KUMPULAN FIMA BERHAD

(11817-V)

ANNUAL REPORT

2011

Contents

39TH ANNUAL GENERAL MEETING

Date : Wednesday, 21 September 2011
Time : 3.00 p.m.
Venue : Dewan Berjaya,
Bukit Kiara Equestrian &
Country Resort
Jalan Bukit Kiara
Off Jalan Damansara
60000 Kuala Lumpur

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Thirty Ninth (39th) Annual General Meeting ("AGM") of **KUMPULAN FIMA BERHAD** will be held at the Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 21 September 2011 at 3.00 p.m. for the following purposes:-

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2011 and the Directors' and Auditors' Reports thereon. **Ordinary Resolution 1**

2. To declare a final dividend of 7% less 25% income tax in respect of the financial year ended 31 March 2011 as recommended by the Directors. **Ordinary Resolution 2**

3. To re-appoint Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting pursuant to Section 129(6) of the Companies Act, 1965. **Ordinary Resolution 3**

4. To re-appoint Encik Azizan bin Mohd Noor as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting pursuant to Section 129(6) of the Companies Act, 1965. **Ordinary Resolution 4**

5. To re-elect the following Directors who retire by rotation pursuant to Article 114 of the Company's Articles of Association and who, being eligible, offer themselves for re-election:-

   (i) Encik Roslan bin Hamir **Ordinary Resolution 5**

   (ii) Puan Rozana Zeti binti Basir **Ordinary Resolution 6**

6. To approve the payment of Directors' fees for the ensuing financial year. **Ordinary Resolution 7**

7. To re-appoint Messrs. Hanafiah Raslan & Mohamad as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 8**

8. As a special business:

   ORDINARY RESOLUTION - PROPOSED SHAREHOLDERS' MANDATE

   "THAT pursuant to Paragraph 10.09 of the Bursa Securities Main Market Listing Requirements, a mandate be and is hereby granted to allow recurrent related party transactions of a revenue or trading nature, which are necessary for the day-to-day operations of the Company and/or its subsidiaries, entered into or to be entered into by the Company and/or its subsidiaries, provided that such transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public, particulars of which are set out in Section 2.1 of the Circular to Shareholders dated 26 August 2011 AND THAT such approval conferred by the mandate shall continue to be in force until: **Ordinary Resolution 9**

   (a) the conclusion of the next AGM of the Company following this AGM, at which time the mandate will lapse, unless by an ordinary resolution passed at general meeting, the mandate is renewed; or

   (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 143(1) of the Companies Act, 1965 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 143(2) of the Act); or

(c) revoked or varied by ordinary resolution passed by the shareholders in a general meeting;

whichever is earlier,

AND FURTHER THAT the Directors of the Company and/or any of them be and are/is (as the case may be) hereby authorised to complete and do all such acts and things (including executing such documents under the common seal in accordance with the provisions of the Articles of Association of the Company, as may be required) as they may consider expedient or necessary to give effect to the proposed mandate."

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that subject to the approval of the shareholders at the AGM to be held on 21 September 2011, a final dividend of 7% less 25% income tax for the financial year ended 31 March 2011 will be paid on 20 October 2011 to Depositors whose names appear in the Record of Depositors on 3 October 2011.

A Depositor shall qualify for entitlement to the dividend only in respect of:-

a. Securities transferred into the Depositor's Securities Account before 4.00 p.m. on 3 October 2011 in respect of transfers; and

b. Securities bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

MOHD YUSOF BIN PANDAK YATIM (MIA 4110)
JASMIN BT HOOD (LS 0009071)
Company Secretaries

Kuala Lumpur
26 August 2011

Explanatory Note on Special Business:

The proposed Ordinary Resolution 9 if passed, will empower the Company and/or its subsidiaries ("the Group") to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

Detailed information on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature is set out in the Circular to Shareholders dated 26 August 2011, dispatched together with the Annual Report.

Notice of Annual General Meeting (cont'd)

Note :

A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may not be a Member of the Company and a Member may appoint more than two (2) proxies by specifying the proportion of his shareholding to be represented by each proxy. The instrument appointing a proxy must be completed and deposited at the registered office of the Company not less than forty-eight (48) hours before the time of holding the Meeting or any adjournment thereof.

Statement Accompanying Notice of Annual General Meeting

The Directors who are standing for re-appointment under Section 129(6) of the Companies Act, 1965, are:

a. Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor
b. Encik Azizan bin Mohd Noor

The Directors who are retiring pursuant to Article 114 of the Company's Articles of Association and seeking election are:

a. Encik Roslan bin Hamir
b. Puan Rozana Zeti binti Basir

The profiles of the above Directors are set out in the Profile of Directors section of this Annual Report.

Corporate Information

Board Of Directors

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor	*Chairman/ Independent Non-Executive Director*
Roslan bin Hamir	*Group Managing Director/ Non-Independent Executive Director*
Azizan bin Mohd Noor	*Independent Non-Executive Director*
Rozana Zeti binti Basir	*Non-Independent Non-Executive Director*
Dato' Rosman bin Abdullah	*Independent Non-Executive Director*
Rozilawati binti Haji Basir	*Non-Independent Non-Executive Director*

Audit Committee

Azizan bin Mohd Noor	*Chairman*
Dato' Rosman bin Abdullah	*Member*
Rozana Zeti binti Basir	*Member*

Nomination Committee

Dato' Rosman bin Abdullah	*Chairman*
Azizan bin Mohd Noor	*Member*
Rozana Zeti binti Basir	*Member*

Remuneration Committee

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor	*Chairman*
Azizan bin Mohd Noor	*Member*
Dato' Rosman bin Abdullah	*Member*
Rozilawati binti Haji Basir	*Member*

Options Committee

Dato' Rosman bin Abdullah	*Chairman*
Roslan bin Hamir	*Member*
Rozilawati binti Haji Basir	*Member*

Company Secretaries

Mohd Yusof bin Pandak Yatim
MIA 4110

Jasmin binti Hood
LS 0009071

Registered Office

Suite 4.1, Level 4, Block C, Plaza Damansara
No. 45, Jalan Medan Setia 1, Bukit Damansara
50490 Kuala Lumpur
Telephone No. : +603-2092 1211
Facsimile No. : +603-2092 5923
E-mail : enquiry@fima.com.my
Website : http://www.fima.com.my

Share Registrar

Symphony Share Registrars Sdn. Bhd.
Level 6, Symphony House
Block D13, Pusat Dagangan Dana 1
Jalan PJU 1A/46, 47301 Petaling Jaya
Selangor
Telephone No. : +603-7841 8000
Facsimile No. : +603-7841 8151/8152

Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad

Auditors

Messrs Hanafiah Raslan & Mohamad

Principal Bankers

Malayan Banking Berhad
Maybank International (L) Ltd.
CIMB Bank Berhad
Public Bank Berhad

Profile of Directors

TAN SRI DATO' IR. MUHAMMAD RADZI BIN HAJI MANSOR
Chairman / Independent Non-Executive Director
Aged 70, Malaysian

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor ("Tan Sri Radzi") was appointed as Director and Chairman of the Company on 10 April 2008. He is also Chairman of the Remuneration Committee.

Tan Sri Radzi graduated with a Diploma in Electrical Engineering in 1962 from Faraday House Engineering College, London and a Masters in Science (Technological Economics) from the University of Stirling, Scotland in 1975. A Chartered Professional Engineer registered with the Board of Engineers, Malaysia and Engineering Council, United Kingdom, he is a corporate member of the Institution of Engineers, Malaysia, the Institution of Engineering and Technology, United Kingdom and the Chartered Management Institute, United Kingdom.

He served in various engineering and management capacities in Government with Jabatan Telekom Malaysia ("JTM") over a 22-year period, including a 3-year secondment as Technical Adviser to the Ministry of Energy, Telecommunications and Post. Tan Sri Radzi retired as Director General of Telecommunications upon corporatisation of JTM on 1 January 1987 and was subsequently appointed as Director of Operations, Telekom Malaysia Berhad ("TM"). He served as Director of Marketing and Customer Services from 1989 to 1995 and later as Director of Regulatory Management and External Affairs before retiring in July 1996. He was an independent consultant for 3 years and was retained by Multimedia Development Corporation Sdn Bhd ("MDeC") between 1997 to 1999.

Tan Sri Radzi was Chairman and Director of TM for 10 years from July 1999 to July 2009 and Director of MDeC from April 2005 to March 2011. He is currently the Chairman of Menara Kuala Lumpur Sdn Bhd and President Commissioner of PT XL Axiata Tbk, (Indonesia). He was appointed Pro-Chancellor of Multimedia University in August 2008 and Non-Executive Director of Pos Malaysia Berhad and Mewah International Inc. (Singapore) in October 2009 and 29 October 2010, respectively.

He has never been convicted for any offence within the past 10 years. He has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He attended all Board Meetings held during the financial year ended 31 March 2011.

ROSLAN BIN HAMIR
Group Managing Director / Non-Independent Executive Director
Aged 44, Malaysian

Roslan bin Hamir was appointed a Director of the Company on 11 October 2002 and made Group Managing Director on 1 April 2009. He is also the Managing Director of Fima Corporation Berhad and member of the Options Committee.

He is an ACCA graduate with Bachelor of Arts (Honours) in Accounting and Finance. He began his career with Messrs. Ernst & Young in 1993 as an auditor. In 1998, he joined Kumpulan Fima Berhad as Senior Vice President, Corporate Services. Currently, he is a Director of Riverview Rubber Estate Berhad, a company listed on Bursa Malaysia Securities Berhad, Narborough Plantations Plc, a company listed on the London Stock Exchange, Director of Malaysian Transnational Trading (MATTRA) Corporation Berhad and Fima Bulking Services Berhad.

He holds shares in the Company and has never been convicted for any offence within the past 10 years. He attended all Board Meetings held during the financial year ended 31 March 2011.

AZIZAN BIN MOHD NOOR
Independent Non-Executive Director
Aged 70, Malaysian

Azizan bin Mohd Noor was appointed a Director of the Company on 2 April 2003. He is also Chairman of the Audit Committee, member of Remuneration Committee and member of Nomination Committee.

He is a fellow member of the Institute of Chartered Accountants in England & Wales (ICAEW). He is also a member of the Malaysian Institute of Accountants (MIA) and the Malaysian Institute of Certified Public Accountants (MICPA), respectively.

The positions held by him previously include senior auditor with Azman, Wong, Salleh & Co., Chartered Accountants, Chief Internal Auditor of the former Bank Bumiputra Malaysia Berhad and senior partner with Anuarul, Azizan, Chew & Co., Chartered Accountants. He is currently a Director of Fima Bulking Services Berhad.

He has no family relationship with any Director and/or major shareholders of the Company and has no conflict of interest with the Company. He has never been convicted for any offence within the past 10 years. He attended all Board Meetings held during the financial year ended 31 March 2011.

ROZANA ZETI BINTI BASIR
Non-Independent Non-Executive Director
Aged 36, Malaysian

Rozana Zeti binti Basir was appointed a Director of the Company on 30 March 2004. She is also member of the Nomination Committee and Audit Committee.

She graduated with a Bachelor of Arts in Fashion Marketing from American College in London. She began her career with Metro Jaya Bhd in 1998 as Visual Merchandising Executive. She was with Kumpulan Fima Berhad as Corporate Services Executive from 2000 to 2001. She is a Director of BHR Enterprise Sdn Bhd which is the major shareholder of the Company.

She is the sister of Rozilawati binti Haji Basir, a Director of the Company. She has never been convicted for any offence within the past 10 years. She attended all Board Meetings held during the financial year ended 31 March 2011.

Profile of Directors (cont'd)

DATO' ROSMAN BIN ABDULLAH
Independent Non-Executive Director
Aged 44, Malaysian

Dato' Rosman bin Abdullah was appointed to the Board of the Company on 5 May 2004. He is the Chairman of the Nomination and Options Committees and also a member of the Audit Committee and Remuneration Committee.

An accountant by profession, he holds a Bachelor of Commerce (Accounting) degree from Australian National University and had attended the Advanced Management Programme at Oxford University. He is a chartered member of the Malaysian Institute of Accountants and a member of the Australian Society of Certified Practicing Accountants.

At present, he is the Chief Executive Officer of Syarikat Air Negeri Sembilan Sdn Bhd. Previously, he was the Group Chief Executive Officer of PECD Berhad from 30 May 2006 to 7 April 2009, an Executive Director of Malaysia Airport Holdings Berhad from 1997 until 2003 and was with Arthur Andersen & Co. from 1989 to 1997. He is also now serving as a Non-Independent Non-Executive Director of KUB Malaysia Berhad and Cuscapi Berhad, and as an Independent Non-Executive Director of Narra Industries Berhad.

He has no family relationship with any Director and/or major shareholder of the Company and has no conflict of interest with the Company. He has never been convicted for any offence within the past 10 years. He attended all Board Meetings held during the financial year ended 31 March 2011.

ROZILAWATI BINTI HAJI BASIR
Non-Independent Non-Executive Director
Aged 40, Malaysian

Rozilawati binti Haji Basir was appointed a Director of the Company on 26 November 2009. She is also a member of the Remuneration and Options Committees.

She holds a Masters in Business Administration in International Business from University of Bristol, United Kingdom and a Bachelor of Arts (Hons) Degree Social Sciences majoring in Law from the University of Hertfordshire, United Kingdom.

She has experience in the areas of corporate strategy, marketing, development of new businesses and entrepreneurship both locally and overseas. She is presently the Chairman of Nationwide Express Courier Services Berhad after having been its Chief Executive Officer from 31 March 2003 to 31 March 2010. She is a Director of BHR Enterprise Sdn Bhd, the Company's major shareholder.

She is the sister of Rozana Zeti binti Basir, a Director of the Company. She has never been convicted for any offence within the past 10 years. She attended all Board Meetings held during the financial year ended 31 March 2011.

Group Corporate Structure

FIMA

KUMPULAN FIMA BERHAD
(11817-V)

Manufacturing

Production and trading of security and confidential documents

Plantation

Oil palm and pineapple cultivation including oil palm production and processing

Bulking

Bulk handling and storage of various types of liquid and semi-liquid products; as well as transportation and forwarding services

Food

Manufacture and distribution of canned fish

Others

- Property investment
- Trading
- Food packaging

Chairman's Statement

Dear Shareholders,

On behalf of the Board, it gives me great pleasure to present to you the Annual Report and Audited Financial Statements of Kumpulan Fima Berhad Group ("the Group") for the financial year ended 31 March 2011.

FINANCIAL RESULTS AND PERFORMANCE

For the financial year ended 31 March 2011, the Group continued to perform well, with all our core Divisions contributing positively to the bottom line. I am happy to report that the Group's revenue and profit before tax ("PBT") rose to RM431.88 million and RM140.93 million respectively, representing increases of 5.0% and 21.8% over revenue and PBT of RM411.43 million and RM115.73 million in the preceding year. For the year under review, the Group registered a profit after taxation (before minority interests) of RM107.50 million, representing an increase of 24.4% compared to RM86.43 million a year before.

Earnings per share and net assets per share also improved to 26.99 sen and RM1.76, respectively, from 22.32 sen and RM1.52 the year before.

OVERVIEW OF OPERATIONS

MANUFACTURING DIVISION

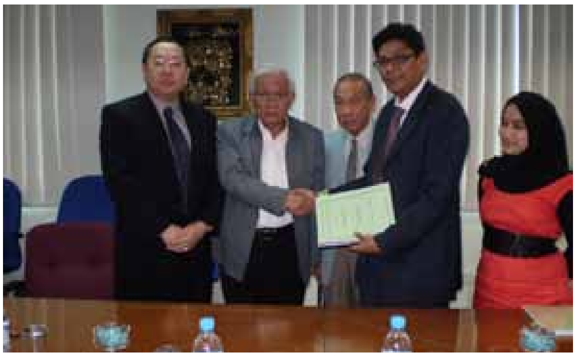
The Manufacturing Division continued to deliver strong results, contributing 47.2% of the Group's total revenue for the year under review. The Division's PBT rose by RM25.73 million to RM70.98 million or 56.9% from RM45.25 million in the previous financial year.

The cornerstone of the Division's significant improvement came from the successful launch of upgraded security products with enhanced security features made to travel security documents. Furthermore, improved volumes for identity and travel documents from the Division's domestic and foreign customers help carry the Division's results to record levels.

BULKING DIVISION

The Division recorded a revenue of RM56.29 million, representing an increase of 20.5% from the previous year while PBT improved 25.8% to RM28.08 million from RM22.31 million last year. The increase in profits was largely attributable to the rise in the handling and storage of oleo chemical and base oil products.

PLANTATION DIVISION



The Division posted 4.75% decrease in revenue to RM95.42 million, while PBT rose to RM34.89 million, 8.54% higher than the year before. Fresh fruit bunch (FFB) production was 123,168 MT compared with 120,194 MT harvested last year. The Plantation Division benefitted from the favourable crude palm oil prices which recorded an average price (net of tax, duty and transport) of RM2,392 per MT as opposed to RM2,193 per MT last year; as well as from improved operational efficiencies.

The year under review also saw the completion and commissioning of a 2.5 MT/per hour palm kernel crusher plant at our Indonesian plantation. As at the end of the financial year, 1,492.50 MT of crude palm kernel oil had been produced since the plant began production in July 2010.

In February 2011, the Group had completed the acquisition of an 80% equity interest in Victoria Square Plantation Sdn Bhd (“VSPSB”), an investment holding company which in turn owns a 65% interest in Amgreen Gain Sdn Bhd, a joint venture company between VSPSB, Board of Trustee of Sarawak Foundation and Amanah Khairat Yayasan Budaya Melayu Sarawak involved in the development of an oil palm plantation on an area of approximately 5,000 hectares in Miri, Sarawak (“Land”). We view the acquisition of VSPSB as a strategic investment in line with the Group’s objective to enhance its earnings profile in the long term. The Land will be developed progressively over the next 5 years, with land clearing works and establishment of oil palm nursery sites already underway. Maiden field planting on the Land is expected to commence by mid-2012.

FOOD DIVISION

The Food Division registered an improvement in its revenue by 3.2% from RM61.12 million to RM63.09 million year on year, with a corresponding 81.6% increase in PBT to RM7.24 million, despite the sluggish economic conditions in Papua New Guinea. The Division’s performance was achieved inter alia through the various efforts implemented to increase productivity and reduce costs. With the Division’s commercial tuna production scheduled to come on stream by end of FYE 2011/12, the Division is poised to enhance its contribution to the Group’s bottom line moving forward.

OTHER DIVISIONS

The Group’s trading and food packaging businesses had experienced a difficult year, registering a combined revenue of RM8.83 million, a decline of RM5.85 million from the previous year and loss before tax of RM1.35 million compared to PBT of RM1.48 million recorded last year. The setbacks experienced by these subsidiaries have not had a major impact on the Group’s results; nevertheless, we shall continuously evaluate their performance and strategic fit within the Group in determining whether to maintain, expand or divest these businesses.

Chairman's Statement (cont'd)

DIVIDEND

Consistent with our stronger overall performance, the Board of Directors is pleased to recommend for shareholders' approval a final dividend of 7.0% less 25% taxation for the year ended 31 March 2011 at the forthcoming Annual General Meeting.

PROSPECTS AND CHALLENGES FOR 2011

The Malaysian economy is projected to grow by 5% to 6% in 2011 underpinned by robust domestic demand. Growth is expected to be bolstered by inter alia, private sector activity and implementation of the various economic transformation initiatives by the government.

On the other hand, rising commodity and fuel prices coupled with possible bubbles in the Asian region which may undermine the sustainability of a global recovery, is a lingering concern. The Group however, expects its prospects to remain encouraging in the near future. To ensure that our portfolio of businesses continue to be dynamic and drive earnings, the Group will pursue new business opportunities and reinforce the measures adopted in the past year in managing our resources and enhancing operational efficiencies.

APPRECIATION AND ACKNOWLEDGEMENT

On behalf of the Board, I wish to extend our heartfelt appreciation to the Management team led by the Group Managing Director, Encik Roslan bin Hamir and employees for their dedication and hard work. The success of this year would not have been possible without their unrelenting commitment to the Group.

To my fellow Board members, I take this opportunity to express my sincere gratitude for their invaluable commitment, guidance and support.

Last but not least, I also wish to extend our appreciation to our shareholders, customers, business associates and relevant authorities for their continued support and confidence in the Group.

