KUMPULAN FIMA BERHAD (11817-V)
(Incorporated in Malaysia)

Condensed Consolidated Financial Statements
For The Fourth Quarter And Financial Year Ended 31 March 2018

KUMPULAN FIMA BERHAD (11817-V)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2018
(THE FIGURES HAVE NOT BEEN AUDITED)

	Note	Current quarter: Current year quarter 31-03-2018 RM'000	Current quarter: Preceding year corresponding quarter 31-03-2017 RM'000	12 months cumulative: Current year to date 31-03-2018 RM'000	12 months cumulative: Preceding year corresponding period 31-03-2017 RM'000
Revenue	A9	131,953	127,299	482,460	547,214
Cost of sales		(73,898)	(72,358)	(294,065)	(339,145)
Gross profit		**58,055**	**54,941**	**188,395**	**208,069**
Other income		3,934	4,354	12,276	10,197
Other items of expense					
Administrative expenses		(32,940)	(22,800)	(86,244)	(71,869)
Selling and marketing expenses		(7,856)	(6,622)	(12,969)	(11,223)
Other expenses		(3,000)	(36,842)	(18,999)	(52,615)
		(43,796)	(66,264)	(118,212)	(135,707)
Finance costs		(398)	(218)	(1,500)	(748)
Share of results of associates		(141)	2,036	(475)	2,861
Profit/(loss) before tax	A9/A10	**17,654**	**(5,151)**	**80,484**	**84,672**
Income tax expense	B5	(11,099)	(9,074)	(31,717)	(34,243)
Profit/(loss) net of tax		6,555	(14,225)	48,767	50,429
Other comprehensive income					
Foreign currency translation differences for foreign operations		(13,358)	(2,094)	(27,036)	17,880
Reversal of revaluation surplus of property, plant and equipment previously recognised		-	(11,522)	-	(11,522)
Remeasurement of defined benefit liability		(36)	(75)	(36)	(75)
Total comprehensive income/(loss) for the period/ year		(6,839)	(27,916)	21,695	56,712
Profit attributable to :					
Equity holders of the Company		3,085	(15,102)	31,537	29,844
Non-controlling interests		3,470	877	17,230	20,585
Profit/(loss) for the period/ year		6,555	(14,225)	48,767	50,429
Total comprehensive income attributable to :					
Equity holders of the Company		(7,458)	(27,005)	9,463	37,863
Non-controlling interests		619	(911)	12,232	18,849
Total comprehensive income/(loss) for the period/ year		(6,839)	(27,916)	21,695	56,712
Earnings per share attributable to equity holders of the Company :					
Basic/ diluted earnings/(loss) per share (sen)	B12	1.09	(5.42)	11.18	10.70

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements).

KUMPULAN FIMA BERHAD (11817-V)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

	As at 31-03-2018 (unaudited) RM'000	As at 31-03-2017 (audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	330,965	319,119
Investment properties	66,829	68,464
Biological assets	177,794	156,208
Investment in associates	43,647	46,516
Deferred tax assets	9,206	6,966
Goodwill on consolidation	12,710	12,710
	641,151	609,983
Current assets		
Inventories	77,424	82,812
Trade receivables	141,507	108,149
Other receivables	20,941	32,552
Short term cash investments	51,886	-
Cash and bank balances	235,297	390,780
	527,055	614,293
TOTAL ASSETS	1,168,206	1,224,276
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	311,670	311,670
Treasury shares	(440)	-
Other reserves	119,616	141,654
Retained earnings	321,813	315,379
	752,659	768,703
Non-controlling interests	244,935	257,704
Total equity	997,594	1,026,407
Non-current liabilities		
Finance lease obligations	15,588	16,176
Retirement benefit obligations	1,813	1,837
Deferred tax liabilities	37,140	32,922
	54,541	50,935
Current liabilities		
Finance lease obligations	611	624
Short term borrowings	33,419	14,516
Trade and other payables	65,820	112,459
Provisions	12,081	16,947
Tax payable	4,140	2,388
	116,071	146,934
Total liabilities	170,612	197,869
TOTAL EQUITY AND LIABILITIES	1,168,206	1,224,276
Net assets per share (RM)	2.67	2.72

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements).

