

KIM LOONG RESOURCES BERHAD

(Registration No. 197501000991 (22703-K))

**Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION
30-04-2021**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/04/2021 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2020 RM'000	CURRENT YEAR TO-DATE 30/04/2021 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2020 RM'000
1 Revenue	312,451	201,355	312,451	201,355
2 Profit/(loss) before tax	43,721	35,664	43,721	35,664
3 Profit/(loss) for the period	33,592	26,699	33,592	26,699
4 Profit/(loss) attributable to ordinary equity holders of the Company	28,383	22,899	28,383	22,899
5 Basic earnings/(loss) per share (sen)	3.04	2.45	3.04	2.45
6 Proposed/Declared dividends per share (sen)	-	-	-	-

AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
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7 Net assets per share attributable to ordinary equity holders of the Company (RM)		0.83		0.80
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Part A3 : ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/04/2021 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2020 RM'000	CURRENT YEAR TO-DATE 30/04/2021 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2020 RM'000
1 Gross interest income	1,202	1,720	1,202	1,720
2 Gross interest expenses	386	129	386	129

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(Registration No. 197501000991 (22703-K))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/04/2021 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2020 RM'000	CURRENT YEAR TO-DATE 30/04/2021 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2020 RM'000
Revenue	312,451	201,355	312,451	201,355
Cost of sales	<u>(263,673)</u>	<u>(156,419)</u>	<u>(263,673)</u>	<u>(156,419)</u>
Gross profit	48,778	44,936	48,778	44,936
Other income	4,878	2,908	4,878	2,908
Operating expenses	(9,549)	(12,051)	(9,549)	(12,051)
Finance costs	<u>(386)</u>	<u>(129)</u>	<u>(386)</u>	<u>(129)</u>
Profit before tax	43,721	35,664	43,721	35,664
Tax	<u>(10,129)</u>	<u>(8,965)</u>	<u>(10,129)</u>	<u>(8,965)</u>
Profit for the period	<u>33,592</u>	<u>26,699</u>	<u>33,592</u>	<u>26,699</u>
Other comprehensive income:				
Cash flow hedge	(2,416)	-	(2,416)	-
Tax relating to other comprehensive income	580	-	580	-
Other comprehensive income for the period, net of tax	(1,836)	-	(1,836)	-
Total comprehensive income for the period	<u>31,756</u>	<u>26,699</u>	<u>31,756</u>	<u>26,699</u>
Profit for the period attributable to:				
Owners of the Company	28,383	22,899	28,383	22,899
Non-controlling interests	<u>5,209</u>	<u>3,800</u>	<u>5,209</u>	<u>3,800</u>
	<u>33,592</u>	<u>26,699</u>	<u>33,592</u>	<u>26,699</u>
Total comprehensive income for the period attributable to:				
Owners of the Company	26,533	22,899	26,533	22,899
Non-controlling interests	<u>5,223</u>	<u>3,800</u>	<u>5,223</u>	<u>3,800</u>
	<u>31,756</u>	<u>26,699</u>	<u>31,756</u>	<u>26,699</u>
Earnings per share (sen):				
- Basic	3.04	2.45	3.04	2.45
- Diluted	3.03	2.45	3.03	2.45
Dividends per share (sen)	-	-	-	-

(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 2021)

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(Registration No. 197501000991 (22703-K))

