under the CPO Futures contracts and SWAP contracts.
- (b) The fair value gains/losses were caused by favourable/unfavourable movements in CPO price in commodity derivatives market.
- (c) The fair values changes are derived based on:
- the difference of contract value upon closure or settlement of contracts; and
 - the difference in value of outstanding contracts by reference to mark-to-market value and/or closing price quoted at the end of reporting period.

B15. Additional Information

- (a) Receivables

Total receivables as at 31 January 2023 is RM47.24 million of which RM43.99 million is trade in nature with normal trade credit terms of less than 60 days.