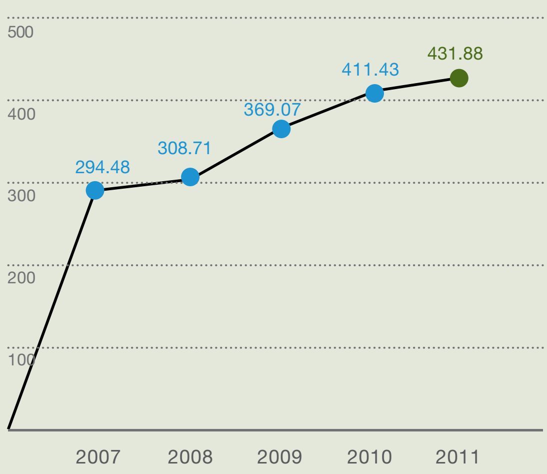
TAN SRI DATO' IR. MUHAMMAD RADZI BIN HAJI MANSOR
Chairman

Five-Year Group Financial Highlights

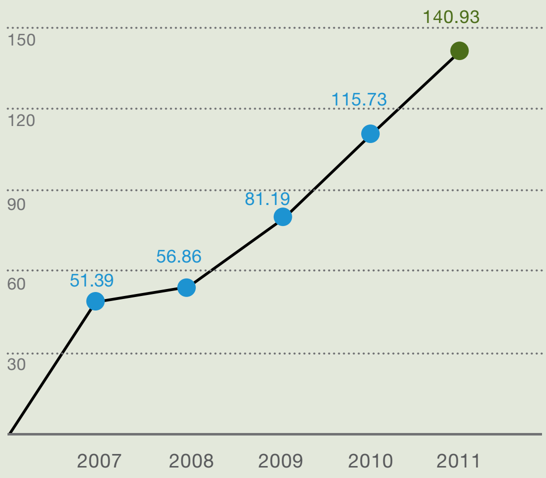
Financial Year Ended 31 March (RM Million)	2011	2010 (restated)	2009	2008	2007
REVENUE	431.88	411.43	369.07	308.71	294.48
PROFIT					
Profit before taxation	140.93	115.73	81.19	56.86	51.39
Profit before taxation (excluding exceptional item)	140.93	115.73	81.19	56.86	51.39
Income Tax Expense	33.43	29.29	10.57	13.59	10.74
Minority Interests	36.47	27.68	24.47	12.99	10.99
Profit after taxation and minority interests	71.03	58.75	46.16	30.29	29.66
ASSETS AND LIABILITIES					
Total assets	831.51	733.59	653.15	609.17	514.53
Total liabilities	186.24	191.47	201.32	209.05	149.74
Minority interests	182.81	139.09	117.21	100.73	78.97
Shareholders' Equity	462.46	403.04	334.62	299.40	285.82
EARNINGS AND DIVIDEND					
Earnings per share (sen)	26.99	22.32	17.54	11.51	11.30
Gross dividend per share (sen)	7.00	5.00	3.00	2.50	2.00
Net dividend per share (sen)	5.25	3.75	2.25	1.88	1.48
SHARE PRICES					
Transacted price per share (RM)					
Highest	1.83	1.09	0.51	0.94	0.75
Lowest	0.85	0.38	0.33	0.42	0.50

Five-Year Group Financial Highlights (cont'd)

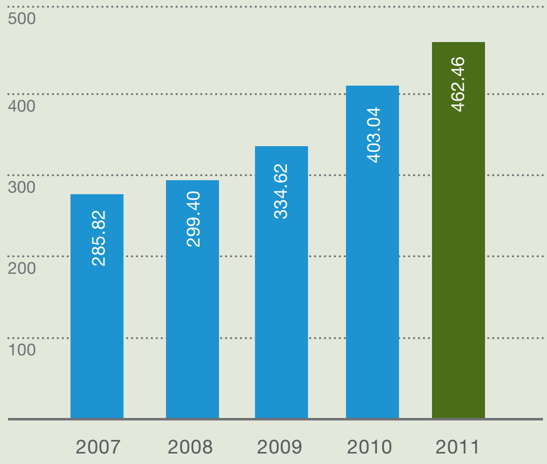
REVENUE
(RM Million)



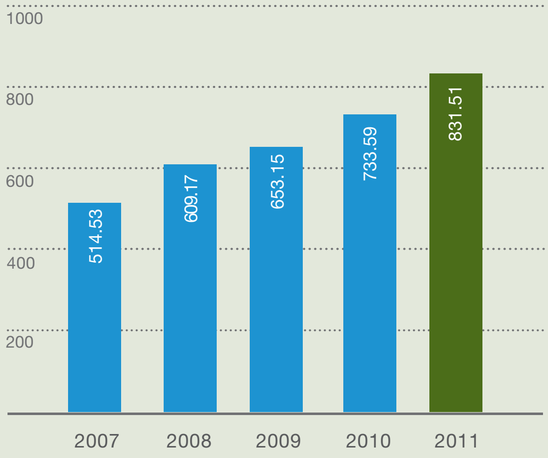
PROFIT BEFORE TAXATION EXCLUDING EXCEPTIONAL ITEM
(RM Million)



SHAREHOLDERS' EQUITY
(RM Million)



TOTAL ASSETS
(RM Million)



Corporate Social Responsibility

Kumpulan Fima Berhad Group ("the Group") is mindful of its responsibilities to the surrounding community and relishes the opportunity to contribute to the society at large as well as the Group's employees. The Group believes that a strong corporate social responsibility ("CSR") will ultimately build stronger ties and longer-term relationships with the shareholders, community, employees, environment and other stakeholders which are essential components to any corporate growth strategy.

The Community

During the year, the Group consistently supports social and welfare activities in the community especially where its businesses operate by providing aid to numerous charitable activities in the form of donations, sponsorships and support in kind:

- The Group made financial contributions to Yayasan Kebajikan Nusantara for the development of a new school for Maahad Tahfiz Kiblah at Jenderam, Sepang, Selangor and Pusat Pengajian Kemahiran Al-Quran in conjunction with their Majlis Multaqa Al-Quran.

- Contributing sardine cups to Majlis Pembangunan Wanita & Keluarga, Parliament Gombak, in support of their programmes for orphans, the poor, the underprivileged, the disabled, the senior citizen communities and single mothers.

- International Food Corporation Limited ("IFC"), the Group's Papua New Guinea ("PNG") subsidiary, was active last year with its CSR outreach programmes. Inter alia, IFC had donated towards PNG Football Association's development for the under-20 team for the 2010-2011 Telikom National Soccer League season. IFC also contributed to the Ponam community in the Manus province to complete the construction of a new double classroom for the school's grade eight students. In addition, IFC's management trainee programme provides opportunities to local graduates for on-the-job training to build their capabilities and strengths as well as to accelerate professional development.

IFC serves community

INTERNATIONAL Food Corporation (IFC), the manufacturer of popular Besta tinned mackerel has continued to maintain its community obligation.

The company yesterday made a donation of K1000 to Ponam community of Manus Province to assist complete a new double classroom.

Sales and marketing manager Roslan Wahed said the company was pleased to assist, because education infrastructure was vital in any educational institution.

He said education was fundamental in the development of any country.

Lae-based Ponam Island community chairman Charles Nakau said the assistance should go a long way for the island community.

"I would like to commend the IFC for their assistance which ... go a long way in ensur... classroom is completed ... the school's grade eig... he said.

IFC's chief executiv... Rosedean Zaily, centre, ... cheque of K1000 to Char...

From left to right: Lorraine Ariro, food technology graduate, seated, Miriam Inude business management graduate and Stephanie Konts, mechanical engineer.

Training boost for graduates

By FRANK RAI

THREE female graduates from the Papua New Guinea University of Technology (Unitech) have been give the opportunity to undergo a six months management training with the International Food Corporation (IFC) in Lae.

The manufacturer of Besta tinned fish engaged the students earlier this year under the company's graduate management program that is provided annually to enhance practical skills for graduating students.

"The program is essential because it gives opportunities to new graduates to learn and be trained by experienced trainers. It also provides practical and industrial experiences in their respective field of studies," acting human resources manager Joel Gayam said.

Mr Gayam said yesterday that the three females were engaged in the sales, marketing, quality assurance and engineering departments.

He said the program was basically designed and developed by the company to train young Papua New Guineans to become professionals in their desired careers and fields.

"A highly trained and skilled workforce is vital to the prosperity of any company and this can tremendously contribute to the development of the economy of the country," Mr Gayam said.

He said the human resources of a company was an asset, adding that IFC also had an employee incentive program that provided employees with opportunities to under training to enhance their skills.

According to the company, the skills learnt from the training will equip the women to face the real workforce and in their community.

PNGFA president David Chung (second from right) and Dimirit Mileng PNGFA CEO (right) receive the cheque from Besta officials in Lae.

Besta backs PNGFA

THEY did it last season and they have done it again for this year. The International Food Corporation (IFC) Ltd on Tuesday stepped in with 300,000 for the PNG Football Association (PNGFA). This cheque will go towards the PNGFA's development team – the Under-20 Besta team for the 2010-2011 Telikom National Soccer League season. PNGFA president David Chung was at hand to receive the cheque and thanks IFC for their continued support towards soccer in PNG. The Under-20 franchise is pathway set by PNGFA to develop young players through their participation in the NSL. Chung said through match practice this will give the youngsters much needed game experience in the top level.

The presentation was made at the IFC factory in Lae.

Corporate Social Responsibility (cont'd)

- PT Nunukan Jaya Lestari, the Group's Indonesian subsidiary, continued to lend its support to the local community through various CSR activities:

  - Donation of school uniforms.
  - Provision of free transportation to school for employees' children
  - Construction and improvement of residential quarters, crèche and recreational facilities
  - Supply of electricity and water to a school
  - Supply of diesel to the police post
  - Contribution towards the renovation works carried out in a school and playground, mosque and surau
  - Contribution to the Independence Day and Hari Raya Aidil Adha celebration
  - Provision of heavy machineries for road grading works at the nearby villages

- Another Group subsidiary, Percetakan Keselamatan Nasional Sdn Bhd ("PKN"), had successfully conducted a series of training on "Government Official Document, Features and Detection Methods" to Immigration Department during the financial year. PKN also embarked on various charity programmes by providing financial assistance to Pertubuhan Kebajikan Melati Malaysia, Malaysian Association for the Blind, Ikatan Relawan Rakyat Malaysia (RELA) and Yayasan Al-Jenderami.

The Workplace

Numerous employee programmes were organized by Kelab Fima Kuala Lumpur to further strengthen ties and build unity among the employees, while keeping employees abreast of happenings in and out of the workplace. These comprised programmes such as "Doa Selamat" for the Management who were performing the Haj, Ramadhan breaking fast function, Hari Raya Open House, Fima Family Day, Fima Fun & Healthy Day. Apart from these activities, in-door games like carom, dart, chess and 'congkak' were provided for the benefit and enjoyment of the employees.

Family days, weekend retreats and festive gatherings were also regularly organized at the divisional level as a means to promote harmonious relationship and interaction amongst staff from across the Group and to foster a sense of belonging to the Group.

The Group also contributes towards its employees' career growth by providing requisite knowledge, skills and competencies as well as to help unleash their potential and productivity through various programmes, which are either organized in-house or by external professional bodies.

Statement on Corporate Governance

The Board is committed to ensuring that the highest standards of corporate governance are practised throughout the Group in all aspects of its business dealings with the objective of protecting and enhancing shareholders' value and the performance of the Group.

The Board is pleased to report to the shareholders on the manner the Company has applied the principles of good corporate governance and the extent of compliance with the best practices as expressed in the Principles of and Best Practices in Corporate Governance set out in the Malaysian Code on Corporate Governance throughout the financial year.

1. BOARD OF DIRECTORS

1.1 Board Duties and Responsibilities

The Group fully appreciates the pivotal role played by the Board in the stewardship and monitoring of its long term direction and achievement of business objectives; and ultimately the enhancement of shareholders' value. The Board meets at least four (4) times a year, once every quarter, with additional meetings convened when necessary.

Certain responsibilities of the Board are delegated to Board Committees; namely the Nomination, Remuneration, Audit and Options in discharging its fiduciary duties. These Committees operate within clearly defined terms of reference and have the authority to examine particular issues and report back to the Board with their recommendations. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

1.2 Board Composition and Balance

As at the date of this Annual Report, the Board is composed of six (6) members - one (1) Independent and Non-Executive Chairman, one (1) Group Managing Director (Executive and Non-Independent), two (2) Non-Executive and Non-Independent Directors and two (2) Non-Executive and Independent Directors. The presence of Independent Non-Executive Directors assures an additional element of balance to the Board as they provide unbiased and independent views, advice, judgement to all Board deliberations, taking into account the interests of the Company's stakeholders.

The Company's Board is a balanced Board with a complementary blend of expertise with members drawn from varied backgrounds, bringing with them depth and diversity in experience, expertise and perspectives to the Group's business operations. Directors are able to act independently and express their views unfettered and free from any influence.

The roles of the Chairman and the Group Managing Director (GMD) are distinct and separate to ensure a balance of power and authority, avoiding any unfettered power of decision making in one individual. The Chairman is responsible for ensuring Board effectiveness and conduct while the GMD has overall responsibilities over the Group's operational and business units, organisational effectiveness and implementation of Board policies, directives, strategies and decisions.

1.3 Board Meetings

The Board meets on a scheduled basis whereat the meetings are scheduled a year ahead in order to facilitate the Board attendance at Board meetings.

During the year ended 31 March 2011, seven (7) Board meetings were held whereat the Board deliberated and considered a variety of matters including the Company's financial results, the business plan and direction of the Company. The attendance record of each Director in respect of meetings held was as follows:

Name of Directors	No. of Board Meetings Attended
Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor (Chairman)	7/7
Roslan bin Hamir	7/7
Azizan bin Mohd Noor	7/7
Rozana Zeti binti Basir	7/7
Dato' Rosman bin Abdullah	7/7
Rozilawati binti Haji Basir	7/7

1.4 Supply of Information

Each Board member receives a full set of board papers for each agenda item distributed in advance of each Board meeting which include the comprehensive reviews and analysis of major business and financial issues. The board papers are issued in sufficient time to enable the Directors to appreciate the issues to be deliberated and where necessary, be briefed properly before the meeting.

The Board also avails itself of independent professional advice in the furtherance of their duties. In addition, the Directors have direct access to the advice and services of the Company Secretaries who are responsible for ensuring that Board procedures are followed. The Board is regularly updated on new statutory as well as regulatory requirements relating to the duties and responsibilities of Directors. The Board also reviews and approves all corporate announcements, including the announcement of the quarterly financial results prior to releasing them to Bursa Malaysia Securities Berhad.

Apart from the scheduled meetings, on separate occasions, the Directors also visit locations of the operating units and new projects that have been launched or proposed. On these visits Directors are given briefings by Management. The 'hands-on' approach is useful in assisting Directors to have a better understanding of the workings of the Group's business operations, so that they are able to bring insight on matters affecting the business units during Board deliberations and the eventual decision making.

1.5 Board Committees

1.5.1 Nomination Committee

The Nomination Committee, which was established on 23 November 2001, has the authority to carry out the following:

- Review contribution of individual Directors and effectiveness of the Board as a whole with its mix of skills and experience and other qualities, including core competencies which each Director shall bring to the Board;
- Make recommendations to the Board on candidates for directorship on the Board of the Company and its Group subsidiaries;
- Recommend suitable orientation, educational and training programmes to continuously train and equip both existing and new Directors; and
- Examine the size of the Board to determine its effectiveness.

The members of the Nomination Committee as at the date of the Annual Report are:

- Dato' Rosman bin Abdullah – Chairman
  (Independent Non-Executive Director)

- Azizan bin Mohd Noor
  (Independent Non-Executive Director)

- Rozana Zeti binti Basir
  (Non- Independent Non-Executive Director)

1.5.2 Remuneration Committee

The Company has adopted the objective as recommended by the Code to determine the remuneration for a Director so as to ensure that the Company attracts and retains the Directors needed to run the Group successfully. In this respect, a Remuneration Committee was established on 23 November 2001.

The Remuneration Committee shall have the authority to carry out the following:

- Make recommendations to the Board on the remuneration framework for the Group Managing Director and determining the remuneration arrangements for the Group Managing Director;

- Recommend to the Board changes in remuneration, if required or in the event the present structure and remuneration policy are deemed inappropriate; and

- Remuneration of the Non-Executive Directors shall be determined by the Board collectively, where individuals concerned shall abstain from discussion of their own remuneration.

Members of the Remuneration Committee as at the date of the Annual Report are:

- Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor - Chairman
  (Independent Non-Executive Director)

- Azizan bin Mohd Noor
  (Independent Non-Executive Director)

- Dato' Rosman bin Abdullah
  (Independent Non-Executive Director)

- Rozilawati binti Haji Basir
  (Non-Independent Non-Executive Director)

The Remuneration Committee met two times during the financial year.

1.5.3 Audit Committee

The Board is also assisted by the Audit Committee whose members, terms of reference and activities for the year under review are presented in the Report of the Audit Committee in this Annual Report.

1.5.4 Options Committee

The Options Committee was established on 23 March 2011 to administer the Company Employees' Share Scheme (Scheme). The Proposed Scheme if approved by the shareholders at an Extraordinary General Meeting, to be convened, is intended to motivate and provide as a continuing incentive to eligible employees through the intended stimulation of greater commitment and productivity on the part of eligible employees towards the Group.

The Options Committee is entrusted with the following responsibilities:

- To administer the Scheme in accordance with the Bye-Laws of the Scheme and in such manner as it shall in its discretion deem fit and within such powers and duties as are conferred upon it by the Board;

- To review and amend, at any time and from time to time, any provisions of the Bye-Laws, provided that the amendments are not prejudicial to the eligible employees and with the prior approval of the shareholders of the Company. Such modifications/variations shall be subject to the approval of the Board and the relevant regulatory authorities; and

- Such other authorities as governed by the Bye-Laws and/or are conferred upon the Committee by the Board from time to time.

Members of the Options Committee as at the date of the Annual Report are:

- Dato' Rosman bin Abdullah - Chairman
  (Independent Non-Executive Director)

- Roslan bin Hamir
  (Non-Independent Executive Director)

- Rozilawati binti Haji Basir
  (Non-Independent Non-Executive Director)

The Secretary to the Committee shall be the Company Secretaries.

1.5.5 Management of Business Operations

A Heads of Divisions and Divisional Executive Committee have been established to assist in the running of the business of the Group.

- **Heads of Divisions ("HOD") Meeting**

  The HOD under the chairmanship of the Group Managing Director deliberates on the performance and conduct of the Group's operating units, implementation of Group policies and examining all strategic matters affecting the Group.

- **Divisional Executive Committees ("Divisional EXCOs")**

  Divisional EXCOs are established to assist the Heads of Divisions in dealing with issues that arise in their respective divisions/operating units. The Divisional EXCOs addresses among others, day-to-day operational and financial issues/risks affecting the division, utilisation of resources and examines investment proposals before making the appropriate recommendations to the Board.

1.6 Re-election of Directors

The Articles of Association of the Company provide that all Directors are subject to retirement and re-election by shareholders at their first opportunity after their appointment, and are subject to re-election at least once every three (3) years.

Pursuant to Section 129(6) of the Companies Act, 1965 (the Act), the office of a Director of or over the age of seventy (70) years becomes vacant at every AGM unless he is re-appointed by a resolution passed at such an AGM of which no shorter notice than that required for the AGM has been given and the majority by which such resolution is passed is not less than three-fourths of all members present and voting at such an AGM.

The profiles of the Directors who are due for re-election and re-appointment in accordance with Section 114 of the Company's Articles of Association and Section 129(6) of the Act, respectively, are set out in the Profile of Directors section of this Annual Report.

1.7 Directors' Training

The Board acknowledges the importance of continuous education and training programmes to enable effective discharge of its responsibility.

All Directors have successfully attended the Mandatory Accreditation Programme prescribed by Bursa Malaysia Securities Berhad. During the financial year, the Directors have attended various training programmes and seminars that are relevant to the discharge of their responsibilities, the details of which are set out below:

Director	Name of courses/seminars/workshops/conferences	Date Held
Tan Sri Dato' Ir.Muhammad Radzi bin Haji Mansor	1. Securities Commission- Bursa Malaysia Corporate Governance Week 2010	30/6/2010
	2. Getting up to speed with Governance- Part I	19/7/2010
	3. Getting up to speed with Governance- Part II	28/7/2010
	4. i. Understanding Related Party & Conflict of Interest Transactions ii. Statutory Derivation Action	19/10/2010
	5. Sustainability Programme for Corporate Malaysia	9/2/2011
Roslan bin Hamir	1. Mid-Year Global Economic Outlook 2010	22/6/2010
	2. i. Understanding Related Party & Conflict of Interest Transactions ii. Statutory Derivation Action	19/10/2010
Azizan bin Mohd Noor	1. Securities Commission- Bursa Malaysia Corporate Governance Week 2010	28/6/2010 & 30/6/2010
	2. i. Understanding Related Party & Conflict of Interest Transactions ii. Statutory Derivation Action	19/10/2010
	3. Sustainability Programme for Corporate Malaysia	9/2/2011
Rozana Zeti binti Basir	1. i. Understanding Related Party & Conflict of Interest Transactions ii. Statutory Derivation Action	19/10/2010
	2. Sustainability Programme for Corporate Malaysia	9/2/2011

Director	Name of courses/seminars/workshops/conferences	Date Held
Dato' Rosman bin Abdullah	1. Asia Water 2010 Conference	6/4/2010-8/4 /2010
	2. Yayasan 1 Malaysia Seminar	17/9/2010
	3. i. Understanding Related Party & Conflict of Interest Transactions ii. Statutory Derivation Action	19/10/2010
	4. MICG Updates on Regulation Framework & Director's Duties 2010	24/11/2010
	5. Seminar Pemantapan Professionalisma	20/3/2011-22/3/2011
Rozilawati binti Haji Basir	1. i. Understanding Related Party & Conflict of Interest Transactions ii. Statutory Derivation Action	19/10/2010
	2. Sustainability Programme for Corporate Malaysia	9/2/2011

2. DIRECTORS' REMUNERATION

The aggregate remuneration of the Directors for the financial year ended 31 March 2011 is summarised as follows:

	Salaries & Other Emoluments (RM'000)	Benefits-in-kind (RM'000)	Fees (RM'000)	Total (RM'000)
Executive Director	1,227	48	-	1,275
Non-Executive Directors	124	-	213	337

The number of Directors whose total remuneration falls within the respective bands is tabulated as follows:

Bands	No. of Directors (Company)	
	Executive	Non-Executive
RM1,200,000 – RM1,250,000	1	-
RM50,001 – RM100,000	-	4
Below RM50,000	-	1

3. COMMUNICATION AND RELATIONSHIP WITH SHAREHOLDERS

The Company recognizes the importance of an effective communication channels between the Board, shareholders and general public.

At the Company's general meetings, shareholders have direct access to the Board and are given the opportunity to participate effectively in the proceedings and engage in dialogues with the Board and Senior Management.

In addition, shareholders and investors can obtain the latest corporate information of the Group by accessing its website at www.fima.com.my. The latest financial results and other announcements can also be found on this site.

4. ACCOUNTABILITY AND AUDIT

4.1 Financial Reporting

For financial reporting through quarterly reports to Bursa Malaysia Securities Berhad and the Annual Report to shareholders, the Directors have a responsibility to ensure the accuracy of the statements of comprehensive income, the statements of financial position, the statements of cash flow and all other financial disclosure based on Malaysian Accounting Standards Board rules and other legislation. The Audit Committee assists the Board to oversee the Group's financial reporting processes and the quality of its financial reporting. The Statement by Directors pursuant to Section 169 of the Companies Act, 1965 is presented herein.

4.2 Internal Controls

The Board has overall responsibility for maintaining a sound system of internal control to safeguard the shareholders' investment and Group's assets.

The system of internal control is designed to manage and provide reasonable and not absolute assurance against material misstatement or loss. The Board however, remains committed towards operating a sound system of internal control and therefore, recognizes that the system must continually evolve to support the type of business and size of operations of the Group. As such, the Board will, when necessary, put in place appropriate action plans to further enhance the Group's system of internal control.

The Statement on Internal Control is set out herein.

4.3 Relationship with Auditors

Through the Audit Committee, the Board has established transparent and appropriate relationship with the auditors, both internal and external. The role of the Audit Committee in relation to the auditors, including a summary of activities of the Audit Committee are included in the Audit Committee Report stated herein.

As at the date of this Annual Report, the Audit Committee had met with the external auditors without any Executive Directors and Management being present on two occasions i.e. 28 February 2011 and 30 June 2011, to discuss the adequacy of controls and any judgemental areas.