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT CURRENT QUARTER ENDED 30/04/2021 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/01/2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	252,530	255,814
Bearer plants	93,565	91,467
Right-of-use assets	286,145	287,375
Investment properties	5,860	5,876
Deferred tax assets	3,460	3,375
Prepayments	82,918	26,030
	724,478	669,937
Current assets		
Inventories	24,572	20,464
Biological assets	5,015	3,181
Receivables	68,366	48,791
Prepayments	3,864	3,145
Tax recoverable	2,994	2,990
Short term funds	107,399	105,868
Cash and bank balances	165,154	232,104
	377,364	416,543
TOTAL ASSETS	1,101,842	1,086,480
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	318,437	318,437
Reserves	458,996	432,463
Treasury shares	(1,626)	(1,626)
	775,807	749,274
Non-controlling interests	98,527	94,884
Total equity	874,334	844,158
Non-current liabilities		
Interest bearing borrowings (secured)	36,192	37,620
Deferred tax liabilities	90,830	90,044
	127,022	127,664
Current liabilities		
Payables and accruals	81,186	69,479
Interest bearing borrowings (secured)	8,745	11,688
Dividend payable	-	28,008
Derivatives	2,416	-
Tax payable	8,139	5,483
	100,486	114,658
Total liabilities	227,508	242,322
TOTAL EQUITY AND LIABILITIES	1,101,842	1,086,480
Net assets per share (RM)	0.83	0.80

(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 2021)

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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	RM'000
3 months							
<u>30 April 2021</u>							
Balance as at 1 February 2021	318,437	-	432,463	(1,626)	749,274	94,884	844,158
Profit or loss	-	-	28,383	-	28,383	5,209	33,592
Other comprehensive income	-	(1,850)	-	-	(1,850)	14	(1,836)
Total comprehensive income for the year	-	(1,850)	28,383	-	26,533	5,223	31,756
Dividends	-	-	-	-	-	(1,580)	(1,580)
Total for transactions with owners	-	-	-	-	-	(1,580)	(1,580)
Balance as at 30 April 2021	<u>318,437</u>	<u>(1,850)</u>	<u>460,846</u>	<u>(1,626)</u>	<u>775,807</u>	<u>98,527</u>	<u>874,334</u>
3 months							
<u>30 April 2020</u>							
Balance as at 1 February 2020	318,433	-	402,925	(1,626)	719,732	87,294	807,026
Profit or loss	-	-	22,899	-	22,899	3,800	26,699
Total comprehensive income for the year	-	-	22,899	-	22,899	3,800	26,699
Balance as at 30 April 2020	<u>318,433</u>	<u>-</u>	<u>425,824</u>	<u>(1,626)</u>	<u>742,631</u>	<u>91,094</u>	<u>833,725</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 2021)

KIM LOONG RESOURCES BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 months ended 30/04/2021 RM'000	3 months ended 30/04/2020 RM'000
Operating activities		
Cash receipts from customers	294,935	195,837
Rental received	58	46
Interest received	1,120	1,776
Cash paid to suppliers and employees	(258,827)	(150,970)
Cash generated from operations	37,286	46,689
Interest paid	(398)	(137)
Tax paid	(6,197)	(2,419)
Net cash from operating activities	30,691	44,133
Investing activities		
Fixed deposits	(3)	(5)
Government grant received	-	1,680
Proceeds from disposal of property, plant and equipment	511	-
Acquisition of property, plant and equipment, bearer plants and right-of-use assets	(66,750)	(9,644)
Net proceeds from compulsory acquisition	2,978	-
Net investments in short term funds	(420)	(6,749)
Sundry advances	-	(400)
Net cash used in investing activities	(63,684)	(15,118)
Financing activities		
Repayments of bank borrowings	(3,570)	(1,005)
Dividends paid to shareholders of the Company	(28,008)	-
Dividends paid to NCI in subsidiary companies	(1,580)	-
Net cash used in financing activities	(33,158)	(1,005)
Net (decrease)/increase in cash and cash equivalents	(66,151)	28,010
Cash and cash equivalents at beginning of period	230,258	145,880
Effect of exchange rate changes on cash and cash equivalents	-	127
Cash and cash equivalents at end of period (Note a)	<u>164,107</u>	<u>174,017</u>
Note a : Cash and cash equivalents at end of period		
Cash on hand and cash in banks	69,544	87,952
Deposits with licensed banks	95,610	88,097
Cash and bank balances	<u>165,154</u>	<u>176,049</u>
Less: Bank overdrafts	(437)	(1,435)
Less: Fixed deposit pledged	(610)	(597)
Cash and cash equivalents	<u>164,107</u>	<u>174,017</u>

(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 2021)

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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 2021. 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 2021.