KUMPULAN FIMA BERHAD (11817-V)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Attributable to equity holders of the Company												
					Non-distributable					*Distributable*			
Group	**Share capital RM'000**	**Share premium* RM'000**	**Treasury shares RM'000**	**Other reserves RM'000**	**Revaluation reserve RM'000**	**Capital reserve RM'000**	**Capital reserve arising from bonus issue in subsidiary RM'000**	**Employee share option reserve RM'000**	**Foreign exchange reserve RM'000**	**Retained earnings RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
At 1 April 2017	311,670	-	-	141,654	81,848	437	66,459	-	(7,090)	315,379	768,703	257,704	1,026,407
Total comprehensive income for the period	-	-	-	(22,038)	-	-	-	-	(22,038)	31,501	9,463	12,232	21,695
Transactions with owners													
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	-	1,030	1,030
Purchase of treasury shares	-		(440)	-	-	-	-	-	-	-	(440)	(396)	(836)
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-	334	334	(507)	(173)
Dividends	-	-	-	-	-	-	-	-	-	(25,401)	(25,401)	-	(25,401)
Dividend paid to minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(25,128)	(25,128)
Total transaction with owners	-	-	-	-	-	-	-	-	-	(25,067)	(25,507)	(25,001)	(50,508)
At 31 March 2018	311,670	-	(440)	119,616	81,848	437	66,459	-	(29,128)	321,813	752,659	244,935	997,594
At 1 April 2016	276,968	24,713	-	138,002	87,471	437	66,459	4,427	(20,792)	308,617	748,300	250,986	999,286
Total comprehensive income for the period	-	-	-	8,079	(5,623)	-	-	-	13,702	29,784	37,863	18,849	56,712
Transactions with owners													
Dividends	-	-	-	-	-	-	-	-	-	(25,324)	(25,324)	-	(25,324)
Dividend paid to minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(11,739)	(11,739)
Purchase of treasury shares by a subsidiary	-	-	-	-	-	-	-	-	-	-	-	(392)	(392)
Share options exercised	5,264	4,725	-	(2,168)	-	-	-	(2,168)	-	-	7,821	-	7,821
Grant of equity-settled share options	-	-	-	43	-	-	-	43	-	-	43	-	43
Transfer to retained earnings for share options lapsed	-	-	-	(2,302)	-	-	-	(2,302)	-	2,302	-	-	-
Reclassification of share premium account to share capital pursuant to Section 618(2) of the Companies Act 2016	29,438	(29,438)	-	-	-	-	-	-	-	-	-	-	-
Total transaction with owners	34,702	(24,713)	- -	(4,427)	-	-	-	(4,427)	-	(23,022)	(17,460)	(12,131)	(29,591)
At 31 March 2017	311,670	-	-	141,654	81,848	437	66,459	-	(7,090)	315,379	768,703	257,704	1,026,407

(The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements).

KUMPULAN FIMA BERHAD

KUMPULAN FIMA BERHAD (11817-V)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	12 months ended	
	31-03-2018	31-03-2017
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	80,484	84,672
Adjustments for:		
Amortisation of biological assets	3,893	6,450
Depreciation of investment properties	1,635	1,633
Depreciation for property, plant and equipment	19,113	25,755
Impairment loss on property, plant and equipments	832	4,646
Impairment loss on biological assets	-	24,779
Impairment loss on trade receivables	55	111
Impairment loss on other receivables	368	3,991
Interest expense	1,500	748
Interest income	(8,945)	(8,792)
Distribution from short term cash investments	(457)	-
Provision for warranty	(4,866)	(2,287)
Negative goodwill on acquisition of subsidiaries	(275)	-
Net gain on disposal of property, plant and equipment	(108)	(2)
Net unrealised forex loss	8,438	3
Provision for retirement benefit obligation	289	284
Share of loss/(profit) of associates	475	(2,861)
Write back of impairment loss on trade receivables	(265)	(1,498)
Write back of impairment loss on other receivables	(2,534)	-
Write down of inventories	2,484	2,462
Write off of biological assets	-	70
Share and options granted under ESS	-	43
Operating profit before working capital changes	102,116	140,207
Decrease in inventories	2,904	4,101
(Increase)/decrease in receivables	(29,835)	62,289
(Decrease)/increase in payables	(46,446)	25,606
Cash generated from operations	28,739	232,203
Interest paid	(1,500)	(748)
Taxes paid	(29,659)	(38,432)
Retirement benefits paid	(43)	(50)
Net cash (used in)/generated from operating activities	(2,463)	192,973
CASH FLOWS FROM INVESTING ACTIVITIES		
Biological assets expenditure	(18,690)	(30,228)
Acquisition of subsidiary, net cash acquired	(4,564)	-
Proceeds from disposal of property, plant and equipment	117	3
Purchase of property, plant and equipment	(13,805)	(14,261)
Net dividend received from associate companies	2,483	1,140
Acquisition of non-controlling interests	(173)	-
Interest received	8,945	8,792
Distribution received from short term cash investments	457	-
Net placement of deposits	23,000	(23,000)
Net investment in short term cash investments	(51,886)	-
Net cash used in investing activities	(54,116)	(57,554)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net (repayment)/drawdown of borrowings	(18,913)	765
Repayment of obligation under finance lease	(601)	(645)
Proceeds from exercise of employee share scheme	-	7,821
Acquisition of treasury shares	(440)	-
Dividend paid	(25,401)	(25,324)
Dividend paid by a subsidiary to non-controlling interests	(25,128)	(11,739)
Net cash used in financing activities	(70,483)	(29,122)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(127,062)	106,297
EFFECT ON FOREIGN EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	(5,421)	13,891
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	367,780	247,592
CASH AND CASH EQUIVALENTS AT END OF YEAR	235,297	367,780
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	69,674	98,087
Fixed deposits with financial institutions	165,623	292,693
Total cash and bank balances	235,297	390,780
Less: Deposit with a licensed bank with maturity more than three months	-	(23,000)
Cash and cash equivalents	235,297	367,780