4.4 Statement of Compliance with the Best Practices of the Code

The Company is committed to achieving high standards of Corporate Governance throughout the Group and to the highest level of integrity and ethical standards in all its business dealings. The Board considers that it has complied throughout the financial year with the Best Practices as set out in the Code save as explained below:

Given the current composition of the Board, in particular the strong and independent element, the Board does not consider it necessary to nominate a Senior Independent Director to whom any matters of concern may be conveyed.

This statement is made in accordance with the resolution of the Board of Directors dated 30 June 2011.

TAN SRI DATO' IR. MUHAMMAD RADZI BIN HAJI MANSOR
Chairman

Audit Committee Report

1. MEMBERS OF THE COMMITTEE

Chairman

Azizan bin Mohd Noor	Independent Non-Executive Director *(Member of Malaysian Institute of Accountants)*

Members

Dato' Rosman bin Abdullah	Independent Non-Executive Director *(Member of Malaysian Institute of Accountants)*
Rozana Zeti binti Basir	Non-Independent Non-Executive Director

2. TERMS OF REFERENCE

2.1 Composition

The Audit Committee ("the Committee") shall be appointed by the Board amongst the Directors of the Company and shall consist of no less than three (3) members comprising of Non-Executive Directors a majority of which are independent directors. A quorum for a meeting shall be at least two (2) members, both being Independent Directors.

The members of the Committee must elect a Chairman among themselves who is an Independent Non-Executive Director. No Alternate Director is appointed as a member of the Committee.

The Committee shall include at least one (1) Director who is a member of the Malaysian Institute of Accountants ("MIA") or alternatively a Director who must have at least three (3) years working experience and have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967 or is a member of one (1) of the associations of accountants specified in Part II of the said schedule.

If a member of the Committee resigns, dies or for any reason ceases to be a member with the result that the number of members is reduced below three (3), the Board shall within three (3) months of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

The terms of office and performance of the Committee and each of its members must be reviewed by the Board at least once every three (3) years.

2.2 Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek information it requires from any employee and all employees are directed to cooperate with any request made by the Committee.

The Committee is also authorised by the Board to obtain independent professional advice if necessary.

2.3 Duties and Responsibilities

The duties and responsibilities of the Committee are:

2.3.1 Review audit plans before the audit commences, audit reports, evaluations of the system of internal accounting controls and management letters and response with the external auditors.

2.3.2 Carry out the following with regard to the internal audit function:

- Review the adequacy of scope, functions and resources of the internal audit function and that it has the necessary authority to carry out its work;
- Review the internal audit programmes, major findings of internal audits, process and investigation undertaken, management's response and coordination between the internal and external auditors;
- Review any appraisal or assessment of the performance of members of the internal audit function; and
- Approve any appointment/termination of senior internal audit staff and keep informed of resignations of internal audit staff and provide the resigning staff with opportunity to submit reasons for resigning.

2.3.3 Review quarterly results and year end financial statements, before the approval by the Board, focusing particularly on:

- Any changes in or implementation of major accounting policy changes;
- Significant and unusual events; and
- Compliance with accounting standards and other legal requirements.

2.3.4 Discuss any problems and reservations arising from the interim and final audits and any matters the external auditors may wish to discuss (in the absence of Management where necessary) two times in a year.

2.3.5 Review any related party transactions and conflict of interests situation that may arise in the Company and Group including any transactions, procedure or course of conduct that raises questions of Management integrity.

2.3.6 Consider and review any letter of resignation from the external auditors of the Company and recommend the nomination of another firm of external auditors.

2.3.7 The Committee shall also report on the following to the Board to enable the Board in preparing an Audit Committee Report for the Company's annual report:

- The composition of the Committee, including name, designation and directorship of the members and whether the director is independent or otherwise;
- The terms of reference of the Committee;
- The number of Committee meetings held in the financial year and details of attendance of each member;
- A summary of the activities of the Committee in the discharge of its functions and duties for the financial year; and
- A summary of the activities of the Group Internal Audit Department ("the GIA").

2.3.8 If the Committee is of the view that a matter reported by the Committee to the Board has not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Committee shall be responsible for reporting such matters to Bursa Malaysia Securities Berhad. The Committee shall have the discretion to undertake such action independently from the Board.

2.3.9 The Committee shall update the Board on issues and concerns discussed during their meetings including those raised by external auditors and where appropriate, make the necessary recommendations to the Board.

2.4 Meetings

Meetings shall be at least four (4) times annually. However, at least twice a year, the Committee shall meet with the external auditors without the presence of the Executive Director and Management. Apart from that, the external auditors may request for a meeting if they consider it necessary. Other Directors and employees shall attend any particular Committee meeting only at the Committee's invitation and specific to the relevant meeting. The Company Secretary shall be the Secretary of the Committee.

The Committee shall cause minutes to be entered in the books provided for purpose of recording all resolutions and proceedings of minutes. Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts.

The Committee, through its Chairman, shall report to the Board at the next Board's meeting after each Committee meeting. When presenting any recommendation to the Board, the Committee will provide such background and supporting information as may be necessary for the Board to make an informed decision.

Minutes of each meeting shall also be distributed to all attendees of the Committee meetings and circulated and presented to all members of the Board for notation purposes at the Board meeting. The books containing the minutes of the proceedings of any meetings of the Committee shall be kept by the Company at the registered office of the Company and shall be open to the inspection of any member of the Committee or the Board.

3. SUMMARY OF ACTIVITIES OF THE COMMITTEE DURING THE FINANCIAL YEAR ENDED 31 MARCH 2011

3.1 The details of the Committee meetings held during the financial year are as follows:

Name of Committee Members	No. of Meetings	
	Held	Attended
Azizan bin Mohd Noor *(Chairman)*	5	5
Dato' Rosman bin Abdullah	5	5
Rozana Zeti binti Basir	5	5

3.2 In line with the terms of reference of the Committee, the following main activities were carried out during the financial year in discharging its duties and responsibilities:

- Reviewed the audit plans, system of internal controls, management letters and response with the external auditors;
- Reviewed the internal audit programmes, major findings of internal audits, process and investigation undertaken, management's response and coordination between the internal and external auditors;
- Reviewed the quarterly and annual financial results of the Company and Group before submission to the Board for consideration and approval;
- Reviewed the changes in and/or compliance of accounting standard; and
- Reviewed related party transactions entered by the Group.

1. INTRODUCTION

The Malaysian Code on Corporate Governance stipulates that the Board of listed companies should maintain a sound system of internal controls to safeguard shareholders' investment and the Group's assets.

The Board acknowledges that the practice of good corporate governance is an on-going process and not just an annual matter to be covered as compliance in the Annual Report. The Board is committed to practising the highest standards of corporate governance and observing best practices throughout the Group. The Board's Statement on Internal Control is in compliance with Paragraph 15.26(b) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements and the Statement on Internal Control: Guidance for Directors of Public Listed Companies.

2. RESPONSIBILITY

The Board recognises their responsibility for the Group's system of internal control, which is designed to identify and manage the principal risks facing the business in pursuit of its objectives, to review its adequacy and integrity and to ensure good corporate governance. The Management is accountable to the Board for monitoring the Group's system of internal control and for providing assurance to the Board that it has done so.

The system of internal control covers risk management, financial, operational, administration, human resource and compliance controls to safeguard shareholders' investments and the Group's assets. This system is designed to manage rather than to eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss.

3. KEY PROCESS

The key processes that the Board has established in reviewing the adequacy and integrity of the system of internal control are as follows:

3.1 Operational and follow up audits are conducted throughout the financial year based on approved annual audit plan to provide reasonable assurance that the systems of internal controls and its framework, and governance processes put in place by Management continue to operate satisfactorily and effectively and to add value and improve the Group's business operations.

3.2 The Head of Divisions meet on a monthly basis to consider Group's financial performance, internal audit report, business development, legal/litigation, management and corporate issues.

3.3 There is a budgeting and forecasting system. Each line of business submits a business plan annually for approval by the Board. The results of the lines of businesses are reported monthly and variances are analysed against budget and acted on in timely manner. The Group's strategic directions are also reviewed annually taking into account changes in market conditions and significant business risks.

3.4 The periodic and streamlining review of limits of authority and other standard operating procedures within the Group provides a sound framework of authority and accountability within the organisation and to facilitate quality, well informed and timely corporate decisions making at the appropriate level in the organisation's hierarchy.

3.5 The compliance function, which includes the Committee and internal audit function, assists the Board to oversee the management of risks and review the effectiveness of internal controls. The Committee reviews reports of the GIA and also conducts annual assessment on the adequacy of the GIA's scope of work.

3.6 The Committee, on behalf of the Board, regularly reviews and holds discussions with the Management on the actions taken on internal control issues identified in reports prepared by the GIA, external auditors and Management. Minutes of the Committee meetings are tabled to the Board.

3.7 The competency of staff is enhanced through rigorous recruitment process and development programmes. A performance appraisal system of staff is in place, with established targets and accountability and is reviewed on annual basis.

4. INTERNAL AUDIT FUNCTION

The role of internal audit has moved towards a risk-based internal audit methodology. This approach includes focusing the internal audit work on the significant risks identified across the Group. Risk management and internal controls are firmly linked with the ability of the Group to fulfill clear business objectives.

The internal audit function provides assurance of the effectiveness of the system of internal controls within the Group. It conducts independent reviews of the key activities within the Group's operating units based on a detailed annual audit plan which was approved by the Audit Committee.

The GIA evaluated the following:

- Adequacy, integrity and effectiveness of the Company and Group's internal controls in safeguarding shareholders' investment and the Company and Group's assets. The internal controls cover financial, operational and compliance controls and enterprise risk management;

- Extent of compliance with established policies, procedures and statutory requirements; and

- Adequacy of policies, procedures and guidelines on the Company and Group's accounting, financial and operational activities.

The GIA also recommended improvements to the existing system of internal controls, where applicable.

The process of reviewing the adequacy and the integrity of internal control is a continuous process and the Board will from time to time review the monitoring and reporting processes to ensure their effectiveness as a whole.

The total costs incurred pertaining to carry out operational audit and as Enterprise Risk Management ("ERM") Coordinator for the financial year is approximately RM323,000.00.

5. ENTERPRISE RISK MANAGEMENT

5.1 The ERM framework adopted by the Group involves various key processes and its core elements are as follows:

- The identification of each business risk by division to ensure that all components of the organisational risks are captured;
- The measurement of the identified risk in terms of magnitude of impact and frequency of occurrence; and
- The control or the way the risk is managed in line with the needs for constant monitoring to ensure continuous improvements.

5.2 The ERM assessment has been conducted through a combination of workshops and interviews involving senior management participation to provide a structured approach in identifying, prioritising and managing risks.

5.3 The Risk Management Committee's reports include an assessment of the degree of risk, an evaluation of the effectiveness of the controls in place and the requirements for future controls. The approved divisional risk profile will be adopted after presentation to Risk Management Committee bi-annually.

5.4 The risk management policy and procedure document will sensitise staff more strongly to risk identification, measurement, control, ongoing monitoring, responsibilities and accountabilities. The workshops conducted generated the following reports:

- Detailed risk register;
- ERM report; and
- Risk management policy and procedure document.

5.5 The above reports were summarised as risk profile and provide the basis for the following:

- Business action plans and improvement strategies;
- Developing cost effective control strategies; and
- Prioritisation of areas for operational audit.

5.6 The principal risks identified are those relating to operational, finance, environment, management information, technology, preparedness, human resources, governance, integrity, compliance and reputation.

6. REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement for inclusion in the Annual Report for the year ended 31 March 2011 and reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal controls.

AZIZAN BIN MOHD NOOR
Chairman of Audit Committee

Statement of Directors' Responsibilities in Relation to the Audited Financial Statements

The Directors are required by the Companies Act, 1965 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the result of the Company and the Group for the year then ended.

In preparing the financial statements, the Directors have consistently applied appropriate accounting policies supported by reasonable and prudent judgments, estimates and complied with all applicable accounting standards.

The Directors have responsibility for ensuring that the Company and the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Company and the Group and which enable them to ensure that the financial statements comply with the Companies Act, 1965.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and the Group and to prevent and detect fraud and others irregularities.

This Statement is made in accordance with the resolution of the Board dated 30 June 2011.

Pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad, additional disclosure by the Company is as follows:

Recurrent Related Party Transactions of Revenue or Trading Nature ("RRPT")

RRPT of the Company for the financial year ended 31 March 2011 were as follows:

Name of Companies	Related Parties	Nature of RRPT	Interested Major Shareholder, Directors and Persons Connected to Them of KFima	Estimated Annual Value Disclosed in the Preceding Year's Circular RM'000	Actual Value of Transactions during the Financial Year RM'000
KFima[1] IFC[2]	KFima/ IFC	Sale of frozen fish Seller: KFima Buyer: IFC	**Major Shareholder** BHR **Directors** Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor[3] Roslan bin Hamir[4] Rozana Zeti binti Basir[5] Rozilawati binti Haji Basir[6] **Persons Connected** Persons Connected to BHR (refer to section 2.7)	45,000	15,184

Notes:

(1) *KFima holds 95.57% effective interest in IFC, by virtue of its 77.85% direct investment and 17.72% indirect investment through Endell Pte Ltd (a company incorporated in the Republic of Singapore), an 80.00% owned subsidiary of Fima Overseas Holdings Sdn. Bhd. which in turn is a wholly-owned subsidiary of KFima;*

(2) *IFC's principal activities are in the manufacturing and distribution of canned fish;*

(3) *Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor was appointed as Director and Chairman of IFC with effect from 24 March 2011;*

(4) *Roslan bin Hamir is the Group Managing Director of KFima and Director of IFC and has direct shareholding in KFIMA;*

(5) *Rozana Zeti binti Basir is a Non-Independent Non-Executive Director of KFima and has an indirect shareholding in KFima; and*

(6) *Rozilawati binti Haji Basir is a Non-Independent Non-Executive Director of KFima and has an indirect shareholding in KFima.*

Additional Disclosure (cont'd)

Table A

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Directors				
Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor	-	-	-	-
Roslan bin Hamir	111,000	*	-	-
Rozana Zeti binti Basir	-	-	(3) 158,536,000	60.24
Rozilawati binti Haji Basir	-	-	(3) 158,536,000	60.24
Major Shareholder				
BHR	146,102,300	55.52	(1) 100,000	0.04
Persons Connected to Directors and/or Major Shareholder of KFima other than disclosed above				
Persons Connected to BHR				
Puan Sri Datin Hamidah binti Abdul Rahman	100,000	0.04	(2) 158,436,000	60.21
Roshayati binti Basir	-	-	(3) 158,536,000	60.24
Rozilawati binti Haji Basir	-	-	(3) 158,536,000	60.24
Rozana Zeti binti Basir	-	-	(3) 158,536,000	60.24
Ahmad Riza bin Basir	-	-	(3) 158,536,000	60.24
Zailini binti Zainal Abidin	228,000	0.09	(4) 158,308,000	60.16

** Negligible*

Notes:

(1) Puan Sri Datin Hamidah binti Abdul Rahman's direct shareholding in the Company.

(2) Puan Sri Datin Hamidah binti Abdul Rahman is the mother of Roshayati binti Basir, Rozilawati binti Haji Basir, Rozana Zeti binti Basir and Ahmad Riza bin Basir. Deemed interested by virtue of her shareholding of preference shares in BHR which carry veto rights in all the decisions in BHR.

(3) Deemed interested by virtue that:

(i) Roshayati binti Basir, Rozilawati binti Haji Basir and Rozana Zeti binti Basir are sisters and their shareholdings in BHR of more than 15%.

(ii) Ahmad Riza bin Basir is the son of Puan Sri Datin Hamidah binti Abdul Rahman and brother of Roshayati binti Basir, Rozilawati binti Haji Basir and Rozana Zeti binti Basir and:

(a) His shareholding in Subur Rahmat Sdn Bhd (SRSB). SRSB holds 12,105,700 (or 4.60%) shares in KFima.

(b) His wife, Zailini binti Zainal Abidin's shareholding in SRSB and her direct shareholding in KFima.

(4) Zailini binti Zainal Abidin is deemed interested by virtue of her shareholding in SRSB; and wife of Ahmad Riza bin Basir.

Financial Statements

Directors' Report

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2011.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of investment and property holding.

The principal activities of the subsidiaries and the associates are described in Notes 37 and 38 respectively to the financial statements.

There have been no significant changes in the nature of the principal activities during the financial year.

RESULTS

	Group RM'000	**Company RM'000**
Profit net of tax	107,502	22,471
Profit attributable to:		
Owner of the parent	71,027	22,471
Minority interests	36,475	-
	107,502	22,471

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

The amount of dividend paid by the Company since 31 March 2010 was as follows:

	RM'000
In respect of the financial year ended 31 March 2010 as reported in the directors' report for that year:	
Final dividend of 5.0% less 25% taxation, paid on 18 October 2010	9,869

At the forthcoming Annual General Meeting, a final dividend in respect of financial year ended 31 March 2011, of 7.0% less 25% taxation on 263,160,000 ordinary shares, amounting to a dividend payable of approximately RM13,815,900 (5.25 sen net dividend per ordinary share) will be proposed for shareholders' approval. The financial statements for the current year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2012.

DIRECTORS

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor (Chairman)
Roslan bin Hamir (Group Managing Director)
Azizan bin Mohd Noor
Rozana Zeti binti Basir
Dato' Rosman bin Abdullah
Rozilawati binti Haji Basir

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during the year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other corporate body.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 7 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, other than as disclosed in Note 33 to the financial statements.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of Ordinary Shares of RM1.00 Each			
	1 April 2010	**Bought**	**Sold**	**31 March 2011**
The Company				
Direct Interest				
Roslan bin Hamir	111,000	-	-	111,000
Indirect Interest				
Rozana Zeti binti Basir[1]	146,202,300	-	-	146,202,300
Rozilawati binti Haji Basir[1]	146,202,300	-	-	146,202,300
Subsidiary - Fima Corporation Berhad				
Direct Interest				
Roslan bin Hamir	205,600	-	-	205,600
Indirect Interest				
Rozana Zeti binti Basir[2]	50,127,886	-	-	50,127,886
Rozilawati binti Haji Basir[2]	50,127,886	-	-	50,127,886

DIRECTORS' INTERESTS (CONT'D)

Rozilawati binti Haji Basir and Rozana Zeti binti Basir are deemed interested by virtue of the following:

(i) [(1) (2)] Their shareholding in BHR Enterprise Sdn. Bhd. ("BHR").

(ii) [(1) (2)] Their mother, Puan Sri Datin Hamidah binti Abdul Rahman's direct shareholdings in KFB and FCB.

(iii) [(2)] Fima Metal Box Holdings Sdn. Bhd, the major shareholder of FCB, is a wholly owned subsidiary of KFB in which BHR has 55.55% equity interest.

Rozilawati binti Haji Basir and Rozana Zeti binti Basir are the sisters of Ahmad Riza bin Basir ("Ahmad Riza"), and are deemed to be interested in shares held by Ahmad Riza in the Company by virtue of Ahmad Riza's shareholdings in Subur Rahmat Sdn. Bhd. ("SRSB"). SRSB owns 4.60% interest of the Company; and Ahmad Riza's wife's direct shareholding in the Company.

Rozilawati binti Haji Basir and Rozana Zeti binti Basir, by virtue of their interests in shares of the Company, are also deemed to be interested in shares of all the subsidiaries of the Company to the extent that the Company has an interest.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

OTHER STATUTORY INFORMATION

(a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

   (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

   (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

   (i) the amount written off for bad debts or the allowance for doubtful debts of the Group and of the Company inadequate to any substantial extent; and

   (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

OTHER STATUTORY INFORMATION (CONT'D)

(e) As at the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

(f) In the opinion of the directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet its obligations as and when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

AUDITORS

The auditors, Hanafiah Raslan & Mohamad, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 30 June 2011.

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor

Roslan bin Hamir

Statement By Directors

Pursuant To Section 169(15) Of The Companies Act, 1965

We, Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor and Roslan bin Hamir, being two of the directors of Kumpulan Fima Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 41 to 109 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2011 and of the financial performance and the cash flows for the year then ended.

The supplementary information set out on page 110 have been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the directors dated 30 June 2011.

Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor

Roslan bin Hamir

Statutory Declaration

Pursuant To Section 169(16) Of The Companies Act, 1965

I, Mohd Yusof bin Pandak Yatim, being the officer primarily responsible for the financial management of Kumpulan Fima Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 41 to 109 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed Mohd Yusof bin Pandak Yatim
at Kuala Lumpur in the Federal Territory
on 30 June 2011.

Mohd Yusof bin Pandak Yatim

Before me,
R.Vasugi Ammal
Commissioner for Oaths
No.W480

Report on the financial statements

We have audited the financial statements of Kumpulan Fima Berhad, which comprise the statements of financial position as at 31 March 2011 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 41 to 109.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2011 and of their financial performance and cash flows for the year then ended.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 1965 ("the Act") in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements and the auditors' reports of all subsidiaries which we have not acted as auditors, which are indicated in Note 37 to the financial statements, being financial statements that have been included in the consolidated financial statements.