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 2021 except for the adoption of the following amended MFRSs which are mandatory for annual financial periods beginning on or after 1 January 2021:

- Covid-19 – Related Rent Concessions (Amendments to MFRS 16 Leases)
- Extension of the Temporary Exemption from Applying MFRS 9
(Amendments to MFRS 4 Insurance Contracts)
- Interest Rate Benchmark Reform – Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)

The adoption of these amendments 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 and annual improvements, which were issued but not yet effective for the financial year ending 31 January 2022:

	Effective for financial periods beginning on or after
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
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

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Amendments to MFRS 10 and MFRS128: Sale or Contribution of Assets
between an Investor and its Associate or Joint Venture

Deferred

The Group would adopt these new and amended MFRSs and annual improvements 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.

Based on past year records, the production of Fresh Fruit Bunches (“FFB”) from our mature estates is normally low during the second quarter of each year and will rise in the third quarter, peak in the fourth quarter and then slowly decline in the first quarter of the following year.

The Group’s FFB production for the current quarter was 56,900 MT, a marginal increase from 56,400 MT in the preceding quarter. The estate which the Group took over physical possession in February 2021 has contributed about 4,000 MT. The Group’s FFB production records had shown steady recovery from the very low record in February 2021. The Group’s FFB cropping trend was broadly in line with the National and Sabah FFB yield trend as published by MPOB.

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 first quarter ended 30 April 2021.

As at 30 April 2021, the Company held as treasury shares a total of 1,806,000 of its 935,415,732 issued ordinary shares.

The outstanding unexercised number of Warrants as at 30 April 2021 was 46,675,210.

A6. Dividends paid

The gross dividend paid during the current financial year-to-date was as follows:

- (a) A special single tier dividend of 3 sen per ordinary share in respect of the financial year 2021 was paid on 22 February 2021.

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A7. Segmental information

Major segments by activity:-

	Revenue		Results	
	3 months ended		3 months ended	
	30/04/2021	30/04/2020	30/04/2021	30/04/2020
	RM'000	RM'000	RM'000	RM'000
Plantation operations	44,890	32,203	29,581	13,577
Milling operations	304,728	196,000	13,918	20,535
	349,618	228,203	43,499	34,112
Add/(Less):				
Inter-segment adjustments and eliminations	(37,167)	(26,848)	(153)	274
	<u>312,451</u>	<u>201,355</u>	43,346	34,386
Add/(Less):				
Unallocated expenses			(441)	(313)
Finance income			1,202	1,720
Finance costs			(386)	(129)
Profit before tax			43,721	35,664
Tax expenses			(10,129)	(8,965)
Profit for the period			<u>33,592</u>	<u>26,699</u>

A8. Material subsequent events

As at 9 July 2021, 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 2021.

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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 higher revenue and profit before tax (“PBT”) at RM312.45 million and RM43.72 million respectively for the current quarter ended 30 April 2021, as compared to RM201.36 million and RM35.66 million respectively for the corresponding period last year. The remarkable performance for the current financial year was mainly due to higher average selling prices of FFB and CPO by 80% and 59% respectively. On the other hand, FFB and CPO production were lower by 21% and 4% respectively. Further information and statistics are tabulated below:

	Individual Period (1 st quarter)			Cumulative Period		
	Current Year Quarter	Preceding Year Quarter	Changes (%)	Current Year To-date	Preceding Corresponding Period	Changes (%)
	30/04/2021	30/04/2020		30/04/2021	30/04/2020	
(A) Financial Data:	RM'000	RM'000		RM'000	RM'000	
Revenue	312,451	201,355	55%	312,451	201,355	55%
Earnings before interest, tax, depreciation and amortisation (“EBITDA”)	52,253	44,230	18%	52,253	44,230	18%
Profit before interest and tax	44,107	35,793	23%	44,107	35,793	23%
Profit before tax	43,721	35,664	23%	43,721	35,664	23%
Profit after tax	33,592	26,699	26%	33,592	26,699	26%
Profit attributable to ordinary equity holders of the Company	28,383	22,899	24%	28,383	22,899	24%
(B) Statistics:						
Plantation						
FFB production (MT)	56,920	71,729	(21%)	56,920	71,729	(21%)
FFB yield per hectare (MT/Ha)	4.49	5.64	(20%)	4.49	5.64	(20%)
Average FFB selling price (RM/MT)	808	449	80%	808	449	80%
Palm Oil Milling						
CPO production (MT)	63,777	66,461	(4%)	63,777	66,461	(4%)
CPO sold (MT)	64,646	65,575	(1%)	64,646	65,575	(1%)
CPO extraction rate (%)	20.86	21.55	(3%)	20.86	21.55	(3%)
Average CPO price (RM/MT)	3,991	2,505	59%	3,991	2,505	59%

As at 30 April 2021, the Group’s total planted area (excluding land for infrastructure, unplanted land and area under development) is 15,874 hectares. The age profile of planted area can be analysed as follows:

- a) < 3 years (Immature): 20%
- b) 3 – 6 years (Young mature): 4%
- c) 7 – 15 year (Prime mature): 37%
- d) 16 – 20 years (Old mature): 15%
- e) > 20 years (Pre-replanting): 24%

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During the current year to-date, the Group took physical possession of about 1,100 hectares estate land of which about 1,040 hectares are planted with mature oil palms. The Group has also carried out replanting of about 170 hectares.

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

	Individual Period (1 st quarter)			Cumulative Period		
	Current Year Quarter	Preceding Year Quarter	Changes (%)	Current Year To-date	Preceding Corresponding Period	Changes (%)
	30/04/2021	30/04/2020		30/04/2021	30/04/2020	
Revenue:	RM'000	RM'000		RM'000	RM'000	
Plantation	44,890	32,203	39%	44,890	32,203	39%
Milling	304,728	196,000	55%	304,728	196,000	55%
	349,618	228,203	53%	349,618	228,203	53%
Results:						
Plantation	29,581	13,577	118%	29,581	13,577	118%
Milling	13,918	20,535	(32%)	13,918	20,535	(32%)
	43,499	34,112	28%	43,499	34,112	28%

Plantation operations

The higher revenue and profit for the current quarter and the year-to-date as compared to the corresponding period last year were mainly due to higher average FFB selling price by 80% despite a 21% lower production in the current period.

The estate which the Group took over physical possession in February 2021 has contributed about 4,000 MT.

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 higher revenue from the milling operations for the current quarter and the year-to-date as compared to the corresponding period last year was mainly contributed by higher average CPO selling price by 59%.

As for the profit, the milling operations recorded a lower profit of RM13.92 million, representing a 32% drop as compared to RM20.54 million achieved in the corresponding period last year. Drop in profit was mainly due to the lower-than-expected CPO extraction rate and crop supply. Competition for crop supply has led to more aggressive pricing strategy which had caused impact on processing margin.

In addition, revenue of RM1.64 million has been generated from supplying power to TNB grid for the current year-to-date.

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

Although the Malaysia government has implemented the Movement Control Order ("MCO") since 18 March 2020 to curb the spread of COVID-19, the plantations and palm oil milling operations of the Group have been running largely as usual during the current quarter as the Group's principal activities are classified as essential services.

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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 RM43.72 million which was 158% higher than RM16.97 million achieved in the preceding quarter ended 31 January 2021.

Although only 1% increase in FFB production, the plantation operations benefited from the 13% higher FFB selling price. As a result, the profit contribution increased by RM5.00 million or 20% from RM24.58 million to RM29.58 million.