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the interim financial statements).

PART A - Explanatory notes pursuant to FRS 134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Securities.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2017. 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 March 2017.

A2. Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2017 except for the adoption of the following new and revised Financial Reporting Standards ("FRS"), Amendments to FRSs and IC Interpretations.

(a) Adoption of FRSs, Amendments to FRSs and IC Interpretations

On 1 April 2017, the Group adopted the following FRSs and Amendments to FRSs, IC Interpretations and amendments to IC Interpretations:

- Annual Improvements to FRSs 2014-2016 Cycle
- Amendments to FRS 107: Disclosure Initiatives
- Amendments to FRS 112: Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of the above FRSs and Amendments to FRS did not have significant effect on the financial performance or presentation of the financial statements of Group.

(b) Standards and interpretations issued but not yet effective

The Group has not early adopted the following new and amended FRS and IC Interpretations that are not yet effective:

Description	Effective for financial period beginning on or after
FRS 9: Financial Instruments (2014)	1 January 2018
Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associates or Joint Venture	Yet to be determined

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application except as discussed below:

<u>FRS 9: Financial Instruments</u>

In November 2014, MASB issued the final version of FRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces FRS 139 Financial Instruments: Recognition and Measurement and all previous versions of FRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. FRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. The adoption of FRS 9 will have an effect on the classification and measurement of the Group's financial assets, but no impact on the classification and measurement of the Group's financial liabilities.

A2. Changes in accounting policies (cont'd.)

(c) Malaysian Financial Reporting Standards

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards Framework ("MFRS Framework").

The MFRS Framework is to be applied by all Entities Other than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for the Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called "Transitioning Entities").

Transitioning Entities are allowed to defer adoption of the new MFRS Framework. The adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS interim financial statements for the quarter ending 30 June 2018. In presenting its first MFRS financial statements, the Group will be required to adjust the comparative financial statements prepared under FRS to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against the opening retained earnings.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. The Group expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 March 2019.

A3. Auditors' report on preceding annual financial statements.

The financial statements of the Group for the financial year ended 31 March 2017 were not subject to any audit qualification.

A4. Seasonal and cyclical factors

The operations of the Group are not affected by any seasonal or cyclical factors other than the manufacturing segment which is affected by cyclical changes in volume of certain products whilst the plantation segment is affected by seasonal crop production, weather conditions and fluctuating commodity prices.

A5. Unusual items affecting the financial statements

There were no unusual items affecting the financial statements of the Group for the financial year ended 31 March 2018.

A6. Changes in estimates

There were no changes or estimates that have a material effect on the current quarter's results.

A7. Issuances, cancellation, repurchases, resale and repayment of debts and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities for the current quarter.

During the current quarter, the Company repurchased of its issued ordinary shares from the open market at an average price of RM1.49 per share. The total transaction paid for the repurchase including transaction costs was RM443,497. Of the total 282,231,600 issued ordinary shares, 296,300 shares are held as treasury shares by the Company.

A8. Dividend paid

The following dividends were paid during the current and previous corresponding period:

		12 months cumulative	
		31-03-2018	31-03-2017
Final dividend		RM'000	RM'000
2016	9.0% single-tier final dividend (paid on 30 September 2016)	-	25,324
2017	9.0% single-tier final dividend (paid on 25 September 2017)	25,401	-