(c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

(d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

Other matters

The supplementary information set out on page 110 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Hanafiah Raslan & Mohamad
AF: 0002
Chartered Accountants

Ahmad Zahirudin bin Abdul Rahim
No. 2607/12/12(J)
Chartered Accountant

Kuala Lumpur, Malaysia
30 June 2011

Statements Of Comprehensive Income

For The Year Ended 31 March 2011

	Note	Group		Company	
		2011	2010	2011	2010
		RM'000	RM'000	RM'000	RM'000
Revenue	3	431,884	411,432	47,106	52,923
Cost of sales	4	(228,827)	(247,185)	(15,949)	(15,698)
Gross profit		203,057	164,247	31,157	37,225
Other income	5	9,638	11,954	2,910	6,844
Other items of expense					
Administrative expenses		(48,064)	(44,810)	(7,075)	(6,695)
Selling and marketing expenses		(5,254)	(5,955)	-	-
Other expenses		(19,502)	(16,898)	(3,218)	(4,723)
		(72,820)	(67,663)	(10,293)	(11,418)
Finance costs	8	(2,839)	(4,163)	(331)	(666)
Share of profit of associates		3,894	11,351	-	-
Profit before taxation	9	140,930	115,726	23,443	31,985
Income tax expense	10	(33,428)	(29,293)	(972)	(2,131)
Profit net of tax		107,502	86,433	22,471	29,854
Other comprehensive income					
Foreign currency translation		(1,735)	16,797	-	-
Changes in revaluation reserve relating to property, plant and equipment		-	(1,214)	-	(3,072)
Total comprehensive income for the year		105,767	102,016	22,471	26,782
Profit attributable to :					
Owner of the parent		71,027	58,749	22,471	29,854
Minority interests		36,475	27,684	-	-
Profit for the year		107,502	86,433	22,471	29,854
Total comprehensive income attributable to :					
Owner of the parent		69,292	74,332	22,471	26,782
Minority interests		36,475	27,684	-	-
Total comprehensive income for the year		105,767	102,016	22,471	26,782
Basic/diluted earnings per share attributable to equity holders of the Company(sen)	11	26.99	22.32		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Statement Of Financial Position

As At 31 March 2011

	Note	2011 RM'000	2010 (restated) RM'000	As at 1.4.2009 (restated) RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	13	222,465	185,126	197,503
Investment properties	14	86,465	90,353	78,080
Biological assets	15	79,512	82,797	74,635
Investments in associates	17	41,556	44,050	39,718
Goodwill on consolidation	18	13,055	13,055	13,055
Deferred tax assets	27	4,244	3,272	7,456
		447,297	418,653	410,447
Current assets				
Inventories	19	60,587	53,122	74,719
Trade receivables	20	96,612	115,636	104,610
Other receivables	21	9,082	17,527	12,295
Cash and bank balances	23	217,934	128,656	51,083
		384,215	314,941	242,707
TOTAL ASSETS		831,512	733,594	653,154
EQUITIES AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital	24	263,160	263,160	263,160
Reserves		199,298	139,875	71,464
		462,458	403,035	334,624
Minority interests		182,813	139,094	117,212
Total equity		645,271	542,129	451,836
Non-current liabilities				
Long term borrowings	25	21,132	22,736	21,939
Retirement benefit obligations	26	1,291	1,028	1,419
Deferred tax liabilities	27	16,387	16,762	16,461
		38,810	40,526	39,819
Current liabilities				
Short term borrowings	25	45,628	43,640	63,666
Trade payables	28	43,561	48,913	55,532
Other payables	29	46,541	45,266	36,395
Provision for compensation claim	32(b)	2,120	2,120	2,120
Tax payable		9,581	11,000	3,786
		147,431	150,939	161,499
Total liabilities		186,241	191,465	201,318
TOTAL EQUITY AND LIABILITIES		831,512	733,594	653,154
Net assets per share (RM)		1.76	1.53	1.27

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statement Of Financial Position

As At 31 March 2011

	Note	2011 RM'000	2010 (restated) RM'000	As at 1.4.2009 (restated) RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	13	38,429	38,819	50,434
Investment properties	14	13,326	15,649	1,809
Investments in subsidiaries	16	106,641	86,074	89,436
Investments in associates	17	2,251	2,251	2,254
		160,647	142,793	143,933
Current assets				
Other receivables	21	1,558	1,163	1,623
Due from subsidiaries	22	27,227	32,888	30,232
Cash and bank balances	23	7,692	2,616	4,436
		36,477	36,667	36,291
TOTAL ASSETS		197,124	179,460	180,224
EQUITIES AND LIABILITIES				
Equity attributable to owners of the parent				
Share capital	24	263,160	263,160	263,160
Reserves		(107,411)	(120,013)	(140,874)
Total equity		155,749	143,147	122,286
Non-current liabilities				
Long term borrowings	25	14,000	12,700	8,200
Deferred tax liabilities	27	5,706	5,706	5,706
		19,706	18,406	13,906
Current liabilities				
Short term borrowings	25	10,127	4,046	12,352
Trade payables	28	280	275	220
Other payables	29	474	433	391
Due to subsidiaries	22	10,788	13,153	31,069
		21,669	17,907	44,032
Total liabilities		41,375	36,313	57,938
TOTAL EQUITY AND LIABILITIES		197,124	179,460	180,224
Net assets per share (RM)		0.59	0.54	0.46

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Statement Of Changes In Equity

For The Year Ended 31 March 2011

	Note	Equity, total RM'000	Equity attributable to owners of the parent, total RM'000	Share capital RM'000	Share premium RM'000
			← Attributable to Owners of the Parent		
				Non-distributable	
2011					
At 1 April 2010		542,129	403,035	263,160	12,161
Total comprehensive income for the year		105,767	69,292	-	-
Transactions with owners					
Acquisition of minority interests		13,567	-	-	-
Dividends	12	(9,869)	(9,869)	-	-
Dividend paid to minority shareholders of a subsidiary		(5,179)	-	-	-
Redemption of Redeemable Cumulative Loan Stocks by minority shareholders of a subsidiary		(1,144)	-	-	-
Total transactions with owners		(2,625)	(9,869)	-	-
At 31 March 2011		645,271	462,458	263,160	12,161
2010					
At 1 April 2009		451,836	334,624	263,160	12,161
Total comprehensive income for the year		102,016	74,332	-	-
Transactions with owners					
Purchase of treasury shares		(30)	-	-	-
Dividends	12	(5,921)	(5,921)	-	-
Dividend paid to minority shareholders of a subsidiary		(4,237)	-	-	-
Redemption of Redeemable Cumulative Loan Stocks by minority shareholders of a subsidiary		(1,535)	-	-	-
Total transactions with owners		(11,723)	(5,921)	-	-
At 31 March 2010		542,129	403,035	263,160	12,161

Distributable		Non-distributable				
Retained earnings RM'000	Other reserves, total RM'000	Capital reserve RM'000	Asset revaluation reserve RM'000	Foreign currency translation reserve RM'000	Capital Reserve arising from Bonus Issue in Subsidiary RM'000	Minority interests RM'000
47,654	80,060	437	43,313	9,552	26,758	139,094
71,027	(1,735)	-	-	(1,735)	-	36,475
-	-	-	-	-	-	13,567
(9,869)	-	-	-	-	-	-
-	-	-	-	-	-	(5,179)
-	-	-	-	-	-	(1,144)
(9,869)	-	-	-	-	-	7,244
108,812	78,325	437	43,313	7,817	26,758	182,813
(5,174)	64,477	437	44,527	(7,245)	26,758	117,212
58,749	15,583	-	(1,214)	16,797	-	27,684
-	-	-	-	-	-	(30)
(5,921)	-	-	-	-	-	-
-	-	-	-	-	-	(4,237)
-	-	-	-	-	-	(1,535)
(5,921)	-	-	-	-	-	(5,802)
47,654	80,060	437	43,313	9,552	26,758	139,094

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statement Of Changes In Equity

For The Year Ended 31 March 2011

	Note	Equity, total RM'000	Non-distributable Share capital RM'000	Share premium RM'000	Accumulated losses RM'000	Non distributable Other reserves - Asset Revaluation reserve RM'000
At 1 April 2009		122,286	263,160	12,161	(171,269)	18,234
Total comprehensive income for the year		26,782	-	-	29,854	(3,072)
Dividends		(5,921)	-	-	(5,921)	-
At 31 March 2010		143,147	263,160	12,161	(147,336)	15,162
At 1 April 2010		143,147	263,160	12,161	(147,336)	15,162
Total comprehensive income for the year		22,471	-	-	22,471	-
Dividends		(9,869)	-	-	(9,869)	-
At 31 March 2011		155,749	263,160	12,161	(134,734)	15,162

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Cash Flows from Operating Activities				
Profit before taxation	140,930	115,726	23,443	31,985
Adjustment for:				
Depreciation				
- Property, plant and equipment	19,233	18,397	569	645
- Investment properties	1,725	1,727	160	160
Amortisation of				
- Biological assets	5,320	5,156	-	-
Impairment of property, plant and equipment	1,524	-	-	-
Impairment of investment in subsidiary	-	-	433	3,362
Net gain on disposal of property, plant and equipment	(391)	(5,670)	-	(5,246)
Net gain on disposal of investment property	(704)	-	(704)	-
Share of profit of associates	(3,894)	(11,351)	-	-
Impairment loss on:				
- Trade receivables	357	461	-	-
- Due from subsidiaries	-	-	2,404	-
Bad debts recovered	-	(375)	-	(2)
Provision for retirement benefits	317	177	-	-
Property, plant and equipment written off	154	44	-	-
Write down of inventories	344	607	-	-
Dividend income	-	-	(31,682)	(37,569)
Interest expense	1,643	2,627	119	427
Interest income	(3,980)	(1,463)	(1,607)	(956)
Operating profit/(loss) before working capital changes	162,578	126,063	(6,865)	(7,194)
(Increase)/decrease in inventories	(8,267)	21,469	-	-
Decrease/(increase) in receivables	24,312	(16,115)	(2,334)	(258)
(Increase)/decrease in net amount due from related companies	(2)	69	3,247	(20,524)
(Decrease)/increase in payables	(2,414)	1,926	94	46
Cash generated from/(used in) operations	176,207	133,412	(5,858)	(27,930)
Interest paid	(1,643)	(2,627)	(119)	(427)
Taxes (paid)/refunded	(36,615)	(15,980)	(58)	574
Retirement benefits paid	(40)	(609)	-	-
Net cash generated from/(used in) operating activities	137,909	114,196	(6,035)	(27,783)

Statements Of Cash Flows
For The Year Ended 31 March 2011 (Cont'd)

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Cash Flows from Investing Activities				
Proceeds from disposal of property, plant and equipment	395	507	-	-
Proceeds from disposal of investment property	2,867	-	2,867	-
Biological assets expenditure	(4,669)	(3,245)	-	-
Purchase of property, plant and equipment	(19,353)	(15,167)	(179)	(857)
Redemption of Redeemable Cumulative Loan Stock (RCLS)	(2,668)	(3,578)	-	-
Net dividends received	6,390	7,019	30,302	35,591
Interest received	3,980	1,463	1,607	956
Net cash (used in)/generated from investing activities	(13,058)	(13,001)	34,597	35,690
Cash Flows from Financing Activities				
Net drawdown of revolving credit facility	1,300	4,500	1,300	4,500
Net drawdown/(repayment) of short term borrowings	3,455	(9,047)	6,083	(8,306)
Dividends paid	(9,869)	(5,921)	(9,869)	(5,921)
Dividends paid to minority shareholders of a subsidiary	(5,179)	(4,237)	-	-
(Decrease)/increase in deposits on lien	(70)	1,979	-	-
Net cash outflow on acquisition of a subsidiary	(21,000)	-	(21,000)	-
Acquisition of treasury shares by a subsidiary	-	(30)	-	-
Net cash used in financing activities	(31,363)	(12,756)	(23,486)	(9,727)
Net increase/(decrease) in cash and cash equivalents	93,488	88,439	5,076	(1,820)
Cash and cash equivalents at beginning of year	121,270	32,831	2,616	4,436
Cash and cash equivalents at end of year	214,758	121,270	7,692	2,616
Cash and cash equivalents comprise:				
Cash and bank balances	32,030	18,192	4,192	2,116
Fixed deposits with financial institutions*	182,728	107,358	3,500	500
Secured bank overdrafts (Note 25)	-	(4,280)	-	-
	214,758	121,270	7,692	2,616
* Fixed deposits with financial institutions comprise:				
Fixed deposits (Note 23)	185,904	110,464	3,500	500
Less: Deposits on lien	(3,176)	(3,106)	-	-
	182,728	107,358	3,500	500

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. CORPORATE INFORMATION

The principal activities of the Company are those of investment and property holding. The principal activities of the subsidiaries and the associates are described in Notes 37 and 38, respectively. There have been no significant changes in the nature of these activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The principal place of business of the Company is located at Suite 4.1, Level 4, Block C, Plaza Damansara, No. 45, Jalan Medan Setia 1, Bukit Damansara, 50490 Kuala Lumpur.

The holding company is BHR Enterprise Sdn. Bhd., a company incorporated in Malaysia.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 30 June 2011.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements of the Group and of the Company have been prepared under historical cost convention except as disclosed in the accounting policies below and comply with Financial Reporting Standards ("FRSs") and the Companies Act, 1965 in Malaysia.

The financial statements are expressed in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 April 2010, the Group and the Company adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2010.

- FRS 7 Financial Instruments: Disclosures
- FRS 8 Operating Segments
- FRS 101 Presentation of Financial Statements (Revised)
- FRS 123 Borrowing Costs
- FRS 139 Financial Instruments: Recognition and Measurement
- Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- Amendments to FRS 2 Share-based Payment – Vesting Conditions and Cancellations
- Amendments to FRS 132 Financial Instruments: Presentation
- Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives
- Improvements to FRS issued in 2009
- IC Interpretation 9 Reassessment of Embedded Derivatives
- IC Interpretation 10 Interim Financial Reporting and Impairment
- IC Interpretation 11 FRS 2 – Group and Treasury Share Transactions
- IC Interpretation 13 Customer Loyalty Programmes
- IC Interpretation 14 FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

FRS 4 Insurance Contracts and TR i-3 Presentation of Financial Statements of Islamic Financial Institutions are also effective for annual periods beginning on or after 1 January 2010. These FRS are, however, not applicable to the Group or the Company.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies (Cont'd)

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group and of the Company except for those discussed below:

FRS 7 Financial Instruments: Disclosures

Prior to 1 April 2010, information about financial instruments was disclosed in accordance with the requirements of FRS 132 Financial Instruments: Disclosure and Presentation. FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Group and the Company have applied FRS 7 prospectively in accordance with the transitional provisions. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout the Group's and the Company's financial statements for the year ended 31 March 2011.

FRS 8 Operating Segments

FRS 8, which replaces FRS 114 Segment Reporting, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The Standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the reportable operating segments determined in accordance with FRS 8 are the same as the business segments previously identified under FRS 114. The Group has adopted FRS 8 retrospectively. These revised disclosures, including the related revised comparative information, are shown in Note 34.

FRS 101 Presentation of Financial Statements (Revised)

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. The Standard also introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group and the Company have elected to present this statement as one single statement.

In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the classification of items in the financial statements.

The revised FRS 101 also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital (see Note 36).

The revised FRS 101 was adopted retrospectively by the Group and the Company.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies (Cont'd)

Amendments to FRS 117 Leases

Prior to 1 April 2010, for all leases of land and buildings, if title is not expected to pass to the lessee by the end of the lease term, the lessee normally does not receive substantially all of the risks and rewards incidental to ownership. Hence, all leasehold land held for own use was classified by the Group as operating lease and where necessary, the minimum lease payments or the up-front payments made were allocated between the land and the buildings elements in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The up-front payment represented prepaid lease payments and were amortised on a straight-line basis over the lease term.

The amendments to FRS 117 Leases clarify that leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets. They also clarify that the present value of the residual value of the property in a lease with a term of several decades would be negligible and accounting for the land element as a finance lease in such circumstances would be consistent with the economic position of the lessee. Hence, the adoption of the amendments to FRS 117 has resulted in certain unexpired land leases to be reclassified as finance leases. The Group has applied this change in accounting policy retrospectively and certain comparatives have been restated.

The following are effects to the statements of financial position as at 31 March 2011 arising from the above change in accounting policy:

	Group 2011 RM'000	Company 2011 RM'000
Increase/(decrease) in:		
Property, plant and equipment	31,666	28,413
Investment properties	6,366	-
Prepaid land lease payment	(38,032)	(28,413)

The following comparatives have been restated:

	As previously stated RM'000	Adjustments RM'000	As restated RM'000
Group			
31 March 2010			
Property, plant and equipment	153,016	32,110	185,126
Investment properties	83,901	6,452	90,353
Prepaid land lease payment	38,562	(38,562)	-
1 April 2009			
Property, plant and equipment	153,927	43,576	197,503
Investment properties	71,543	6,537	78,080
Prepaid land lease payment	50,113	(50,113)	-

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Changes in accounting policies (Cont'd)

Amendments to FRS 117 Leases (Cont'd)

	As previously stated RM'000	Adjustments RM'000	As restated RM'000
Company			
31 March 2010			
Property, plant and equipment	9,969	28,850	38,819
Investment properties	15,649	-	15,649
Prepaid land lease payment	28,850	(28,850)	-
1 April 2009			
Property, plant and equipment	10,012	40,422	50,434
Investment properties	1,809	-	1,809
Prepaid land lease payment	40,422	(40,422)	-

FRS 139 Financial Instruments: Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group and the Company have adopted FRS 139 prospectively on 1 April 2010 in accordance with the transitional provisions. The adoption of FRS 139 does not have any significant impact to the financial statements of the Group and of the Company.

2.3 Standards and Interpretations Issued but Not Yet Effective

At the date of authorisation of these financial statements, the following new FRSs and Interpretations, and amendments to certain Standards and Interpretations were issued but not yet effective and have not been applied by the Group and the Company, which are:

Description	Effective for annual periods beginning on or after
FRS 1 First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 Business Combinations (Revised)	1 July 2010
Amendments to FRS 2 Share-based Payment	1 July 2010
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 127 Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 138 Intangible Assets	1 July 2010
Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives	1 July 2010
IC Interpretation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to FRS 132: Classification of Rights Issues	1 March 2010
Amendments to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011
IC Interpretation 15 Agreements for the Construction of Real Estate	1 January 2012
FRS 124: Related Party Disclosures	1 January 2012

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of Significant Accounting Policies

(a) Subsidiaries and Basis of Consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in the profit or loss.

(ii) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Acquisitions of subsidiaries are accounted for using the purchase method. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in the profit or loss.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in the subsidiaries' equity since then.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of Significant Accounting Policies (Cont'd)

(b) Associates

Associates are entities in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not in control or joint control over those policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in associate is carried in the consolidated statement of financial position at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate. The Group's share of the net profit or loss of the associate is recognised in the statement of comprehensive income. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such changes.

In applying the equity method, unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. The associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss in the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any long-term interests that, in substance, form part of the Group's net investment in the associates, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The most recent available audited financial statements of the associates are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not coterminous with those of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Uniform accounting polices are adopted for like transactions and events in similar circumstances.

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in the profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of Significant Accounting Policies (Cont'd)

(c) Revenue Recognition

Revenue is recognised when it is probable that economic benefits associated with the transaction will flow to the Group and the amount of revenue can be reliably measured. Specific income streams are recognised as follows:

(i) Sale of Goods

Revenue relating to sale of goods is recognised net of sales taxes and discounts, and upon transfer of significant risks and rewards of ownership to the buyer.

(ii) Rental Income

Rental income from investment property is recognised on a straight-line basis over the term of the lease.

(iii) Property Management Services

Revenue from property management is recognised when services are rendered.

(iv) Dividend Income

Dividend income is recognised when the right to receive payment is established.

(d) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(e) Biological Assets

(i) Oil Palm Planting Expenditure

All expenses incurred in land preparation, planting and developing of oil palm up to maturity are capitalised as biological assets. A portion of the indirect overheads which include general and administrative expenses incurred on immature plantation is similarly capitalised under biological assets until such time when the plantation attains maturity at the age of 36 months. All expenses subsequent to maturity are recognised in the profit or loss. Upon attaining maturity, oil palm planting expenditure is amortised over 20 - 25 years. Replanting expenditure and nursery assets is capitalised under oil palm planting expenditure in the year in which it is incurred until maturity.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of Significant Accounting Policies (Cont'd)

(e) Biological Assets (Cont'd)

(ii) Pineapple Planting Expenditure

New estate development expenditure is capitalised until the plants attain maturity, after which time the amount capitalised will be charged to the profit or loss based on the area harvested. Replanting expenditure consists of expenses incurred from the stage of clearing to maturity. Replanting expenditure is capitalised and will be charged to the profit or loss based on area harvested upon attaining maturity.

(f) Foreign Currencies

(i) Functional and Presentation Currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(ii) Foreign Currency Transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the profit or loss for the period.

Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign Operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency, RM of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate prevailing at the reporting date;

- Income and expenses for each profit or loss are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and

- All resulting exchange differences are taken to the foreign currency translation reserve within equity.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of Significant Accounting Policies (Cont'd)

(g) Property, Plant and Equipment and Depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Subsequent to recognition, property, plant and equipment except for certain freehold land and buildings are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land and buildings other than office buildings are stated at revalued amount, which is the fair value at the date of the revaluation less any accumulated impairment losses. Revaluations are made at least once in every five years based on a revaluation by an independent valuer on an open market value basis. Any revaluation surplus is credited to the revaluation reserve included within equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss to the extent of the decrease previously recognised.

A revaluation deficit is first offset against unutilised previously recognised revaluation surplus in respect of the same asset and the balance is thereafter recognised in profit or loss. Upon disposal or retirement of an asset, any revaluation reserve relating to the particular asset is transferred directly to retained earnings.

Freehold land has an unlimited useful life and therefore is not depreciated. Construction work-in-progress are also not depreciated as these assets are not available for use.

Depreciation of other property, plant and equipment is provided for on a straight-line basis to write-off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Buildings	2.0% - 6.66%
Leasehold land	Over lease period
Plant and machinery	4.0% - 33.33%
Warehouses, storage tanks and pipelines	4.0%
Motor vehicles	10.0% - 33.33%
Office equipment, furniture and fittings	6.66% - 25.0%
Renovations	10.0% - 20.0%
Tools, accessories and computer equipment	20.0% - 33.33%

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in the profit or loss and the unutilised portion of the revaluation surplus on that item is taken directly to retained earnings.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of Significant Accounting Policies (Cont'd)

(h) Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses. Freehold land has an unlimited useful life and therefore is not depreciated.

Depreciation of investment properties is provided for on a straight-line basis to write-off the cost of the property to its residual value over its estimated useful life, at the following annual rates:

Leasehold land	Over lease period
Leasehold building	2% to 3%

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the investment property.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the profit or loss in the year in which they arise.

(i) Inventories

Inventories of raw materials, work-in-progress, finished goods, consumables and seedlings are valued at the lower of cost (determined on the first-in, first-out, ("FIFO") basis) and net realisable value, except for palm oil in Indonesia which are valued based on the weighted average method. Cost of finished goods and work-in-progress includes direct materials, direct labour, direct charges and variable production overheads.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

(j) Investments

Investments in subsidiaries, associated companies and unquoted shares are stated at cost less impairment losses. The policy for recognition and of measurement of impairment losses is in accordance with Note 2.4(o).

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is charged or credited to the profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of Significant Accounting Policies (Cont'd)

(k) Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the reporting date.

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised as income or an expense and included in the profit or loss for the period, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer's interest is the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

(l) Provisions for Liabilities

Provisions are recognised when the Group and the Company have a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

(m) Employee Benefits

(i) Short Term Benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group and of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of Significant Accounting Policies (Cont'd)

(m) Employee Benefits (Cont'd)

(ii) Defined Contribution Plan

As required by law, companies in Malaysia make contributions to the national pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the profit or loss as incurred.