As for the milling operations, it has recovered from the preceding quarter's loss position to a profit of RM13.92 million recorded for the current quarter. The recovery of FFB supply has contributed to improvement of processing margin with less aggressive pricing strategy as compared to the preceding quarter.

Total FFB processed has increased by 14% to 306,000 MT as compared to 269,000 MT in the preceding quarter.

Further information and statistics are tabulated below:

	Current Quarter	Immediate Preceding Quarter	Changes (%)
	30/04/2021	31/01/2021	
	RM'000	RM'000	
(A) Financial Data:			
Revenue	312,451	253,739	23%
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	52,253	27,156	92%
Profit before interest and tax	44,107	17,385	154%
Profit before tax	43,721	16,971	158%
Profit after tax	33,592	13,999	140%
Profit attributable to ordinary equity holders of the Company	28,383	9,996	184%
(B) Statistics:			
Plantation			
FFB production (MT)	56,920	56,355	1%
FFB yield per hectare (MT/Ha)	4.49	4.74	(5%)
Average FFB selling price (RM/MT)	808	718	13%
Palm Oil Milling			
CPO production (MT)	63,777	56,274	13%
CPO sold (MT)	64,646	60,591	7%
CPO oil extraction rate (%)	20.86	20.95	(0%)
Average CPO price (RM/MT)	3,991	3,464	15%

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B3. Current financial year prospects

On 9 February 2021, the Group took physical possession of 2,722 acres which is equivalent to 95% of total 2,862 acres of oil palm plantation lands from the vendors, namely (1) Greenfingers Sdn. Bhd.; (2) R & H Sdn. Bhd.; (3) Bakti Perusahaan Sdn. Bhd.; and (4) Sri Handal Sdn. Bhd. whilst pending the fulfillment of all Conditions Precedent by the vendors. On 20 May 2021, the Group decided to terminate the purchase of remaining land measuring approximately 140 acres due to unfulfillment of Conditions Precedent.

It is expected that additional 30,000 MT of FFB could be produced from the 2,722 acres which the Group has taken physical possession.

Barring any further unforeseen circumstances, the acquisitions of 2,722 acres are expected to be completed in the third quarter of year 2021.

Therefore, the management forecasts the FFB production for the financial year ending 31 January 2022 could be slightly higher than the quantity achieved in the financial year 2021 after taking into consideration of the impact of ongoing replanting programme and seasonal factor on cropping trend.

As for palm oil milling operations, the management expects a total processing quantity of about 1.3 – 1.4 million MT of FFB which is similar to the financial year 2021. The performance of the milling operations will also be supplemented by revenue of about RM5 million from supplying power to grid.

In view of the Group's principal activities are classified as essential services, the plantations and palm oil milling operations of the Group have been running largely as usual since implementation of MCO.

The management acknowledges that COVID-19 pandemic has caused serious impact on the global economy and unprecedented volatility in crude oil commodity price in year 2020. With the recent development and vaccination progress worldwide as well as in the country, the management will still remain vigilant and resilient upon dealing with challenges and any potential adverse impact arising from COVID-19 pandemic on the operations of the Group. Nevertheless, the impact of COVID-19 pandemic on the operations of the Group is not expected to be significant based on current observation.

Although CPO commodity price has retracted substantially from its record high level of close to RM5,000 per MT in May 2021 to the current level of about RM4,000 per MT, the management is of the view that the Group's plantation operations will continue to benefit significantly from the current level of CPO price.

Nevertheless, the management will continue to observe closely the movement of CPO commodity price and take necessary actions to mitigate the risk exposure arising from volatility of commodity price, including hedging to lock in selling price of projected FFB produce. However, CPO price is also generally susceptible to fluctuation of currency exchange rate, demand and supply of commodity and import policies of major importing countries.

Based on the above, we expect the Group to perform well for the financial year 2022.

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

This is not applicable.