A9. Segmental information

(i) Segmental revenue and results for business segments

	Quarter ended		12 months cumulative	
	31-03-2018	31-03-2017	31-03-2018	31-03-2017
Revenue	RM'000	RM'000	RM'000	RM'000
Manufacturing*	33,131	40,198	140,780	233,347
Plantation	43,203	40,741	153,654	146,871
Bulking	16,233	10,067	53,535	47,461
Food	38,175	33,902	129,267	114,257
Others	8,157	7,352	21,651	23,517
	138,899	132,260	498,887	565,453
Eliminations	(6,946)	(4,961)	(16,427)	(18,239)
	131,953	127,299	482,460	547,214
Profit before tax				
Manufacturing*	6,290	11,182	25,478	59,608
Plantation	4,929	(20,747)	28,342	(5,957)
Bulking	8,236	3,251	24,911	20,002
Food	(1,051)	(1,636)	1,355	6,519
Others	(609)	762	873	1,638
	17,795	(7,188)	80,959	81,810
Associated companies	(141)	2,037	(475)	2,862
	17,654	(5,151)	80,484	84,672

* Production and trading of security documents.

A9. Segmental information (cont'd.)

(ii) Geographical segments

	Quarter ended		12 months cumulative	
	31-03-2018	31-03-2017	31-03-2018	31-03-2017
Revenue	RM'000	RM'000	RM'000	RM'000
Malaysia	62,614	61,741	238,192	324,032
Indonesia	39,756	38,057	138,020	133,213
Papua New Guinea	36,529	32,462	122,675	108,208
	138,899	132,260	498,887	565,453
Eliminations	(6,946)	(4,961)	(16,427)	(18,239)
	131,953	127,299	482,460	547,214

	Quarter ended		12 months cumulative	
Profit before tax	31-03-2018	31-03-2017	31-03-2018	31-03-2017
	RM'000	RM'000	RM'000	RM'000
Malaysia	11,661	6,821	38,749	69,725
Indonesia	7,502	(12,206)	41,902	6,286
Papua New Guinea	(1,368)	(1,803)	308	5,799
	17,795	(7,188)	80,959	81,810
Associated companies	(141)	2,037	(475)	2,862
	17,654	(5,151)	80,484	84,672

	12 months cumulative			
	Current year to date		Preceding year corresponding period	
Assets and liabilities	31-03-2018		31-03-2017	
	Assets	Liabilities	Assets	Liabilities
	RM'000	RM'000	RM'000	RM'000
Malaysia	1,432,207	260,481	1,392,962	217,169
Indonesia	93,325	20,790	118,359	19,027
Papua New Guinea	147,802	66,227	159,291	64,807
	1,673,334	347,498	1,670,612	301,003
Eliminations	(505,128)	(176,886)	(446,336)	(103,134)
	1,168,206	170,612	1,224,276	197,869

A10. Profit before tax

The following amounts have been included in arriving at profit before tax:

	Quarter ended		12 months cumulative	
	31-03-2018	31-03-2017	31-03-2018	31-03-2017
Other income	RM'000	RM'000	RM'000	RM'000
Interest income	2,732	3,959	8,945	8,792
Distribution from short term cash investments	457	-	457	-
Negative goodwill on acquisition of subsidiaries	275	-	275	-
Operating expenses				
Depreciation and amortisation	12,710	8,763	24,641	33,838
Interest expense	398	218	1,500	748
Unrealised foreign exchange loss	4,800	9,117	8,438	3
Realised forex exchange loss/(gain)	1,082	(1,793)	846	682
Impairment loss on:				
- property, plant and equipments	832	4,646	832	4,646
- biological assets	-	24,779	-	24,779
- trade and other receivables	373	3,567	423	4,102
Write back of impairment loss on trade and other receivables	(2,794)	(110)	(2,799)	(1,498)
Write down of inventories	1,631	2,326	2,484	2,462
Net reversal of provision for warranty	(5,815)	(3,305)	(4,866)	(2,287)
Net provision for retirement benefit obligation	280	256	289	284

A11. Valuation of property, plant and equipment

The valuation of land and building have been brought forward from the last financial statements for the year ended 31 March 2017.

A12. Subsequent events

There were no material events subsequent to the end of the current quarter.

A13. Inventories

During the quarter, there is no significant write-down or write-back of inventories except as disclosed in Note A10 as above.

A14. Changes in the composition of the Group

Saved as disclosed below, there were no changes in the composition of the Group for the current quarter to date including business combinations, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinued operations.

On 29 May 2017, a subsidiary of Fima Corporation Berhad ("FimaCorp"), FCB Plantation Holdings Sdn. Bhd. ("FCBPH") acquired 110 ordinary shares representing the remaining 11% of the equity interest in Next Oasis Sdn. Bhd. ("NOSB"), for a purchase consideration of RM173,000.