(iii) Defined Benefit Plan

The Group, other than the foreign subsidiary in Indonesia, operates a retirement benefit scheme for eligible employees of the Group under the Retirement Benefits Plan. The Group sets aside provisions for retirement benefits based on the basic monthly salary of each eligible employee at the end of each financial year of service over the employees' period of employment and one of the subsidiaries sets aside provision for retirement benefits based on fixed entitlement in relation to the subsidiary's employees period of employment.

Foreign subsidiary in Indonesia

The foreign subsidiary in Indonesia provides for unfunded retirement benefits to eligible employees that are under permanent employment and confirmed in service. The liability in respect of the unfunded defined benefit plan is the present value of the defined benefit obligation at the reporting date adjusted for unrecognised actuarial losses. The foreign subsidiary in Indonesia determines the present value of the defined benefit obligation with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the reporting date.

The defined benefit obligation of the foreign subsidiary in Indonesia, calculated using the projected unit credit method, is determined by a qualified independent actuary, considering the estimated future cash outflows using market yields at the reporting date of high quality corporate bonds. The latest actuarial valuation was carried out using the employee data as at 31 March 2011.

Actuarial gains and losses arise from experience adjustments and changes in actuarial assumptions. The amount of net actuarial gains and losses recognised in the profit or loss is determined by the corridor method in accordance with FRS1192004 Employee Benefits and is charged or credited to the profit or loss over the average remaining service lives of the related employees participating in the defined benefit plan.

(n) Leases

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of Significant Accounting Policies (Cont'd)

(n) Leases (Cont'd)

(i) Finance Leases

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. The corresponding liability is included in the statement of financial position as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Group's incremental borrowing rate is used. Any initial direct costs are also added to the carrying amount of such assets.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised as an expense in the profit or loss over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

(ii) Operating Leases

The depreciation policy for leased asset is consistent with that for depreciable property, plant and equipment as described in Note 2.4(g).

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

In the case of a lease of land and buildings, the minimum lease payments or the up-front payments made are allocated, whenever necessary, between the land and the buildings elements in proportion to the relative fair values for leasehold interest in the land element and buildings element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term.

(o) Impairment of Non-financial Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of Significant Accounting Policies (Cont'd)

(o) Impairment of Non-financial Assets (Cont'd)

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

(p) Cash and Cash Equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash on hand and at bank and deposits at call.

(q) Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction, other than in the context of a business combination, are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

(r) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition. Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables classified as current asset. All financial assets of the Group and of the Company are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of Significant Accounting Policies (Cont'd)

(r) Financial assets (Cont'd)

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

(s) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Summary of Significant Accounting Policies (Cont'd)

(t) Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities within the scope of FRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities include Redeemable Convertible Loan Stocks ("RCLS") and other financial liabilities.

(i) Redeemable Convertible Loan Stocks ("RCLS")

The Redeemable Convertible Loan Stocks ("RCLS") issued by the Group is regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for equivalent loan stocks and preference shares. The difference between the proceeds of issue of the RCLS and the fair value assigned to the liability component, representing the conversion option is included in equity. The liability component is subsequently stated at amortised cost using the effective interest rate method until extinguished on conversion or redemption whilst the value of the equity component is not adjusted in subsequent periods. Attributable transaction costs are apportioned and deducted directly from the liability and equity component based on their carrying amounts at the date of issue.

Under the effective interest rate method, the interest expense on the liability component is calculated by applying the prevailing market interest rate for equivalent loan stocks to the instrument at the date of issue. The difference between this amount and the interest paid is added to the carrying value of the RCLS.

(ii) Other financial liabilities

The Group's and the Company's other financial liabilities include trade payables, other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities, unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Significant Accounting Estimate and Judgment

Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Income Tax

The Group and the Company are subject to income taxes in Malaysia and other countries. Significant judgment is required in determining the allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise liabilities for anticipated tax matters based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which the determination is made. The Group's and Company's tax expense for the current financial year is RM33,428,000 (2010: RM29,293,000) and RM972,000 (2010: RM2,131,000) respectively, as disclosed in Note 10.

(ii) Deferred Tax Assets

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The Group's deferred tax assets as at 31 March 2011 is RM4,244,000 (2010: RM3,272,000) as disclosed in Note 27.

(iii) Depreciation

The cost of storage tanks, pipelines and plant and machinery in respect of the manufacturing and bulking segments is depreciated on a straight-line basis over the assets' useful lives. Management estimates that the useful lives of storage tanks and pipelines to be 25 years whilst plant and machinery to be 3 to 25 years. These are common life expectancies applied in the industry.

In making the judgment on the assets' useful lives, the management's evaluation is based on past experience on the repair and maintenance exercise of those assets and by relying on useful lives of storage tanks, pipelines and plant and machinery that are still currently in use since they were acquired though their cost have been fully depreciated as disclosed in Note 13(c).

3. REVENUE

Revenue of the Group and of the Company consists of the following:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Manufacturing	203,403	179,569	-	-
Property investment	4,403	4,470	-	-
Bulking and logistic services	56,641	51,349	-	-
Sales of food products	63,084	61,120	-	-
Plantation	95,425	100,200	-	-
Trading	8,928	14,686	-	-
Trading of fish	-	-	15,184	15,125
Rental income	-	38	240	229
Dividend income	-	-	31,682	37,569
	431,884	411,432	47,106	52,923

4. COST OF SALES

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Manufacturing	116,857	118,300	-	-
Bulking and logistic services	11,154	14,209	-	-
Sales of food products	46,815	48,136	-	-
Plantation	46,311	54,093	-	-
Trading	7,690	12,447	-	-
Trading of fish	-	-	15,949	15,698
	228,827	247,185	15,949	15,698

5. OTHER INCOME

Included in other income are the following:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Bad debts recovered	-	375	-	2
Net gain on disposal of :				
- property, plant and equipment	391	5,670	-	5,246
- investment properties	704	-	704	-
Net gain on settlement with a minority shareholder (Note 29)	2,000	-	-	-
Over provision of utilities in prior year	1,160	-	-	-
Interest income	3,980	1,463	1,607	956
Management fees	-	-	407	446
Foreign exchange gain:				
- Realised	-	1,552	-	-
- Unrealised	-	473	-	-
Rental income	501	419	-	-

6. STAFF COSTS

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Wages and salaries				
- Company's Executive Director (Note 7)	1,227	1,025	285	213
- Others	18,695	18,081	2,155	1,930
Social security costs	106	101	18	18
Pension costs - defined contribution plan	3,243	3,229	488	455
Pension costs - defined benefit plan (Note 26)	317	177	-	-
Other staff related expenses	13,566	12,226	1,118	1,415
	37,154	34,839	4,064	4,031

7. DIRECTORS' REMUNERATION

	Group		Company	
	2011	**2010**	**2011**	**2010**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Directors of the Company				
Executive:				
Salaries and other emoluments	624	570	180	150
Fees	-	39	-	39
Bonus	410	280	60	-
Pension costs - defined contribution plan	193	136	45	24
Benefits-in-kind	48	34	-	-
	1,275	1,059	285	213
Non-Executive:				
Fees	213	219	213	198
Meeting allowance	124	70	124	64
Bonus	-	345 *	-	345 *
Pension costs - defined contribution plan	-	55 *	-	55 *
	337	689	337	662
Analysis excluding benefits-in-kind:				
Total executive director's remuneration (Note 6)	1,227	1,025	285	213
Total non-executive directors' remuneration	337	689	337	662
Total directors' remuneration	1,564	1,714	622	875

The number of directors of the Company whose total remuneration during the financial year falls within the following bands is analysed below:

	Number of Directors	
	2011	**2010**
Executive Directors:		
RM1,200,000 - RM1,250,000	1	-
RM1,050,000 - RM1,100,000	-	1
Non-Executive Directors:		
RM400,001 - RM450,000	-	1 *
RM50,001 - RM100,000	4	4
Below RM50,000	1	1

* Encik Ahmad Riza Basir resigned as the Group Managing Director on 1 April 2009 and was redesignated as a Non-Executive Director on the same date until his resignation from the Board on 1 October 2009.

8. FINANCE COSTS

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Interest expense on borrowings	1,643	2,627	119	427
Other finance costs	1,196	1,536	212	239
	2,839	4,163	331	666

9. PROFIT BEFORE TAXATION

Profit before taxation is stated after charging/(crediting):

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Auditors' remuneration				
- Holding company's auditors				
- statutory audit	277	263	50	50
- other services	24	36	-	-
- Other auditors	83	87	-	-
Depreciation				
- Property, plant and equipment (Note 13)	19,233	18,397	569	645
- Investment properties (Note 14)	1,725	1,727	160	160
Amortisation of				
- Biological assets (Note 15)	5,320	5,156	-	-
Impairment loss on:				
- Trade receivables (Note 20)	357	461	-	-
- Due from subsidiaries (Note 22)	-	-	2,404	-
Impairment of investments in subsidiary	-	-	433	3,362
Write down of inventories	344	607	-	-
Rental expense for land and buildings	6,717	4,901	377	380
Impairment of property, plant and equipment	1,524	-	-	-
Property, plant and equipment written off	154	44	-	-
Realised foreign exchange loss	1,456	3,604	937	751
Provision for retirement benefits (Note 26)	317	177	-	-

10. INCOME TAX EXPENSE

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Current income tax:				
Malaysian income tax	35,418	25,493	1,437	1,978
(Over)/under provision in prior years:				
Malaysian income tax	(831)	(1,274)	(465)	153
	34,587	24,219	972	2,131

10. INCOME TAX EXPENSE (CONT'D)

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Deferred tax (Note 27):				
Relating to origination and reversal of temporary differences	(1,039)	1,728	-	-
Relating to changes in tax rate	-	181	-	-
(Over)/under provision in prior years	(120)	3,165	-	-
	(1,159)	5,074	-	-
Total income tax expenses	33,428	29,293	972	2,131

The Malaysian domestic current income tax is calculated at the statutory tax rate of 25% (2010: 25%) of the estimated assessable profit for the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. During the current financial year, the income tax rate applicable to the subsidiaries in Indonesia and Papua New Guinea was 25% (2010: 25%) and 30% (2010: 30%), respectively.

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Profit before taxation	140,930	115,726	23,443	31,985
Taxation at statutory tax rate of 25% (2010: 25%)	35,233	28,932	5,861	7,996
Effect of income not subject to tax	(3,444)	(1,946)	(6,540)	(8,284)
Effect of different tax rate in other countries	362	342	-	-
Effect of changes in tax rates on opening balance of deferred tax	-	181	-	-
Effect of expenses not deductible for tax purposes	2,905	4,047	2,116	1,579
Effect of utilisation of previously unrecognised tax losses	(376)	(2,004)	-	-
Effect of share results of associates	(578)	(2,837)	-	-
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	277	687	-	687
(Over)/underprovision of income tax expense in prior years	(831)	(1,274)	(465)	153
(Over)/underprovision of deferred tax in prior year	(120)	3,165	-	-
Tax expense for the year	33,428	29,293	972	2,131

10. INCOME TAX EXPENSE (CONT'D)

Tax savings during the financial year arising from:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Utilisation of previously unrecognised tax losses	376	2,004	-	-

11. BASIC/DILUTED EARNINGS PER SHARE

	Group	
	2011	2010
Net profit attributable to owners (RM'000)	71,027	58,749
Number of ordinary shares in issue ('000)	263,160	263,160
Basic/diluted earnings per share (sen)	26.99	22.32

12. DIVIDENDS

	Amount		Net Dividends per Share	
	2011 RM'000	2010 RM'000	2011 sen	2010 sen
Recognised during the year:				
Final dividend for 2009: 3.0%, less 25% taxation, on 263,160,000 ordinary shares paid on 20 October 2009	-	5,921	-	2.25
Final dividend for 2010: 5.0%, less 25% taxation, on 263,160,000 ordinary shares paid on 18 October 2010	9,869	-	3.75	-

At the forthcoming Annual General Meeting, a final dividend in respect of financial year ended 31 March 2011, of 7.0% less 25% taxation on 263,160,000 ordinary shares, amounting to a dividend payable of approximately RM13,815,900 (5.25 sen net dividend per ordinary share) will be proposed for shareholders' approval. The financial statements for the current year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2012.

13. PROPERTY, PLANT AND EQUIPMENT

Group	At Valuation		At Cost			
At 31 March 2011	Land and Buildings *[see note 13(1)(a), page 74]*	Plant and Machinery	Land and Buildings *[see note 13(2)(a), page 75]*	Other Assets *[see note 13(3)(a), pages 76&77]*	Construction Work-in-Progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At Valuation/Cost						
At 1 April 2010	68,455	22,998	35,326	256,444	18,327	401,550
Additions	-	6,381	743	12,170	59	19,353
Acquisition of subsidiary (Note 16)	40,154	-	-	-	-	40,154
Disposals	-	-	-	(2,789)	-	(2,789)
Transfer	196	1,497	-	(37)	(1,656)	-
Write off	-	-	(10)	(5,023)	-	(5,033)
Translation difference	(329)	(620)	(260)	(729)	(105)	(2,043)
At 31 March 2011	108,476	30,256	35,799	260,036	16,625	451,192
Accumulated Depreciation and Impairment Losses						
At 1 April 2010	1,883	15,113	18,482	180,946	-	216,424
Depreciation charge for the year	613	978	1,030	16,612	-	19,233
Impairment	-	-	-	1,524	-	1,524
Acquisition of subsidiary (Note 16)	69	-	-	-	-	69
Disposals	-	-	-	(2,742)	-	(2,742)
Write off	-	-	(7)	(4,872)	-	(4,879)
Translation difference	(32)	(339)	(158)	(373)	-	(902)
At 31 March 2011	2,533	15,752	19,347	191,095	-	228,727
Net Carrying Amount						
At 31 March 2011	105,943	14,504	16,452	68,941	16,625	222,465

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group (Cont'd)	At Valuation		At Cost			
At 31 March 2010	Land and Buildings *[see note 13(1)(a), page 74]* RM'000	Plant and Machinery RM'000	Land and Buildings *[see note 13(2)(a), page 75]* RM'000	Other Assets *[see note 13(3)(a), pages 76&77]* RM'000	Construction Work-in-Progress RM'000	Total RM'000
At Valuation/Cost						
At 1 April 2009 - restated	83,043	24,423	35,282	243,744	18,355	404,847
Additions	934	66	108	14,091	51	15,250
Revaluation	2,444	-	1,530	-	-	3,974
Elimination of accumulated depreciation on revaluation	(3,375)	-	(237)	-	-	(3,612)
Disposals	(14,179)	-	-	(3,214)	-	(17,393)
Transfer	-	-	-	(100)	(79)	(179)
Write off	-	-	(104)	(1,124)	-	(1,228)
Translation difference	(412)	(1,491)	(1,253)	3,047	-	(109)
At 31 March 2010	68,455	22,998	35,326	256,444	18,327	401,550
Accumulated Depreciation and Impairment Losses						
At 1 April 2009 - restated	5,388	14,877	18,088	168,991	-	207,344
Depreciation charge for the year	639	1,138	1,045	15,575	-	18,397
Elimination of accumulated depreciation on revaluation	(3,375)	-	(237)	-	-	(3,612)
Disposals	(676)	-	-	(3,089)	-	(3,765)
Transfer	-	-	-	(96)	-	(96)
Write off	-	-	(97)	(1,087)	-	(1,184)
Translation difference	(93)	(902)	(317)	652	-	(660)
At 31 March 2010	1,883	15,113	18,482	180,946	-	216,424
Net Carrying Amount						
At 31 March 2010	66,572	7,885	16,844	75,498	18,327	185,126

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Note 13(1)(a) - Land and Buildings

Group (Cont'd)	Freehold Land RM'000	Leasehold Land RM'000	Buildings RM'000	Total RM'000
At 31 March 2011				
At Valuation				
At 1 April 2010	27,724	32,509	8,222	68,455
Acquisition of subsidiary	-	40,154	-	40,154
Translation difference	-	(4)	(129)	(133)
At 31 March 2011	27,724	72,659	8,093	108,476
Accumulated Depreciation and Impairment Losses				
At 1 April 2010	-	398	1,485	1,883
Depreciation charge for the year	-	437	176	613
Acquisition of subsidiary	-	69	-	69
Translation difference	-	-	(32)	(32)
At 31 March 2011	-	904	1,629	2,533
Net Carrying Amount				
At 31 March 2011	27,724	71,755	6,464	105,943
At 31 March 2010				
At Valuation				
At 1 April 2009 - restated	27,601	46,307	9,135	83,043
Additions	357	577	-	934
Revaluation	(234)	2,088	590	2,444
Disposals	-	(14,179)	-	(14,179)
Elimination of accumulated depreciation on revaluation	-	(2,245)	(1,130)	(3,375)
Translation difference	-	(39)	(373)	(412)
At 31 March 2010	27,724	32,509	8,222	68,455
Accumulated Depreciation and Impairment Losses				
At 1 April 2009 - restated	-	2,731	2,657	5,388
Depreciation charge for the year	-	588	51	639
Disposals	-	(676)	-	(676)
Elimination of accumulated depreciation on revaluation	-	(2,245)	(1,130)	(3,375)
Translation difference	-	-	(93)	(93)
At 31 March 2010	-	398	1,485	1,883
Net Carrying Amount				
At 31 March 2010	27,724	32,111	6,737	66,572

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Note 13(2)(a) - Land and Buildings

Group (Cont'd)

	Freehold Land RM'000	Buildings, Extension and Renovation RM'000	Total RM'000
At 31 March 2011			
At Cost			
At 1 April 2010	170	35,156	35,326
Additions	-	743	743
Write off	-	(10)	(10)
Translation difference	-	(260)	(260)
At 31 March 2011	170	35,629	35,799
Accumulated Depreciation and Impairment Losses			
At 1 April 2010	-	18,482	18,482
Depreciation charge for the year	-	1,030	1,030
Write off	-	(7)	(7)
Translation difference	-	(158)	(158)
At 31 March 2011	-	19,347	19,347
Net Carrying Amount			
At 31 March 2011	170	16,282	16,452
At 31 March 2010			
At Cost			
At 1 April 2009	170	35,112	35,282
Additions	-	108	108
Revaluation	-	1,530	1,530
Elimination of accumulated depreciation on revaluation	-	(237)	(237)
Write off	-	(104)	(104)
Translation difference	-	(1,253)	(1,253)
At 31 March 2010	170	35,156	35,326
Accumulated Depreciation and Impairment Losses			
At 1 April 2009	-	18,088	18,088
Depreciation charge for the year	-	1,045	1,045
Elimination of accumulated depreciation on revaluation	-	(237)	(237)
Write off	-	(97)	(97)
Translation difference	-	(317)	(317)
At 31 March 2010	-	18,482	18,482
Net Carrying Amount			
At 31 March 2010	170	16,674	16,844

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Note 13(3)(a) - Other Assets

Group (Cont'd)

	Plant and Machinery RM'000	Warehouses, Storage Tanks and Pipes RM'000
At 31 March 2011		
At Cost		
At 1 April 2010	98,614	100,891
Additions	7,218	-
Disposals	(1,591)	-
Transfer	-	-
Write-off	(3,767)	(206)
Translation difference	(385)	-
At 31 March 2011	100,089	100,685
Accumulated Depreciation and Impairment Losses		
At 1 April 2010	73,093	75,932
Depreciation charge for the year	7,310	2,530
Impairment	-	-
Disposals	(1,591)	-
Transfer	-	-
Write-off	(3,767)	(207)
Translation difference	(20)	-
At 31 March 2011	75,025	78,255
Net Carrying Amount		
At 31 March 2011	25,064	22,430
At 31 March 2010		
At Cost		
At 1 April 2009	89,572	100,891
Additions	10,941	-
Disposals	(1,770)	-
Transfer	-	-
Write-off	(239)	-
Translation difference	110	-
At 31 March 2010	98,614	100,891
Accumulated Depreciation and Impairment Losses		
At 1 April 2009	68,738	73,406
Depreciation charge for the year	6,281	2,526
Disposals	(1,729)	-
Transfer	-	-
Write-off	(214)	-
Translation difference	17	-
At 31 March 2010	73,093	75,932
Net Carrying Amount		
At 31 March 2010	25,521	24,959

Motor Vehicles RM'000	Office Equipment, Furniture and Fittings RM'000	Renovations RM'000	Tools, Accessories and Computer Equipment RM'000	Total RM'000
9,357	21,553	24,232	1,797	256,444
678	4,211	20	43	12,170
(426)	(772)	-	-	(2,789)
99	(136)	-	-	(37)
(5)	(488)	-	(557)	(5,023)
(113)	(231)	-	-	(729)
9,590	24,137	24,252	1,283	260,036
7,053	14,624	8,514	1,730	180,946
887	3,246	2,567	72	16,612
-	1,524	-	-	1,524
(372)	(69)	(698)	(12)	(2,742)
45	(45)	45	-	45
-	(375)	-	(523)	(4,872)
(39)	(250)	(109)	-	(418)
7,574	18,655	10,319	1,267	191,095
2,016	5,482	13,933	16	68,941
9,999	19,907	21,614	1,761	243,744
407	2,694	-	49	14,091
(534)	(897)	-	(13)	(3,214)
(96)	(4)	-	-	(100)
(172)	(713)	-	-	(1,124)
(247)	566	2,618	-	3,047
9,357	21,553	24,232	1,797	256,444
6,784	12,091	6,348	1,624	168,991
1,092	3,238	2,317	121	15,575
(462)	(883)	-	(15)	(3,089)
(96)	-	-	-	(96)
(172)	(29)	(672)	-	(1,087)
(93)	207	521	-	652
7,053	14,624	8,514	1,730	180,946
2,304	6,929	15,718	67	75,498

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	At Valuation		At Cost	
	Land and Buildings	Leasehold Land and Buildings	Motor Vehicles, Machinery and Equipment *[see note 13(4)(a), page 79]*	Total
	RM'000	RM'000	RM'000	RM'000
At 31 March 2011				
At Valuation/Cost				
At 1 April 2010 - restated	9,857	28,851	2,950	41,658
Additions	-	-	179	179
Disposal	-	-	(4)	(4)
At 31 March 2011	9,857	28,851	3,125	41,833
Accumulated Depreciation and Impairment Losses				
At 1 April 2010 - restated	157	1	2,681	2,839
Depreciation charge for the year	-	436	133	569
Disposals	-	-	(4)	(4)
At 31 March 2011	157	437	2,810	3,404
Net Carrying Amount				
At 31 March 2011	9,700	28,414	315	38,429
At 31 March 2010				
At Valuation/Cost				
At 1 April 2009 - restated	9,500	42,680	3,939	56,119
Additions	357	468	32	857
Revaluation	-	1,867	-	1,867
Elimination of accumulated depreciation on revaluation	-	(1,985)	-	(1,985)
Disposal	-	(14,179)	(1,021)	(15,200)
At 31 March 2010	9,857	28,851	2,950	41,658
Accumulated Depreciation and Impairment Losses				
At 1 April 2009 - restated	-	2,258	3,427	5,685
Depreciation charge for the year	-	404	241	645
Elimination of accumulated depreciation on revaluation	-	(1,985)	-	(1,985)
Disposals	-	(676)	(987)	(1,663)
Revaluation deficit	157	-	-	157
At 31 March 2010	157	1	2,681	2,839
Net Carrying Amount				
At 31 March 2010	9,700	28,850	269	38,819

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Note 13(4)(a) - Motor Vehicles, Machinery and Equipment

Company (Cont'd)

	Motor Vehicles RM'000	Plant and Machinery RM'000	Furniture, Fittings and Equipment RM'000	Total RM'000
At 31 March 2011				
At Cost				
At 1 April 2010	639	-	2,311	2,950
Additions	92	-	87	179
Disposals	-	-	(4)	(4)
At 31 March 2011	731	-	2,394	3,125
Accumulated Depreciation				
At 1 April 2010	491	-	2,190	2,681
Depreciation charge for the year	71	-	62	133
Disposals	-	-	(4)	(4)
At 31 March 2011	562	-	2,248	2,810
Net Carrying Amount				
At 31 March 2011	169	-	146	315
At 31 March 2010				
At Cost				
At 1 April 2009	681	734	2,524	3,939
Additions	-	-	32	32
Disposals	(42)	(734)	(245)	(1,021)
At 31 March 2010	639	-	2,311	2,950
Accumulated Depreciation				
At 1 April 2009	414	705	2,308	3,427
Depreciation charge for the year	119	-	122	241
Disposals	(42)	(705)	(240)	(987)
At 31 March 2010	491	-	2,190	2,681
Net Carrying Amount				
At 31 March 2010	148	-	121	269

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

During the financial year, the Group acquired property, plant and equipment amounting to RM19,353,000 (2010: RM15,250,000). The net book values of property, plant and equipment held under hire purchase arrangements are RM Nil (2010: RM11,000).

