

Pre-AGM Questions

Note: Some questions / comments by shareholders have been edited for clarity and brevity.

No.	Participant	Questions/ Comments
Door Gifts/e-vouchers		
1	Yong Joon Fah	<p>Question: Is the company giving any door gift to shareholders attending this 50th Anniversary AGM?</p> <p>Answer: As stated in our AGM Admin Guide, there will be no distribution of door gifts for today's AGM. Our sole method of rewarding shareholders is through dividend. For FYE2022, the Company has declared and paid interim dividend 9.0 sen and special dividend of 6.0 sen per share.</p>
2	Teo Tin Lun	<p>Question: From the chairman's statement in FY2022 annual report (page 13), it is noted that year 2022 is Kumpulan Fima's 50th anniversary and is "an occasion to celebrate". Are there any plans to reward shareholders for this 50th anniversary celebration?</p> <p>Answer: Our sole method of rewarding shareholders is through dividend payment. For FYE2022, the Company has declared and paid dividend 15.0 sen per share:</p> <ul style="list-style-type: none"> ▪ Interim dividend: 9.0 sen per share ▪ Special dividend: 6.0 sen per share <p>(FYE2021: Interim dividend: 9.0 sen per share, special dividend: 3.0 sen per share)</p>
Strategy, growth & business outlook		
3	Teo Tin Lun	<p>Question: When will the biodiesel operation be profitable?</p> <p>Answer: The company is in the midst of discussions with few potential customers to work on tolling arrangement and if the discussions go through, we expect our biodiesel operation to be profitable in the next financial year.</p>
4	Teo Tin Lun	<p>Question: Has the company secured anchor customers for its Tanjung Langsat investment? What is the total capex allocated? How many years will this investment take to breakeven?</p> <p>Answer:</p> <ul style="list-style-type: none"> ▪ Currently, we are in discussions with a few potential customers. ▪ We are still in the process of finalising our revised business plan based on our latest discussions with potential customers. ▪ As the project will be undertaken in phases, we expect it to be immediately accretive once the tanks are placed in service and as such, we don't expect to incur any substantial loss in the first year of operations.

No.	Participant	Questions/ Comments
Litigation		
5	Teo Yin Zhi	<p>Question: What is the chance of winning the lawsuit against Datasonic Technologies Sdn Bhd?</p> <p>Answer: At this juncture, the Board is not in the position to comment on the case, but we believe the outcome will be favourable.</p>
Finance		
6	Teo Tin Lun	<p>Question: What is the impact to the revenue and PBT of Indonesian plantation division due to the 3-week old palm oil export ban from Indonesia?</p> <p>Answer: The Division's revenue and PBT following to the palm oil export ban from Indonesia was minimal. Subsequent to the event, we had only one shipment impacted out of potential 14 shipments per year.</p>
7	Teo Tin Lun	<p>Question: Can the 15 sen dividend be maintained for FYE 31 Mar 2023?</p> <p>Answer: As per our dividend policy, we have set at least 40% of Group PATAMI to be distributed back as dividends subject to the financial performance/ cash flow position, capital expenditure and growth plans, economic outlook, as well as other factors that the Board deems to be relevant.</p> <p>Currently we are looking to expand our plantation and bulking divisions and as such, we will allocate our capital in line with these investment priorities, which in turn will generate better returns over the long-term.</p> <p>Thus, any dividend payout will be evaluated in accordance with the Group's capital position and growth plans.</p>
8	Teo Yin Zhi	<p>Question: Will the PBT from production and trading of security and confidential document segment for FY2023 be higher than what was achieved in FY2022?</p> <p>Answer: The market outlook remains quite challenging. Having said that, the division will continue to put concerted efforts to develop new products and solutions to complement its existing products via strategic alliances in order to maintain our competitiveness.</p>

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Finance		
9	Teo Yin Zhi	<p>Question: For 4Q FY2022, the Food Division recorded a PBT of RM13.95m. Will these strong earnings be sustainable?</p> <p>Answer: The division expects the challenging environment to remain during the year due to intense market competition from cheaper imported products, currency fluctuations, increase in price of raw materials (mainly cans) and transportation costs which will influence the Division's earnings in FY2023.</p>

Live AGM Questions

Note: Some questions / comments by shareholders have been edited for clarity and brevity.