On 6 October 2017, FCBPH has entered into a conditional Sale and Purchase Agreement with Java Berhad ("the Vendor") to acquire 1,000,000 ordinary shares or 100% of the total issued and paid-up capital of Java Plantations Sdn. Bhd. ("Java Plantations") for a purchase consideration of RM4,613,941. Java Plantations holds an 80% interest in Ladang Bunga Tanjong Sdn. Bhd. ("LBTSB"), a joint venture company between Java Plantations and Kumpulan Pertanian Kelantan Berhad which operates an oil palm plantation held under the Individual Title Geran 36415, Lot 2429, Mukim Lubok Bongor, Jajahan Jeli, Kelantan measuring approximately 3,289.9 acres or 1,331.0 hectares ("the land"). The lease period for the land is for 66 years and expiring in 28 September 2069. The acquisition was completed on 20 February 2018. On 6 April 2018, Java Plantations has changed its name to FCB Eastern Plantations Sdn. Bhd..

A15. Changes in contingent liabilities

There were no additional contingent liabilities during the current quarter, except as disclosed in Note B10 herein.

A16. Significant acquisition of property, plant and equipment

For the current quarter under review the Group's acquisitions of property, plant and equipment are as follows :

	Current year to date RM'000
Plant and machinery	5,351
Buildings	4,964
Equipment, furniture and fittings and motor vehicle	3,490
	13,805

A17. Capital commitments

The amount of commitments not provided for in the interim financial statements as at 31 March 2018 were as follows:

	Current year to date RM'000
Property, plant and equipment	
- Approved and contracted for	2,010
- Approved but not contracted for	44,249

A18. Related party transactions

The Group's related party transactions during the financial period were as follows:

	Current year to date RM'000
Rental expenses payable to a subsidiary	
- Fima Corporation Berhad	772
Advisory services rendered by corporate shareholder	
- BHR Enterprise Sdn. Bhd.	120
Rental income receivable from a subsidiary	
- Fima Instanco Sdn. Bhd.	120
Transactions with related parties*	
- PT Pohon Emas Lestari - Purchase of fresh fruit bunch	6,563
- Nationwide Express - Delivery services	208
- Nationwide Express - Rental income	78

* Related parties by virtue of common shareholders/common directors.

PART B - Bursa Securities Listing Requirements

B1. Review of performance

Group Performance

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	482.46	547.21	(64.75)	(11.8)
Profit before tax	80.48	84.67	(4.19)	(4.9)

Group revenue for the financial year ended 31 March 2018 decreased to RM482.46 million as compared to RM547.21 million recorded in the corresponding period last year. The decrease of RM64.75 million was attributed to the lower revenue generated by manufacturing division. In line with the decrease in revenue, profit before tax ("PBT") reduced by RM4.19 million to RM80.48 million as compared to last year.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	140.78	233.35	(92.57)	(39.7)
Profit before tax	25.48	59.61	(34.13)	(57.3)

Revenue from **Manufacturing Division** declined by 39.7% to RM140.78 million from RM233.35 million recorded last year, primarily due to expiration of the contract to supply certain travel documents in the first quarter FY2018. On the back of lower revenue, PBT decreased by 57.3% to RM25.48 million, from RM59.61 million posted last year.

Plantation Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
Indonesia				
- Crude palm oil (CPO)	118.44	115.08	3.36	2.9
- Crude palm kernel oil (CPKO)	19.58	18.13	1.45	8.0
Malaysia				
- Fresh fruit bunch (FFB)	12.50	10.94	1.56	14.3
- Pineapple	3.13	2.72	0.41	15.1
Total	153.65	146.87	6.78	4.6
Profit before tax	28.34	(5.96)	34.30	(575.5)
FFB produced (mt)	198,294	149,753	48,541	32.4
FFB yield/ha (mt)	24.57	20.35	4.21	20.7
Cost of FFB produced (RM/mt)	297.46	346.46	(49.00)	(14.1)
CPO produced (mt)	51,887	41,619	10,268	24.7
CPO extraction rate (%)	22.09	22.70	(0.61)	(2.7)

B1. Review of performance (cont'd.)

Plantation Division (cont'd.)

	Current YTD	Previous YTD	Variance	%
Sales Quantity (mt)				
- CPO	50,275	43,647	6,628	15.2
- CPKO	4,417	3,076	1,341	43.6
Average CIF selling price, net of duty (RM/mt)				
- CPO	2,342	2,625	(283)	(10.8)
- CPKO	4,431	5,894	(1,463)	(24.8)
Palm profiles (ha)				
- Mature	8,684.5	7,716.4		
- Immature	5,446.5	5,491.1		
Total planted area	14,131.0	13,207.5		

Revenue from **Plantation Division** increased by 4.6% to RM153.65 million as compared to the corresponding period last year, primarily attributable to higher sales of all products segment. The division posted a PBT of RM28.34 million higher than last year, mainly due to improvement of FFB yield/ha and impairment made of RM29.4 million on property, plant and equipment and biological assets in preceding financial year, pursuant to Ministerial Order as disclosed in Note B10(i).