(a) Buildings, plant and machinery, storage tanks and pipelines of the subsidiaries carrying out bulking activities with a net book value of approximately RM37,169,000 (2010: RM40,168,000) are situated on land which are leased from Lembaga Pelabuhan Kelang ("LPK") by the subsidiaries. The lease will expire in 2022.

(b) A building of a subsidiary, Fima Palmbulk Services Sdn. Bhd., with a net book value of RM1 (2010: RM1) was constructed on land leased from Penang Port Commission. The lease expired on 30 June 2002, and the Company had obtained an approval in principle from the lessor to enter into a new lease for a term of 21 years commencing 1 July 2002 at rates which have yet to be determined.

(c) Included in the property, plant and equipment of the Group and of the Company are cost of fully depreciated assets which are still in use amounting to approximately RM115,192,000 (2010: RM109,823,000) and RM2,424,000 (2010: RM2,309,000) respectively.

(d) Details of the independent professional valuation of the Group's and Company's freehold, leasehold land and building at 31 March 2010 are as follows:

Year of valuation	Description of property	Valuation Amount RM'000	Valuation Increase/ (Decrease) RM'000	Basis of Valuation
Group				
2010	Freehold land and building at Port Dickson, Negeri Sembilan	1,700	1,530	Comparison Approach
2010	Land at Pontian, Johor	20,845	513	Comparison Approach
2010	Land at Raub, Pahang	1,600	221	Comparison Approach
Company				
2010	Freehold building, at Ayer Baloi, Pontian, Johor	9,700	(157)	Comparison Approach
2010	Leasehold land,at Kota Tinggi, Johor	28,850	1,867	Comparison Approach

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Had the revalued property, plant and equipment been carried at historical cost less accumulated depreciation, the net book value of each class of property, plant and equipment that would have been included in the financial statements of the Group and of the Company as at 31 March 2011 would be as follows:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Freehold land and buildings	3,685	3,712	746	746

(e) The factory extension of the Group with a net book value of RM835,000 (2010: RM980,000) was constructed on a piece of land leased from the lessor. The lease will expire on 30 April 2020.

14. INVESTMENT PROPERTIES

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Cost				
At 1 April 2010/2009 - restated	106,836	92,927	15,809	1,900
Additions	-	15,809	-	15,809
Disposals	(2,208)	(1,900)	(2,208)	(1,900)
At 31 March	104,628	106,836	13,601	15,809
Accumulated Depreciation				
At 1 April 2010/2009 - restated	16,483	14,847	160	91
Charge for the year	1,725	1,727	160	160
Disposal	(45)	(91)	(45)	(91)
At 31 March	18,163	16,483	275	160
Net Carrying Amount	86,465	90,353	13,326	15,649
Fair Value	94,944	97,237	14,119	16,412

(a) The land titles of a freehold land and building of the Group with a net book value of approximately RM56,656,000 (2010: RM57,804,000) is pledged as securities for borrowings of the Group (Note 25 (b)(ii)).

14. INVESTMENT PROPERTIES (CONT'D)

(b) The land title of a building of the Group with a net book value of approximately RM937,000 (2010: RM961,000) is in the process of being transferred.

(c) The fair value was estimated by the directors based on the market value for similar properties in the same vicinity that have been transacted in the open market.

(d) Factory buildings of a subsidiary, Percetakan Keselamatan Nasional Sdn. Bhd. with a net book value of RM7,271,000 (2010: RM7,530,000) are situated on a piece of leasehold land which will expire on 29 September 2086.

15. BIOLOGICAL ASSETS

	Group	
	2011	2010
	RM'000	RM'000
At Cost		
At 1 April 2010/2009	110,044	96,726
Additions	4,680	3,245
Exchange differences	(2,645)	10,073
At 31 March	112,079	110,044
Accumulated Amortisation		
At 1 April 2010/2009	27,247	22,091
Amortisation for the year	5,320	5,156
At 31 March	32,567	27,247
Net Carrying Amount		
At 31 March	79,512	82,797

16. INVESTMENTS IN SUBSIDIARIES

	Company	
	2011	2010
	RM'000	RM'000
Unquoted ordinary shares, at cost:		
In Malaysia	153,699	132,699
Outside Malaysia	44,395	44,395
	198,094	177,094
Less: Accumulated impairment losses		
In Malaysia	(48,534)	(48,101)
Outside Malaysia	(42,919)	(42,919)
	106,641	86,074

16. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are described in Note 37.

Shares in subsidiaries, Fima Metal Box Holdings Sdn. Bhd., Pineapple Cannery of Malaysia Sdn. Bhd. and Fima-TLP Feedlot Sdn. Bhd. costing approximately RM48,366,000 (2010: RM48,366,000) have been pledged to a financial institution for a revolving credit facility granted to the Company as referred to in Note 25(b)(i).

Acquisition of subsidiary

On 18 February 2011, the Company acquired 80% equity interest in Victoria Square Plantation Sdn. Bhd. ("VSP") for a total consideration of RM21.0 million. Upon the acquisition, VSP became a subsidiary of the Group.

VSP holds 65% of equity in Amgreen Gain Sdn. Bhd. ("Amgreen"), a private company limited by shares. Amgreen is a joint-venture company between VSP, Board of Trustees of Sarawak Foundation and Amanah Khairat Yayasan Budaya Melayu Sarawak to undertake the development of oil palm plantation on the entire parcel of land measuring approximately five thousand (5,000) hectares in Miri, Sarawak. A provisional lease of the land had been granted to Amgreen. The land is presently free from encumbrances.

The fair values of the identifiable assets and liabilities of VSP as at the date of acquisition were:

	Fair value RM'000	Carrying amount RM'000
Property, plant and equipment	40,085	4,230
Trade and other receivables	19	19
	40,104	4,249
Trade and other payables	(2,933)	(2,933)
Net identifiable assets	37,171	1,316

The effect of the acquisition on cash flows is as follows:

	RM'000
Total cost of the business combination, representing net cash outflow on acquisition	21,000

<u>Goodwill arising on acquisition</u>

	RM'000
Fair value of net identifiable assets	37,171
Less: Minority interests	(16,171)
Group's interest in fair value of net identifiable assets	21,000
Goodwill on acquisition	-
Cost of business combination	21,000

17. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Unquoted shares, at cost	17,252	17,252	2,251	2,251
Share of post acquisition results	24,304	26,798	-	-
	41,556	44,050	2,251	2,251

Details of the associates are described in Note 38.

The financial statements of the associates are coterminous with those of the Group, except for Giesecke & Devrient (Malaysia) Sdn. Bhd. which has a 31 December financial year end. For the purpose of applying the equity method of accounting, the financial statements of Giesecke & Devrient (Malaysia) Sdn. Bhd. for the year ended 31 December 2010 have been used and appropriate adjustments have been made for the effects of significant transactions between 31 December 2010 and 31 March 2011.

The summarised financial statements of the associates are as follows:

	2011 RM'000	2010 RM'000
Gross assets and liabilities		
Current assets	100,941	108,704
Non-current assets	80,098	81,088
Total assets	181,039	189,792
Current liabilities	33,906	35,113
Non-current liabilities	6,018	4,818
Total liabilities	39,924	39,931
Gross results		
Revenue	123,846	367,989
Profit for the year	11,871	36,953

18. GOODWILL ON CONSOLIDATION

	Group	
	2011 RM'000	2010 RM'000
Goodwill on consolidation		
At 1 April /31 March	13,055	13,055

18. GOODWILL ON CONSOLIDATION (CONT'D)

(a) Impairment Tests for Goodwill

Goodwill has been allocated to the Group's cash generating units identified according to business segment as follows:

Allocation of Goodwill

	Bulking RM'000	Plantation RM'000	Total RM'000
As at 1 April 2010/31 March 2011	12,545	510	13,055

(b) Key Assumptions used in Value-In-Use Calculations

The following describes each key assumption on which management has based its cash flow projections to undertake the impairment testing of goodwill:

(i) Budgeted Gross Margin

The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budgeted year increased for expected efficiency improvements.

(ii) Growth Rates

The weighted average growth rates used for bulking and plantation are consistent with the long-term average growth rate for the industry.

(iii) Discount Rates

The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

(c) Sensitivity to Changes in Assumptions

In assessing value-in-use and fair value, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying values of the units to materially exceed their recoverable amounts.

19. INVENTORIES

	Group	
	2011 RM'000	2010 RM'000
At cost:		
Raw materials	8,671	11,757
Work-in-progress	26,487	8,950
Finished goods	3,138	15,233
Consumables	9,938	5,959
	48,234	41,899
At net realisable value:		
Raw materials	12,353	11,223
	60,587	53,122

20. TRADE RECEIVABLES

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Current				
Trade receivables				
Third Parties	99,981	119,646	10	10
Less: Allowance for impairment	(3,369)	(4,010)	(10)	(10)
Trade receivables, net	96,612	115,636	-	-

The Group's normal trade credit term ranges from 30 to 90 days (2010: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to group of debtors except with certain Government agencies amounting to RM67,542,000 (2010: RM71,367,000), representing 69.9% (2010: 61.7%) of the Group's total gross trade receivables.

20. TRADE RECEIVABLES (CONT'D)

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	2011	**2010**
	RM'000	**RM'000**
Neither past due nor impaired	32,144	29,800
1 to 60 days past due but not impaired	38,091	34,653
61 to 120 days past due but not impaired	22,793	41,896
More than 121 days past due but not impaired	3,584	9,287
	64,468	85,836
Impaired	3,369	4,010
	99,981	119,646

Trade receivables that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Trade receivables that are past due but not impaired

The Group has trade receivables amounting to RM64,468,000 (2010: RM85,836,000) that are past due at the reporting date but not impaired.

No allowance for impairment is made as in the opinion of the directors, the outstanding debts would be collected in full within the next twelve months.

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group Individually impaired	
	2011	**2010**
	RM'000	**RM'000**
Trade receivables - nominal amount	3,369	4,010
Less: Allowance for impairment	(3,369)	(4,010)
	-	-

20. TRADE RECEIVABLES (CONT'D)

Receivables that are impaired (Cont'd)

Movement in allowance accounts:

	Group	
	2011	2010
	RM'000	RM'000
At 1 April	4,010	3,924
Charge for the year (Note 9)	357	461
Bad debt recovered (Note 5)	-	(375)
Written off	(998)	-
At 31 March	3,369	4,010

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

21. OTHER RECEIVABLES

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Tax recoverable	2,639	2,046	1,083	617
Deposits	1,172	1,169	240	242
Prepayments	2,553	4,145	124	222
Sundry receivables	2,718	10,167	111	82
	9,082	17,527	1,558	1,163

The Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to group of debtors.

22. DUE FROM/(TO) SUBSIDIARIES

	Company	
	2011	2010
	RM'000	RM'000
Due from subsidiaries	34,859	38,116
Less: Allowance for impairment	(7,632)	(5,228)
	27,227	32,888
Due to subsidiaries	(10,788)	(13,153)

All the amounts due from/(to) subsidiaries are unsecured, interest free and repayable on demand except for the amount due from a subsidiary, Fima-TLP Feedlot Sdn. Bhd. of RM1,992,000 (2010: RM1,992,000) which bears interest at 7.55% (2010: 7.55%) per annum.

22. DUE FROM/(TO) SUBSIDIARIES (CONT'D)

	Company	
	2011	2010
	RM'000	RM'000
The movement in allowance accounts is as follows:		
At 1 April	5,228	5,228
Charge for the year (Note 9)	2,404	-
At 31 March	7,632	5,228

23. CASH AND BANK BALANCES

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Cash in hand and at bank	32,030	18,192	4,192	2,116
Fixed deposits with licensed banks	185,904	110,464	3,500	500
	217,934	128,656	7,692	2,616

Deposits for the Group of approximately RM3,176,000 (2010: RM3,106,000) are held on lien for banking facilities granted to certain subsidiaries are disclosed in Note 25(a).

The weighted average effective interest rates per annum of deposits at the reporting date were as follows:

	Group		Company	
	2011	2010	2011	2010
	%	%	%	%
Licensed banks	2.91	2.15	2.39	1.70

The average maturity of deposits at the reporting date were as follows:

	Group		Company	
	2011	2010	2011	2010
	Days	Days	Days	Days
Licensed banks	185	102	15	10

24. SHARE CAPITAL

	Number of Ordinary Shares of RM1.00 Each		Amount	
	2011	2010	2011	2010
	'000	'000	RM'000	RM'000
Authorised:				
At 1 April/31 March	300,000	300,000	300,000	300,000
Issued and fully paid-up:				
At 1 April/31 March	263,160	263,160	263,160	263,160

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

25. BORROWINGS

	Group		Company	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Short Term Borrowings				
Secured:				
Bank overdrafts	-	4,280	-	-
Bankers' acceptances	10,127	4,046	10,127	4,046
Hire purchase and lease payables	-	12	-	-
Term loans	501	302	-	-
Revolving credit facilities	35,000	35,000	-	-
	45,628	43,640	10,127	4,046

		Group		Company	
		2011	2010	2011	2010
	Note	RM'000	RM'000	RM'000	RM'000
Long Term Borrowings					
Secured:					
Term loans		2,555	3,935	-	-
Revolving credit facilities		14,000	12,700	14,000	12,700
Unsecured:					
Redeemable Convertible Loan Stock ("RCLS")		4,577	6,101	-	-
		21,132	22,736	14,000	12,700

25. BORROWINGS (CONT'D)

	Note	Group 2011 RM'000	Group 2010 RM'000	Company 2011 RM'000	Company 2010 RM'000
Total Borrowings					
Bank overdrafts		-	4,280	-	-
Bankers' acceptances		10,127	4,046	10,127	4,046
Hire purchase and lease payables	30	-	12	-	-
Term loans	(a)	3,056	4,237	-	-
Revolving credit facilities	(b)	49,000	47,700	14,000	12,700
Redeemable Convertible Loan Stock ("RCLS")	(c)	4,577	6,101	-	-
		66,760	66,376	24,127	16,746
Maturity of borrowings (excluding hire purchase payable):					
Within one year		45,628	44,072	10,127	4,046
More than 1 year and less than 2 years		521	819	-	-
More than 2 years and less than 5 years		15,684	1,740	14,000	12,700
5 years or more		4,927	19,733	-	-
		66,760	66,364	24,127	16,746

(a) Included in the term loans is the following:

In prior year, the term loans of a subsidiary, Pineapple Cannery of Malaysia Sdn Bhd, amounting to approximately RM738,000 was secured by way of a corporate guarantee from the Company as disclosed in Note 32(a) and a first party fixed charge over the subsidiary's two pieces of freehold land with a net book value of approximately RM1,087,000. The facilities bore interest of 3.8% per annum and were repayable by 60 monthly instalments commencing September 2005, respectively.

(b) Included in the revolving credits are the following:

(i) A revolving credit facility of the Company amounting to approximately RM14,000,000 (2010: RM12,700,000) is secured by a standby letter of credit of an off-shore bank. The standby letter of credit is secured by a first fixed and floating charge on all assets of the Company and pledge of shares of certain subsidiaries as disclosed in Note 16. The weighted average effective interest rate of the facility during the financial year was 3.70% (2010 : 3.32%).

(ii) A revolving credit facilities of a subsidiary, Fima Corporation Bhd amounting to approximately RM35,000,000 (2010: RM35,000,000) are secured by a first legal charge over a freehold land and building of the subsidiary with a net book value of approximately RM56,656,000 (2010: RM57,804,000) as disclosed in Note 14(a). The weighted average effective interest rate of the facilities during the financial year was 3.89% (2010 : 2.98%).

25. BORROWINGS (CONT'D)

(c) On 9 April 2007, the minority interests subscribed 405,000 of Redeemable Convertible Loan Stocks ("RCLS") issued by the foreign subsidiary in Indonesia at a nominal amount of Rp100,000 each for working capital purposes. The terms of the RCLS are as follows:

(i) Conversion rights - the registered holders of the RCLS will have the option at any time during the conversion period to convert the RCLS at the conversion rate into new ordinary shares of Rp100,000 each in the Indonesian subsidiary.

(ii) Conversion rate - on the basis of Rp100,000 nominal amount of RCLS for 1 new ordinary share of Rp100,000 in the Indonesian subsidiary.

(iii) Redemption - the RCLS may be redeemed at par by the Indonesian subsidiary subject to the consent of the RCLS holders.

(iv) The RCLS bear interest at 8% per annum payable semi-annually, where payment had been made on the date of issue and subsequently on every consecutive six months thereafter.

(v) The RCLS holders do not carry any right to vote at any meeting of the Indonesian subsidiary.

Based on the above terms, the RCLS is regarded as a compound instrument, consisting a liability and an equity component.

26. RETIREMENT BENEFIT OBLIGATIONS

	Group	
	2011	**2010**
	RM'000	**RM'000**
At 1 April 2010/2009	1,028	1,419
Recognised in profit or loss (Note 6)	317	177
Contributions paid	(40)	(609)
Exchange differences	(14)	41
At 31 March	1,291	1,028

The foreign subsidiary in Indonesia operate an unfunded defined benefit plan for its eligible employees. The obligations under the retirement benefit scheme are calculated using the projected unit credit method, is determined by a qualified independent actuary, considering the estimated future cash outflows using market yields at the reporting date of high quality corporate bonds. The latest actuarial valuation was carried out using the employee data as at 31 March 2011.

26. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

The amounts recognised in the statement of financial position are determined as follows:

	Group	
	2011 RM'000	2010 RM'000
Present value of unfunded defined benefits obligations	1,035	772
Analysed as:		
Non-current:		
Later than 1 year but not later than 5 years	1,035	772

The amounts recognised in the profit or loss are as follows:

	Group	
	2011 RM'000	2010 RM'000
Current service cost	174	164
Interest cost	143	13
Total, included in employee benefits expense (Note 7)	317	177

The principal assumptions used by the foreign subsidiary in Indonesia in determining employee benefits liability as of 31 March 2011 and 2010 are as follows:

	2011	2010
Discount rate	8.5%	8.5%
Annual salary increase	8%	9%
Retirement age	55	55

27. DEFERRED TAX

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
At 1 April 2010/2009	13,490	9,005	5,706	5,706
Recognised in profit or loss (Note 10)	(1,159)	5,074	-	-
Exchange differences	(188)	(589)	-	-
At 31 March	12,143	13,490	5,706	5,706
Presented after appropriate offsetting as follows:				
Deferred tax assets	(4,244)	(3,272)	-	-
Deferred tax liabilities	16,387	16,762	5,706	5,706
	12,143	13,490	5,706	5,706

27. DEFERRED TAX (CONT'D)

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred Tax Assets of the Group:

	Retirement Benefit Obligations RM'000	Other Payables RM'000	Tax Losses and Unabsorbed Capital Allowances RM'000	Total RM'000
At 1 April 2009	(355)	(2,106)	(5,413)	(7,874)
Recognised in profit or loss	98	(151)	4,570	4,517
At 31 March 2010	(257)	(2,257)	(843)	(3,357)
Recognised in profit or loss	(66)	(832)	57	(841)
At 31 March 2011	(323)	(3,089)	(786)	(4,198)

Deferred Tax Liabilities of the Group:

	Accelerated Capital Allowances RM'000	Revaluation on Land and Building RM'000	Total RM'000
At 1 April 2009	7,431	9,448	16,879
Recognised in profit or loss	(11)	(21)	(32)
At 31 March 2010	7,420	9,427	16,847
Recognised in profit or loss	(502)	(4)	(506)
At 31 March 2011	6,918	9,423	16,341

Deferred Tax Liabilities of the Company:

	Accelerated Capital Allowances RM'000	Revaluation on Land and Building RM'000	Total RM'000
At 1 April 2009	277	5,740	6,017
Recognised in profit or loss	(16)	(295)	(311)
At 31 March 2010/31 March 2011	261	5,445	5,706

27. DEFERRED TAX (CONT'D)

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Unutilised tax losses	30,788	32,292	-	-
Unabsorbed capital allowances	4,266	3,158	-	-
Unabsorbed reinvestment allowances	183	183	-	-
	35,237	35,633	-	-

The unutilised tax losses and unabsorbed capital allowances of the Group are available indefinitely against future taxable profit of the respective entities within the Group subject to no substantial changes in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the tax authority. Deferred tax assets have not been recognised in respect of these items as they may not be used to offset taxable profit of other entities in the Group and they have arisen in entities that have a recent history of losses.