No.	Participant	Question / Comments
Door Gifts/e-vouchers		
1	Tan Bee Hoon	Any Door Gifts for Shareholders?
2	Poravi A/L S P Sithambaram Pillay	Good afternoon. My full support for all the resolutions. Our Company is in good hands and with high palm oil prices, all are happy. This is our 50th AGM and I hope some door gifts are in order for loyal shareholders participating in this RPV today. Thank you.
3	Reevanash A/L Poravi	Good day to all. This is our 50 th AGM. We have come a very long way. Our dedicated directors have done good. Thank you very much. Hope the hard-core shareholders participating today will be rewarded with some good door gifts.
4	Yong Joon Fah	Since this is the company 55 th AGM will the company be giving any special door gift to shareholder attending this AGM
5	Cheah Yew Boon	I humbly request BOD to give eVoucher and/or eWallet to celebrate the special moment of "50 th " AGM today
6	Reemarachna A/P Poravi	This is a super Company holding its 50 th AGM. Hard working directors are running our Company..very good.. hope there will be some door gifts for patriotic shareholders like me today. Total support for all resolutions.
7	Lee Chong Sing	Good afternoon, Mr. Chairman and board of directors. Kindly give us Rm50 Touch-n-Go on this 50 th Anniversary AGM for being loyal shareholders and attending this meeting. Times are bad now. Please be considered to us shareholders during this hard times. Thank you.
8	Toh Li Lian	Tolong minta Mr Chairman memberikan shareholder voucher atau e-wallet atau door gift selepas meeting, TQVM
9	Tan Boon Lye	Any gift? 50 th AGM
10	Ng Ying Seng	Give us voucher to eat...
11	Toh Siew Chuan	Mr Chairman we miss the sardine and others you used to give participating shareholders after meeting. TQVM

No.	Participant	Question / Comments
12	Chan Lai Yin	Hope the board of directors will give us faithful shareholders e vouchers or shopping vouchers. In these unprecedented times we need some kind of assistance or benefits to ease our financial situation.
13	Teh Kian Lang	Any e door gifts to loyal shareholders since we can't get the sardines from PNG?
14	Toh Li Shean	Mr Chairman Dato Idris congrats 50 years anniversary let Tuhan lanjut usia kita to see more years to years to come. Being long time shareholder and who attend the AGM and used received gift with great hope good performance do give us some door gift/e voucher. TQVM
15	Wong Kok Chiew @ Wong Ah Chiew	Hello Good Day. Shareholders are expecting a Door Gift/E-Voucher in the virtual AGM. With the encouraging performance results, a little honorarium as a gratitude to the shareholders" support and time is undisputed. SOAR HIGHER than your peers. Thank you
16.	Ow Ah Wah	Could the Management of our Company be kind enough to give away e-/meal vouchers to the event participants (particularly grateful to help minority shareholders to make their respective two ends to meet and the new norms they have to learn)?
17.	Lau Chuan Hooi	Will the Board consider giving door gifts such e-voucher or e-wallets for those participating in this AGM as a token of appreciation?
<p>Answer for Questions 1- 17: Our sole method of rewarding shareholders is through dividend payment. For FYE2022, the Company has declared and paid dividend 15.0 sen per share:</p> <ul style="list-style-type: none"> • Interim dividend: 9.0 sen per share • Special dividend: 6.0 sen per share <p>(FYE2021: Interim dividend: 9.0 sen per share, special dividend: 3.0 sen per share)</p>		

No.	Participant	Question / Comments
Strategy, growth & business outlook		
18.	Lew Tuck Wai	<p>Question: The Biodiesel plant was only operating at 20% of its total capacity in FY2022 producing approximately 11.639 MT (page 30 of AR) (1) What is latest capacity utilisation of the Biodiesel plant?</p> <p>(2) What is the Board/Management's target for the Biodiesel plant's utilisation for FY2023?</p> <p>(3) When do the Board/Management expect the Biodiesel operations to be profitable?</p> <p>Answer: The biodiesel production for Q1 FY2023 is 3,100 MT which translates to a capacity utilisation of 20.7%. As mentioned earlier, we are in the midst of discussions with few potential customers, and if the discussions go through, we expect the plant's utilisation rate to increase to more than 50%.</p>