Our plantation estates in Malaysia which are still in the process of land development or palm planting registered a total pretax loss of RM7.13 million as compared to RM6.01 million pretax loss recorded in the same corresponding period last year.

Bulking Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue	53.54	47.46	6.08	12.8
Profit before tax	24.91	20.00	4.91	24.6

Revenue from **Bulking Division** increased by RM6.08 million (or 12.8%) to RM53.54 million from RM47.46 million recorded last year. The increase was mainly attributed to higher contribution from the industrial chemical, edible oil and technical fats segments. In line with the increase in revenue, the division posted a higher PBT by RM4.91 million (or 24.6%) to RM24.91 million.

Food Division

(RM Million)	Current YTD	Previous YTD	Variance	%
Revenue				
Papua New Guinea (PNG)	122.68	108.21	14.47	13.4
Malaysia	6.59	6.05	0.54	8.9
	129.27	114.26	15.01	13.1
Profit before tax	1.36	6.52	(5.16)	(79.1)

Food Division's revenue increased by RM15.01 million (or 13.1%) to RM129.27 million, as compared to RM114.26 million recorded in the previous financial year. The increase in revenue was mainly due to the higher local sales of canned tuna as well as export of tuna products. However, results of the division declined by RM5.16 million as compared to the same period last year, mainly attributed to unrealised forex loss of RM8.20 million (FY2017: unrealised forex gain of RM1.16 million).

B2. Comparison with preceding quarter's results

Group Performance

(RM Million)	QTR 4 FY 2018	QTR 3 FY 2018	Variance	%
Revenue	131.95	111.96	19.99	17.9
Profit before tax	17.65	22.36	(4.71)	(21.1)

The Group's revenue increased by RM19.99 million to RM131.95 million compared to the preceding quarter, as a result of the higher revenue recorded by all divisions.

Despite higher revenue recorded in the current quarter, the Group's PBT decreased by RM4.71 million to RM17.65 million as compared to RM22.36 million recorded in the preceding quarter. This is mainly attributed to lower profit contribution from plantation and food division.

The performance of each business division is as follows:

Manufacturing Division

(RM Million)	QTR 4 FY 2018	QTR 3 FY 2018	Variance	%
Revenue	33.13	32.94	0.19	0.6
Profit before tax	6.29	4.38	1.91	43.6

Manufacturing Division's revenue has slightly increased by 0.6% in the current quarter compared to the preceding quarter. In line with the increase in revenue, PBT registered for the current quarter was higher by RM1.91 million or 43.6% due to reversal of provision for warranty of RM5.8 million mitigated by higher export duty on foreign passport and inventories written down of RM3.1 million and RM1.6 million respectively in the current quarter.

Plantation Division

(RM Million)	QTR 4 FY 2018	QTR 3 FY 2018	Variance	%
Revenue				
Indonesia				
- CPO	34.54	23.31	11.23	48.2
- CPKO	5.20	4.69	0.51	10.9
Malaysia				
- Fresh fruit bunch	2.59	3.68	(1.09)	(29.6)
- Pineapple	0.87	0.89	(0.02)	(2.2)
Total	43.20	32.57	10.63	32.6
Profit before tax	4.93	7.28	(2.35)	(32.3)
Sales Quantity (mt)				
- CPO	13,983	11,035	2,948	26.7
- CPKO	1,023	1,016	7	0.7
Average CIF selling price, net of duty (RM/mt)				
- CPO	2,473	2,099	374	17.8
- CPKO	5,084	4,623	461	10.0

B2. Comparison with preceding quarter's results (cont'd.)

Plantation Division (cont'd.)

Plantation Division's revenue for the quarter has increased by RM10.63 million to RM43.20 million, mainly attributable to higher sales volume of CPO. However, PBT recorded was lower by 32.3% to RM4.93 million from RM7.28 million in last quarter, mainly due to impairment made on new completed building constructed within affected area by Ministerial Order as disclosed in Note B10(i) and additional withholding tax payable of RM4.2 million.

Bulking Division

(RM Million)	QTR 4 FY 2018	QTR 3 FY 2018	Variance	%
Revenue	16.23	14.77	1.46	9.9
Profit before tax	8.24	7.55	0.69	9.1

Revenue from **Bulking Division** of RM16.23 million was 9.9% higher than the preceding quarter. The increase in the results was due to higher revenue generated by most of products segment. In line with increase in revenue, PBT increased by 9.1% or RM0.69 million over the preceding quarter.