28. TRADE PAYABLES

The normal trade credit terms granted to the Group and to the Company ranges from 14 to 90 days (2010: 14 to 90 days) and 14 to 30 days (2010: 14 to 30 days), respectively.

29. OTHER PAYABLES

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Accruals	28,616	29,349	296	293
Deposits	1,167	1,091	58	-
Interest payables	34	1,890	34	10
Sundry payables	16,724	12,936	86	130
	46,541	45,266	474	433

29. OTHER PAYABLES (CONT'D)

Included in other payables of the Group in previous financial year was a balance amount of RM2.0 million payable by a wholly-owned subsidiary of Fima Corporation Berhad, FCB Plantation Holdings Sdn Bhd ("FCBPH") for the acquisition of 67,500 Redeemable Convertible Loan Stock ("RCLS") pursuant to a principal agreement dated 27 January 2006 and a supplemental agreement dated 20 September 2006 with Datuk Andi Yakin bin Mapasere ("DAYM") and PT Nunukan Jaya Lestari ("NJL"). The amount payable is being withheld pending the Garnishee Order served on FCBPH by Kota Kinabalu Court ("Garnishee Order") on 8 November 2006.

Pursuant to Clause 3A.6 of the principal agreement, DAYM had agreed that in the event the total liabilities in NJL exceed the threshold of Rp200.0 billion (or equivalent to RM80.0 million) on completion date 30 June 2006, DAYM shall remit the difference to NJL. In the event of non-payment by DAYM in respect of the difference, NJL shall procure the transfer to FCBPH of such number of RCLS equal to amount of the difference. With effect from 8 November 2006, all payments due to and owing by DAYM was assigned to a third party.

On 15 May 2007, the third party agreed and consented that the difference of RM2.0 million arising from the above to be set-off directly against the balance consideration of RM2.0 million payable by FCBPH for the purchase of 67,500 RCLS held by DAYM. Subsequent to the Garnishee Order being set aside by the Court of Appeal on 18 August 2010, the above set-off was effected during the current financial year resulting in a net gain on settlement amounting to RM2.0 million as disclosed in Note 5.

30. HIRE PURCHASE AND LEASE PAYABLES

	Group	
	2011 RM'000	2010 RM'000
Minimum lease payments:		
Not later than 1 year	-	12
Present value of finance lease liabilities:		
Not later than 1 year	-	12
Analysed as:		
Due within 12 months (Note 25)	-	12

The hire purchase and lease payables bear interest of Nil (2010: 3.7%) per annum.

31. COMMITMENTS

	Group	
	2011	2010
	RM'000	RM'000
Capital expenditure:		
Approved and contracted for:		
Property, plant and equipment	1,491	4,019
Approved but not contracted for:		
Property, plant and equipment	15,456	26,787
	16,947	30,806

32. CONTINGENT LIABILITIES

	Company	
	2011	2010
	RM'000	RM'000
(a) Guarantees provided in respect of borrowings by subsidiaries (Note 25(a))	-	738

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

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 24 June 2002, the Plaintiff filed its amended Writ of Summons and Statement of Claim, naming MAHB as the Second Defendant and on 14 January 2003, served the same to FimaCorp. On 20 January 2003, FimaCorp's solicitors filed an amended Statement of Defence and on 22 April 2003, the Second Defendant obtained an order in terms from Courts to strike out the Plaintiff's claim.

The Plaintiff served its Application for Summons in Chambers on FimaCorp on 15 December 2003. Subsequently, FimaCorp replied to the Plaintiff on 16 December 2003 expressly stipulating that the Rules of the High Court requires the Plaintiff to file a Notice of Pre-Trial Case Management seeking the directions of the Judge as to the further conduct of the matter.

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 Court of Appeal has yet to fix the Hearing date for the appeal. The subsidiary had made full provision for the compensation claim in the previous financial year.

33. RELATED PARTY DISCLOSURES

(a) Significant related party transactions

In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year.

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Fima Corporation Berhad, a subsidiary				
- Rental expense	-	-	375	380
Dividend income from associated companies				
- Marushin Canneries (Malaysia) Sdn. Bhd.	(1,140)	(1,140)	(1,140)	(1,140)
Advisory services rendered by corporate shareholder, BHR Enterprise Sdn. Bhd.	120	120	120	120
Purchases made from related parties*				
- Nationwide Express Courier Services Berhad	135	54	1	2
- Nationwide Express Freight Forwarders Sdn. Bhd.	233	237	-	-

* Nationwide Express Courier Services Berhad and Nationwide Express Freight Forwarders Sdn. Bhd. are related parties by virtue of common shareholders.

(b) Compensation of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities, directly or indirectly, including any director (whether executive or otherwise).

The key management personnel compensation are as follows:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Short-term employee benefits	3,624	3,474	1,084	1,285
Post-employment benefits:				
Defined contribution plan	577	552	195	196
	4,201	4,026	1,279	1,481

33. RELATED PARTY DISCLOSURES (CONT'D)

(b) Compensation of key management personnel (Cont'd)

Included in the total key management personnel are:

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Directors' remuneration (Note 7)	1,564	1,714	622	875

34. SEGMENTAL INFORMATION

(a) Business Segments

The Group is principally engaged in the following activities:

(i)	Manufacturing	-	Production and trading of security and confidential documents;
(ii)	Bulking	-	Providing bulk handling and storage of liquid products and cargoes, warehousing and transportation and customs forwarding services;
(iii)	Plantation	-	Oil palm and pineapple estate operations.
(iv)	Food	-	Manufacturing and packaging of food products;
(v)	Others	-	Investment holding, rental and management of commercial properties and local and international trading.

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

34. SEGMENTAL INFORMATION (CONT'D)

	Manufacturing		Plantation		Food	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Revenue						
External sales	203,403	179,569	95,425	100,200	63,084	61,120
Inter-segment sales	-	-	-	-	-	-
Total revenue	203,403	179,569	95,425	100,200	63,084	61,120
Results						
Segment results	71,534	45,741	36,709	36,592	9,127	4,132
Profit from operations	-	-	-	-	-	-
Finance costs, net	-	-	-	-	-	-
Share of profit of associates	2,313	10,090	-	-	1,581	1,261
Taxation	-	-	-	-	-	-
Profit after taxation	-	-	-	-	-	-
Minority interests	-	-	-	-	-	-
Net profit for the year						
Assets						
Segment assets	218,326	180,480	202,888	199,344	62,821	68,826
Consolidated total assets						
Liabilities						
Segment liabilities	73,942	77,560	43,544	50,401	21,178	33,638
Consolidated total liabilities						
Other Information						
Capital expenditure	6,335	6,068	5,287	10,299	6,525	41
Depreciation of:						
Property, plant and equipment	5,527	5,423	6,027	4,545	1,675	1,206
Investment property	259	-	-	-	-	-
Amortisation of:						
Biological assets	-	-	5,310	5,156	-	-

	Bulking		Others		Eliminations		Consolidated	
	2011	2010	2011	2010	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
	56,641	51,349	13,331	19,194	-	-	431,884	411,432
	13,775	21,560	60,275	63,596	(74,050)	(85,156)	-	-
	70,416	72,909	73,606	82,790	(74,050)	(85,156)	431,884	411,432
	41,877	43,871	36,883	31,467	(56,255)	(53,265)	139,875	108,538
	-	-	-	-	-	-	139,875	108,538
	-	-	-	-	-	-	(2,839)	(4,163)
	-	-	-	-	-	-	3,894	11,351
	-	-	-	-	-	-	(33,428)	(29,293)
	-	-	-	-	-	-	107,502	86,433
	-	-	-	-	36,475	27,684	(36,475)	(27,684)
							71,027	58,749
	140,934	143,990	564,947	569,350	(358,404)	(428,396)	831,512	733,594
							831,512	733,594
	28,484	28,555	142,415	138,720	(123,322)	(137,409)	186,241	191,465
							186,241	191,465
	830	823	375	1,181	-	-	19,352	18,412
	5,010	4,912	994	1,723	-	-	19,233	17,809
	-	-	1,380	1,640	-	-	1,639	1,640
	-	-	-	-	-	-	5,310	5,156

34. SEGMENTAL INFORMATION (CONT'D)

(b) Geographical Segments

	Total Revenue from External Customers RM'000	Segment Assets RM'000	Capital Expenditure RM'000
31 March 2011			
Malaysia	352,627	972,339	8,124
Papua New Guinea	63,084	62,821	6,525
Indonesia	90,223	154,756	4,703
Eliminations	(74,050)	(358,404)	-
Consolidated	431,884	831,512	19,352
31 March 2010			
Malaysia	339,885	968,256	10,413
Papua New Guinea	61,120	68,826	41
Indonesia	95,583	124,908	7,958
Eliminations	(85,156)	(428,396)	-
Consolidated	411,432	733,594	18,412

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate, liquidity/funding and credit risks. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

(a) Interest Rate Risk

A portion of the Group's income and operating cash flows are affected by changes in market interest rates. Interest rate exposure arises from the Group's deposits with licensed banks.

The Group actively manages its interest rate risk by maintaining a portfolio of financial instruments guided by its investment guidelines and policies, regular reviews of interest rates and market expectations.

There is no significant interest rate risk exposure to the Group and the Company.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity/Funding Risk

The Group defines liquidity/funding risk as the risk that funds will not be available to meet liabilities as they fall due.

The Group actively manages its operating cash flows and the availability of funding so as to ensure that all funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible instruments to meet its working capital requirements. To ensure availability of funds, the Group closely monitors its cash flow position on a regular basis.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM'000	One to five years RM'000	Total RM'000
Group			
Financial liabilities:			
Trade and other payables	90,102	-	90,102
Borrowings	45,628	22,410	68,038
Total undiscounted financial liabilities	135,730	22,410	158,140
Company			
Financial liabilities:			
Trade and other payables	754	-	754
Due to subsidiaries	10,788	-	10,788
Borrowings	10,127	14,569	24,696
Total undiscounted financial liabilities	21,669	14,569	36,238

(c) Foreign Currency Risk

The Group is exposed to transactional currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily Indonesian Rupiah and Papua New Guinea Kina. The Group does not practice any fund hedge for its purchases and sales transaction.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Foreign Currency Risk (Cont'd)

The net unhedged financial assets and financial liabilities of the Group that are not denominated in the functional currency of the Company are as follows:

	Indonesian Rupiah RM	Papua New Guinea Kina RM	Total RM
At 31 March 2011:			
Receivables	4,416,395	11,930,488	16,346,883
Payables	9,246,375	9,766,745	19,013,120
At 31 March 2010:			
Receivables	4,745,583	14,993,484	19,739,067
Payables	11,442,258	9,622,010	21,064,268

(d) Credit Risk

Credit risk, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. Credit risk is minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via Group management reporting procedures.

The Group does not have any significant exposure to any individual customer or counterparty except with the Government of Malaysia as disclosed on Note 20. The Group does not have any major concentration of credit risk related to any financial instruments.

(e) Fair Values

The fair values of all other financial assets and liabilities of the Group and Company as at 31 March 2011 are not materially different from their carrying values except for the following:

		Group		Company	
	Note	Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
31 March 2011					
Financial Liabilities					
Term loans	25	3,056	3,171	-	-
Revolving credit facility	25	49,000	49,569	14,000	14,569
Redeemable Convertible Loan Stock ("RCLS")	25	4,577	5,171	-	-

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(e) Fair Values (Cont'd)

	Note	Group Carrying Amount RM'000	Group Fair Value RM'000	Company Carrying Amount RM'000	Company Fair Value RM'000
31 March 2010					
Financial Liabilities					
Term loans	25	4,237	4,385	-	-
Revolving credit facility	25	47,700	48,282	12,700	13,282
Redeemable Convertible Loan Stock ("RCLS")	25	6,101	6,894	-	-

The fair values of the financial liabilities are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending or borrowing at the reporting date.

<u>Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value</u>

The carrying amounts of other financial assets and liabilities are reasonable approximation of fair values, due to their short-term nature.

The carrying amounts of the current portion of loans and borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

The financial instruments of the Group and of the Company as at the reporting date are categorised into the following classes:

	Group 2011 RM'000	Group 2010 RM'000	Company 2011 RM'000	Company 2010 RM'000
Loans and receivables				
Trade receivables (Note 20)	96,612	115,636	-	-
Other receivables (Note 21)	9,082	17,527	1,558	1,163
Less: Prepayments (Note 21)	(2,553)	(4,145)	(124)	(222)
Tax recoverable (Note 21)	(2,639)	(2,046)	(1,083)	(617)
	3,890	11,336	351	324
Due from subsidiaries (Note 22)	-	-	27,227	32,888
Total trade and other receivables	100,502	126,972	27,578	33,212
Add: Cash and bank balances (Note 23)	217,934	128,656	7,692	2,616
Total loans and receivables	318,436	255,628	35,270	35,828

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(e) Fair Values (Cont'd)

	Group		Company	
	2011 RM'000	**2010 RM'000**	**2011 RM'000**	**2010 RM'000**
Financial liabilities measured at amortised cost				
Trade payables (Note 28)	43,561	48,913	280	275
Other payables (Note 29)	46,541	45,266	474	433
Due to subsidiaries (Note 22)	-	-	10,788	13,153
Borrowings (Note 25)	66,760	66,376	24,127	16,746
Total financial liabilities measured at amortised cost	156,862	160,555	35,669	30,607

36. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains an optimal capital structure in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders. The Group's approach in managing capital based on defined guidelines that are approved by the Board.

There were no changes in the Group's approach to capital management during the year.

37. SUBSIDIARIES AND ACTIVITIES

Set out below is a list of the subsidiaries of the Company as at 31 March 2011, all of which are incorporated in Malaysia, unless otherwise indicated:

Name of Company	**Effective Interest 2011 %**	**Effective Interest 2010 %**	**Principal Activities**
Manufacturing			
Security Printers (M) Sdn. Bhd. (34025-W)	60.9	60.9	Trading of security and confidential documents
Percetakan Keselamatan Nasional Sdn. Bhd. (166151-T)	60.9	60.9	Production of security and confidential documents

37. SUBSIDIARIES AND ACTIVITIES (CONT'D)

Name of Company	Effective Interest 2011 %	2010 %	Principal Activities
Property Investment			
Fima Metal Box Holdings Sdn. Bhd. (70926-X)	100.0	100.0	Investment holding
Fima Corporation Berhad (21185-P)	60.9	60.9	Investment holding and property management
FCB Property Management Sdn. Bhd (264746-K)	60.9	60.9	Property management
FCB Plantation Holdings Sdn. Bhd. (270659-U)	60.9	60.9	Investment holding
Bulking			
Fima Bulking Services Berhad (53110-X)	100.0	100.0	Providing bulk handling storage of liquid and semi-liquid products and investment holding
Fimachem Sdn. Bhd. (151893-X)	100.0	100.0	Providing bulk storage of liquid and semi-liquid of hazardous products
Fima Liquid Bulking Sdn. Bhd. (182904-W)	100.0	100.0	Providing bulk storage of latex and palm oleo based products
Fima Palmbulk Services Sdn. Bhd. (61459-M)	100.0	100.0	Bulk handling of liquid and semi-liquid products
Fima Freight Forwarders Sdn. Bhd. (223850-P)	100.0	100.0	Provision of warehousing, transportation and forwarding services
Boustead Oil Bulking Sdn. Bhd. (81508-K)	100.0	100.0	Bulk handling of palm oil and edible oils
Fima Logistics Sdn. Bhd. (288891-A)	100.0	100.0	Inactive
Biodiesel			
Fima Biodiesel Sdn. Bhd. (715822-K)	100.0	100.0	Manufacturing of biodiesel and trading of its related products
Fima Contracts Sdn. Bhd. (240960-H)	100.0	100.0	Inactive

37. SUBSIDIARIES AND ACTIVITIES (CONT'D)

Name of Company	Effective Interest 2011 %	2010 %	Principal Activities
Plantation			
Ladang Fima Sdn. Bhd. (12652-H)	100.0	100.0	Oil palm and pineapple cultivation
PT Nunukan Jaya Lestari^^* (NPWP 02.033.898.4-723.000)	48.7	48.7	Oil palm production and processing
Fima-TLP Feedlot Sdn. Bhd. (31385-U)	85.0	85.0	Inactive
Victoria Square Plantation Sdn. Bhd (733298-K)	80.0	-	Investment holding
Amgreen Gain Sdn. Bhd. (655236-V)	52.0	-	Oil palm cultivation
Food			
International Food Corporation Limited (C.1-19260) *+	95.6	95.6	Manufacturer and distributor of canned fish
IFC Marketing and Distribution Limited (C.1-19261) *+	95.6	95.6	Inactive
Trading			
Malaysian Transnational Trading (MATTRA) Corporation Berhad (84962-V)	100.0	100.0	International trading house and investment holding
Mattra Premier Sdn. Bhd. (288892-P)	100.0	100.0	General trading
Pineapple Cannery of Malaysia Sdn. Bhd. (5367-U)	100.0	100.0	Inactive
Fima Instanco Sdn. Bhd. (19196-T)	100.0	100.0	Packaging of food products
Fima-Mr. Juicy Sdn. Bhd. (22947-D)	100.0	100.0	Inactive
Others			
Fima Cold Stores Sdn. Bhd. (81127-P)	-	100.0	Dissolved
Fima Fraser's Hill Sdn. Bhd. (26087-U)	60.0	60.0	Inactive

37. SUBSIDIARIES AND ACTIVITIES (CONT'D)

Name of Company	Effective Interest 2011 %	Effective Interest 2010 %	Principal Activities
Others (Cont'd)			
Fima Overseas Holdings Sdn. Bhd. (36334-P)	100.0	100.0	Inactive
Endell Pte. Ltd. (199206825E) *#	80.0	80.0	Inactive

* Subsidiaries audited by firms of chartered accountants other than Hanafiah Raslan & Mohamad
\+ Incorporated in Papua New Guinea
\# Incorporated in Singapore
^^ Incorporated in Indonesia

38. ASSOCIATES AND ACTIVITIES

(i) Details of associates are as follows:

Name of Company	Effective Interest 2011 %	Effective Interest 2010 %	Principal Activities
Marushin Canneries (Malaysia) Sdn. Bhd. (162963-U)*	38.0	38.0	Manufacturer and sale of canned fish
Giesecke & Devrient (Malaysia) Sdn. Bhd. (573030-M)*	17.9	17.9	Printing and production of bank notes

(ii) Details of associates not equity accounted are as follows:

The results of associates have not been equity accounted as the directors are of the opinion that the overall contribution from these companies are not significant to the Group's results and that to adopt equity accounting would involve undue expense and delay.

Name of Company	Effective Interest 2011 %	Effective Interest 2010 %	Principal Activities
Consolidated Pineapple Sales Sdn. Bhd. (5891-K)*	-	50.0	Dissolved
Kad Kash Sdn. Bhd. (374691-H)	23.9	23.9	Inactive

* Associates audited by firms of chartered accountants other than Hanafiah Raslan & Mohamad.

39. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 March 2011 were authorised for issue in accordance with resolution of the directors on 30 June 2011.

Supplementary Information
31 March 2011

The following analysis of realised and unrealised retained earnings of the Group and the Company is prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits and Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad ("Bursa Malaysia") Listing Requirements as issued by the Malaysian Institute of Accountants and presented in accordance with the directive issued by Bursa Malaysia.

	Group		**Company**	
	2011 RM'000	**2010 RM'000**	**2011 RM'000**	**2010 RM'000**
Total retained profits of the Company and its subsidiaries				
Realised	115,240	40,831	(128,796)	(142,101)
Unrealised	(22,101)	(20,342)	(5,938)	(5,233)
	93,139	20,489	(134,734)	(147,334)
Total share of retained earnings from associated companies				
Realised	32,736	25,163	-	-
Unrealised	(7,006)	(4,377)	-	-
	25,730	20,786	-	-
Add : Consolidation adjustments	(10,057)	6,379	-	-
Retained profits as per financial statements	108,812	47,654	(134,734)	(147,334)

The disclosure of realised and unrealised retained profits above is solely for compliance with the directive issued by the Bursa Malaysia and should not be used for any other purpose.