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B5. Income tax

	Current Quarter Ended 30/04/2021 RM'000	Financial Year-to-date Ended 30/04/2021 RM'000
Malaysian Income Tax		
- Current year	8,849	8,849
Deferred tax		
- Current year	1,280	1,280
	<u>10,129</u>	<u>10,129</u>

B6. Status of corporate proposals

There is no outstanding corporate proposal as at 9 July 2021.

B7. Group borrowings and debt securities

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

	As at 30/04/2021 RM'000	As at 30/04/2020 RM'000
Short term borrowings:		
Overdrafts	437	1,435
Revolving credit	4,500	7,500
Term loans	3,808	3,585
	<u>8,745</u>	<u>12,520</u>
Long term borrowings:		
Term loans	36,192	-

(a) There were no unsecured interest bearing borrowing as at 30 April 2021.

(b) The movements in revolving credit and terms loans were due to repayments.

(c) Weighted average interest rate of borrowings as at 30 April 2021 was 3.38%. There is no borrowing that is based on fixed interest rate.

B8. Material litigation

As at 9 July 2021, there were no material litigations against the Group.

B9. Dividend

No dividend has been declared or proposed for the current financial period ended 30 April 2021 and previous year corresponding period ended 30 April 2020.

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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 first 3 months by the weighted average number of ordinary shares in issue during the current quarter and the first 3 months respectively, excluding treasury shares held by the Company:

		Current Quarter Ended 30/04/2021	Financial Year-to-date Ended 30/04/2021
Net profit for the period	(RM'000)	28,383	28,383
Weighted average number of ordinary shares in issue	('000)	933,610	933,610
Basic EPS	(sen)	3.04	3.04

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 first 3 months by the weighted average number of ordinary shares in issue during the current quarter and the first 3 months 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 30/04/2021	Financial Year-to-date Ended 30/04/2021
Net profit for the period	(RM'000)	28,383	28,383
Weighted average number of ordinary shares in issue	('000)	933,610	933,610
Adjustment for dilutive effect of warrants	('000)	1,609	1,609
Adjusted weighted average number of shares for Diluted EPS	('000)	935,219	935,219
Diluted EPS	(sen)	3.03	3.03

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B11. Profit before tax

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

	Current Quarter Ended 30/04/2021 RM'000	Financial Year-to-date Ended 30/04/2021 RM'000
(a) Interest income	(1,202)	(1,202)
(b) Other income including investment income	(1,842)	(1,842)
(c) Interest expense	386	386
(d) Depreciation and amortization	8,146	8,146
(e) Provision for and write off of receivables	3	3
(f) Provision for and write off of inventories	-	-
(g) Gain or loss on disposal of quoted or unquoted investment or properties	-	-
(h) Provision for/(Reversal of) impairment of assets	-	-
(i) Foreign exchange (gain)/loss	-	-
(j) (Gain) or loss on derivatives	-	-
(k) Net (gain)/loss arising from changes in fair value of biological assets	(1,834)	(1,834)
(l) Exceptional items	-	-

B12. Audit qualification

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

B13. Derivatives

The Group has entered into the following derivative instruments which are outstanding as at 30 April 2021:

Type of Derivatives	Contract/Notional Value as at 30 April 2021 RM'000	Fair Value Liabilities as at 30 April 2021 RM'000
CPO Futures Contract		
- Less than 1 year	39,416	2,416

The CPO Futures Contracts entered are for the purpose of hedging the selling price of FFB produce under the plantation 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 30/04/2021 RM'000	Financial Year-to-date Ended 30/04/2021 RM'000
Loss arising from fair value changes on derivatives - recognised as other comprehensive loss	2,416	2,416

- (a) The loss was arising from the CPO Futures contracts as disclosed in Note B13.
- (b) The loss was caused by unfavourable movements in CPO price in commodity derivatives market.
- (c) The fair value is calculated by reference to settlement price or closing price quoted at the end of reporting period.

B15. Additional Information

- (a) Receivables

Total receivables as at 30 April 2021 is RM68.37 million of which RM53.43 million is trade in nature with normal trade credit terms of less than 60 days.