Food Division

(RM Million)	QTR 4 FY 2018	QTR 3 FY 2018	Variance	%
Revenue				
PNG	36.53	28.58	7.95	27.8
Malaysia	1.65	1.76	(0.11)	(6.5)
	38.18	30.34	7.84	25.8
(Loss)/profit before tax	(1.05)	0.97	(2.02)	(208.2)

Revenue from **Food Division** increased by RM7.84 million (or 25.8%) to RM38.18 million as compared to the preceding quarter mainly due to higher sales volume of mackerel and tuna products. However, the division registered loss before tax of RM1.05 million during the quarter, as a result of forex loss recognised amounting to RM5.5 million.

B3. Prospects

The Directors expect the performance of the Group to be challenging for the next financial year. The prospect of each business division for the next financial year is as follows:

The Board recognises the challenges ahead faced by **Manufacturing Division** following the expiration of a supply contract for a certain travel document. The division will continue its concerted efforts to establish new strategic alliances to develop new products and solutions to complement its existing products.

Plantation Division. The overall performance of the oil palm production and processing is very much influenced by the palm oil price. In view of the current prevailing palm oil prices, the outlook for oil palm production and processing is expected to be satisfactory.

B3. Prospects (cont'd.)

Bulking Division. The demand for storage is expected to improve slightly with the increase in palm oil stock level nationwide. The division is looking at securing more long term contracts with customers as well as handling higher margin products.

Food Division faces many challenges ahead, particularly in Papua New Guinea where the division's main operation is located, amidst intense market competition from cheaper imported products and currency fluctuation. The division will continue to focus on operational efficiency, productivity and margin improvements, and cost control as well as emphasising on quality, service and delivery.

B4. Explanatory notes on variances with profit forecasts or profit guarantees

The Group did not issue any profit forecast and/or profit guarantee to the public.

B5. Income tax expense

	Current year quarter 31-03-2018	Current year to date 31-03-2018
	RM'000	RM'000
Current taxation	11,099	31,717

The effective tax rate on the Group's profit to date is higher than the statutory tax rate mainly due to certain expenses disallowed for taxation purposes and no group relief.

B6. Profits/(losses) on sale of unquoted investments and/or properties

There were no sale of unquoted investments and/or properties during the current quarter.

B7. Purchase or disposal of quoted securities

There were no purchase or disposal of quoted securities during the current quarter.

B8. Corporate proposals

(a) Status of corporate proposal

There is no corporate proposal announced but not completed at the date of this report.

(b) Utilisation of proceeds raised from any corporate proposal

Not applicable.

B9. Borrowings and debt securities

	As at 31-03-2018 RM'000	As at 31-03-2017 RM'000
Secured:		
Non-current		
*Obligations under finance leases	15,588	16,176
Current		
*Obligations under finance leases	611	624
Bankers' acceptance	8,419	9,516
Short term revolving credit	25,000	5,000
	34,030	15,140
	49,618	31,316

* The obligations under finance leases are in respect of the following land lease:

(i) A 99 year land lease granted to subsidiary, Gabungan Warisan Sdn. Bhd. to develop approximately 249.8 ha of land in Kuala Krai, Kelantan Darul Naim. The lease expires on 2 July 2112.

(ii) Sub-leases granted to subsidiaries, Taka Worldwide Trading Sdn. Bhd. and Etika Gangsa Sdn. Bhd. over 2 parcels of land measuring approximately 404.6 ha, deemed suitable for oil palm cultivation, situated in Mukim Relai, Jajahan Gua Musang, Kelantan for a term of 66 years expiring 5 March 2075, with an option to renew for a further period of 33 years.

(iii) A 60 year lease granted to subsidiary, R.N.E. Plantation Sdn Bhd over 1 plot of agricultural land measuring 2,000 ha located at Sungai Siput, Daerah Kuala Kangsar, Perak. The lease will expire on 3 August 2075, with an option to renew for a further 30 years.

B10. Changes in material litigations

Pending material litigation since preceding quarter is as follows:

(i) On 21 October 2016, a subsidiary, Fima Corporation Berhad ("FimaCorp") announced that its Indonesian subsidiary, PT Nunukan Jaya Lestari ("PTNJL") has instituted legal proceedings to challenge the order issued by the Menteri Agraria dan Tata Ruang/Kepala Badan Pertanahan Nasional ('Defendant") ("Ministerial Order") to revoke PTNJL's land title Hak Guna Usaha No. 01/Nunukan Barat ("HGU") with immediate effect.