No.	Participant	Question / Comments
19.	Lau Chuan Hooi	<p>Question: May I know, what is the Company's future outlook?</p> <p>Answer: For Plantation, we are projecting further growth in FFB production based on the expectation of increased contributions from rising yields of young fields as well as harvests from new fields from our Malaysian estates, provided we are able to get more workers in.</p> <p>For Bulking, we expect the division's growth momentum to continue by securing more long-term contracts, especially with the delivery of new storage capacity in North Port: a. Construction of 11 new tanks (27,200 cbm) has been completed and fully taken up; b. The development of an additional 18 new tanks (30,640 cbm) is in progress at Fimachem's Terminal 1.</p> <p>For Food, we plan to optimize our <i>Besta</i> brand, add new capacity to enhance our portfolio, and introducing new product lines in PNG.</p> <p>For Manufacturing, we expect the reopening of economies to further strengthen demand for travel and transport document segments. We are also leveraging on strategic alliances with IT/technology partners in order to improve our service offerings and competitiveness.</p>
20.	Lew Tuck Wai	<p>Kumpulan Fima has substantial investments in Papua New Guinea with Segment Assets amounted to RM197.190 million in FY2022 (page 210 of the AR).</p> <p>(1) What is the nature of the Capex of RM10.501 million in PNG?</p> <p>(2) Has KFima explore the opportunities in similar business such as palm oil, bulking etc in PNG? If no, what are the reason(s)?</p> <p>Answer: Q1. The Capex spend in PNG is primarily related to the refurbishment and upgrading works for our subsidiary IFC's waste water treatment facility and construction of new fishmeal warehouse.</p> <p>Q2. We have explored and looked into such businesses, but to-date none of them are financially viable.</p>
21.	Teh Kian Lang	<p>Q. How are we managing labour shortage issues?</p> <p>Answer: In plantation division, getting workers have been challenging as some of our estates are in remote areas. In the circumstances, we are stepping up on our mechanization initiatives and we hope to be able to reduce our workforce requirements by 10%-20%. Our estates in Kelantan have also taken a series of actions (e.g. training) to get more locals including those from the Orang Asli community to work at the estates.</p>

No.	Participant	Question / Comments
22.	Teh Kian Lang	<p>Q. How are we managing cost pressures?</p> <p>Answer: This is a rather subjective question; however, our focus will be on managing major cost elements, improving process efficiencies, reducing wastages and tightening controls across all our divisions.</p>
23.	Chong Lim Fah	<p>Q. Will the Company be able to pay more dividend for the coming year?</p> <p>Answer: Any dividend pay-out will be evaluated in accordance with the Company's capital position and growth plans. However, and if it is any indication, the Company has consistently been paying more than 40% of the Group's PATAMI as dividends.</p>

No.	Participant	Question / Comments
Litigation		
24.	Teh Kian Lang	<p>Q. How is the litigation issue with Datasonic Technologies Sdn Bhd?</p> <p>Answer: The Court of Appeal has vacated the date to deliver the Court's decision that was originally fixed on 18 August 2022. The Court of Appeal has fixed the case management on 30 August 2022 to set a new date for the Court to deliver its decision.</p>
25.	Teh Kian Lang	<p>Q. Do we still have issues with legal titles with plantation land in Kalimantan? Will the Indonesian govt forfeit the relevant land located in the designated green reserve?</p> <p>Answer: PTNJI's judicial review application was dismissed and currently PTNJI continues to operate on the non-disputed areas premised on its Izin Usaha Perkebunan.</p>

No.	Participant	Question / Comments
Administrative		
26.	Lee Zhen Hao	<p>Q. Please send a printout of the Share buyback Statement. Thanks</p> <p>Answer: You may review the Company's share buyback information in the announcements made by the Company to Bursa Malaysia</p>
27.	Teh Kian Lang	<p>Q. When will we revert to physical AGM?</p> <p>Answer: The Board will look into various aspects including the interests of shareholders before implementing physical meeting for future AGMs. The safety of everyone is our priority.</p>

No.	Participant	Question / Comments
28.	Ho Wing Seng	<p>Q. Can I have a hardcopy of the annual report sent to me?</p> <p>Answer: We take note of your request. Kindly provide your address to our Share Registrar and they will make the necessary arrangement accordingly.</p> <p>The soft copy of the Annual Report can be accessed and downloaded from our website.</p>
29.	Ow Ah Wah	<p>Q. How much does our Company spend to hold this virtual AGM plus remote participation & voting (RPV)?</p> <p>Answer: The cost of today's AGM is less than RM50,000.</p>

No.	Participant	Question / Comments
Others		
30.	Ong Kok Ching	<p>Big Kudos to KFima management to bring the group moving forward in 50 years. Looking forward for next 50 years.</p> <p>Answer: Thank you so much for the kind words and your continued support.</p>
31.	Teh Kian Lang	<p>Q. What keeps the CEO awake at night running the company?</p> <p>Answer: Honestly speaking, work doesn't really keep me up at night that much! While I have full oversight and control of the Group's various activities, I have competent management teams and staff running the day-to-day operations. We are all well supported by and benefit from the wise counsel of the Board in driving the Group forward. Indeed, the Group's successes are made up of the collective contributions from all stakeholders alike.</p>
32.	Lee Tuan Tiak	no sound
33.	Lee Tuan Tiak	now ok
34.	Lim Siew Kep	No sound?
35.	Lee Zhen Hao	How come I don't receive your broadcast? The arrow keep spinning.
36.	Lee Zhen Hao	I managed to get the broadcast. Thanks.
37.	Lee Tuan Tiak	no sound
<p>Answer for Questions/comments no. 32-37: The quality of the broadcast is also dependent on your internet bandwidth connection and stability.</p>		