NO.	LOCATION	DESCRIPTION/ EXISTING USE	LATEST VALUATION/ ACQUISITION DATE	TENURE EXPIRY DATE	LAND AREA (ACRE)	BUILT-UP AREA (SQ.FT)	NBV AS AT 31/03/2011 (RM)	APPROXIMATE AGE OF BUILDINGS (YEARS)
KUMPULAN FIMA BERHAD								
1	HS(D) 1396, PTD 257 Mukim Ulu Sg. Sedili Besar Daerah Kota Tinggi Johor Darul Takzim	Agriculture / Oil Palm Plantation	02/12/2009	Leasehold expiring 17/02/2077	1,010.27	N/A	26,653,199	N/A
2	HS(D) 1397, PTD 258 Mukim Ulu Sg. Sedili Besar Daerah Kota Tinggi Johor Darul Takzim	Agriculture / Oil Palm Plantation	02/12/2009	Leasehold expiring 17/02/2077	47.88	N/A	1,263,170	N/A
3	HS(D) 1398, PTD 331 Mukim Kota Tinggi Daerah Kota Tinggi Johor Darul Takzim	Agriculture / Oil Palm Plantation	02/12/2009	Leasehold expiring 17/02/2077	18.82	N/A	496,509	N/A
4	HS(D) 2426, PTD 5230 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Oil Palm Plantation	02/12/2009	Freehold	6.50	N/A	35,812	N/A
5	HS(D) 2427, PTD 5233 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Pineapple Plantation	02/12/2009	Freehold	518.76	N/A	2,858,000	N/A
6	HS(D) 2428, PTD 5871 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Oil Palm Plantation	02/12/2009	Freehold	136.00	N/A	749,292	N/A
7	HS(D) 2429, PTD 5228 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Oil Palm Plantation	02/12/2009	Freehold	172.00	N/A	947,635	N/A
8	HS(D) 2430, PTD 5231 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Pineapple Plantation	02/12/2009	Freehold	230.12	N/A	1,267,847	N/A
9	HS(D) 2431, PTD 5229 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Oil Palm Plantation	02/12/2009	Freehold	327.14	N/A	1,802,434	N/A
10	HS(D) 2432, PTD 5232 Mukim Ayer Baloi Daerah Pontian Johor Darul Takzim	Agriculture / Pineapple Plantation	02/12/2009	Freehold	370.38	N/A	2,040,610	N/A
11	PJ Trade Centre (12 units) Menara Bata No.8, Jalan PJU 8/8A, Bandar Damansara Perdana, 47820 Petaling Jaya, Selangor *(Please see note i)*	Office Units	29/12/2009	Leasehold	N/A	41,062	13,326,507	2
	Sub Total				**2,837.87**	**41,062**	**51,441,015**	
AMGREEN GAIN SDN BHD								
1	Lot 1204, Puyut Land District, Sg Karap and Sg Kulak, Baram Miri, Sarawak *(Please see note ii)*	Mixed Zone Land/Oil Palm Plantation	18/02/2011	Provisional Lease of State Land 60 years expiring 8/12/2069	12,355.00	N/A	40,084,148	N/A
	Sub Total				**12,355.00**		**40,084,148**	

Properties of the Group (Cont'd)

NO.	LOCATION	DESCRIPTION/ EXISTING USE	LATEST VALUATION/ ACQUISITION DATE	TENURE EXPIRY DATE	LAND AREA (ACRE)	BUILT-UP AREA (SQ.FT)	NBV AS AT 31/03/2011 (RM)	APPROXIMATE AGE OF BUILDINGS (YEARS)
FIMA CORPORATION BERHAD								
1	Lot 3767 & 3768 (GN 24531 & GN 24532) Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Industrial	02/12/2009	Freehold	2.71	66,608	937,201	43
2	Lot 1176 Mukim Pasir Panjang Port Dickson Negeri Sembilan Darul Khusus	Bungalow	05/12/2009	Freehold	0.82	3,114	1,686,666	62
3	Lot 52068, GRN 50064 Mukim of Kuala Lumpur Wilayah Persekutuan	Office Building	21/04/2009	Freehold	1.45	270,372	56,655,746	13
	Sub total				**4.98**	**340,094**	**59,279,613**	
PERCETAKAN KESELAMATAN NASIONAL SDN BHD								
1	Lot 27306, Section 13 Mukim Kajang Daerah Hulu Langat Selangor	Industrial Land / Building	20/01/2010	Leasehold expiring 29/09/2086	8.30	250,560	13,637,565	24
	Sub total				**8.30**	**250,560**	**13,637,565**	
PT NUNUKAN JAYA LESTARI								
1	Hak Guna Usaha (HGU) No. 1 and Hak Guna Bangunan (HGB) No.50 Kelurahan Nunukan Barat Kabupaten & Kecamatan Nunukan Propinsi Kalimantan Timur Indonesia	Agriculture / oil palm plantation and palm oil mill	09/04/2007	Leasehold expiring 12/05/2038 (HGU) 17/03/2035 (HGB)	49,199.22	112,375	11,486,991	6
	Sub total				**49,199.22**	**112,375**	**11,486,991**	
PINEAPPLE CANNERY OF MALAYSIA SDN BHD								
1	H.S.(D) 62211, PTD 5525, Mukim Machap, Daerah Kluang Johor Darul Takzim	Agriculture / Pineapple	02/12/2009	Leasehold expiring 16/10/2038	209.89	N/A	2,100,000	N/A
2	Lot 1790, GM 1721 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Rubber Plantation	02/12/2009	Freehold	4.39	N/A	282,547	N/A
3	Lot 4552, GM 280, Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Effluent Pond	02/12/2009	Freehold	2.63	N/A	166,697	N/A
4	Lot 4554, GM 278 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Effluent Pond	02/12/2009	Freehold	2.40	N/A	155,755	N/A
5	Lot 1681, GM 4287 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Dumping Ground	02/12/2009	Freehold	2.43	N/A	205,000	N/A
6	Lot 3767, GN 24531 Lot 3768, GN 24532 Lot 3769, GN 24533 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Industrial Land / Factory & Office Buildings / Residential / Single Storey House	02/12/2009	Freehold	25.24	235,160	8,663,985	43

NO.	LOCATION	DESCRIPTION/ EXISTING USE	LATEST VALUATION/ ACQUISITION DATE	TENURE EXPIRY DATE	LAND AREA (ACRE)	BUILT-UP AREA (SQ.FT)	NBV AS AT 31/03/2011 (RM)	APPROXIMATE AGE OF BUILDINGS (YEARS)
PINEAPPLE CANNERY OF MALAYSIA SDN BHD (CONT'D)								
7	Lot 3886, GN 96493 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Orchard	02/12/2009	Freehold	10.00	N/A	2,119,032	N/A
8	Lot 3887, GN 96495 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Orchard	02/12/2009	Freehold	10.00	N/A	2,114,576	N/A
9	Lot 3890, GN 96497 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Orchard	02/12/2009	Freehold	6.46	N/A	1,388,178	N/A
10	Lot 3891, GN 96499 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Orchard	02/12/2009	Freehold	10.00	N/A	2,228,215	N/A
11	Lot 1789, GM 1720 Mukim Jeram Batu Daerah Pontian Johor Darul Takzim	Agriculture / Rubber Plantation	02/12/2009	Freehold	4.06	16,000	885,000	43
12	Lot 180, GM 136 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	02/12/2009	Freehold	7.22	42,782	453,577	38
13	Lot 181, GM 137 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	02/12/2009	Freehold	6.78	40,175	425,935	38
14	Lot 182, H.S.(D) 1976 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Industrial Land / Single Storey Factory Building	02/12/2009	Leasehold expiring 03/01/2079	1.59	9,422	48,922	38
15	Lot 183, GM 135 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	02/12/2009	Freehold	3.80	22,517	238,725	38
16	Lot 184, GM 134 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	02/12/2009	Freehold	2.73	16,532	175,274	38
17	Lot 185, GM 85 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture	02/12/2009	Freehold	3.19	N/A	92,813	N/A
18	Lot 560, GM 132 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Residential Buildings & One Hostel Block	02/12/2009	Freehold	3.34	16,310	199,141	38
19	Lot 561, GM 133 Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Two Single Storey Hostel Blocks	02/12/2009	Freehold	2.16	4,800	128,786	38
20	Lot 2945, GM 138, Mukim Api-Api Daerah Pontian Johor Darul Takzim	Agriculture / Single Storey Factory Building	02/12/2009	Freehold	2.31	13,984	145,119	38
Sub total					**320.62**	**417,682**	**22,217,277**	

Properties of the Group (Cont'd)

NO.	LOCATION	DESCRIPTION/ EXISTING USE	LATEST VALUATION/ ACQUISITION DATE	TENURE EXPIRY DATE	LAND AREA (ACRE)	BUILT-UP AREA (SQ.FT)	NBV AS AT 31/03/2011 (RM)	APPROXIMATE AGE OF BUILDINGS (YEARS)
LADANG FIMA SDN BHD								
1	HS(D) 1396, PTD 257 & HS(D) 1397, PTD 258 Mukim Ulu Sg. Sedili Besar & Mukim Kota Tinggi Daerah Kota Tinggi Johor Darul Takzim	Office & Staff/ Workers Quarters	02/12/2009	Land owned by KFima	N/A	12,376	101,469	33
Sub total						**12,376**	**101,469**	
BULKING GROUP OF COMPANIES								
1	Part of HS(D) 24616 PT 11689, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Office Building	28/12/2009	Leasehold expiring 14/07/2022	12.41	12,000	160,004	29
2	Part of HS(D) 24616 PT 11689, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Office Building	28/12/2009	Leasehold expiring 14/07/2022	14.02	7,906	7,499	22
3	Part of HS(D) 24616 PT 11689, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Office Building	28/12/2009	Leasehold expiring 14/07/2022	3.80	3,098	48,867	19
4	Plot 'A' H.S.(D) HBM.1 Town of Butterworth-Seksyen 4, Daerah Seberang Perai Utara Pulau Pinang	Office Building	11/01/2010	Leasehold expiring 30/06/2023	5.17	27,238	-	27
Sub total					**35.40**	**50,242**	**216,370**	
INTERNATIONAL FOOD CORPORATION LIMITED								
1	Portion 361 Malahang, Lae Papua New Guinea	Industrial Land / Office Building, Amenities Building & 2 Factory Buildings	21/03/2001	State Lease expiring 19/10/2093	35.65	204,999	19,252,879	16
Sub total					**35.65**	**204,999**	**19,252,879**	
FIMA FRASER'S HILL SDN BHD								
1	Lot 4509, PN 4503 Mukim Teras, Daerah Raub Pahang Darul Makmur	Agriculture	21/12/2009	Leasehold expiring 01/01/2036	130.17	N/A	1,501,340	N/A
Sub total					**130.17**		**1,501,340**	
GRAND TOTAL					**15,727.99**	**1,429,390**	**219,218,667**	

NOTES:

i. On 27 October 2010, the Company had completed the disposal of 2 units of office space.

ii. On 18 February 2011, the Company had completed the acquisition of 80% of the equity interest of Victoria Square Plantation Sdn Bhd for development of oil palm.

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

	NAME	NO. OF SHARE	%
1.	BHR ENTERPRISE SDN BHD	146,202,300	55.56
2.	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SUBUR RAHMAT SDN BHD (M&A)	4,500,000	1.71
3.	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AHMAD RIZA BIN BASIR (M&A)	3,850,000	1.46
4.	SUBUR RAHMAT SDN BHD	3,755,700	1.43
5.	MOHD NOOR BIN ISMAIL	2,500,000	0.95
6.	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR CREDIT SUISSE (SG BR-TST-ASING)	2,322,600	0.88
7.	NEOH CHOO EE & COMPANY, SDN. BERHAD	1,833,100	0.70
8.	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (STICH SHELL PEN)	1,741,800	0.66
9.	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR DIMENSIONAL EMERGING MARKETS VALUE FUND	1,508,300	0.57
10.	CHOY WEE CHIAP	1,508,300	0.57
11.	CHAN KUANG	1,460,500	0.55
12.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR OSK-UOB GROWTH AND INCOME FOCUS TRUST (4892)	1,460,000	0.55
13.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR OSK-UOB SMALL CAP OPPORTUNITY UNIT TRUST (3548)	1,300,000	0.49
14.	ECML NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOW KHIAN BENG (003)	1,031,300	0.39
15.	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR THE BANK OF NEW YORK MELLON (MELLON ACCT)	1,027,400	0.39
16.	K.B. LOH SDN BHD	857,000	0.33
17.	MAYBAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GAN TEE JIN	800,000	0.30
18.	LIM KHUAN ENG	790,000	0.30
19.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG FAAI @ NG YOKE PEI (SRB/PMS)	768,500	0.29
20.	CARTABAN NOMINEES (TEMPATAN) SDN BHD AXA AFFIN GENERAL INSURANCE BERHAD	765,000	0.29
21.	QUARRY LANE SDN BHD	750,000	0.28
22.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR BAN HOCK THIAM	709,400	0.27
23.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN TIAN SANG @ TAN TIAN SONG (E-PPG)	665,000	0.25
24.	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR OSK-UOB EMERGING OPPORTUNITY UNIT TRUST (4611)	600,000	0.23
25.	MAYBAN NOMINEES (TEMPATAN) SDN BHD JINCAN SDN BHD	592,000	0.22
26.	HLG NOMINEE (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	579,900	0.22
27.	KOAY KENG LING	500,000	0.19
28.	AIDA FUAD	500,000	0.19
29.	TEUH CHIN HENG	475,000	0.18
30.	CHAN AI WEI	475,000	0.18

LIST OF SUBSTANTIAL SHAREHOLDERS (5 % AND ABOVE)

	NAME	NO. OF SHARE	%
1.	BHR ENTERPRISE SDN BHD	146,202,300	55.56

Analysis of Shareholdings
As At 1 August 2011 (Cont'd)

ANALYSIS BY SIZE OF SHAREHOLDINGS

Holdings	No. of Holders	%	Total Holdings	%
less than 100	40	0.42	1,046	0.00
100 to 1,000	3,856	40.69	3,792,699	1.44
1,001 to 10,000	4,506	47.55	19,650,455	7.47
10,001 to 100,000	919	9.70	29,560,750	11.23
100,001 to less than 5% of issued shares	155	1.63	63,952,750	24.30
5% and above of issued shares	1	0.01	146,202,300	55.56
TOTAL	**9,477**	**100.00**	**263,160,000**	**100.00**

ANALYSIS OF OWNERSHIP OF SHAREHOLDINGS

Type of Ownership	Shareholders	%	Shareholdings	%
1. Government Agency	1	0.01	10	0.00
2. Bumiputra				
a. Individuals	1,089	11.49	6,473,940	2.46
b. Companies	31	0.33	150,380,500	57.14
c. Nominees Company	504	5.32	9,723,900	3.70
3. Non-Bumiputra				
a. Individuals	7,148	75.42	52,214,716	19.84
b. Companies	66	0.70	6,076,300	2.31
c. Nominees Company	479	5.05	24,177,190	9.19
Malaysian Total	**9,318**	**98.32**	**249,046,556**	**94.64**
4. Foreign				
a. Individuals	79	0.84	1,032,744	0.39
b. Companies	2	0.02	5,000	0.00
c. Nominees Company	78	0.82	13,075,700	4.97
Foreign Total	159	1.68	14,113,444	5.36
GRAND TOTAL	9,477	100.00	263,160,000	100.00

DIRECTORS' SHAREHOLDINGS

		Direct Holdings		Indirect Holdings	
Directors	Nationality	No.	%	No.	%
1. Tan Sri Dato' Ir. Muhammad Radzi Bin Haji Mansor	Malaysian	-	0.00	-	0.00
2. Roslan Bin Hamir	Malaysian	111,000	0.04	-	0.00
3. Azizan Bin Mohd Noor	Malaysian	-	0.00	-	0.00
4. Rozana Zeti Binti Basir	Malaysian	50,000	0.02	158,946,000	60.40
5. Dato' Rosman Bin Abdullah	Malaysian	-	0.00	-	0.00
6. Rozilawati Binti Haji Basir	Malaysian	-	0.00	158,996,000	60.42

MANUFACTURING DIVISION

1. **Percetakan Keselamatan Nasional Sdn. Bhd.**
   No.1, Jalan Chan Sow Lin
   55200 Kuala Lumpur
   Telephone : +603-9222 2511
   Facsimile : +603-9222 4401

2. **Security Printers (M) Sdn. Bhd.**
   No.1, Jalan Chan Sow Lin
   55200 Kuala Lumpur
   Telephone : +603-9222 2511
   Facsimile : +603-9222 4401

BULKING DIVISION

Website: www.fimabulking.com

1. **Fima Bulking Services Berhad**
   Jalan Parang
   2nd Extension, North Port
   42000 Pelabuhan Klang, Selangor
   Telephone : +603-3176 7211
   Facsimile : +603-3176 5641

2. **Fimachem Sdn. Bhd.**
   Lot 6579, Jalan Parang
   2nd Extension, North Port
   42000 Pelabuhan Klang, Selangor
   Telephone : +603-3176 6514
   Facsimile : +603-3176 6799

3. **Fima Liquid Bulking Sdn. Bhd.**
   Lot 11689, Jalan Siakap
   2nd Extension, North Port
   42000 Pelabuhan Klang, Selangor
   Telephone : +603-3176 7561
   Facsimile : +603-3176 6739

4. **Fima Freight Forwarders Sdn. Bhd.**
   Lot 33835, Lingkaran Sultan Mohammad 1
   Kawasan Perindustrian Bandar
   Sultan Sulaiman
   Selat Kelang Utara
   42000 Pelabuhan Klang, Selangor
   Telephone : +603-3176 2681
   Facsimile : +603-3176 2679

5. **Fima Biodiesel Sdn. Bhd.**
   Lot 11689, Jalan Parang
   2nd Extension, North Port
   42000 Pelabuhan Klang, Selangor
   Telephone : +603-3176 3373
   Facsimile : +603-3176 2601

6. **Fima Palmbulk Services Sdn. Bhd.**
   PPSB Deep Water Wharves
   P.O. Box 243
   12720 Butterworth, Pulau Pinang
   Telephone : +604-332 7019
   Facsimile : +604-331 1685

7. **Boustead Oil Bulking Sdn. Bhd.**
   PPSB Deep Water Wharves
   P.O. Box 243
   12720 Butterworth, Pulau Pinang
   Telephone : +604-332 7019
   Facsimile : +604-331 1685

Directory of Group Operation (Cont'd)

PLANTATION DIVISION

1. **Ladang Fima Sdn. Bhd.:**

   Ladang Kota Tinggi
   Batu 6, Jalan Mawai
   81900 Kota Tinggi, Johor
   Telephone : +607-883 1413
   Facsimile : +607-883 1413

   Ladang Ayer Baloi
   Jalan Parit Panjang
   82100 Ayer Baloi
   Pontian, Johor.
   Telephone : +019-612 5754
   Facsimile : +019-358 5754

2. **Victoria Square Plantation Sdn. Bhd.**
   Suite 4.1, Level 4, Block C
   Plaza Damansara
   No.45, Jalan Medan Setia 1
   Bukit Damansara
   50490 Kuala Lumpur
   Telephone : +603-2092 1211
   Facsimile : +603-2095 9302

3. **Amgreen Gain Sdn. Bhd.**
   Suite 4.1, Level 4, Block C
   Plaza Damansara
   No.45, Jalan Medan Setia 1
   Bukit Damansara
   50490 Kuala Lumpur
   Telephone : +603-2092 1211
   Facsimile : +603-2095 9302

4. **PT Nunukan Jaya Lestari**
   Sei Menggaris, Desa Tabur Lestari RT 011
   Kabupaten Nunukan 77482
   Kalimantan Timur
   Indonesia
   Telephone : 006 2 55624551
   Facsimile : 006 2 55624551

FOOD DIVISION

1. **International Food Corporation Limited**
   Portion 361, Busu Road
   Malahang, P.O. Box 1334
   Lae, Papua New Guinea
   Telephone : 00 675 4720 655
   Facsimile : 00 675 4720 607

PROPERTY DIVISION

Website: www.fimacorp.com

1. **Fima Corporation Berhad**
   Suite 4.1, Level 4
   Block C, Plaza Damansara
   No.45, Jalan Medan Setia 1
   Bukit Damansara
   50490 Kuala Lumpur
   Telephone : +603-2092 1211
   Facsimile : +603-2094 5996

2. **FCB Property Management Sdn. Bhd.**
   Suite 4.1, Level 4
   Block C, Plaza Damansara
   No.45, Jalan Medan Setia 1
   Bukit Damansara
   50490 Kuala Lumpur
   Telephone : +603-2092 1211
   Facsimile : +603-2094 5996

TRADING DIVISION

1. **Malaysian Transnational Trading (MATTRA) Corporation Berhad**
   Suite 4.1, Level 4
   Block C, Plaza Damansara
   No.45, Jalan Medan Setia 1
   Bukit Damansara
   50490 Kuala Lumpur
   Telephone : +603-2092 1211
   Facsimile : +603-2093 0041

2. **Fima Instanco Sdn. Bhd.**
   17, Jalan Opera D U2/D
   TTDI Jaya
   40000 Shah Alam, Selangor
   Telephone : +603-7847 6311
   Facsimile : +603-7847 6696

ASSOCIATED COMPANIES

1. **Marushin Canneries (Malaysia) Sdn. Bhd.**
   PLO 213, Jalan Timah Satu
   Pasir Gudang Industrial Estate
   81700 Johor Bahru, Johor
   Telephone : +607-251 4802
   Facsimile : +607-251 4798

2. **Giesecke & Devrient Malaysia Sdn. Bhd.**
   Lot 6, Off Jalan Delima 1/1
   Batu 3, 40150 Shah Alam, Selangor
   Telephone : +603-5629 2929
   Facsimile : +603-5629 2820

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Proxy Form

I/We ____

(Full Name in Capital Letters)

of ____

(Full Address)

being a Member of **KUMPULAN FIMA BERHAD** ("the Company"), do hereby appoint

____

(Full Name in Capital Letters)

of ____

(Full Address)

or failing him/her ____

(Full Name in Capital Letters)

of ____

(Full Address)

as my/our* proxy to vote for me/us* and on my/our* behalf at the Thirty Ninth (39th) Annual General Meeting of the Company to be held at the Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Wednesday, 21 September 2011 at 3.00 p.m.

Please indicate the manner in which you wish your votes should be cast with an "X" in the appropriate spaces below. Unless voting instructions are specified herein, the proxy will vote or abstain from voting as he/she thinks fit.

	RESOLUTIONS	FOR	AGAINST
1.	To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2011 and the Directors' and Auditors' Reports thereon. **- Ordinary Resolution 1**		
2.	To declare a final dividend of 7% less 25% income tax in respect of the financial year ended 31 March 2011 as recommended by the Directors. **- Ordinary Resolution 2**		
3.	To re-appoint Tan Sri Dato' Ir. Muhammad Radzi bin Haji Mansor as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting pursuant to Section 129(6) of the Companies Act, 1965. **- Ordinary Resolution 3**		
4.	To re-appoint Encik Azizan bin Mohd Noor as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting pursuant to Section 129(6) of the Companies Act, 1965. **- Ordinary Resolution 4**		
5.	To re-elect Encik Roslan bin Hamir pursuant to Article 114 of the Company's Articles of Association. **- Ordinary Resolution 5**		
6.	To re-elect Puan Rozana Zeti binti Basir pursuant to Article 114 of the Company's Articles of Association. **- Ordinary Resolution 6**		
7.	To approve the payment of Directors' fees for the ensuing financial year. **- Ordinary Resolution 7**		
8.	To re-appoint Messrs Hanafiah Raslan & Mohamad as Auditors of the Company, until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. **- Ordinary Resolution 8**		
AS SPECIAL BUSINESS:			
9.	Proposed shareholders' mandate for recurrent related party transactions of a revenue or trading nature. **- Ordinary Resolution 9**		

** Strike out whichever not applicable.*

No. of Shares held

____

Signature *(If Shareholder is a Corporation, this part should be executed under seal)*

Dated this ____________________ **day of** ____________________ **2011**

Note :

A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy may not be a Member of the Company and a Member may appoint more than two (2) proxies by specifying the proportion of his shareholding to be represented by each proxy. The instrument appointing a proxy must be completed and deposited at the registered office of the Company not less than forty eight (48) hours before the time of holding the Meeting or any adjournment thereof.

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Postage Stamp

The Company Secretaries
KUMPULAN FIMA BERHAD
(Company No. : 11817-V)
Suite 4.1, Level 4, Block C
Plaza Damansara
No. 45, Jalan Medan Setia 1, Bukit Damansara
50490 Kuala Lumpur

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KUMPULAN FIMA BERHAD
(11817-V)

Suite 4.1, Level 4, Block C, Plaza Damansara,
No. 45, Jalan Medan Setia 1, Bukit Damansara,
50490 Kuala Lumpur.
Tel: +603-2092 1211
Fax: +603-2092 5923
Email: enquiry@fima.com.my
www.fima.com.my