The Ministerial Order was on the basis that the HGU was improperly issued due to administrative irregularities performed by certain officers of the Badan Pertanahan Nasional Provinsi Kalimantan Timur at the time of the issuance of the HGU in 2003, resulting in parts of the area within the HGU to overlap with foresty areas. PTNJL's planted area affected by the Ministerial Order measures 3,691.9 hectare.

B10. Changes in material litigations (cont'd.)

On 21 October 2016, PTNJL filed an application in the Pengadilan Tata Usaha (State Administrative Court) in Jakarta, Indonesia seeking an order to annul the Ministerial Order. Simultaneously, in the said application, PTNJL has also sought an order from State Administrative Court to postpone the enforcement of the Ministerial Order pending full and final determination of the matter by the Indonesian courts. The Defendant, together with a third party interverner, PT Adindo Hutani Lestari, have filed a defence against the said suit.

On 13 June 2017, the State Administrative Court dismissed the application filed by PTNJL to annul the Ministerial Order. Subsequently on 24 July 2017, PTNJL filed and appeal to the Pengadilan Tinggi Tata Usaha Negara Jakarta to appeal against the decision of the State Adminstrative Court.

The Pengadilan Tinggi Tata Usaha Negara Jakarta vide its written decision dated 11 December 2017 (which was received by the Company's solicitors on 2 January 2018 and subsequently forwarded to the Company on 3 January 2018):

(a) has partly allowed PTNJL's appeal against the State Administrative Court's decision, with costs;

(b) has declared that the Ministerial Order revoking PTNJL's HGU to be void, save for the areas overlapping with forestry areas/third party interests measuring 5,138 hectares; and

(c) has ordered the Defendant to revoke the Ministerial Order save for the areas overlapping with forestry areas/third party interests measuring 5,138 hectares.

On 23 January 2018, PTNJL has filed its appeal in respect of the aforesaid decision to the Mahkamah Agung Republik Indonesia after having filed a notice of its intention to do so earlier.

Notwithstanding the Ministerial Order, the local government in Kabupaten Nunukan, in the interest of good order, has given its undertaking and allowed PTNJL to continue to lawfully operate its plantation operations until the final determination of the matter by the Indonesian courts. Based on the current circumstances, the Board is of the opinion that the Ministerial Order will not have any immediate operational and financial impact on the Group.

(ii) Following the termination of the Tenancy Agreement by Malaysia Airports Holding Berhad ("MAHB") on 11 May 2000, a subsidiary, FimaCorp, as the Principal Tenant issued a termination notice dated 15 May 2000 to all its respective sub-tenants at Airtel Complex, Subang.

Pursuant to the above, on 28 September 2001, FimaCorp was served a Writ of Summons dated 9 August 2001 from a tenant ("Plaintiff") claiming for a compensation sum of approximately RM2.12 million being the renovation costs and general damages arising from the early termination of the Tenancy Agreement at Airtel Complex, in Subang. The Board of FimaCorp had sought the advice of the solicitors and was of the opinion that there should be no compensation payable to the Plaintiff as the demised premises was acquired by a relevant authority, MAHB, which was provided in the Tenancy Agreement between FimaCorp and the Plaintiff.

On 11 November 2008, the Court had disposed off this matter summarily in favour of the Plaintiff and on 4 March 2009, FimaCorp had filed its Record of Appeal to the Court of Appeal to appeal against the decision.

The subsidiary had made full provision for the compensation claim of RM2.12 million in the financial year ended 31 March 2009.

On 27 September 2011, the Court of Appeal had allowed FimaCorp's appeal against the decision handed down by the High Court. However, the Court of Appeal had directed that the matter be remitted back to the High Court for a full trial. There has been no development since 27 September 2011.

B11. Dividend

The Directors of the Company is recommending a final single-tier dividend of 9.0 sen (2017: 9.0 sen) amounting to approximately RM25.40 million for the current financial year subject to approval of the shareholders at the forthcoming Annual General Meeting.

B12. Earnings per share

The basic earnings per share are calculated as follows:

	Quarter ended		Cumulative quarter ended	
	31-03-2018	31-03-2017	31-03-2018	31-03-2017
Profit/(loss) net of tax attributable to owners of the Company used in the computation of earnings/(loss) per share (RM'000)	3,085	(15,102)	31,537	29,844
Weighted average number of ordinary shares in issues ('000)	282,199	278,809	282,199	278,809
Basic/ diluted earnings/(loss) per share (sen)	1.09	(5.42)	11.18	10.70

By order of the Board

FADZIL BIN AZAHA (MIA20995)
JASMIN BINTI HOOD (LS0009071)
Company Secretaries

Kuala Lumpur
Dated : 30 May 2018